



Interview with Luis Solis President, North America Imaginatik PLC



Luis Solis is President of Imaginatik plc, a global innovation software and consulting firm. He has applied his critical thinking, business development and leadership skills at McCown De Leeuw & Co. (private equity), GE Capital (global service roll-ups), Symbius (supply chain start-up), GroupSystems and Imaginatik.

He recently authored [Innovation Alchemists: What every CEO needs to know to hire the right Chief Innovation Officer](#). Luis is a speaker on corporate innovation leadership. Luis majored in Philosophy at the University of Pennsylvania and then completed Business and Law degrees at Stanford University. He resides in Boulder, Colorado. More on Luis at www.linkedin.com/in/lfsolis. His blog: www.innovationalchemist.me

Interview conducted by Doug Berger, Managing Director, INNOVATE doug@innovate1st.com

Doug: What motivated you to write your book, "Innovation Alchemists"?

Luis: I have been doing enterprise transformation work since 1985 in supply chains, quality processes, and now innovation. During most of that time I focused on getting the strategy right given the competitive circumstances outside of the organization or the more obvious strategic weaknesses. It was somewhat the method as taught in business schools. What troubled me was that when those methods were applied to innovation they were not sufficient. It dawned on me that the leadership side of innovation was missing.

People make the statement, "the CEO has to back innovation" and of course that is necessary. Any kind of sizeable change requires CEO if not executive committee alignment. If I was the CEO of a large enterprise, how would I do a better job of picking someone to lead innovation? On the flip side, if I am an interested party to play that leadership role in a specific company how would I do a better job of understanding my match to the role? There are endless books on strategy - much less on who is leading or doing innovating.

Doug: In the course of writing the book you have spoken to many chief innovation officers. You refer to them as CINO's in the book. In your position as head of Imaginatik, North America, you have interacted with many chief innovation officers. What are some of your lessons learned that make for a successful chief innovation officer?

Luis: After working and speaking with close to one hundred chief innovation officers, I distilled it to six edges or types of capabilities that are essential to being an outstanding chief innovation officer. Many CINO's wrote essays for the book and are great examples. I have been testing out these capabilities and getting both validation and kudos-type feedback for clarifying this.

First, there is an 'orchestrator' role which is uncommon. Virtually all of us over the age of 30 have been taught in business schools and through business experience that the way to make things happen is through control, organizational lines of power, setting the agenda and having other people follow. Whereas, the effective innovation leader is more of a conduit, managing by influence and by making connections. They are really more a symphony orchestrator. This means that person has to be extremely self-confident in their ability to contribute and constantly balance the push versus the pull nature of innovation in an organization. Many leaders and executives are uncomfortable with this role. It doesn't feel to them substantive or powerful enough. It feels almost too collaborative.

Secondly, for lack of a better phrase, I call it being a 'linguist', which is being a person who introduces stories, language, symbols and metaphors to permit innovation to happen. How do you introduce new ideas and concepts? Take the idea of introducing concepts like time horizons and finding a culturally acceptable way to have the whole organization talk about it. It takes language that helps bind together the people working in the world of innovation. Great innovation leaders set the tone with language.

Number three is the role of 'discoverer' and few of us in management or leadership have been trained to be a discoverer. In business it's all about predictability and that is what leads to great execution at earnings and results. But in innovation, one wants to emphasize at every turn the curiosity that will underscore discovery as a mindset. This ability to be open to new possibilities and to flesh them out as business opportunities, where others would see them either as risk, shortcomings, or would absolutely miss even spotting such opportunities.

Fourth is the 'marketeer' telling and selling the reason why this portfolio is being constructed and why some investment is not as near-term as we would want. Without this nonstop evangelist, innovation does go away. It is counterintuitive to spend money and time on the unproven, the unknown and the not-done-here-before stuff. Embedded in all of this are very strong communication skills, the desire to influence and to impassion others, and a relentless ability to introduce new activities and explain their value.

Next, without money, there isn't innovation. So the next role is being the fundraiser. CINO's who had a short tenure at their last company privately admitted to me that this was one of their shortfalls. Many thought, "If it is ambitious enough and if the CEO wants it certainly someone will fund this." Innovation must get funded through a myriad of sources in a myriad of models in the initial two to four years for it to be around in year five. It is extremely important to secure multi-period funds for your innovation and separate funding for incremental and strategic innovation from those that might be more disruptive or breakthrough.

Lastly is being a change driver. Catalyst is too weak of a word. It is about being a resolute leader for change and laying down the plans and seeing them through with crispness. Those are six "edges" that are underscored by all of the essays and all of my research.

Doug: One of the things that you said in the book is that a chief innovation officer is essential for horizon-2 and horizon-3 innovation - obvious after you say it because a

senior leader must be responsible for efforts that do not fall neatly into the budgeting and planning cycles. You also made the point that "Innovation is defined by who funds it." Also common sense wisdom once you point it out.

Luis: A further point is where the chief innovation officer is sourced from. My executive recruiter friends don't like this but I argue that many of the very successful innovation officers have migrated to that role from a long standing career within an enterprise. Innovation is so hard to do because it threatens the status quo. And culture is so critical to innovation success. Coming from within the enterprise the CINO may have greater credibility, trust and goodwill that enables him or her to take the risks and have people follow where others would not.

Another point relates to the innovation maturity of the enterprise. I am convinced that one terrific chief innovation officer at one enterprise stage may not be right for another stage. It makes total sense when you look at startups. Often the individual to get a start-up to 10 million is different than the individual to get it to 50 million, is different than the individual to get it to 100 million in revenue. Innovation is similar. In the early moments of formation it is very different than ten years later, when it is more about management oversight. Based on understanding innovation maturity the CINO acts in a very different manner. Starting as an advisor in the very early rounds, then driving that change and spreading it, then being the coach to embed it into the business units, and finally the steward who is overseeing the enterprise innovation capability. Innovation expert Scott Burka has a phrase that I really like, "Chief innovation officers need to have an expiration date."

Doug: Shifting gears, what is really going on in the mind of the CEO when they decide that they need a chief innovation officer? What is it that the CEO is thinking needs to get done?

Luis: Most CEOs have in mind their organization's readiness for change, how far they want to go and how soon. This is so important because otherwise you could pick the wrong person. It is important for the CEO to make the decision with readiness in mind and with the end point 3-4 years out.

CEOs also have their personal preference for the shape, the look and feel for the next stage of innovation. How will innovation play with strategy? Will it be centralized or distributed? Sitting at the executive table? These require a different mindset and a different hire.

Do CEOs act out of inspiration or desperation? Are they staffing and funding for opportunity based on trends that are perceptible or less common, and that their team sees or their board sees? Or are they responding to adverse trends, declining margins, competition, technology shifts? The media would lead us to believe that most CEOs act out of inspiration. I will say, in my experience 50% to 80% of CEOs are acting in response to adverse trends. When I am responding to adverse trends, I am responding to fix, protect, or shore up what I do today. If I respond to inspiration, I would both protect today and be willing to go brand new places too.

Finally, it matters quite a bit what condition the business is in. Very few businesses that are in fiscal trouble find it possible to reach beyond a year or two of planning. They likely don't execute well. In this case CEOs do not really do have time, resources or attention.

Doug: Please share with us your passions for transformation and this enterprise-wide innovation.

Luis:

Passion number one is the work I do directly with leaders to help elevate their confidence in innovation. Innovation is risky stuff; innovation has personal failure, career damage, upsets, etc. attached to it. Careful planning, experiments, projects and helping design the organization and the metrics boost their confidence that they can do this. Without that confidence it is not going to happen, or the rate of effort will be much slower. They will recoil back to safety. I enjoy being their advisor, coach and partner tremendously and I also think that it is often needed to help someone move beyond their personal risk-comfort zone.

Passion number two is the communication side. Roy Rosen of Intuit talks about three types of outcomes: an outcome where the innovation experiment was successful; one where it was clearly a failure relative to what you expected; and a third that is the most promising where the project didn't hit the target but you learned something big from it. Now, how are you going use that to move forward, rally the troops, and gain more motivation and momentum? How do you communicate these things? How do you build this ongoing communication system of reinforcing messages and updates that enables the organization to move forward and to stay focused on innovation? I think the whole communication side is a recurring issue across many of the organizations that we work with at Imaginatik.

Great innovation officers are addicted to learning. They are self-learners and they also push their teams and their organization to learn and learn more. I have found that to be fascinating because learning takes time. In some cultures that would seem counter-productive; you're not being productive enough. The most outstanding innovation officers I've gotten to meet, work with and have benefited from not only make time, they also create a lot of safety and permission around learning and rewarding learning. I do think that constant learning and questioning one's own assumptions is the best way to manage, not reduce or eliminate, but manage this constant change that we face in every facet of our lives.

