The Orchestra of Innovation

TAKING PEOPLE FOR A SWIM TO PERFECT THE ORCHESTRA OF INNOVATION

Phil Slade

Innovation can be hard, but without taking people on the journey it is impossible. Fortunately, the way humans think and behave is relatively predictable. While redefining processes and ways of working is important, to make innovation work you must also take people for a SWIM.

1. Create or consolidate a *Social identity,* and create a safe place to express feelings (often created from a loss of old identities)
2. Clarify how the group will *Win,* and loudly celebrate the small wins that confirm the strategy
3. Encourage people to form new *Interpersonal connections* and relevant networks, and support the creation of those networks
4. Create opportunities for people to become *Masters,* and recognise individual mastery

In my experience, doing these four things in this order has reliably removed the resistance to innovation and help create creative mindsets. But to help explain, let me introduce you to Hugo and his orchestra.

"Behavioural economics takes us beyond intuition and helps us be precise in detecting, understanding, and remedying problems that arise from consumer mistakes."

Erta, Hunt, Iscenko & Brambley (2013)
UK Financial Conduct Authority (FCA)

"Research findings from fields such as behavioral economics and psychology about how people make decisions and act on them ... have substantially improved outcomes for individuals, families, communities, and businesses."

Executive Order, Barrak Obama - Using Behavioral Science Insights to Better Serve the American People | whitehouse.gov (2016)

The *SWIM*™ Methodology

Social Identity
Create or consolidate a Social identity, and create a safe place to express feelings (often created from a loss of old identities)

Winning
Clarify how the group will *Win,* and loudly celebrate the small wins that confirm the strategy

Interpersonal connection
Encourage people to form new *Interpersonal connections* and relevant networks, and support the creation of those networks

Mastery
Create opportunities for people to become *Masters,* and recognise individual mastery

Swimming with the Orchestra of Innovation

by Phil Slade

Innovation can be hard, but without taking people on the journey it is impossible. Fortunately, the way humans think and behave is relatively predictable. While redefining processes and ways of working is important, to make innovation work you must also take people for a SWIM.

» **Create or consolidate a Social identity, and create a safe place to express feelings (often created from a loss of old identities)**

» **Clarify how the group will Win, and loudly celebrate the small wins that confirm the strategy**

» **Encourage people to form new Interpersonal connections and relevant networks, and support the creation of those networks**

» **Create opportunities for people to become Masters, and recognise individual mastery**

In my experience, doing these four things in this order has reliably removed the resistance to innovation and help create creative mindsets. But to help explain, let me introduce you to Hugo and his orchestra.

Hugo's Delema

Hugo was walking home from the Sydney State Theatre at 2am on a cold, wet 1921 September evening. He had been in the role of orchestra conductor and manager for a couple of months now, taking the helm at a time when the golden age of traditional orchestras was in steady decline. Diminishing audience numbers and revenue was still being masked by the high glamour and prestigious position of the orchestra, but Hugo knew that if he didn't do something to stop the flow of audiences to new entertainment choices, the days of his beloved orchestra were numbered. A clash between tradition and innovation was brewing. Simply doing what had always been done was going to lead the orchestra to obscurity.

It was Hugo's responsibility to keep the orchestra popular and in turn increase revenue, but not offend the traditional role of the orchestra in the eyes of the board, the politicians, the critics and the general public. The tide was against orchestral music, he knew it, the board knew it, but it seemed no one else in the organisation knew it – blinded by popularity, prestige and history. This was

the reason he was walking the streets at 2am. He needed to innovate – innovate or become obsolete.

While he was walking he noticed a large club which was so full it had people spilling out into the street. Curious, he used his position to talk his way past the doorman and head inside where a jazz band was playing, and they were on fire! The atmosphere was electric, the musicians were sensational, and the audience was screaming for more at the end of each song. He'd heard of American style jazz bands before, but this was the first time he'd seen it in the flesh. The musicians were reacting to each other, making up new melodies on the spot, creating new sounds, completely unencumbered by any traditional rules. It was like watching a flock of birds moving and changing direction, but at the same time staying together and thinking and moving as one. It was captivating. For Hugo it was a life changing moment – it was exactly what the orchestra needed. As soon as the band had finished he approached the musicians and offered them jobs with the orchestra.

The next morning Hugo told the orchestra of his experience and introduced the jazz musicians to the orchestra. But the response wasn't what he expected. While some of the musicians had heard of the jazz band, and were excited to meet them, most people were wary of the new arrivals. The new musicians were struggling in this new environment as well. The agility and reactivity that had served them well in the jazz band was now creating chaos, and not at all received with the enthusiasm they were

used to. The orchestra was not playing as one anymore, and tensions began to grow.

The first concert was a sell-out. People were curious, and the talk of innovation at the orchestra had captured the public's imagination. This short-term popularity was seen by Hugo and the board as an endorsement of the way forward. But it didn't last. Unrest in the orchestra meant the musicians started to compete for attention rather than playing as a cohesive unit. The new musicians were getting a lot of the attention, over-shadowing some of the previous 'stars' of the orchestra. Art critics started to write scathing articles in the papers, and the audience started to decline once more.

Hugo was resolute, convinced that 'tearing the band-aid off' was the best approach, and that the musicians will just have to get used to it. However, small unofficial groups started to form within the orchestra that were unhappy with the embarrassment they considered the orchestra had become. They were professional artisans of traditional art form, and Hugo and his jazz musicians were turning their prestigious orchestra into a popular joke.

During the newly created 'solo' sections, the traditional orchestra members slowed the tempo, randomly cut bars out of the score, and occasionally even changed keys without the soloist knowing. When the soloists accused some of the ring-leaders of undermining their performance, it turned into open warfare. Worst of all, some of the better traditional musicians became

One of the popular Jazz ORchestras to tour Sydney in the 1920's: Paul Whiteman and his Orchestra represented the apex of jazz to the general public.

disillusioned and left for other opportunities, and even the new jazz musicians started to leave, leaving other musicians to fill their shoes that were less able to perform in the same way.

Eventually the whole exercise was deemed a failure. The board removed Hugo, fired the Jazz musicians, and reinstated a more traditional approach to the orchestra. Innovation was seen as reckless and destructive, and traditional values stable and wise. Needless to say, the orchestra was unable to stem the tide of change and it was disbanded a few years later.

Could the innovation have worked? Why did it go so wrong for Hugo?

Simply put, he didn't consider the role of his people and the true impact of innovation on the orchestra. He should have taken the orchestra for a SWIM.

SWIM is a four-step process with each step consisting of an action and an expression element. The action element is somewhat obvious, but what is less obvious is the importance of the expression elements. There is a large body of psychological research that underlines the importance of healthy expression at each stage, with significant impacts on cognitive capacity and psychological safety. Underestimating the importance of getting the action and expression elements right explains a large portion of resistance in most organisations.

[S] Social Identity

Fundamentally we are all social animals, and we find psychological safety in numbers. This safety comes from the feeling of belonging to an ingroup, which has expected behaviours, defined values, and celebrated exemplars that reinforce what is means to be part of the group. Doing things in a new way often means that individuals need to 'grieve' the loss of closely held identities and ways of working. This is the most fundamental of all stages, with action and expression essential before success has any meaning.

Top 3 Actions

1. Clearly articulating the 'why' and communicating often and relentlessly.

2. Identify which values and attitudes are changing, and how individuals will relate to each other in the new world (including roles and accountabilities).

3. Create a clear exit strategy for people to successfully leave the company. This is more important than you think. If people have an easy and defined way to leave, they are then choosing of their own will to go on the next part of their journey.

Top 3 Expressions

1. Start meetings by allowing people to express how they feel about what is about to be discussed, and how they are looking forward to feeling at the conclusion of the meeting.

2. Ensure leaders have a chance to safely communicate concerns 'at level', and address those concerns in a deliberately conscientious way.

3. Allow vocal dissenters to air their thoughts. Do not supress negative views, the small group of (inevitable) dissenters are actually serving an important function of the group.

[W] Winning

No matter how competitive you are, everyone loves to win. The problem can be that in a culture of innovation we can rush towards feeling like we are winning, before we consolidate our social identity. You have to clearly identify as innovators, before innovating will be seen as winning. The good thing is that if you build a strong group social identity, the wins of the group are felt by everyone in that group – similar to watching your favourite sporting group win a game, or seeing a music group you love reach number 1 on the charts. Therefore, creating exemplars can be very helpful in shaping the mindset. However, if people don't clearly identify with the group, wins will either have no real impact, or it will motivate people to form groups that will seek to win at the expense of the company, even if it actually hurts themselves (like in Hugo's orchestra).

Top 3 Actions

1. Create opportunities for teams within the organisation to discover what being innovative means to them in real terms, and how they can win.

2. When ideas or new innovations fail (and some are bound to), make sure to protect the innovators from being punished for failure.

3. Kill the ideas that are not working quickly, but not the people in the teams working on the ideas.

Top 3 Expressions

1. Celebrate big and small wins publicly, and utilise internal social media to let the group reinforce itself through positive comments and 'likes'.

2. Celebrate process as well as outcomes – it's not just what you do, but how you do it that is important – celebrate the behaviours that exemplify an innovative mindset.

3. Ensure senior leadership is present and recognising exemplar people and behaviours publically (emails can work, but a two-minute video-conference or physical visit is priceless).

[I] Interpersonal connections

Sustaining new identities and winning behaviours over the long term requires new networks to be formed and connections outside people's everyday working group. This will have the added ability for work to be done in an efficient way, and avoid getting bogged down in bureaucracy.

Top 3 Actions

1. Design office space to create space for people to randomly run into each other.

2. Create legitimate reasons for people who work remotely to be in the same time and space as others in the organisation.

3. Create time for networking after combined workshops and events (they don't need to be long, drawn out affairs) and set an expectation that people will engage in networking.

Top 3 Expressions

1. Find ways for teams to recreate success stories in creative ways. This will help create the myths and narratives to reinforce behaviours, encourage communication of lessons learnt to other areas of the business, and prompt people to connect who have had similar experiences or are working on similar projects.

2. Photograph people networking and post internally on media sights, and then allow the social reinforcement of likes and comments to eventuate.

3. Create online spaces where people can comment and effectively collaborate. These tools are advancing all the time, and while they don't yet replace the real thing, they definitely play a part in an effective innovative network.

[M] Mastery

In order to sustainably embed innovation as a mindset, you must create 'Masters' of innovation across the organisation. Experts in the details who work with confidence, and experienced professionals who apply innovation in their respective field. Then you need to let those experts have a voice, regardless of their leadership position in the organisation. Let your experts be the experts. Leadership will always have a key role in representing the company as a whole, but look for opportunities for your experts to shine. This will have positive impacts for the company internally and externally.

Top 3 Actions

1. Develop KPIs that encourage 'exemplars' to seek out others who could benefit from their experience.

2. Make sure that teams have access to budget to spend on developing innovation skills.

3. Trust your experts to represent the company. Train them in speaking publically and back them. They will not always be perfect, and they will make mistakes, but do not try to control your innovation experts. The benefits far outweigh the risks.

Top 3 Expressions

4. Encourage internal experts and 'exemplars' to represent the company at external events and media opportunities.

5. Create a way of identifying and rewarding leaders who develop innovation experts in their field and who find ways for them to shine.

6. Create and share short videos showing how different teams applied innovative ways of working in their areas, and what the outcomes were.

Would Hugo's orchestra have survived if they went for a SWIM? I would argue yes. It may not have been the jazz orchestra, but an innovative idea would have been nurtured and with the orchestra's support, would have had the best chance for success. Whether it be encouraging innovation, managing change, or improving the speed and quality of decision-making, learning when and how to go for a SWIM will increase confidence in decision making, and help with the complex human aspects of an innovative culture.

ABOUT THE AUTHOR

Phil Slade is a behavioural economist and registered Psychologist, specialising in designing incentive schemes and choice architecture to improve decision-making behaviour. He has a particular interest in applying insights from neuropsychology and behavioural economics to artificial intelligence machine learning, innovation and creativity, the human digital interaction, corporate decisioning and ethics.

Co-founder of Decida Group Pty Ltd., co-developer of AnDi the digital brain, and ART (Appropriate Responce Technology).

REFERENCES AND RECOMMENDED READING

1. Akerlof, G. A., & Shiller, R. J. (2015). *Phishing for phools: The economics of manipulation deception.* Princeton University Press.

2. Drolet, A., & Luce, M. F. (2004). *The rationalizing effects of cognitive load on emotion-based trade-off avoidance*. Journal of Consumer Research, 31(1), 63-77.

3. Haidt, J. (2007). *The happiness hypothesis: Putting ancient wisdom to the test of modern science*. Random House.

4. Haslam A. J., Reicher, S. D., Platow, M. J. (2011). *The new psychology of leadership: Identity, influence and power*. Psychology Press.

5. Heath, C., & Heath, D. (2010). *Switch: How to change when change is hard*

6. Johnson-Laird, P. N., & Oatley, K. (1992). *Basic emotions, rationality, and folk theory.* Cognition & Emotion, 6(3-4), 201-223

7. Sherman, J. W., Conrey, F. R., & Groom, C. J. (2004). *Encoding flexibility revisited: Evidence for enhanced encoding of stereotype-inconsistent information under cognitive load.* Social Cognition, 22(2), 214.

8. Siegel, D. J. (1999). *The developing mind* (Vol. 296). New York: Guilford Press

9. Siegel, D. J. (2010). *Mindsight: The new science of personal transformation.* Bantam Dell Publishing Group

10. Slade, P. T. (2016). *Investigating susceptibility to the anchoring effect as a function of personality and emotional state.* Griffith University.

11. Thaler, R. H., & Sunstein, C. R. (2008). *Nudge*. Yale University Press.

12. Tversky, Amos, & Kahneman, Daniel. (1974). *Judgement under uncertainty: Heuristics and biases.* Science, 185(4157), 1124-1131.