ENTERPRISE BUSINESS MODELS

CHAP. 7. Leadership in Innovation

1. Common Myths About Leadership

2. Characteristics of a Leader

3. Motivation, Performance, Reward Systems

4. Voice of the Customer

Simple definition of LEADERSHIP:
The action of leading a group of people or an organization: *different styles of leadership*. It's also the state or position of being a leader: *the leadership of the party*.

Definition of INNOVATION:
It's the action or process of innovating.
It's a new method, idea, product, etc.: *technological innovations designed to save energy*.

Leading innovation

While senior executives cite innovation as an important driver of growth, few of them explicitly lead and manage it. How can something be a top priority if it isn't an integrated part of a company's core processes and of the leadership's strategic agenda and –above all- behavior?

Practical Steps to advance innovation
1. Define the kind of innovation that drives growth and helps meet strategic objectives
2. Add innovation to the formal agenda at regular leadership meetings
3. Set performance metrics and targets for innovation

1. Common Myths About Leadership

5 Myths Of Leadership

When it comes to leadership there is no one size fits all. Every leader has his/her own personality, style, and approach to leading teams. That said, there are leadership truths and myths that seem to surface time and again when I talk to successful entrepreneurs and leadership gurus. Here are several that are consistently brought up and the ones often observed and experienced.

Myth 1: Leaders work smarter, not harder.

There are definitely ways to be smarter about prioritizing your tasks effectively, planning your day wisely to increase your productivity, and, as a leader, to know when and what tasks to delegate. But every single successful person I know have always worked very hard on realizing his/her dreams. Great leaders empower their teams to do more, they are very protective of their time, and they are shrewd in applying their knowledge and experience in order to move forward and avoid mistakes either they themselves or others made in the past. One could call that "working smart".

True leaders lead by example, they are first in and last ones out, they are fully invested in the vision of their ventures and, through showing their dedication, they inspire people around them to show the same kind of commitment and display the same behaviors.
Quote:
"There are no secrets to success. It is the result of preparation, hard work, and learning from failure." – Colin Powell

Myth 2: Leaders have all the answers

On the contrary, the best leaders have a clear understanding of their own limitations. They know that success is a team sport and there is no such thing as a "self-made" man. They realize that it takes a diverse team to truly innovate. They search for passionate people in diverse areas of expertise and bring them together. Great leaders listen more than they speak. They listen with the goal to understand, not the goal to answer. They hire amazing teams and solicit regular input from team members' answers.

They admit their mistakes and empower their people to execute on the company's vision through their own knowledge and initiative vs. a dictate from above. Truly amazing leaders empower others to become leaders. Their higher goal is to work themselves out of the job so that if they are not around, the organization functions just as successfully as when they are.
Quotes:
"Leaders don't create more followers, they create more leaders." – Tom Peters
"A leader is best when people barely know he exists, when his work is done, his aim fulfilled, they will say: we did it ourselves." – Lao Tzu

Myth 3: Great leaders are always in the spotlight.

It is true that if you are a leader of the company there is an expectation that you will also be a company's spokesperson. But leadership comes in many forms. You don't have to be on the organization's executive team to be a leader. True leaders (whether they are at the helm or not) are humble. They don't much care about the spotlight. They care about the results.
And that comes from focus. Some of the greatest leaders of our time were simple

men who shied away from limelight and yet have transformed industries and took their companies to new heights.

Quotes:
"I never stopped trying to become qualified for the job." Darwin E. Smith
"You can accomplish anything in life, provided that you do not mind who gets the credit." – Harry S. Truman
"It's alright to be Goliath but always act like David." – Philip Knight

Myth 4: Leaders are always "on"

Even though great leaders work hard, they realize that they need the space to create.
"'Restore connection' is not just for devices," cautions Arianna Huffington.
"It is for people too. If we cannot disconnect, we cannot lead." Leaders like Steve Jobs and Bill Gates were known to go away for extended periods of time to reconnect with themselves, their vision, and their ideas. Leaders need to find that place of wisdom, strength, and real connection (with themselves and others) and they need to lead from that place.be able to strategize, to think, to Smart leaders also build the culture of creativity through encouraging their employees to take time to reflect.
"Creating the culture of burnout is opposite to creating a culture of sustainable creativity," says Arianna Huffington. "This is something that needs to be taught in business schools.
This mentality needs to be introduced as a leadership and performance enhancing tool."

Myth 5: Great leaders are born, not made

"Leaders aren't born, they are made. And they are made just like anything else, through hard work. And that's the price we'll have to pay to achieve that goal, or any goal." – Vince Lombardi
"The most dangerous leadership myth is that leaders are born – that there is a genetic factor to leadership. This myth asserts that people simply either have certain charismatic qualities or not. That's nonsense; in fact, the opposite is true. Leaders are made rather than born." – Warren G. Bennis
Anyone can excel at anything if they truly put their mind to it.
Leadership is a skill, not a genetic disposition. Enough said. What other myths of leadership have you encountered? Would love to hear your thoughts and experiences.
2. Characteristics of a Leader

10 Impressive Characteristics Great Leaders Have

Great leaders come in all shapes and sizes, and they certainly aren't limited to a particular industry or to Fortune 500 companies. A great leader can be anyone from a politician to the owner of a small cafe. However, despite the vast differences in professions and backgrounds, there are certain things that all great leaders have in common. The question is, do you see any of these qualities in yourself?

Honesty
The foundation of any relationship, both personal and professional, is honesty. People want to work for a leader they can trust−a leader that has morals, values, and integrity. They want to work for a company that offers a great product or service they can believe in, and that has an honorable reputation.

Communication
Without clear communication, your employees won't understand your mission, goals, and vision. Employees want to work toward something they believe in, so it's important they understand that they are working toward the same goals you are.

Confidence
When things go wrong, employees look to you for the answers and judge the situation based upon your reaction. Even if the company is experiencing a major downturn, it's important to always be confident, calm, and set a good example. If you aren't confident with the organization in a situation, then be confident in your own leadership skills.

Inspiration
Whether you're starting a new business, or you're leading a team in a business that's already been established, it's important to get employees invested in the vision and future of the company. You must be inspired and invested in the company in order to inspire others, like Larry Page and Sergey Brin, the founders of Google. The product of their own inspiration has inspired millions of others across the world, and has significantly impacted the world we live in today.

Positivity
Regardless of the situation, always stay positive. Positivity isessential to productivity, employee happiness, and work environment. When mistakes are made- even if they are serious, it's important to look at the bright side of things.

Delegation
If there is a highly-important project, it can be difficult to trust employees without micromanaging. Trusting them to do their best possible work is a sign of strength in your leadership, and will encourage them to live up to your expectations.

Commitment
Nothing shows commitment and humility like getting your hands dirty with the rest of the workers. Showing your commitment sets the example for others to follow, and leads to greater loyalty and respect for you as a leader.

Humor
Although not a requirement, a sense of humor goes a long way in leadership. It helps create a positive work environment and enhances the feeling of camaraderie. Warren Buffett, for example, once said, "I buy expensive suits. They just look cheap on me."

Creativity
Some decisions have to be made quickly, and catch us by surprise.In times like these, it's up to you to think outside the box to find a solution. Your team will be looking to you in these situations for guidance, so a quick decision must also be a good decision.

Intuition
Sometimes we are presented with situations that aren't in the textbooks, and for which you might not be prepared as a leader. The first decision isn't always the best one, and taking your time to come up with a unique solution can be in the best interest of your workers and organization.

3. Motivation, Performance, Reward Systems

What motivates people to perform well and get rewards for their work?
Choices
An obvious place to start is the choices individuals have made for themselves to

begin with. If those initial decisions have been based on beliefs that do not match with the individual's true dreams and passions (perhaps the beliefs belong instead to parents, teachers, bosses, friends, university tutors or society) then any form of motivation they do find will be temporary and unsustainable. They will sense within themselves a constant battle between what they really want, and what they are actually choosing. This kind of internal conflict can generate negative stress to such an extent that overwork and/or boredom set in – both of which result in the person withdrawing from or sabotaging their efforts to reach a goal.

Motivation status, financials, recognition, achievement
When it comes to the work environment, there are two useful theories on motivation and performance. The first is that we work for at least one of four main reasons (rewards):
- Financial return (work to eat and live);
- Social interaction (a sense of belonging, "I would leave but I really like the people");
- The recognition factor (identify, position, business cards, a place to go each day etc.);
- Achievement orientation – the reward of setting goals and reaching them.

The idea is that for each of us, one of these motives is a higher priority than the others at any one time, but as non-work areas of our life change, so does our leading work priority. (This may be why staff who have been around for certain periods of time suddenly up and leave.)
Motivation intrinsic vs extrinsic

The second is that internally generated motivation is durable, longer lasting and more stable than externally generated drive. People motivated by external factors such as public recognition and money (to name a few) may be more susceptible to disillusionment when they are not receiving regular doses of these rewards. They are also less likely to feel that they have any influence or control over what is happening in their environment – which in its negative form can lead to blaming, pessimistic attitudes and low productivity levels.

The employee who feels that goals and rewards can be reached through the application of their own skills, ideas and contributions and who is motivated by internal concepts such as personal success, producing quality work etc. is more likely to perform well for longer periods of time.

"US researchers have shown that people for whom extrinsic goals such as fame fortune and glamour are a priority in life tend to experience more anxiety and depression and lower overall wellbeing than people oriented towards intrinsic goals of close relationships, self acceptance and contributing to the community. (Richard Eckersely, "It's the Weltanschauung Stupid!" SMH "Spectrum" 05.08.00).

Reward Systems
Reward systems that recognise both team contribution (because it is important to the business) and the specific motivational needs of individual team members will be more successful than a 'one size fits all' approach to rewarding staff.

This may mean dividing rewards into four different categories – each corresponding to one of the four categories listed above. And, encouraging internally generated motivation in staff will provide a long-term solution to the issues of job satisfaction, retention and maintaining high productivity levels.

Any organisation with a structured performance management system can incorporate these concepts into their current system. Taking an extra 20 minutes to review the individual's goals, needs and wants outside their work role will enlighten any manager as to what lies beneath their motivated or unmotivated team members. That will in turn provide a stronger base for either continuing to motivate individual's based on their reasons for working, or finding new ways to encourage staff members who may have lost their original passion for the work they are doing.

4. Voice of the Customer

There are so many questions that customers ask and all we have to do is listen, analyse them and get timely answers so as not to upset the customers.

Some of the questions (and perceptions) are in the picture below:

"You assume that we know more than we do."

"There is too much detail in the documents. It's hard to find what I actually need."

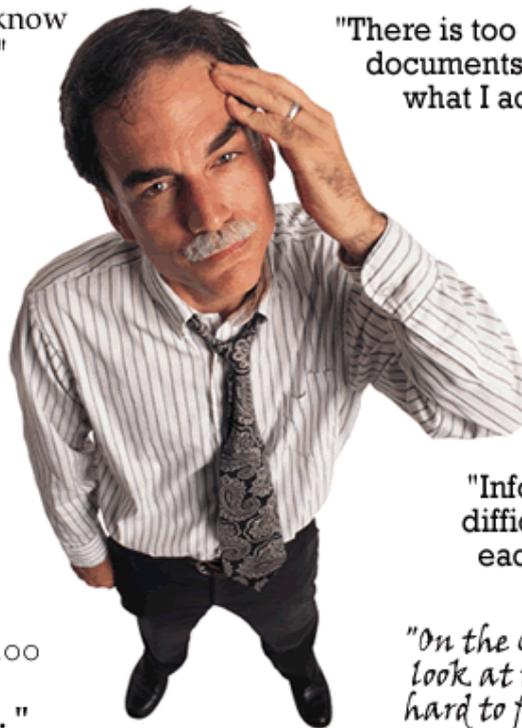"The documents don't go into enough detail."

"The illustrations sometimes do not reflect what is actually out there."

"We need to access documents from the web, or we may never see the updates quickly enough."

"Information is too difficult to locate in each document."

"Documents are too difficult for field personnel."

"On the CD, when you look at the Index, it's hard to find what you need."

End of Chapter 7