

The Five Characteristics of Successful Innovators

by Tomas Chamorro-Premuzic

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There is not much agreement about what makes an idea innovative, and what makes an innovative idea valuable.

For example, discussions on whether the internet is a better invention than the wheel are more likely to reveal personal preferences than logical argumentation. Likewise, experts disagree on the type and level of innovation that is most beneficial for organizations. Some studies suggest that radical innovation (which does sound sexy) confers sustainable competitive advantages, but others show that “mild” innovation – think iPhone 5 rather than the original iPhone – is generally more effective, not least because it reduces market uncertainty. There is also inconclusive evidence on whether we should pay attention to consumers’ views, with some studies showing that a customer focus is detrimental for innovation because it equates to playing catch-up, but others arguing for it. Even Henry Ford’s famous quote on the subject – “if I had asked people what they wanted, they would have said faster horses” – has been disputed.

We are also notoriously bad at evaluating the merit of our own ideas. Most people fall trap of an illusory superiority that causes them to overestimate their creative talent, just as in other domains of competence (e.g., 90% of drivers claim to be above average – a mathematical improbability). It is therefore clear that we cannot rely on people’s self-evaluation to determine whether their ideas are creative or not.

Yet there are relatively well-defined criteria for predicting *who* will generate creative ideas. Indeed, research shows that some people are disproportionately more likely to come up with novel and useful ideas, and that – irrespective of their field of expertise, job title and occupational background – these creative individuals tend to display a recurrent set of psychological characteristics and behaviors. As summarized in a detailed review of over 100 scientific studies, creative people tend to be better at identifying (rather than solving) problems, they are passionate and sensitive, and, above all, they tend to have a hungry mind: they are open to new experiences, nonconformist, and curious. These personality characteristics are stronger determinants of creative potential than are IQ, school performance, or motivation.

Creativity alone, however, is not sufficient for innovation: innovation also requires the development, production, and implementation of an idea. This is why the number of “latent” innovators is far larger than the number of actual innovations, and why we all have at some point generated great ideas that we never bothered to implement. Here are a couple of mine: *rent-a-friend* – a service that enables tourists to hire locals for advice or simply some company – and *location-based dating* via an app that finds your nearby matches based on personality profiling. As with most of my ideas, these have since been successfully implemented by others, who also happened to have them.

The key difference between creativity and innovation is execution: the capacity to turn an idea into a successful service, product or venture. If, as William James noted, “truth is something that happens to an idea”, entrepreneurship is the process by which creative ideas become useful innovations. Given that entrepreneurship involves human agency – it depends on the decisions and behaviors of certain people – a logical approach for understanding the essence of innovation is to study the core characteristics of entrepreneurial people, that is, individuals who are a driving force of innovation, irrespective of whether they are self-employed, business founders, or employees. The research highlights several key characteristics (in addition to creativity):

1. *An opportunistic mindset* that helps them identify gaps in the market. Opportunities are at the heart of entrepreneurship and innovation, and some people are much more alert to them than others. In addition, opportunists are genetically pre-wired for novelty: they crave new and complex experiences and seek variety in all aspects of life. This is consistent with the higher rates of attention deficit hyperactivity disorder among business founders.
2. *Formal education or training*, which are essential for noticing new opportunities or interpreting events as promising opportunities. Contrary to popular belief, most successful innovators are not dropout geniuses, but well-trained experts in their field. Without expertise, it is hard to

distinguish between relevant and irrelevant information; between noise and signals. This is consistent with research showing that entrepreneurship training does pay off.

- 3. *Proactivity and a high degree of persistence*, which enable them to exploit the opportunities they identify. Above all, they effective innovators are more driven, resilient, and energetic than their counterparts.
- 4. *A healthy dose of prudence*. Contrary to what many people think, successful innovators are more organized, cautious, and risk-averse than the general population. (Although higher risk-taking is linked to business formation, it is not actually linked to business success).
- 5. *Social capital*, which they rely on throughout the entrepreneurial process. Serial innovators tend to use their connections and networks to mobilize resources and build strong alliances, both internally and externally. Popular accounts of entrepreneurship tend to glorify innovators as independent spirits and individualistic geniuses, but innovation is always the product of teams. In line, entrepreneurial people tend to have higher EQ, which enables them to sell their ideas and strategy to others, and communicate the core mission to the team.

Even when people possess these five characteristics, true innovation is unlikely to occur in the absence of a meaningful mission or clear long-term vision. Indeed, vision is where entrepreneurship meets leadership: regardless of how creative, opportunistic, or proactive you are, the ability to propel others toward innovation is a critical feature of successful innovation. Without it, you can’t attract the right talent, build and empower teams, or ensure that you remain innovative even after attaining success. As Frances Bowen and colleagues recently noted, there is “a vicious circle [whereby] innovation leads to superior future performance, but such investment can also give rise to core rigidities and hence less innovation in a future time period.” In other words, innovation leads to growth, but growth hinders innovation... unless innovation is truly ingrained in the organizational culture, which requires an effective vision.

In short, there is no point in just hoping for a breakthrough idea - what matters is the ability to generate *many* ideas, discover the right opportunities to develop them, and act with drive and dedication to achieve a meaningful goal.

Ideas don’t make people successful - it’s the other way around.



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Sheri 2 years ago

Nice article. I agree with most of this, except #2. I have met lots of entrepreneurs who say "yes, I can do that" and then figure out how by trial and error, seeking out experts, or informal training (think UTube), not necessarily formal education. I personally usually like the format of formal training, but it depends what I am trying to learn.

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