

Don't Let Hierarchy Stifle Innovation

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In the team sport of innovation, the quality of interaction between teammates regulates the speed of discovery. If a team is healthy, the pattern of exchange will be free-flowing, candid, and energized. If it's unhealthy, the team will retreat into silence, superficial niceness, or some combination of the two.

Much of the know-how required for innovation comes from the bottom of the organization — in other words, from local knowledge. Yet many non-management employees consider innovation outside the scope of their jobs. Even when they want to participate, they don't because the organization's tacit norms discourage it. The pressure to execute and remove variance overwhelms the motivation to innovate and introduce variance.

For example, an employee at a large health care organization said to me, "If you're new in this organization, you have to listen for a year before the organization will listen to you." That's a cultural barrier to entry that silences a team and chokes innovation. If that norm is perpetuated, the entire organization will be hobbled in its creative output.

In my research with hundreds of teams during the past decade, I've identified a cultural barrier that — perhaps more than any other — stifles innovation in its earliest stage: authority bias. Authority bias is the tendency to overvalue opinions from the top of the hierarchy and undervalue opinions from the bottom, and it eventually turns into exaggerated deference to the chain of command. Organizations tend to give the most credibility to ideas, suggestions, or points of view based on source rather than substance. In fact, source becomes a proxy for

substance because we reasonably expect more competency as we move up the hierarchy. But this creates natural disincentives for those at the bottom to raise their voices. The greater the power distance, the higher the perceived risk of speaking up. Thus, the grander the perch, the rarer the feedback.

Unleashing bottom-up innovation is largely a matter of neutralizing this side effect of hierarchy. But how can organizations create a true idea-meritocracy in which they become more agnostic to title, position, and authority and truly debate issues on their merits? How do they achieve cultural flatness: a condition in which power distance or structure does not restrict collaboration or the flow of information?

Here are three practical steps leaders can take to neutralize authority bias, embrace cultural flatness, and unleash bottom-up innovation.

Grant irrevocable participation rights.

First, understand the distinction between participation rights and decision rights. Participation rights refer to a person's opportunity to participate in discussion, analysis, and advocacy concerning ideas, issues, and questions. Decision rights, on the other hand, refer to the authority of a group or individual to make a decision about an idea, issue, or question. Make it clear to both new and existing team members that participation rights are embedded in every role.

Here's how: First, clarify the difference between participation rights and decision rights. Second, acknowledge that in the past, participation rights were often granted based on criteria such as seniority, time-in-grade, title, experience, and formal status. Explain that your team doesn't subscribe to this norm and that all employees are granted irrevocable participation rights — provided they demonstrate respect, basic contextual understanding, and good faith. Third, provide opportunities for team members to exercise their participation rights based on relevant issues, questions, or potential courses of action, and then explicitly invite all team members to weigh in.

This of course is easier said than done. Many organizations are dripping with implicit bias, which curtails the participation rights of new and/or underrepresented and marginalized employees. In practical terms, this means that employees in these groups may require reassurance and additional efforts to create psychological safety in the process. They may be slow to respond, but when they see that equal access to participate in the process is fair and consistent, they will gradually opt in.

Finally, cultivate the expectation that innovation is embedded in every job description. Reinforce that innovation is primarily a social process that relies on collaboration.

Practice exploratory inquiry.

The status quo becomes ingrained over time as our thoughts about it harden into dogma and we become attached to it. But the homogenization of thought is the enemy of innovation.

Innovation by its very nature is disruptive of the status quo, so challenging it is a highly vulnerable behavior. Because it carries a high degree of personal risk, most employees conduct

careful threat detection before engaging in exploratory inquiry and potentially deviating from the status quo. Also, keep in mind that, for most people, evaluating performance based on data feels more secure than exploring possibilities based on assumptions and predictions. So how do you get over the discomfort associated with exploration?

Practice the disruptive question sequence. This three-step process is a quick and effective way to get the ball rolling and accelerate bottom-up innovation:

- First, ask, "Why?" Why do we do it this way?
- Second, ask, "What if?" What if we tried this instead?
- Third, ask, "How?" How might we do it differently?

Ensure that the process is non-judgmental. Generate and ideate without editing, critiquing, limiting, or censoring.

Finally, once you teach the disruptive question sequence, don't expect the process to run itself. Your team needs practice. The best way to develop the skill is to run a series of disruptive question sequence sessions with your team with assigned topics. For example, I worked with a marketing team recently that held a session to address its lead-generating process. The leader was careful to model the three-step process and remove every incentive that might motivate her team members to be silent or superficially nice. The dialogue was hard-hitting, yet honest and respectful.

Normalize constructive dissent.

Finally, for employees to develop skills across the companion disciplines of execution and innovation and seamlessly toggle back and forth between them, normalize constructive dissent. Team members must be given explicit permission, and even the obligation, to disagree.

The thinking that causes employees to stay away from innovation goes something like this: "Innovation requires exploration, exploration leads to failure, failure leads to punishment. I'll keep quiet." Remember, silence is expensive for organizations. It drives out excellence and ushers in mediocrity. When it's not safe, people play it safe. So how do you normalize dissent?

Criticize your own ideas and decisions in public.

Think out loud with your team and publicly poke holes in your own thinking and behavior. Invite others to join you. For example, one leader said to her team, "As you know, my fingerprints are all over this decision. I own that, but here we are six months later and it looks like I made the wrong decision. I need your help to think this through."

Celebrate dissent and invite more.

The most significant moments of truth in culture formation happen when a team member takes an interpersonal risk "on stage." In one team I observed, a team member voiced the unpopular opinion that a proposed decision was a bad idea. Creating a wave of cultural flatness, the team leader responded, "That's fantastic. I'm excited to learn why you feel that way." Then he listened carefully and solicited more dissenting views.

Inject empathy.

Never a purely intellectual process, dissent is frequently charged with emotion. At its root, dissent is most often an intellectual clash. On the other end of an opinion, though, is a human being coming to the table with some mixture of confidence and fear. People draw different conclusions from the same data sets all the time, and that's why it's hard. You can tell people to hold their opinions lightly, but it rarely works until they come to understand alternative viewpoints with empathy. Empathy is compassionate curiosity about another person's journey from data to conclusions. What data do they have? What assumptions did they make? What do they care about and why? Finally, how did they reach their conclusions? Injecting empathy into the discussion can turn confrontation into fruitful collaboration.

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Remember, bottom-up innovation relies on the circulation of local knowledge, and the circulation of local knowledge relies on cultural flatness. Too much deference to the chain of command will bottleneck that circulation. To create cultural flatness and unleash bottom-up innovation, grant irrevocable participation rights, practice exploratory inquiry, and normalize constructive dissent.