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|  | | Building Innovation Culture & Leaders | | | | |  | |
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|  | Abstract | | | | | | |  |
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|  |  | Building a culture of innovation enables businesses to adapt and keep up with change. Leaders and employees across an organization are responsible for supporting and leading that innovative change. As a result, attracting and motivating innovators as well as under­standing how to select ideas are vital aspects of  building an innovative culture. With innovation, come risks so understanding how to handle those risks is of high importance. | | | | |  |  |
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|  | | What is needed to build a culture of innovation? | | |  | |
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|  | To build a culture of innovation, companies need to start with listing their core beliefs. Next step is to introduce the concept of orthodoxy, followed by a review of core beliefs. Lastly, the company should focus on choosing which beliefs should be challenged and which ones would provide opportunities. Businesses need leaders and employees who embrace, understand, and are committed to innovation.  Since innovation does not just happen by chance, leadership needs to be in place that make the right decisions, view the right data, are comfortable taking calculated risks, and provide guidance to innovation teams versus just communicating a go/no go decision. At the operational level, employees need the ability to thrive in an environment where bottom-up innovation is supported, one that supports experimentation, risk management, and project execution.  Generally, a company who demonstrates that innovation is a priority and backs it up with commitment, excitement, care, and emotional involvement will be successful in building a culture of innovation. Innovative culture shows organization-wide commitment to the business and innovation. (Percipio, 2019) | | | | |  |

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|  | | How do you attract and motivate innovators? | | |  | |
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|  | To build and enhance an innovative culture, it is important to attract and motivate the right team members. This can be accomplished by purposely making a space for innovation or more aptly providing a free space where organization policies do not stand in the way. Requesting volunteers for projects is another way to create a sense of ownership and responsibility which, ultimately, can improve performance. In addition, practicing “cross-fertilization” or exposing employees to new ideas by moving team members around from time to time establishes a system for easily and quickly communicating ideas.  When leaders commit personal time and effort to an idea, see it through and then move that idea forward, the leader’s commitment is contagious and innovators like that. Innovators also like to see/know work and contributions are celebrated and recognized. Offering training that is tailored to an individual’s specific strengths is another way that can attract, motivate, and retain innovators. (Percipio, 2019) | | | | |  |

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|  | | Knowing not every idea will lead to success, how do you select the idea to implement? | | |  | |
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|  | When selecting the innovative idea to implement, leaders need to be decisive and model courage but also be well informed and comfortable with taking calculated risks. It is also important to establish clear and achievable goals. For rapid implementation, leaders need to build an effective team of people who can turn ideas into reality and have employees who are always on the lookout for new opportunities. Leadership needs to give a good idea a chance, supporting the idea and giving that idea every opportunity to succeed or fail. Successful ideas should be recognized and celebrated with the team and the company. With innovation, it is vital that failure is not viewed as a bad thing but a chance for feedback and a chance to learn from mistakes. (Percipio, 2019) | | | | |  |

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|  | | How do you handle risks associated with building innovation? | | |  | |
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|  | An innovative culture by nature will experience risks, it is how those risks are managed that is the key to building a successful culture of innovation. Leaders need to strike a balance between high risk and overly conservative approaches as well as encourage risk-taking that falls within defined parameters. In addition, it is important to know an organization’s tolerance level for risks so projects that are not working are ended and not dragged too far into failure. (Percipio, 2019)  Many organizations wanting a better balance of risk and innovation can use risk scenario analysis to simulate results, providing a better operational flexibility. In addition, effective risk governance can bridge finance and operation sides of the business by “…translating strategic challenges into specific risks to take and providing rules, parameters and measurements to guide both the investments and the process.” (Culp, 2013) It is imperative for companies to have a strategy in place to mitigate risk and become better equipped to handle many risks associated with innovation (ERM Initiative Faculty, 2020). | | | | |  |

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