10

LEADING INNOVATIVE TEAMS

We now turn to a key question for all managers or team leaders: Do you have what it takes to create an innovative team? Most managers spend little time thinking about this question because they're too busy playing to their strengths and focusing full attention on execution: delivering results through the current strategy, business model, processes, and product mix. In the short run, this may work, but in the long run, it will not differentiate you or your company. An organization's most valued leaders are those who lead innovative teams—teams that generate and implement valuable new product, process, and strategy ideas.

So what are the characteristics of leaders—and teams—who excel at innovating? Research by Jeff Dyer, Hal Gregersen, and Clayton Christensen, some of it published in *The Innovator's DNA*, suggests that innovative teams typically have these qualities:[1]

- A leader with strong innovation skills who leads by example (contributes directly to innovation) and creates a safe space for others to shine instead of dominating them
- Team members who possess a complementary mix of innovation and execution skills, as well as complementary expertise in multiple functions and knowledge domains
- Team processes that explicitly encourage, support, and even require team members to engage in questioning, observing, networking, experimenting, and associational thinking as

they hunt for creative solutions to problems (these are the skills of innovators as identified by the research)

When a team has all of these qualities, it has the capacity to become an innovation lighthouse for an organization. To realize this role, though, requires a leader fully capable of leading an innovative team.

Who Are You as a Leader?

As a first step to leading an innovative team, team leaders (usually the manager, although some teams are led not by a formal manager but by a designated team leader for a particular project) must take a look at those who report to them (if you are a manager), their peers, and their manager. The leader might ask questions of the team like these: How would they describe me as a leader? Would they describe me as innovative? How creative do they feel in my presence? Do I build a team culture that lets others' innovation lights glow, or do I snuff them out? Answering these questions requires that you look hard at yourself and ask another question: Where do I typically spend my time at work?

When we ask executives this final question, we suggest that they divide their core tasks into two categories: discovery activities and execution activities. Discovery focuses on innovation and includes spending time actively engaged in questioning, observing, networking, and experimenting in search of innovative ideas to change or improve products, services, or processes. Execution is all about delivering results, analyzing, planning, executing, and implementing strategies.

Team leaders need to look at their calendars for a typical workweek and ask: "What percentage of my time do I personally spend on discovery versus execution activities? Is innovation a priority for me and my team?" Table 10.1 will help them

Table 10.1 How Do You Spend Your Time at Work?

Leadership Task	*Today*	*Tomorrow*	*Gap*
Discovery			
Execution			
Total	100%	100%	

figure this out. Leaders should make their best guess about what percentage of time they currently spend on discovery and innovation and put this in the "Today" column. Then they should record their best judgment about where they think they should spend their time (the "Tomorrow" column), given the team's purpose and the company's strategy. Third, they should calculate the difference between "Today" and "Tomorrow" for each category, and add that to the "Gap" column.

Now they should focus on the gap calculated for discovery time. Is it negative, positive, or neutral? If the gap is zero, they're spending the time and energy that they think they should on discovery. However, if they calculated a negative gap, this reflects a need to spend more time on discovery activities to improve their ability to become a discovery-driven leader. According to some of our research, CEO founders of innovative companies spent roughly 33 percent of their typical week on discovery activities as compared with about 15 percent for a typical CEO. So leaders who aren't spending a large percentage of their time on discovery probably aren't leading a very innovative team.

Develop Your Discovery Skills

After reflecting on where the leader typically spends his or her time (discovery versus execution, in particular), it's time to get a more refined, specific sense of the leader's innovation skills. Dyer, Gregersen, and Christensen's long-term research project

on business innovators suggests that particular skills separate business innovators like Jeff Bezos (Amazon.com), the late Steve Jobs, and Marc Benioff of Salesforce.com from ordinary managers. They refer to these as the five skills of disruptive innovators and describe them as follows:

1. *Questioning* allows innovators to challenge the status quo and consider new possibilities.
2. *Observing* helps innovators detect small details in the activities of customers, suppliers, and other companies that suggest new ways of doing things.
3. *Networking* permits innovators to gain radically different perspectives by talking to individuals with diverse backgrounds.
4. *Experimenting* prompts innovators to try out new experiences, take things apart, and test new ideas through pilots and prototypes.
5. *Associational thinking* is a cognitive skill of finding connections among questions, problems, or ideas from unrelated fields. It is triggered by new information brought in through questioning, observing, networking, and experimenting and is the catalyst for creative ideas.[2]

Team leaders should ask themselves, To what extent do I question the status quo, engage in observations of customers or companies for new insights, network far and wide with diverse people to spark new ideas and get different perspectives, and experiment by learning new skills, taking apart products or processes, or launching a pilot or creating a prototype? If leaders find that they aren't engaged in these behaviors frequently, they probably aren't triggering lots of new creative ideas for the problems that face their teams.

After assessing the leader's strengths and weaknesses on these discovery skills, the next step is to find a specific, current

innovation challenge or opportunity so that the leader can practice these skills with the team. This challenge might be creating a new product or service, reducing employee turnover, or coming up with new processes that reduce costs by 5 percent in the business unit. With this innovation challenge clearly in mind, the leader and the team together develop a plan to practice some of the discovery skills as the team searches for creative solutions.

We propose working on questioning skills first, since innovation often starts with a compelling question and innovative teams have a culture that supports questioning. The leader, perhaps with the team, should write down at least twenty-five questions about the team's innovation challenge. This will help them identify the key questions that need to be addressed in the search for a creative solution. It will also help create a safe space for others on the team to ask questions. The team should identify the top three to five questions that need to be answered in order to come up with a creative solution to its challenge.

After setting out the key questions to answer, identify some ways that the team could generate ideas that might be relevant to its innovation challenge. For example, identify some observations the team could do—of customers, end users within the company or other companies—that might provide useful insights. Identify some individuals the team should talk to about its innovation challenge to get their perspective. Finally, have the team run an experiment (e.g., create a prototype) to answer some of those key questions. Try to devise some experiments that might answer "what if" questions about the team's innovation challenge. The team leader (or team consultant) should involve the team as much as possible in observing, networking, or experimenting as it searches for a solution to its challenge. Finally, the team leader, both with and without the team, should engage in frequent brainstorming sessions to practice associational thinking—with the hope of producing an innovative solution.

The team and team leader should then repeat the process again and again and again. Improving discovery skills requires building new habits, which takes time, practice, and self-discipline. So start with realistic expectations and allocate time to improving team discovery skills. This sends an important signal to the team about the importance of innovation. Innovative leaders are often very conscious that they set the example by modeling behavior for others. A. G. Lafley, former chairman and CEO of Procter & Gamble, recognized the need to be an innovative leader. "Lafley always gets out in market places and wants consumer interactions," says Gil Cloyd, a member of his top management team and former chief technology officer. "He's genuinely curious about it. This becomes important because it's not just role modeling of something you'd like, but it's an infectious curiosity to discover how we can provide an ever more delightful experience for our consumers, improving lives in yet another way."

By simply watching Lafley's everyday actions and noticing how much time he personally spent generating new ideas, his team (and organization) "got it" about innovation. Lafley also showed that innovation is not an individual game but a powerful team effort. "You remember the times when nobody knew what to do and you came through with something that people didn't think you could come through with or when you create something that people didn't think could be created," he observed. "When this happens in our company, it's never one person. It's always a group . . . Getting everybody in the same boat, rolling in the same direction, that is really what's fun. Especially when you win."

Create a Safe Space for Others to Innovate

Having the team leader know his or her own personal skill set and leading by example lays the foundation for what is arguably the most difficult part of leading innovative teams:

creating a safe, encouraging space for others to innovate. Researchers call this creating "psychological safety," a condition where team members are willing to express opinions, acknowledge mistakes, and have confidence that they can engage in risky, learning-related behaviors without punishment.[3] Leaders of innovative teams possess a rare talent: they establish a sense of psychological safety so that people feel empowered to produce insights with impact. "If you foster an environment where people's ideas can be heard," says AZUL and JetBlue founder David Neeleman, "things naturally come up." When people feel safe enough to generate and share new ideas, they also feel compelled enough to translate those ideas into action.

Leaders who create a safe space for others to innovate begin by inspiring team members to show the courage to innovate by asking for game-changing ideas. Just ask! Asking people to be creative legitimizes the generation of original—even wild and crazy—ideas. We've seen this firsthand when watching graduate student teams come up with solutions to a business problem facing a company. In most cases, the only way to cultivate more innovative solutions is to give the assignment and say: "Be creative in your solution. I'm looking for something innovative." We get far more innovative solutions when we ask for them than when we don't.

Second, creating a team culture that encourages questions can make a big difference in establishing psychological safety. At Southwest Airlines, Herb Kelleher created an innovation safe space by soliciting challenging questions from direct reports and others. "I just watch, I listen," he says. "And I want them to ask me tough questions." Another senior executive who successfully led innovative teams worked to create a culture to encourage "everybody to ask why" from the top down. He's found it easier sometimes to elicit such questions from young people because "veterans stop using their minds; they've moved into this execution mode and they stop asking questions." So he strives to

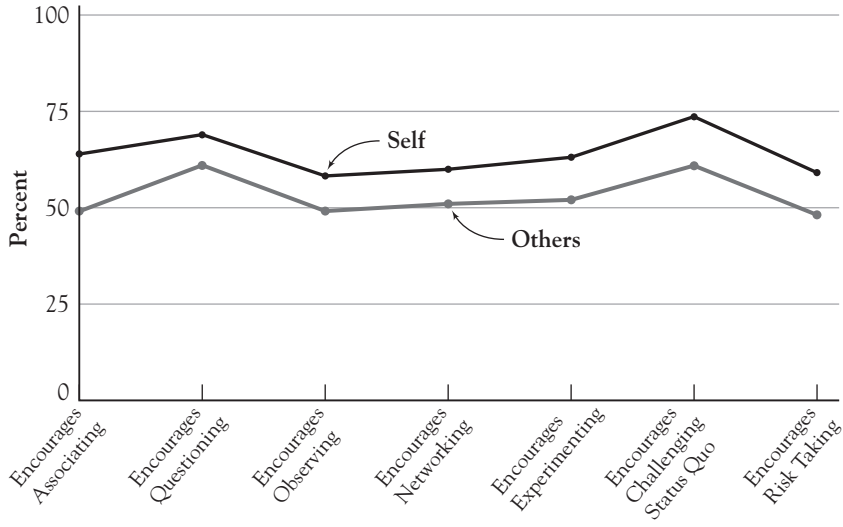
encourage both newcomers and seasoned employees to ask tough questions.

Third, encouraging and supporting team members to engage not only in questioning but also in observing, networking, and experimenting activities helps establish psychological safety. This means not only giving team members time to engage in those activities but applauding what they learn by doing so. Building psychological safety happens interaction by interaction, moment by moment, one-on-one as well as with the entire team. Leaders should ask themselves honestly whether they applaud and support others' innovative behaviors or whether they shut down their innovative actions through disinterest, lack of support (not giving them time to think about doing things in a new way), or even criticism ("Why did you spend your time doing *that*?"). Research shows that out of sixty new product ideas that are generated, only about one or two of them will eventually get to market. Because failure is a common experience of teams that are trying to innovate, the leader must continually encourage, challenge, and support those who try new ideas, even when they are not successful. Of course, the leader needs to help team members understand when the failure is a "smart failure"—the team did the best it could under the circumstances and learned a lot from the experience—versus "dumb failures" where team members failed to do their homework or properly collaborate.

Unfortunately, many leaders think they create an environment that encourages others to engage their discovery skills, but in reality coworkers don't see it that way. On average, according to the research by Dyer, Gregersen, and Christsensen, team leaders thought they were significantly better at encouraging discovery activities than their managers, peers, or direct reports did. (See figure 10.1.)

These data suggest that most leaders show room for improvement in creating a more supportive innovation space. The findings are similar to research that shows that over 90 percent

Figure 10.1 Leading Innovation: Perceptions of Leaders Versus Others



of males in the United States think they are in the top 50 percent in athletic ability. We often judge ourselves as doing better than we really are.

Occasionally we run across managers who personally excel at being innovative but can't lead an innovative team. At the core, the problem is that they don't value others' innovative skills and outputs as much as they do their own. These managers like to see their own innovative ideas come to fruition more than they like to see others' ideas get traction and succeed. This challenge for leaders is not uncommon. In fact, Dan Ariely's research in *The Upside of Irrationality* shows a simple cognitive bias that we all have.[4] Ideas that are "not invented here" are always suspect because people tend to discount or ignore evidence from sources they don't know or trust. This is especially true if the idea contradicts an existing belief or something they already favor. This creates a real leadership challenge that requires biting our tongues and genuinely trying to welcome new ideas from new quarters.

In our work with executives around the world, we often ask large groups, "Do you get as excited about others' ideas and achievements as you do about your own?" More often than not, about half of the hands go up in the room. Then we ask a tougher version of the question: "Do you get more excited about others' ideas and achievements than you do about your own?" Far fewer hands go up in answer to this question. Yet enthusiasm for others' ideas remains a fundamental condition for our teams to feel safe in our presence. "One of the best things we can do for creative men and women," said John Gardner, one of the most influential leadership thinkers of the twentieth century, "is to stand out of their light." Leaders of innovative teams not only value others' ideas as much as their own, but they work to create a safe, trusted environment where others' ideas flourish.

Build a Team with Complementary Skills and Expertise

Innovative teams work best when their members have complementary skills in two areas. First, the team needs complementary innovation and execution skills to generate novel ideas as well as implement them. Second, it helps immeasurably if team membership reflects a complementary set of functional skills—that is, different types of expertise. Innovation design firm IDEO's substantial experience designing innovative teams recommends the importance of complementary expertise among members in understanding human factors (the desirability of an innovative idea), technical factors (the technical feasibility of an innovative idea), and business factors (the business viability and profitability of an innovative idea).

Complementary Innovation and Execution Skills

Effective leaders of innovative teams not only understand their personal strengths and weaknesses with regard to innovation and

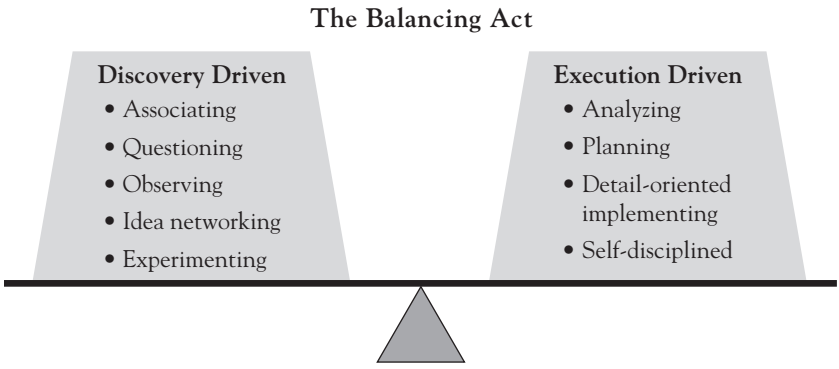
execution, but they also strategically balance their own weaknesses with other people's strengths. For example, during the highly successful run at Dell Computer from 1990 to 2005, Michael Dell engaged in a frequent tug of war between discovery and delivery with Kevin Rollins, president of the company at that time. Dell recalled:

> Kevin gave me a toy bulldozer driven by a little girl with a huge smile on her face. Sometimes I'll get really excited about an idea and I'll just start driving it. Kevin put the bulldozer on my desk, and it's a signal to me to say, "Wait a second, I need to push it a little more and think through it for some others and kind of slow down on this great idea that I'm working on." I gave Kevin a Curious George stuffed animal. The Curious George is for Kevin to ask questions, to be a little more inquisitive. We don't use them that much, but they're subtle little jokes between us.

Similarly, Pierre Omidyar, cofounder of eBay, was aware that he was strong at discovery but weak at execution. Identifying this need for stronger execution skills on his team, he invited Jeff Skoll, a Stanford MBA, to join him. "Jeff Skoll and I had very complementary skills," Omidyar told us. "I'd say I did more of the creative work developing the product and solving problems around the product while Jeff was involved in the more analytical and practical side of things. He was the one who would listen to an idea of mine and then say, 'Okay, let's figure out how to get this done.'" Omidyar grasped the power of complementary skills when building a top management team at eBay.

The message from these stories is that teams that innovate successfully need both the ability to generate novel ideas and execute on those ideas. Smart leaders know this and consciously think about team composition, making sure the team is balanced enough in terms of discovery and delivery skills. Figure 10.2 shows discovery and delivery skills temporarily in balance on a team. But sometimes discovery skills should weigh more heavily

Figure 10.2 Balancing Innovation and Execution Skills in a Team or Company



on a team or throughout an organization, particularly during the founding stage of an organization or if the team is charged with product development or other business development tasks. At other times, delivery skills are relatively more important and should be given greater weight on the team, typically during the growth or mature stage of a business or in functional areas related to operations and finance. The key is knowing who has what skills and then figuring out how to combine those complementary strengths within a team to generate great ideas that have positive impact.

Complementary Human, Technical, and Business Expertise

Making sure that innovative teams possess complementary innovation and execution skills matters, but we learned that making teams multidisciplinary—with individuals who have deep expertise in different disciplines—matters even more when it comes to innovation. To illustrate this idea, consider how IDEO, the hottest innovation design firm in the world (it has won twice as many Industrial Design Excellence Awards as any other firm) staffs innovation design teams.

In general, IDEO tries to create multidisciplinary teams with individuals who are "T" shaped in terms of expertise: deep in at least one area of expertise with shallow expertise in multiple knowledge domains. The deep area of expertise often falls in one of three domains that they call "human factors," "technical factors," or "business factors." First, they like to have a human factors expert on a product or service design team—someone with a background in one of the behavioral sciences like cognitive psychology or anthropology. This person's role is to provide insight into the desirability of a new product or service from the user's perspective. The human factors person orchestrates in-depth observations of customers to understand customers' latent needs and wants and to acquire deep user empathy. For example, when designing a product or service for people in wheelchairs, the human factors person might make sure that folks on the team spend a day a week in a wheelchair, experiencing the world as someone confined to a wheelchair. By gaining insight and empathy into the user experience, the human factors person brings insight into the desirability of an innovative new design. This perspective is particularly important in early stages of designing a new product or service.

The technical factors person brings deep expertise in various technologies that the team might employ in the design of a new product or service. This person likely has an engineering or science background. This expertise is important for the team to understand what technologies are feasible for use in a particular new product or service design. Technical expertise is particularly critical after the user's needs have been clearly identified (the "job to be done") and the team is searching for and deciding which technologies might provide the optimal solution.

Finally, the business factors person brings the business expertise necessary to figure out whether an innovative new product or service design will prove viable in the market. This person likely has a business background, such as a master's degree in business administration with expertise in operations, marketing,

or finance. Naturally this expertise becomes critical in the later stages of the innovation process, when a team must figure out the optimal way to manufacture, distribute, promote, and price the product for profitability.

Effective innovation teams at IDEO possess the necessary complementary expertise to figure out how to create a product or service that is desirable, feasible, and viable. This requires multifunctional expertise within the innovation team. Most organizations attack problems within functional silos, which means those on the team bring limited perspectives to the problem. Teams are much more likely to generate innovative solutions to problems when those on the team are diverse in background, expertise, and perspective.

Use Team Processes That Encourage Innovation

The final piece of the team innovation puzzle is having team processes that encourage—even require—team members to question, observe, network, and experiment in search of new ideas. *The Innovator's DNA* research on successful innovators shows that they engage in those four behaviors much more than noninnovators do.[5] Not surprisingly, the same is true for innovative teams. Beyond diverse team composition, IDEO founder David Kelley attributes IDEO's success at innovating to its team processes. "We're experts on the process of how you design stuff," he says. "We don't care if you give us a toothbrush, a tractor, a space shuttle, a chair; we want to figure out how to innovate by applying our process."[6]

So what team processes does IDEO rely on to innovate? Not surprisingly, IDEO teams start with a questioning process, move to observing and networking processes to gather data about their initial questions, and conclude with an experimenting process where innovative ideas emerge and evolve through rapid prototyping. These processes stood out in the now famous *Dateline TV* episode that shows an IDEO team that is redesigning a shopping

cart.[7] Today IDEO takes the same approach in its quest for more innovative products and services with a variety of clients. For example, these processes formed the core of IDEO's recent work with Zyliss, a maker of kitchen products, to completely redesign its kitchen gadget line, from cheese graters, to pizza cutters, to mandoline slicers.

Process 1: Questioning

The IDEO project team begins its quest for an innovative cheese grater (or anything else) by asking a series of diverse questions to better understand the problems associated with using traditional cheese graters. What are the problems with cheese graters? What don't people like about those on the market now? How important is safety? What other things do people want to grate with a cheese grater? Who are the "extreme users" of cheese graters (highly skilled and highly unskilled users), and how do their needs differ? As far as kitchen gadgets go, extreme users are cooks and chefs (those using kitchen gadgets for hours each day), as well as those who are first-time or rare users of kitchen gadgets, such as college students, children, or the elderly.

This initial process has been referred to by Dyer, Gregersen, and Christensen in *The Innovator's DNA* as QuestionStorming, a method to ensure that teams ask questions about a problem before jumping in to offer solutions.[8] Those at IDEO start a project by asking lots of questions to better understand what to look for as they move to the data-gathering phase of observing and networking. They then put these questions on small sticky notes so they can easily rearrange and prioritize them. As Matt Adams of IDEO told us, "By having the right questions, it becomes clearer how you might go about answering those questions." Then IDEO teams have a much better sense of what to ask, how to ask it, and what kinds of people to ask as they move to the next processes: observing and then networking.

Process 2: Observing

In this phase, the IDEO design team goes out into the field where they observe and document the customer experience firsthand. "Our process is to go in and try to really understand the people that you are designing for," says Kelley. "We try and look for a latent customer need, a need that's not been seen before or expressed in some way." So the Zyliss team spent hours and hours observing various product users, particularly extreme users, in Germany, France, and the United States, trying to intuit what they were thinking and feeling. They took photos and videos of customers using kitchen gadgets to document what they had noticed.

Through observations, the team captured many problems with using traditional kitchen gadgets. For example, they saw that traditional cheese graters easily clogged, were hard to clean, and often required considerable dexterity to be used safely. They noticed that the mandoline slicer, well beloved by advanced cooks, presented severe safety hazards due to extremely sharp blades that were often exposed.

During these observations, they look for ways to optimize ergonomics (ease of use), cleanability, and functionality. For example, to optimize ergonomics, they carefully observed hand and arm movements so they could make subtle adjustments in handle shape or tool angle for tremendous ergonomic benefit.

Process 3: Networking

As IDEO team members observe, they also talk to as many product users as they can about the kitchen gadgets they are using. In particular, they visit with users while they are using the gadget because this is when users are most likely to offer ideas or insights about things they like and hate about it. They especially like to talk to "experts" (such as chefs and home cooks) because

they are the most demanding and difficult-to-please users who often have great suggestions for product improvements.

Through these unscripted conversations, IDEO team members gain critical insights into designing novel kitchen gadgets. They're trying to develop deep empathy to the point that they can champion a particular user, such as a chef. They come to understand what she loves, what her challenges are, and what's important so they can share that person's story later with other team members. Peter, a project leader at IDEO, says that during the observing and networking phases, IDEO teams "go out to the four corners of the earth and come back with the golden keys of innovation."[9] Those keys, observation and idea networking, help unlock the doors to innovative ideas.

Process 4: Brainstorming Solutions and Associating: The Deep Dive

The next phase is to bring all of the insights acquired through observation and interviews back to a brainstorming session that IDEO calls a "deep dive." During the deep dive, everyone openly shares all of the knowledge acquired during the data collection phase (they call this "downloading"). It's basically a storytelling session with lots of details about individual lives where they capture insights, observations, quotes, and details and share photos, videos, and notes.

The team leader facilitates the discussion but there are no real titles or hierarchy at IDEO because status comes from presenting the best ideas and everyone gets an equal opportunity to talk. After the ideas are shared, the team starts to brainstorm design solutions to the problems they've observed. To support associational thinking during the brainstorming phase, IDEO maintains a "tech box" at every office (full of a range of unrelated things, from model rockets to a Slinky). Many items are often spread in view of the team to stimulate creative thinking as they brainstorm innovative product designs.

Five Traps for Teams When Brainstorming

All teams, and especially diverse teams, face numerous challenges on the road to innovation success. Here are the most common traps that we have observed and tips for avoiding them.

Trap 1: The fewer-ideas-generated problem. On average, a team of people generates far fewer ideas than individuals doing the same thing on their own. A primary reason is that people in a group simply have less time to share ideas because they have to wait for everyone else to share their ideas. The net result is that everyone has less time to share ideas when they have to wait for others before sharing. One approach is to have people generate ideas on their own first and then quickly share them with the team, which then decides which ideas warrant team discussion and brainstorming.

Trap 2: The "first-idea-in-line" problem. In teams, it's easier to fixate on a particular topic or idea than when we're working as individuals. Of course, the value of the team is the ability to consider an idea from multiple angles and build on others' ideas. However, in some cases, the first ideas offered get undue attention. Quantity matters in getting great ideas, but quantity all centered on the same topic is not likely to generate great ideas. For a host of reasons, fixation on early ideas offered happens unless the team leader or facilitator keeps the team generating new and different ideas.

Trap 3: Failure-to-listen problem. Another reason for productivity loss is that everybody may end up talking rather than listening. If we're trying to remember our own ideas, we don't listen very well to others' ideas and don't build on them. This is a bigger problem on diverse teams because it may be harder to listen to, and understand, the perspective of someone who is different from us. One way to address this problem is to have people brainstorm and write down ideas on their own before bringing them together as a group. This will help everyone feel comfortable that their ideas at some point will be seen by the group and will increase the quantity of ideas for the team to work with.

Trap 4: The intimidation problem. In some cases, team members are reluctant to contribute to group discussion because they feel intimidated, either by the leader or other members of the team. This is particularly the case when discussing controversial issues where people have strongly held opinions. Moreover, in a diverse team, others are more likely to disagree with a perspective. Clearly, when people feel that they are being judged, they are reluctant to share new ideas. In these situations, building trust and psychological safety is paramount to having a productive group conversation.

Trap 5: The free-rider problem. Fewer ideas may emerge in a group due to free riders. As teams get larger and more diverse, members may feel that their perspective won't be valued, so they might as well stay quiet. One way to avoid this problem is to rotate from member to member, asking each for ideas and contributions. This makes it harder for any single person to hide and not contribute. Of course, it also helps if team members contribute to the performance reviews of others on the team.

Process 5: Prototyping (Experimenting)

The final phase is rapid prototyping when designers build working models of the best kitchen gadget ideas that emerge from the brainstorming session. Kelley argues that a prototype is critical to the innovation process: "You know the expression 'a picture is worth a thousand words.' Well if a picture is worth a thousand words, then a prototype is worth about a million words . . . Prototyping is really a way of getting the iterative nature of this design going through feedback from others. If you build a prototype, other people will help you."[10]

IDEO takes its kitchen gadget prototypes to a variety of product users—from chefs to college students to children—for feedback. For example, the new cheese grater design has a large drum to grate cheese as it rolls and can grate more cheese (or

chocolate or nuts) with less cranking. An optimized, clog-resistant tooth pattern provides maximum grating with minimal resistance for older users and people with small hands. The foldable and opposable hand crank makes for more efficient drawer storage and for easier use by both right- and left-handed users. These innovations are refined with each new prototype because they "build to think and think to build," as Matt Adams put it. Taking the prototype out for a test drive is the fastest way to get great feedback on new product ideas.

Finally, IDEO teams follow a set of guiding principles that give them the courage to innovate. Among these philosophies, which are posted in their work spaces, are "Fail often to succeed sooner," "Encourage wild ideas," and "Build on the ideas of others." "You have to have some wild ideas," claims Kelley. "And then you build on those wild ideas to build a really innovative idea."

A critical step in leading an innovative team is to ask them to be creative. By asking for creative and wild ideas, you legitimize this process. That way people don't have to worry about being shot down for a wild idea. IDEO's guiding principles and team processes encourage, support, and expect innovation from everyone on the team (human factors, technical factors, and business expertise combined). It is no surprise, then, that John Foster, head of talent and organization at IDEO, believes that "leadership is a group outcome," especially innovative leadership.[11]

In Summary

Mahatma Gandhi once suggested that each of us "be the change you want to see in the world." If you are the team leader or a member of the team, do others see you contributing to innovation? Or do they see you mostly admonishing others to innovate? When it comes to innovation and creating highly innovative teams, doing what innovators do gains much greater traction than talking about it.

Without question, the most effective leaders of innovative teams are good at questioning, observing, networking, and experimenting. They lead by example and can mentor and coach others because they are capable innovators. But even team leaders who aren't particularly skilled at innovating can lead an innovative team if they understand the people, processes, and philosophies on an innovative team. This requires that they select team members with complementary discovery and execution skills (as well as multidisciplinary expertise) to ensure that novel ideas can be generated and executed. It requires establishing processes that encourage and support team members in questioning, observing, networking, and experimenting. Finally, it requires establishing a culture and philosophies that create psychological safety on the team—where team members trust that they can throw out wild ideas, experiment, and take risks without retribution. Creating a climate of trust and safety is the role of the leader, and it is critical to leading innovative teams.

The authors wish to acknowledge and thank Hal Gregersen and Clayton Christensen, coauthors with Jeff Dyer of *The Innovator's DNA*, for their contributions to this chapter.