

The Secret Ingredient to Corporate Innovation?

Treat your employees like business partners



By Stephen Maloney

HAVE YOU EVER wondered if companies just get lucky, or if there are actually some secret ingredients to creating corporate innovation? The answer is not so mysterious. It all boils down to whether or not you consider all of your employees to be business partners, and treat them that way.

In the past, the top-down approach was embraced by most companies. Any improvements or changes were dictated and passed down through the ranks. It was seldom considered that rather than just passing down messages, management could also pass down attitudes and behaviours towards the skills of creativity, risk-taking, relationship building and implementation—all of which add up to innovation. If properly challenged, employees would rise to the occasion.

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Now, fortunately, companies are beginning to see that including employees in the change process can lead to astounding results. How do you go about doing that?


The first key ingredient is an environment that promotes lateral thinking. For example, management would describe most employees' duties within the company as being in an area where "the rubber meets the road." This continuous client contact means that these employees can be invaluable to management when it comes to finding solutions to new company challenges—they are on the front lines, after all. But in order for this to happen, employees need to know that their input is not only required, but also appreciated. Other employees will definitely notice this kind of reaction by management, encouraging them to put forward their own ideas with confidence. Employee recognition by management in front of peers is usually reward enough and spawns other examples of creative thinking.

The second ingredient is the ability to take risk. Friends and business associates of the late Izzy Asper, CEO of Canwest and Global TV, often refer to his incredible capacity for risk and his total indifference to failure. In fact, most entrepreneurs or company presidents share a

tolerance for risk-taking. Yet, if employees undertake even a modest amount of this activity, it's frowned upon. Not every employee should or will rise to the position of owner or management within a company, but it seems like many go through the paces at work paralyzed by the fear and consequences of failure. Employees learn and grow from their mistakes. This means that the same leniency offered to management with regard to setbacks and mistakes (within reason) can, and should, be shared with employees.

The third ingredient is relationship building. This is a tool all employees should be expected to use. While this used to be seen as the private domain of executives and the sales department, it should now be a required activity of all staff members. Employees need to know that their role is vital to the overall success of the organization. Think about this. When was the last time a shop supervisor or line foreman was asked to represent the firm at a chamber of commerce or industry association after-hour social function? If given the chance, they may run into someone from another organization that has similar challenges and a solution that will fit their needs. The feeling of being part of a team, accompanied by the encouragement of management, will go a long way to fostering an atmosphere of personal development.

The fourth and final ingredient is the process of implementation. Companies only receive the benefits of innovation when ideas are turned into products, processes and services. This process best serves the company when management reaches out, accesses (and acknowledges) input from all employees. With the aid of team members, a program is produced to measure goals and objectives, employees are provided with reporting and tracking mechanisms, and management measures the impact on performance, productivity and financial results.

Creativity, risk-taking, relationship building and implementation have long been the hallmarks of successful entrepreneurs. These skills can be transferred to employees. But in order to make that happen, management needs to get closer and go deeper with their employees. Employees will respond to management's push, as long as they feel like they're working for a cause and not just a company. 

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