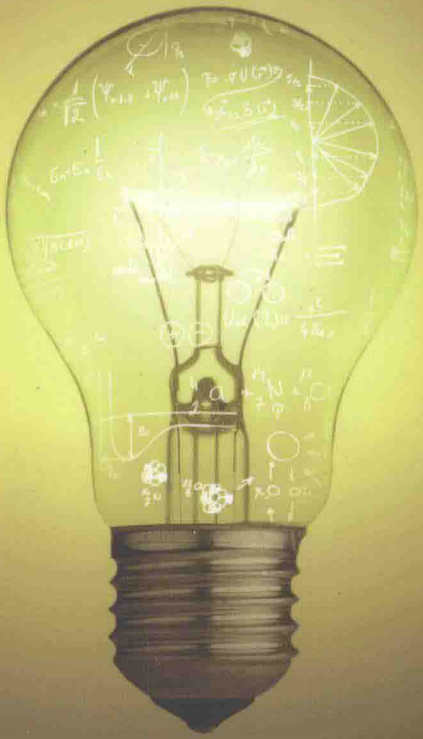
DR AMANTHA IMBER



THE *innovation* FORMULA

THE 14 SCIENCE-BASED KEYS FOR CREATING A CULTURE WHERE INNOVATION THRIVES

WILEY

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ABOUT THE AUTHOR

Dr Amantha Imber is an innovation psychologist, a best-selling author, and the founder of Australia's leading innovation consultancy, Inventium. Inventium has been recognised as one of Australia's fastest growing companies in the *BRW* Fast 100 list, and was also awarded the *BRW* Client Choice Award for Best Management Consultancy in Australia.

With a PhD in organisational psychology, Amantha has helped companies such as Google, Coca-Cola, Disney, Lego, Red Bull, American Express, McDonald's, Virgin Australia, Commonwealth Bank and many others innovate more successfully. Amantha was a finalist in the 2015 Telstra Business Women's Awards.

Amantha is the cocreator of the *BRW* Most Innovative Companies list, an annual list compiled by Inventium that ranks Australia's top innovators. She has written for publications including *The Australian Financial Review*, *BRW*, *Australian Business Solutions* and *Smart Company* and is the author of the best-selling book *The Creativity Formula: 50 scientifically proven creativity boosters for work and for life*.

Amantha had an international record deal for her debut album *Like Samantha without the S*, prays to the God of Kevin Spacey and claims to have once been freakishly good at table tennis.

Visit inventium.com.au to find out more about Amantha and her team at Inventium, what they do and what they've been thinking about lately. You can also find Amantha on Twitter (@amantha) and via her website at www.amanthaimber.com.

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INTRODUCTION

My very first 'adult' job — and by 'adult' job I mean that it was not the one that involved dressing up as a witch waitress at Witches in Britches, or the job sewing hats for a local clothing store, or the job singing and playing guitar for people who had consumed a few too many beers in pubs — was as the human resources manager (HRM) for an Australian security firm. I was in the final stages of completing my doctoral thesis in organisational psychology and was excited to enter the world of full-time office working.

I knew little about the security industry (which was probably a good thing, as I am not sure I would have accepted the job if I had known more), but I knew a lot about human resources and the 'people' side of work from all my studies. I was (naively) ready to transform this security firm into the best place to work in Australia. The last HRM had resigned — I didn't ask why — and my first priority was to recruit as many top-quality security guards as I could, as quickly as possible. There was no shortage of work, but there was a shortage of good staff.

My days were mostly spent in interviews with potential security personnel. I would ask them a series of questions, evaluate their answers, and then make a recommendation to management as to whether we should hire them. Someone from the management team would then conduct a final interview and make a decision.

I was enjoying my job, although it was a little repetitive with such a big focus on recruitment. I felt very grown up going to work in an office every day, wearing a suit (incidentally, this was the only job I have ever had where I had to wear a suit) and feeling as if I were having an impact on a relatively large security firm.

But then everything changed. It all started as a pretty standard job interview. I was interviewing a young man—let's call him Bruce —who had applied for a job as a security guard. Bruce had just completed his certificate in security and this was going to be his very first job as a security guard. I asked him the standard series of questions, and things were going well. His answers were satisfactory and he appeared to be suitable for a role. The interview came to a close, and as I was showing Bruce to the door I noticed he was wearing an earring in his left ear. 'Just to let you know', I said, 'you'll need to take your earring out when you are working—earrings are a bit of a safety hazard'.

Suddenly I found myself shoved against the wall with Bruce gripping my shoulders and shouting in my face, 'No-one tells me what to wear or what not to wear'. He then stormed out of the office. Needless to say, my recommendation was not to hire him.

A couple of weeks later, I was looking across our rosters to see which of my new recruits had been lined up with work already. There were a few familiar names, which was great to see. But then my heart skipped a beat. Bruce's name was on one of the rosters. I immediately stormed into my manager's office.

'Why is Bruce on our roster?' I practically shouted.

My manager, Brendan, looked confused. 'Because we hired him', he said.

'Well, that's obvious—but don't you remember what Bruce did? He assaulted me in the interview.'

'Yes', Brendan said. 'But aside from that, he seemed very good.'

I handed in my resignation the next day.

I moved out of security and into advertising. My first job in advertising was as a consumer psychologist. This involved

understanding why consumers behaved in the ways they did and helping brands understand how to use these insights to sell more products. Intellectually rewarding, but not particularly ethically rewarding. I worked in the Melbourne office of a multinational agency and, while the workplace culture was significantly better than at the security firm, my boss unfortunately wasn't.

My first annual performance review is one of my clearest memories of my time at the agency. My manager had suggested we go to a café around the corner, and she was waiting for me at one of the corner tables. I was expecting a glowing review. I had worked my bum off all year and felt that I had done some great work for my clients and my teammates. I had also secured a weekly column in one of the top trade magazines where I wrote about the science of consumer behaviour—great exposure for the agency (or so I thought). So you can imagine my surprise when my boss started off my review by saying, 'You need to cancel your column. The public focus needs to be on me—not on you. And please don't call yourself a consumer psychologist in the media, because that is not your job title'. The review went downhill from there.

I ignored her request, and the column continued for another four years until I made the decision to retire it. Shortly after my review, I was headhunted to Sydney to work for another global advertising agency—Leo Burnett.

They say third time's a charm, and it definitely was for me. Leo Burnett Sydney was on a high during my time there (not because of me—I just had good timing). The agency's creative work was picking up award after award, including several at Cannes (arguably the most prestigious industry awards in the world), and I was lucky enough to work under the leadership of CEO Nigel Marsh.

My boss, Todd Sampson, loved my column. Far from asking me to get rid of it, it was one of the reasons he headhunted me. He asked me to do more writing—not less. I was given the perfect mix of freedom and support by Todd and the teams with which I worked. I felt challenged by my work on a daily basis

and was intellectually stimulated by my teammates and my clients. Innovation was actively encouraged by Nigel and his leadership team and great ideas were listened to and supported.

It was during this time that I began to really appreciate the importance of workplace culture to creative output. The culture was so vastly different from the previous two workplaces I had experienced. So when I left advertising several years later to start Inventium, the innovation consultancy I have been running for the past eight years, one of my many missions was to understand the science behind creating cultures where innovation thrives.

★★★

Most weeks at Inventium I speak with groups of business leaders who want to grow their organisations and who recognise that innovation is a sure-fire way to do that. And as we talk, the following question inevitably pops up: 'How do I create a culture for innovation?' I love being asked this question, because it is an area where the latest scientific research tells us very clearly what works and what doesn't. And sadly, the right path is usually the exact opposite of the path most of those organisations are taking.

Many leaders who have been given the directive to 'build a culture of innovation' immediately think about the Googles and Apples of the world. Images of beanbags and table-tennis tables fill their minds, as do 'blue-sky' workshops in far-off country retreats. However, what we know from the research is that all this is completely ineffective in creating a culture of innovation.

As is often the case, the voice of popular culture and fad-ridden management books wins out over the voice of scientific research. Jargon-filled, densely written journal papers are harder to access than the pop-psych books filling the shelves. This book aims to remedy that — to give you a clear, practical understanding of what has been scientifically proven to create a culture of innovation. And it's got nothing to do with beanbags.

The Innovation Formula takes you on a journey through the essence of more than a hundred scientific studies into what

actually creates a culture of innovation. It looks at the impact of the individual, teams, leaders and the organisation. It tells you how organisations such as Etsy, Coca-Cola, GE and Disney are actively applying these principles to deliberately and successfully create cultures where innovation thrives.

★★★

Research into the field of innovation is flourishing and it's exciting, so let's get into that science right away. There's a concept within academia of the 'hero study'—the study that other researchers in the field cite and refer to. A study becomes the hero study either because it breaks new ground in a research area, or because it brings together many disparate studies and makes sense of a lot of data. The hero study in the area of innovation culture research does the latter.

In the 2007 study 'Climate for creativity: A quantitative review', Samuel Hunter, from the University of Oklahoma, and his colleagues Katrina Bedell and Michael Mumford set out to understand which variables had the biggest impact on innovation culture and conducted an extremely comprehensive literature search.

They started by looking at the general review articles that had been published, then looked through all issues of the major academic journals that focused on innovation and creativity. They then searched all of the main research databases, and then reviewed all conference programs from major psychology and management fields to identify any conference papers that had been presented on the topic but had not yet been published.

But even that wasn't enough. Hunter feared that by looking only at published studies they might miss out on research where the effect sizes had been weak (and therefore not 'worthy' of publication). So Hunter and his teammates used their literature review to identify academics who had published at least two articles on creativity and culture over the previous ten years. They were all contacted and asked for any unpublished papers on the topic.

This comprehensive search uncovered 88 articles, conference papers and manuscripts. A psychologist then reviewed each of these articles and eliminated the ones that did not have sound methodology, did not specifically focus on the relationship between culture and creativity and innovation, and were not quantitative in nature. This whittled the number of papers down to 42, representing data from a total of 14 490 participants.

The data was crunched, and what came out the other end was a set of 14 variables that held up as having a significant impact on innovation culture. All of these variables are discussed in various ways in the chapters of this book.

★★★

In addition to Hunter's meta-analysis, *The Innovation Formula* draws on several other meta-analyses and individual studies that have revealed the most important drivers of innovation culture. These drivers are covered in four separate parts within this book.

Part I looks at what you, the individual, need to be doing. This covers variables that can be influenced at the individual level. If you are a manager reading this book, you can use these chapters to help mentor and coach the people in your team more effectively. You can also use these chapters to reconsider how you structure people's roles, projects and rewards. And if you have no managerial responsibilities, then you can use the chapters in part I to reflect on your own role and projects, and for ideas on how to change what you do to help inject greater creativity into your job.

Part II delves into the team level. There is a variety of innovation drivers that can be manipulated within teams. If you are a manager leading small or large teams of people, these chapters will be useful for thinking about the types of variables that need to be present within your team. You can reflect on the type of culture that currently exists within your team, and use these chapters for ideas on what you can change and improve. If you are not a manager, you can use these chapters to influence at the grassroots level how your team works. Whether you work in a team of two or a team of 20, there are many ideas here that you can integrate into the way your team functions.

Part III examines creating a culture that supports innovation at the leadership level. The research and advice contained here is in the form of tangible recommendations and examples for leaders who are trying to foster a culture of innovation within their organisation, department or team. Even if you don't have official leadership responsibilities, the tips in these chapters will transform you into a leader who inspires people to innovate.

Part IV focuses on variables that need to be present across the entire organisation to affect innovation culture. These are arguably the most challenging to influence, given the reach they need to have. If you are a leader you can use these chapters to help other leaders within your organisation focus on the activities that truly build and foster a culture of innovation. And if you don't have managerial responsibilities, then these chapters will educate you on the seeds you need to be planting to create change.

The final chapter of this book provides advice on what to do next, suggesting concrete steps towards being a change agent for innovation culture within your organisation.

★★★

At this point, you may be wondering about the best way to digest all of the 14 factors that drive innovation culture. And, after reading all those chapters, what is the best way to actually start driving 14 culture changers all at once?

Let me present you with a couple of options:

1 In Hunter's meta-analysis of the strongest drivers of an innovation culture, the researchers crunched the data in a way that ranked the variables from most to least impactful. Obviously, all of them have an impact—and a significant one at that. But if you want to focus on the most impactful variables, focus on chapters 1, 4, 8, 11 and 12.

2 Complete the basic Innovation Culture Audit survey. The audit asks you a series of questions that represent the cultural factors reported in this book. By understanding the current strengths and weaknesses of your organisation you will be able to effectively prioritise your innovation efforts.

So in the spirit of innovation, I encourage you to learn more about the science of creating a culture where innovation thrives, and come out the other end armed to make changes to transform your organisation and the way you work. No matter how big or small those changes may be, you can be sure that they will have a significant effect on improving the innovation output of your organisation.

INNOVATION CULTURE AUDIT

To get a quick snapshot of how the culture of your organisation performs across the dimensions that matter, take a few minutes to complete this questionnaire.

Please rate your agreement with each item on a scale of 1 to 5, where 1 = strongly disagree, 2 = disagree, 3 = neither agree nor disagree, 4 = agree, and 5 = strongly agree.

Individual-level factors

1	People are adequately challenged in their roles — not so little that they are bored and not so much that they are overwhelmed.	
2	I'm excited by the challenges I face in my role.	
3	People in my organisation have the freedom to complete their tasks in any way that they see fit.	
4	I have a sense of control over my work.	
5	In my organisation, people's efforts in generating and implementing creative ideas are recognised.	
6	I receive recognition for my innovation efforts.	
	subtotal	

Team-level factors

7	My team actively shares diverse viewpoints and opinions, even if they are conflicting.	
8	I feel comfortable expressing an opposing opinion to others in my team.	
9	My team really listens when we share new ideas.	
10	In my team, people are very supportive of my ideas.	
11	In my organisation, collaboration across departments is a common occurrence.	
12	My organisation often collaborates with other types of companies, such as universities and start-ups.	
	subtotal	

Leader-level factors

13	My manager encourages me to come up with new ideas.	
14	My manager encourages me to implement my new ideas.	
15	Leaders don't just pay lip-service to innovation, they practise what they preach.	
16	Senior leaders in my organisation are very supportive of new ideas.	
17	People in my organisation are given time to explore creative ideas and solutions to business challenges and opportunities.	
18	Leaders in my organisation find the money required to create and implement good ideas.	
19	People in my organisation are clear on the business challenges or opportunities that require their creative thought.	
20	People in my organisation are aware of the goals and expectations around creative performance.	
	subtotal	