Innovation, Language, and Organizations

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Notes on the Role of Leadership and Language in Regenerating Organizations
lots of talk about “innovation”

... all organizations want to be more innovative

... because they want to be successful

... and they think innovation is the key.
today we will explore these questions:

– what is innovation?
– how do we get it?
– when do we need it?
– what is innovation?
– how do we get it?
– when do we need it?
innovation is an insight that inspires change that creates value.
innovation

change

insight

convention

convention
innovation is not simply
...an idea
...an invention
...an improvement
...creativity.
innovation

...is an evolutionary process

...can be modeled cybernetically—goals + feedback + actions

...can be usefully expressed as a “concept map”.
innovation requires preparation
innovation requires preparation (immersion)
innovation requires preparation (a bit of luck) (immersion)
preparation aids insight (seeing opportunity)

(a bit of luck)

(immersion)
G6: comes from individuals
community$_1$ may fail to recognize pressure (external) decay (internal)

convention$_1$  

context$_1$ (environment)
community
agrees on & is shaped by

convention
maintains relationship to

context (environment)

may fail to recognize
pose long-term threats to any
each faces

pressure (external)

decay (internal)

inevitably lead to

change (disturbance)
sensing

recognition (definition)
obsessing
innovation requires preparation (a bit of luck)
innovation requires preparation (immersion)

recognition (definition)

frames possibilities for must be shared through

insight (seeing opportunity)

articulation (prototyping)
more
obsessing

adoption (counter-change)

reduction

encouraging
demonstration (testing)
more obsressing
Innovation requires preparation, aids insight (seeing opportunity) which comes from individuals. Change must be shared through articulation (prototyping). Must be proved through demonstration (testing). Reduces risk, encouraging adoption (counter-change) leads to new beliefs, may lead to new actions. Reforming relations creating fit (gain) is reflected as increased value and may lead to artifacts.
innovation
value
change
insight
convention
– what is innovation?
– how do we get it?
– when do we need it?
most “innovation strategies” are vague suggestions:

- be open-minded
- encourage diversity
- learn to trust each other
- encourage experimentation
- forgive mistakes.
how do we increase the likelihood of innovation?

- encourage obsession
- focus on a specific problem
- choose participants carefully
- pay attention to language.
Notes on the Role of Leadership and Language in Regenerating Organizations
An organization is its language.

Ultimately, an organization consists of conversations: who talks to whom, about what.

Conversation leads to agreement. Agreement leads to transaction.
Narrowing language increases efficiency.

Organizations create their own internal language to solve specific problems.

This language serves as a kind of shorthand: Managers use it every day, knowing they will be clearly understood.

Over time, this internal language grows increasingly specialized—and narrow.
Past language limits future vision.

Managers understand the organization’s past behavior. But this knowledge, and the language that accompanies it, limit their vision of the organization’s potential future state.

Using the language of the past, managers may try to provide a vision for the future. But it is an old future—a memory of what the future could be.

Managers may strive for fundamental change, but their language prevents them from achieving it.
Expanding **language** increases opportunity.

The conversations necessary for generating new opportunities come from outside the system.

For an organization to survive, it must be able to acquire new, relevant language domains.
To regenerate, an organization creates a new language.

To support an organization’s future viability, effective decision makers actively introduce change into the system.

They do so by generating new language that appropriate groups in the organization come to understand and embrace.

This new language does not overtly challenge the pre-existing, efficient system, but rather creates new distinctions and supportive relationships.
Manager and Entrepreneur.

The Manager is responsible for improving the organization’s present-day performance.

The Entrepreneur does not concern herself with present-day business.
Manager and Entrepreneur.

The Manager is responsible for improving the organization’s present-day performance.

The Entrepreneur does not concern herself with present-day business.

Managers’ reaction to Entrepreneurs’ language:

“Don’t distract me with future problems.”

“That’s a waste of time.”

“Stop taking resources away from what’s important.”
Manager and Entrepreneur.

The Manager is responsible for improving the organization’s present-day performance.

The Entrepreneur does not concern herself with present-day business.

Entrepreneurs’ reaction to Managers’ language:

“You are stuck in the past.”

“What you want to do is no longer relevant.”

“Stop taking resources away from what’s important.”
Manager and Entrepreneur.

The Manager is responsible for improving the organization’s present-day performance.

The Entrepreneur does not concern herself with present-day business.

But...

Managers and Entrepreneurs are both necessary for the long-term viability of an organization.

Managers’ language improves quality, brings about efficiencies, and focuses on today.

Entrepreneurs’ language increases variety, fosters insight, and focuses on tomorrow.
– what is innovation?
– how do we get it?
– when do we need it?
we need innovation when:

- the environment is changing
- competition is increasing
- something is wrong
  (but we don’t know what it is)
- we’re reaching some limit
- we’re reaching the end of a phase or a cycle.
Innovation

Market penetration and major growth of a product or service.

"Maturation curve" of a product or service.

Few customers at the beginning, market adoption and major growth, then slowing growth.

100% market penetration.
innovation

100%

market penetration

find best fit to market

deliver quality to market + create efficiencies to lower costs

“maturation curve” of a product or service

watch out! we may be dying!
innovation

100%

market penetration

develop new language

utilize existing language

develop new language... fast!

"maturation curve"

evolutionary actions

time
innovation

resources allocated to implementation

resources allocated to new language

next innovation

relative allocation of resources

time

100%
– what is innovation?
– how do we get it?
– when do we need it?
how do we organize for innovation?

- design focusing problems very carefully

- select participants to collaborate on solving them

- protect the creation of new language.
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Appendix
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