## Creating A Culture of Innovation

Solving for Why - Change your Identity, Change your Future

How a common why provides meaning at work and transforms performance



### Why a new book? My consulting work indicated a huge need ...



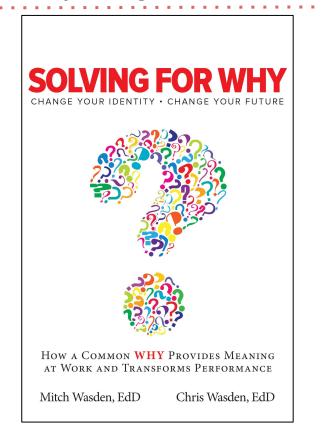
Executive Leadership Workshop on Creating a Culture of Innovation

Fortune 300 Company Workshop on Creating a Culture of Innovation



### Without an inspiring and common "why" for individuals and an organization you get poor results







## Powerful cultures that align the employee's personal "why" with a compelling company "why" outperform

- 33% higher profitability (Gallup)
- 37% higher sales (Shawn Achor)
- 43% more productivity (Hay Group)
- 300% more innovative (HBR)
- 51% lower turnover (Gallup)
- 66% decrease in sick leave (Forbes)
- 125% less burnout (HBR)



## The application of neuroscience, complexity theory, and peak performance is magical

They enable spontaneous order to emerge from chaos



What are your development priorities for the coming year?

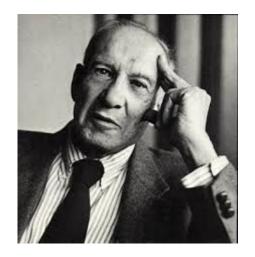
If your organization can sponsor only one development initiative next year, it should, without a doubt, be a relentless focus on creating a stronger cultural identity.



## Strategy Determines Organizational Success



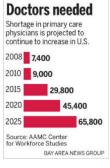
## We find ourselves in the most complex time and the most complex industry



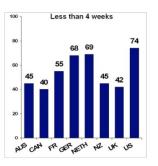
Peter Drucker, PhD

Greatest Management
Guru of all Time

"Healthcare is altogether the most complex human organization ever devised."



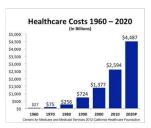
**Clinician Shortages** 



**Patient Access** 



**Quality Outcomes** 



**Health Costs** 

Digital Transformation Challenges



Six survey questions ...

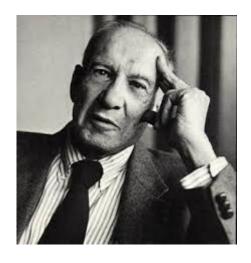
Q1 - How many of you have strategic planning retreats?

Q2 - How many of you have strategic plans?

Q3 - How many of you could share your strategic plan now?



### ... but Peter wasn't so sure that strategy was the solution ...



"Culture eats strategy for breakfast."

Peter Drucker, PhD

Greatest Management
Guru of all Time



### Six survey questions ...

Q4 - How many of you have culture retreats?

Q5 - How many of you have culture plans?

Q6 - How many of you could share verbatim your:

Vision

Mission

Values



### What is culture and what role does identity play in creating and sustaining it?

### **CULTURE**

Culture arises from the values, beliefs and deeply held assumptions that drive our behaviors and are based upon our individual and collective identities

Culture is the source of our "whys" and our Being and determines what we Become

Culture is the observable manifestation of our identities and behaviors

#### **IDENTITY**

Our identity is what and who we believe we are

I am ... (fill in the blank)

No action takes place without an identity; it is the greatest organizing principle of life

We have hundreds of identities

Behaviors arise from identity based upon two emotions: fear & power



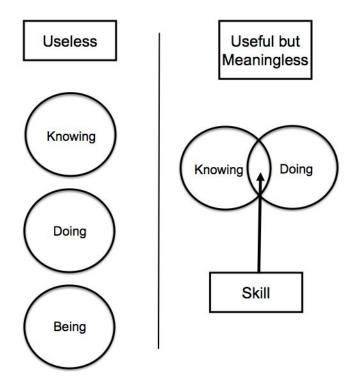
If culture is more powerful than strategy, why do we do the later and ignore the former?



## Best Practices Determine Organizational Success

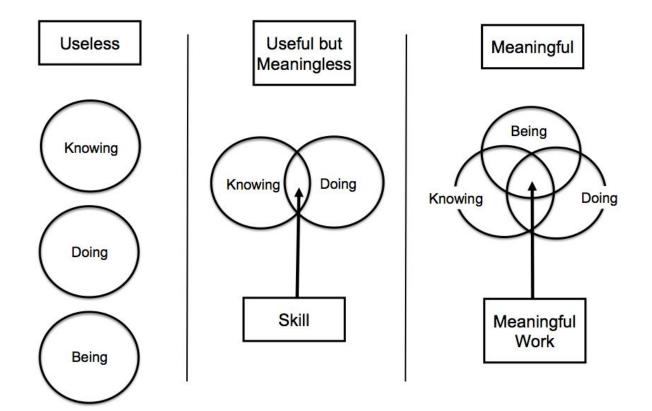


### We spend most of our time focused on Best Practices of Knowing and Doing, but ...



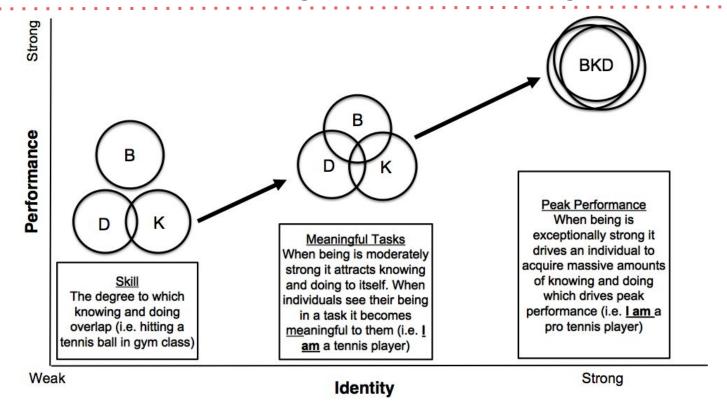


### Meaningful work only occurs if there is a "why" based upon Being - I need to see "me" in it



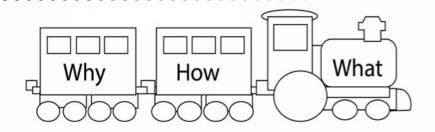


### We ignite "spontaneous" Peak Performance when individual BKDs are aligned with the organization's

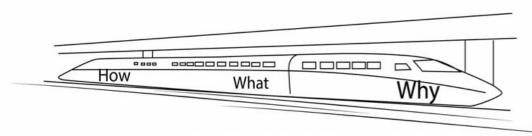




### We must believe that "why" is the engine, not the caboose to realize Peak Performance



What ordinary organizations do



What extraordinary organizations do



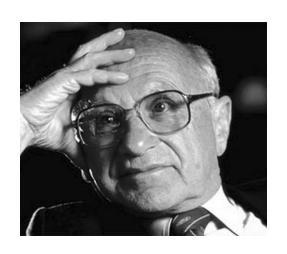
How do we create a compelling "why" to power our performance and inspire our people to go beyond Best Practice?



# Maximizing Shareholder Value Determines Organizational Success



### Milton Friedman defined the purpose of the organization and earned a Nobel Prize



# J.P.Morgan KOCH

Milton Friedman, PhD

Nobel Laureate





### Are people merely a means to the profit maximizing ends? Can't work be an end in itself?

Radical Change





Regulated







Subjective

Objective

## Economist published a report from Science that shows that "why" creates better shareholder value

Freed enterprise

Psychology beats business training when it comes to entrepreneurship

Among small-business owners in Togo, at least





### The paradox of performance is that the more we focus on the invisible, the better the visible outcomes



"If you want to build a ship, don't drum up people to collect wood and don't assign them tasks and work, but rather teach them to long for the endless immensity of the sea."

Antoine De Saint Exupery



How do we enable people to see the "me" in the meaning of work to make it an end?

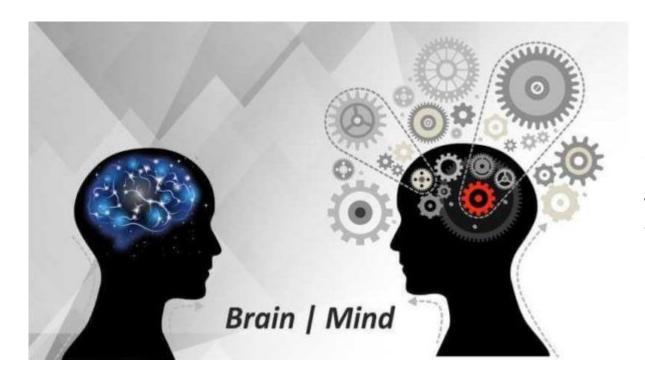


If It Isn't Measured It Isn't Managed and Success Can't Follow



### The human brain is the most complex system in the universe, but the mind must help it find short cuts

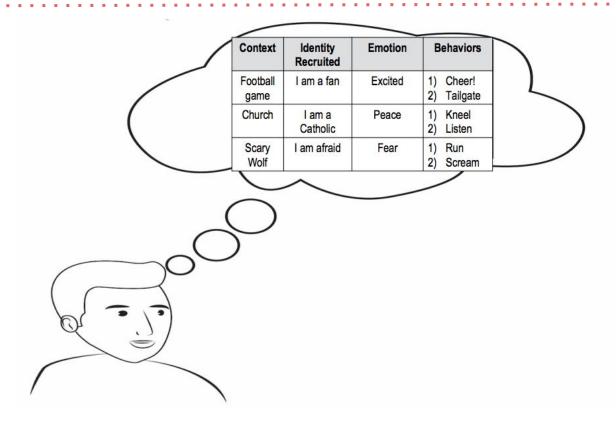
Uses existing mental maps when tensions arise



Creates mental maps when tensions arise

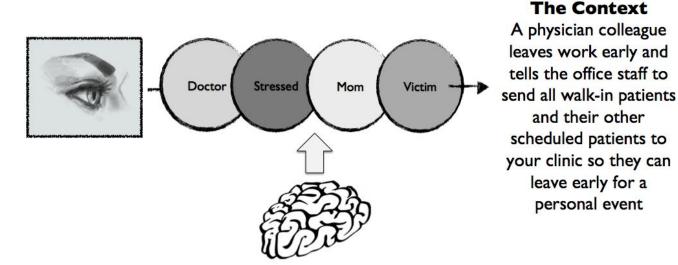


### Identity is a "Mental Map" in the brain that contains: 1) Emotions and 2) Behaviors





### We see the context of "reality" through multiple identity lenses that drive emotion and behaviors



The brain contains hundreds of identities which are non-consciously recruited once the brain scans the context and determines those that it believes best fit the situation. When incorrect identities are recruited we must mindfully replace them with more adaptive identities.



## The brain recruits maps based upon emotions of Fear and Power (examples)

### **FEAR**

**POWER** 

**Afraid** 

**Victim** 

Danger

Scarcity

Failure

**Decline** 

Adventure

**Affection** 

Amusement

Audacity

Authenticity

Beauty



### Power-based values harnesses creative tension to enable spontaneous order to emerge



Give people the power to build community and the bring world closer together.



Hallmark makes the world a more caring place by helping people laugh, love, heal, say thanks, reach out and make meaningful connections with others.



To inspire and nurture the human spirit – one person, one cup and one neighborhood at a time.



Transportation as reliable as running water. Everywhere, for everyone.



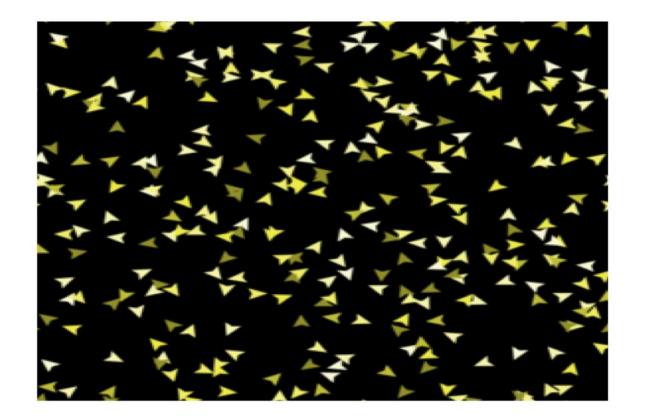
How do amplify the power of the invisible to enhance the performance of the measured?



# Lean Six Sigma Will Create Order from Chaos and Deliver Organizational Success



## How would you get these Boids to all fly in the same direction if they were your employees?





### Three simple rules is all it takes to create order from chaos

### **ALIGNMENT**

Steer towards the average heading of the flock (see the vision)

### **COHESION**

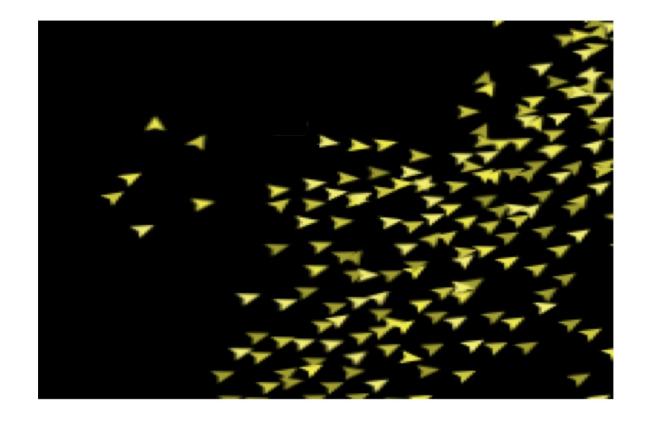
Steer towards the average position of local flock mates (stay close to your team)

SEPERATION

Avoid crowding other birds (but not too close ... need for autonomy)



### Most Boids will fly in formation, creating order from chaos, with just these three simple rules





## An example of simple rules: The Power of One - Together we Imagine, Inspire, Engage & Excel









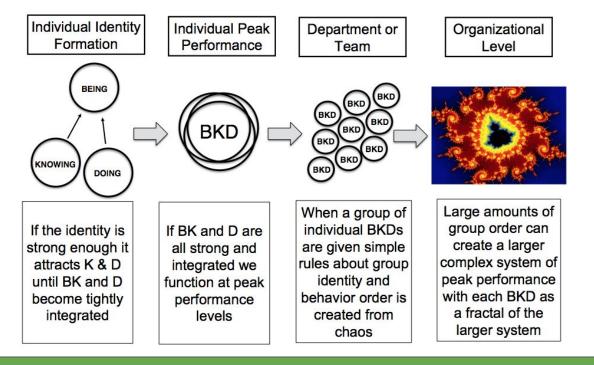
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**BEHAVIORS** 

| Imagine                               | Inspire                  | Engage               | Excel                 |
|---------------------------------------|--------------------------|----------------------|-----------------------|
| • Invent the future                   | • Connect to the mission | • 10/5 Rule • Assume | • Say Do Ratio<br>1:1 |
| <ul><li>Simplify complexity</li></ul> | • Lift others            | positive<br>intent   | • Reach higher        |



### As you align BKD at all levels, order emerges and enables Peak Performance





How well do we manage complexity with simplicity?



# Let me ask you a few questions ...



Increase profitability by 15%

Gallup survey indicates that white-hot culture can increase it by 33%



**Increase profitability by 15%** 

Increase sales by 15%

Shawn Achor survey indicates that white-hot culture can increase it by 37%



Increase profitability by 15% Increase sales by 15%

### Increase productivity by 20%

Hay Group survey indicates that white-hot culture can increase it by 43%



Increase profitability by 15% Increase sales by 15% Increase productivity by 20%

### **Increase innovation by 150%**

HBR survey indicates that white-hot culture can increase it by 300%



Increase profitability by 15%
Increase sales by 15%
Increase productivity by 20%
Increase innovation by 150%

#### **Decrease turnover by 25%**

Gallup survey indicates that white-hot culture can decrease it by 51%



Increase profitability by 15%
Increase sales by 15%
Increase productivity by 20%
Increase innovation by 150%
Decrease turnover by 25%

Decrease sick leave by 33%

Forbes survey indicates that white-hot culture can decrease it by 66%



Increase profitability by 15%
Increase sales by 15%
Increase productivity by 20%
Increase innovation by 150%
Decrease turnover by 25%
Decrease sick leave by 33%
Decrease burnout by 65%

HBR survey indicates that white-hot culture can decrease it by 125%



Would it be worth it to realize only half of what other organizations achieve with a white-hot culture?



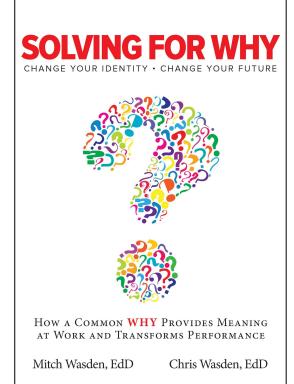
### Start Solving for Why TODAY





**Howard Schultz** CEO - Starbucks

"The only competitive advantage we have are the culture and values of the company. Anyone can open up a coffee store. We have no technology, we have no patent. All we have is the relationship around the values of the company and what we bring to the customer every day. And we all have to own it ."



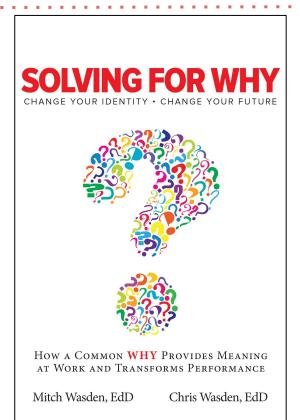




"The thing I learned at IBM is that culture is everything."

Lou Gerstner CEO - IBM

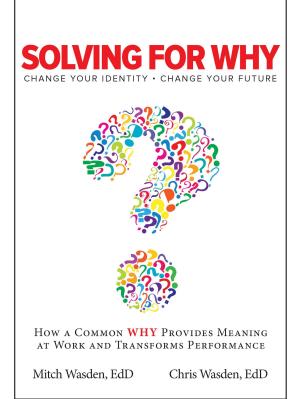






Jeff Bezos CEO - Amazon

"My main job today: I work hard at helping to maintain the culture. A culture of high standards of operational excellence, of inventiveness, of willingness to fail, willingness to make bold experiments. I'm the counterbalance to the institutional 'no'.... Many of the traits that make Amazon unusual are now deeply ingrained in the culture. In fact, if I wanted to change them, I couldn't. The culture is self-reinforcing, and that's a good thing."

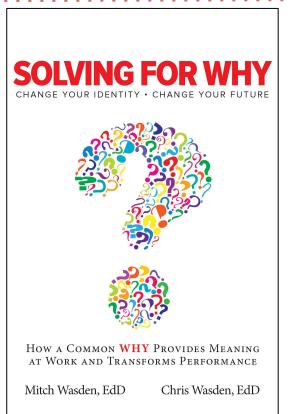


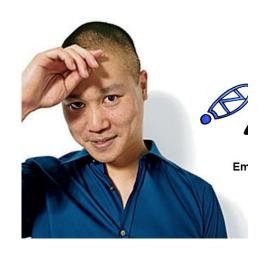


"Culture is simply a shared way of doing things with passion."

Brian Chesky CEO - Airbnb



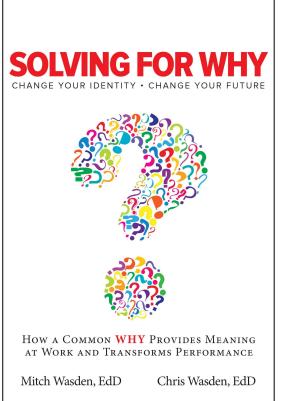




"At Zappos, we really view culture as our number-one priority. We decided that if we get the culture right, most of the stuff, like building a brand around delivering the very best customer service, will just take care of itself."

Tony Hsieh CEO - Zappos



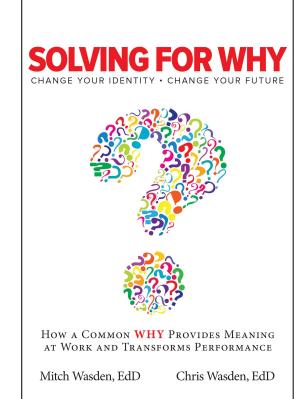




Kevin Plank CEO - UnderArmour

**DIGITAL**disruption
A-D-V-I-S-O-R-S

"You can't invent people that will do things like stay the extra day or an extra three or four hours at night to make sure a shipment gets out or driving things to the airport to make sure it gets FedEx-ed out on time. Or the kind of thing where the associates in our stores will open the door at night and help somebody out and say, "What can I get for you?" Or in customer service, "How can I get a product replaced for you overnight?" You can't invent these things. People have to feel it. And it's not a one-way ticket, either It's a commitment that the teammate of ours has to the company, but it also needs to be the commitment the company has to the teammate. That basis of trust is that the teammate must understand that we want the best for them, and they want the best for us."



According to Gallup, "The world's best organizations don't simply promise a great employee experience; they create a culture of engagement in which employees can continuously develop and thrive. Leaders at these world-class organizations treat their workplace culture as a powerful competitive differentiator. They set the tone for their desired culture, communicating consistently and holding managers accountable for team engagement and performance."

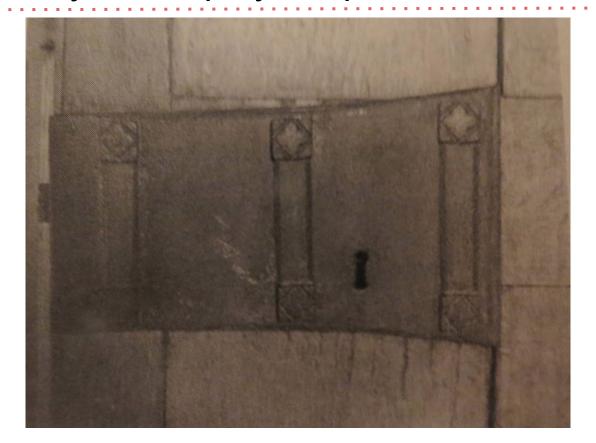
Start **Solving for Why t**oday



Solving for Why enables you to unlock your employees hidden potential



## Knowing and Doing look the most obvious, but they don't unlock your employees potential



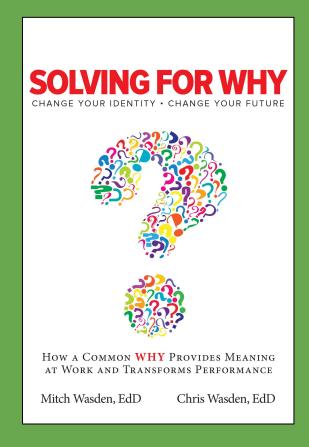


## **Solving for Why** reveals the hidden key to meaning, purpose, and peak performance





Please provide your comments on the advance reading copy ... we will include you when publishing







"Tension contains very practical wisdom to guide leaders to move towards, and embrace, creative tension."

Ed Catmull, Co-founder of Pixar Animation Studios and President, Walt Disney and Pixar Animation Studios, *New York Times* bestselling author of *Creativity, Inc.* 



"Innovation is the key to long-term organizational survival. In this well-researched book, the Wasden brothers create the map of where innovation comes from (tension); how it works in our brains, lives and organizations; and, most importantly, how to unleash it both in ourselves and in our organizations. **Tension** is an important read and a great confidence builder for both entrepreneurs just starting their journey and leaders of established companies."



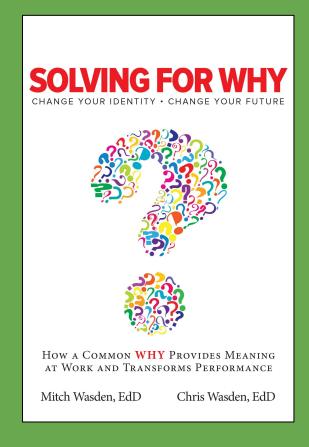
Neal Patterson, Co-founder, Chairman & CEO, Cerner, Ranked #8 Most Innovative Company in America by Forbes

"With an engaging blend of personal experience, neuroscience, and practical guidance, the Wasden brothers provide the path for personal and organizational success; how to truly think, use tension creatively and balance the need for routine with the need for meaningful change. The metaphor of the bicycle in the book carries the reader and the message well. This book is a good ride and a great read!"

Patrick Quinlan MD, CEO Ochsner International & CEO Emeritus, Ochsner Health System.



How can we help you and your leadership **Solve for Why** and Transform Performance





### Common questions:

- 1) Culture is the sum of hiring the right people (Truth: the same people, given the right identity, can perform at a higher level)
- 2) I'm in an industry that isn't cool, how can I have an exciting culture? (Truth: every legal enterprise has a way to reframe what they do to give it meaning and purpose)
- 3) Our organization already has a mission, vision and values so we don't need this. (If it's not in their head, it's not in the culture).
- 4) To get more from employees, you have to pay them more. (transactional leadership would say this. But transformational leaders where you take people from being to becoming for a great cause recognizes that people have a common core identity that wan't to grow and succeed. Flow shows us that this activity can be it's own reward.

