The dark side of innovation: why top managers should care?

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To introduce and better explain the main idea about the *dark side of innovation,* a brief disquisition about how software is developed in open source community versus commercial companies is proposed. However the main idea applies to almost every kind of productive environments. The two following examples should not considered as business cases nor two different kind of work organisations rather than focusing in how and why innovation is more or less welcomed.

Introduction

People involved in an open source and free software communities are mainly working for the vision of technological freedom, passion, reputation and mostly in their free time. For such reason, rarely we like to spend our time in repetitive or less than creativity tasks. In these conditions, one of the most important KPI is the *essentiality.* If the "*Simplicity is the ultimate sophistication about doing"* then the *"Essentiality is the ultimate sophistication about innovation".* In an essential product nothing than the strictly necessary is present, no any waste. There are countless companies that have empowered their businesses using opensource software, adding those features or services that would bring more value to their customers.

> Essentiality is the ultimate sophistication about the innovation: no waste!

People involved in commercial software development are working under others rules. First of all, they are doing what they are doing because their paid for. This does not mean a lack of passion or interested but the pleasure is an optional while career and incoming are more important KPIs. In this scenario, the overcomplication brings value because big budgets and big teams empower managers, consultant companies and employees as well. An overcomplicated product or process generate a project that lasts longer and requires more resources which are big opportunities for all but the company. This happens every time when the company agenda is not aligned with those are working in. In this scenario innovation found a diffuse resistance because the aim of the innovation is generate a set of opposite trends like introducing tasks flexibility, optimising productive and administrative processes, focusing on essential in order to deliver complex solution by a composition of simple elements.

> Overcomplication is the key to increases budgets and extends deadlines: the 1st life rule is to last.

People are tailored to survive not to excel. Excellence happens when they are granted to fulfil their guts. Moreover, a scaling business is much more dependent to the quality than to the excellence. Overcomplication does not not bring the quality nor the excellence but fulfil many guts. Innovation tends to deal with the complexity thought simplicity, instead.

Some interesting facts

Innovation is not welcome if do not bring benefit for all the shareholders and we need to consider employees as shareholders rather than an asset. The best scenario is when everyone involved into an innovation feel that there are more opportunities in changing than in the opposite. We may argue that everybody knows that without innovation the companies will not be able to sustain the pressure of others players into the market. Unfortunately, everybody knows that most of the others players are working in the same way, until a start-up get into the scene and suddenly win all.

> Doing, like others are doing, is not only following but is a way to keep the pack as close as possible.

People are tailored to survive and keeping the pack as close as possible increases that chance. Instead, the specie resilience requires that some individuals are much more keen to be explorer or risk takers than others. A company that does not explore new opportunities is safe in the short term but it will fail on the long run. Innovation matters a lot for the companies, much less for the individuals.

Experience reports that the most intriguing and most successful examples of innovations happen when one of these two conditions got into the scene: 1) an internal competition which force two separated divisions to compete each other in order to win the future budget; 2) the budget and deadline are not going to be renewed and the option of not innovate would be fail. Under this kind of pressure innovation is welcome and widely supported. This is not a suggestion that the "*drink or die*" would be the right policy to adopt, nor saying that always works. In fact, sometimes did not work because it could be a huge difference between real conditions and their perception.

> Drink-or-die policy may cause innovation or not because facts and their perceptions differ hugely.

People are tailored to survive and a solid fear of a predator hidden in a dark place increases their chance. In fact, a real mass starvation risk is less worrying than an imaginary but immediate risk of a loss. Innovation brings changes and the fear of changes, even imaginary, is immediate.

Involving people in innovation

Involving people in innovation means creating those conditions that facilitate a wide acceptance and a right perception that innovation would be an opportunity for everybody involved in. The two key points are: 1) to align the company agenda with all their internal shareholders; 2) to transmit this idea with facts not only with a properly corporate communication. A fact worth thousands of words but a fact without a correct communication may be misunderstood.

> Developing an internal cohesion about the company vision empowers the innovation perception.

Corporate may plan ahead, if the current project would succeed a next one will take place. This is not easy at all because even if the project will be a technical success not necessarily it will be a market success and return enough resources to reinvest in a further developments or into another project. Starting from a correct talents retention policy would be easier and more viable way than long term investment planning but a long-term visibility would certainly be more effective and would pay back also about the company quotation and reputation.

> Innovation is an opportunity for almost everybody but this is not obvious at all.

Communicate and idea without sustaining it by facts, hardly works and lasts. Doing facts without a proper communication will not necessarily let the people to catch the right meaning and the big picture behind it. Facts and communication - both - would contribute to align shareholder agendas with the company one and let then perceive that those facts are part of a positive vision.

> We needs to sustain our positive vision about innovation with facts and communication, both.

People are trained to survive, so far they developed a strong risk aversion. We need to do few positive facts to counterbalance a single negative fact. We need to communicate few positive messages to counterbalance a single negative message. This explain the reason because negative gossip works so well and fear could drive to panic.

Conclusion

A bright light casts dark shadows. We all know that human psychology tend to weights a risk more than the related opportunity. The only way to defeat fear is the education. A company that really wants create a corporate culture in which innovation is welcome should training their employees in such a way they feel important and involved in its vision. Internet allows anyone to quickly access a lot of information and tends to transform the knowledge from a value to a commodity.

> The key of success is to move the budget from "doing" to "learn how doing better".

Those companies that will fail to develop a culture of innovation are doomed to see their budgets and deadlines grown until they will be force to be out of the competition. The may consider to relocate somewhere else where initial conditions would be more favourable for innovation. But initial conditions may successively changes, later.