

### Fomenting Innovation

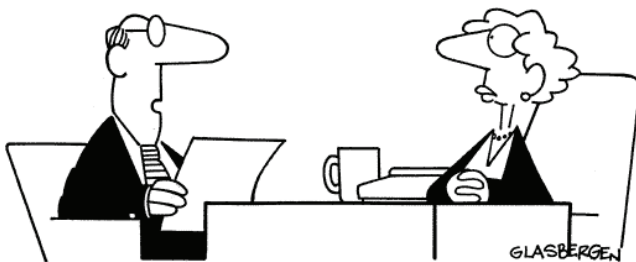
*"As our business grows, it becomes increasingly necessary to delegate responsibility and to encourage men and women to exercise their initiative. This requires considerable tolerance. Those men and women to whom we delegate authority and responsibility, if they are good people, are going to want to do their jobs in their own way."*

*"Mistakes will be made. But if a person is essentially right, the mistakes he or she makes are not as serious in the long run as the mistakes management will make if it undertakes to tell those in authority exactly how they must do their jobs. Management that is destructively critical when mistakes are made kills initiative. And it's essential that we have many people with initiative if we are to continue to grow."*

~ ~ ~ ~ ~

What a fresh and innovative management philosophy! This could be a quote from the newest management best-seller or one of the countless professors that pontificate in one of the many business periodicals popular today. It could be from one of these current business gurus, but it's not. The person quoted, said this in 1948 near the end of a career that began in 1907 as an assistant bookkeeper. It represents the ideals that formed a culture that has given rise to over 50,000 innovative products. Products like Scotch brand tape and Post-it brand notes.

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**"My team is having trouble thinking outside the box. We can't agree on the size of the box, what materials the box should be constructed from, a reasonable budget for the box, or our first choice of box vendors."**

It is the foundational management philosophy of President and (later) Chairman of the Board of Minnesota Mining and Manufacturing Company; William L. McKnight . (the quote can be seen on 3M's web site; [www.3m.com](http://www.3m.com)).

Given that Mr. McKnight's philosophy has withstood the test of time, it is a rich source from which to learn. We will explore the main points of his philosophy and examine the foundational behaviors that today's business owner/leader must employ to evoke the kind of grass roots innovation that has lead to 3M's success over the past century.

#### A New Job Description?

Most business leaders have achieved their success by being very good at producing results, personally. In fact, most of the clients we work with find themselves at a point in their career where they have reached the limit of their capacity to produce personally and are looking to shift their emphasis to empowering the people around them to produce results. This is a fundamental shift in the nature of the job, and one that is difficult to make, because, not only does it require a completely different skill set, it requires a whole shift in perspective as to the purpose of the job.

This shift is difficult for anyone, for the advancing manager within a large organization and for the entrepreneur that has grown his or her business to the point where it has exceeded their personal ability to continue the growth. Their personal ability to take charge, make decisions, and work with customers can be counterproductive to encouraging others to take on those functions. Letting go of control and allowing others to pick up the reigns can feel very risky; so risky in fact that many back away from it. Anyone who has made this shift has faced the question; **Are you willing to risk who you are (and what you have attained) for what you could be-**

come?

Now that we have this question in front of you we can continue to examine the lessons to be learned from Mr. McKnight.

***“to encourage men and women to exercise their initiative.”***

McKnight points us to one of the first jobs of a leader, to encourage... to

**Although more than 75% of CEOs say their people generate a sufficient amount of worthwhile ideas, 65% say that *the vast majority of those ideas are not implemented/commercialized.***

*Accenture Survey of Chief Executive Readers*

help people increase their courage. People must act with courage, meaning that they feel fear and are not stopped by it. In order for people to act with courage, they must be advancing a commitment that is more compelling than their fear. Leadership engenders in people a commitment to the organizations' purpose. People only generate this level of compelling commitment when the purpose links to their own purpose or goals. Since most people in our society haven't taken the time to think about a personal purpose, we tend to work toward more superficial goals. Really effective leaders cause people to stop and examine their lives, to consider what purpose they really want to advance as their life's work, then links this personal purpose to that of the organization.

***Creating innovative products and services that respond to customer needs ... that help make our world better.***

How would you like to spend your life's work; *making innovative products that help make our world better* or... *creating shareholder value*? If you as a leader can focus people on a noble cause like making the world a better place they will tend to act with much greater courage and “exercise their initiative”.

You may be thinking that you are not really on that kind of a noble mission... or that you personally have a sense of mission, but talking to your people in a way that evokes that kind of commitment from them seems daunting. **Declaring a personal purpose to the people in your world takes courage.**

***“Mistakes will be made. But... the mis-***

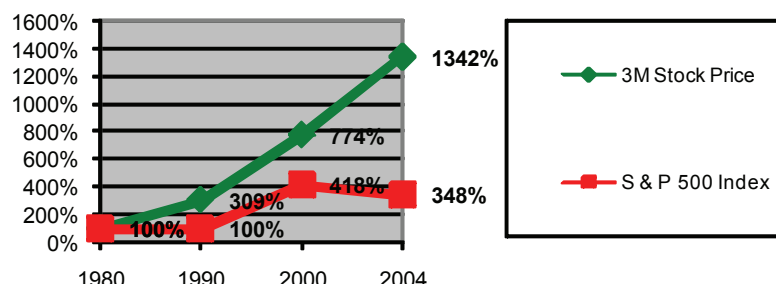
***takes he or she makes are not as serious in the long run as the mistakes management will make if it undertakes to tell those in authority exactly how they must do their jobs.”***

Perhaps an even more difficult aspect of McKnight's philosophy is outlined above. He quite eloquently shows us that if we are unwilling to allow people to experiment and make mistakes, we risk stifling their initiative and killing off innovation. This makes perfect sense on an intellectual level, but when faced with this choice in the real world, it may present quite a conundrum. Most of us are running organizations that have achieved a level of success and profitability. Allowing mistakes to be made can, at least in the short term, reduce that profitability.

We are not suggesting that sitting on the side lines and watching as poor decisions are made is the appropriate course of action. The challenge is creating a **coaching** relationship within the team, where you are not looking solely to minimize risk, but to contribute your knowledge, experience and expertise to their choices. This shift in your focus is one element of a coaching relationship, the other is having them open-up to your input, actually to have them ask for your input, because they see you as being committed to their success and your perspective as valuable. Care must be taken, however, that your input expands their capacity rather than enables their dependency on you. Making decisions for them is not coaching and will thwart their development.

***...it's essential that we have many people with initiative if we are to continue to grow.”***

Courage and compassion are the tools for creating a 21st century organization. Courage to lead people toward greatness, and the compassion to support them, ruthlessly, toward their own success.



**William McKnight's long-term approach to an innovation based culture has stood the test of time.**

# Insight to Action

Take a few minutes and use this inquiry to turn your ideas and insights into an executable set of actions.

Experimentation is endorsed and championed as a way of doing business.

Seldom \_\_\_ Occasionally \_\_\_ Frequently \_\_\_ Consistently \_\_\_

Actions I could take to expand my effectiveness:

Mistakes are viewed as positive growth opportunities.

Seldom \_\_\_ Occasionally \_\_\_ Frequently \_\_\_ Consistently \_\_\_

Actions I could take to expand my effectiveness:

People are rewarded for *implementing* new methods/processes product.

Seldom \_\_\_ Occasionally \_\_\_ Frequently \_\_\_ Consistently \_\_\_

Actions I could take to expand my effectiveness:

# EXTRA

## CHANGE LEADERSHIP TRANSFORMS ORGANIZATION...

### Personal Mastery

Programs deliver change management services; supporting the development of cultures that foster creativity, openness, and accountability.

Concentrating support in behavioral health and human services organizations, PMP has partnered with some of the most innovative organizations nationally, both large and small, to implement change initiatives:

- Adopting Evidence-Based Practices
- Implementing Electronic Health Records,
- Ushering in the Recovery Model
- Increasing productivity
- Integrating Behavioral and Primary care

PMP's approach to change management is based on a "personal growth model": An organization, by nature, is a group of people organized to fulfill a common purpose. Therefore any effort to expand an organization's capabilities must focus on personal growth for each individual.

**PMP promises sustainable value** to each individual in client organizations. The

*"PMP has served as a leadership consultant, trainer, and coach for me and members of my executive cabinet and senior leadership team. In my nearly 30 years of executive leadership I have encountered scores of management consultants, though none in PMP's league. They are very smart, insightful, and truly committed to the success of their customer. I have found their work to be of enormous benefit to both the organization and to me personally."*

**David Guth, CEO,  
Centersone of America**

PMP Change-Leadership programs are comprehensive in nature, combining three distinct disciplines:

**Breakthrough Workshop**

**Personal Coaching**

**e-learning**



**If you are faced with the daunting task of reducing costs, increasing productivity, improving quality of service; while keeping staff motivated and included, we can help. Call or write Brad Zimmerman; (248)647-9290 [bzimmerman@pmpcoach.com](mailto:bzimmerman@pmpcoach.com).**

*"Projects with specific outcomes that impact the bottom line build the business case for engaging PMP. All of us have hired consultants that got everyone excited and then we went back to the office and fell back into the same old patterns. The involvement of Brad since the retreat truly holds us accountable to change.*

*If you find yourself in a situation similar to ours and are truly committed to change, engage PMP. I highly recommend them, but only, if you are committed to break through thinking and operating."*

**Marn G. Myers, President & CEO  
The Judson Center**

**Executive Coaching / Leadership Development / Change Management**



### Personal Mastery Programs

*Transforming Organizations Through Personal Growth*

**[www.pmpcoach.com](http://www.pmpcoach.com)**

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