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## LEADERSHIP THAT DRIVES AND SUSTAINS INNOVATION IN ORGANISATIONS

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### Definitions

Innovation can be generally defined as an exploration of novel ideas in the organisations and implementation (exploitation) of those ideas in practice. Sometimes the word innovation may be interchangeably used with creativity; however, many scholars tend to distinguish those two notions.

In 1974 Stogdill stated that ‘there are almost as many definitions of leadership as there are persons who have attempted to define the concept’, and this statement is still valid today. One of the most used definitions is the one given by Northouse: ‘*Leadership* is a process whereby an individual influences a group of individuals to achieve a common goal’. Most scholars of leadership tend to distinguish leadership from management. For example, Bennis and Nanus suggest that ‘managers are people who do things right and leaders are people who do the right thing’.

Deschamps defines *innovation leaders* as ‘senior ‘executive champions’, who stimulate, support, steer and sustain innovation in their companies’. Deschamps helps us to identify *six common traits* that innovation leaders share. Such leaders have a balanced blend of ‘emotion’ and ‘realism’. They encourage risk taking and tolerate failures. Furthermore, these leaders are able not just to start successful projects but also to stop the ones that are considered to be unsuccessful. They have aptitude for recruiting and developing talent and successful teams. They welcome new ideas and technology and encourage subordinates to widen their perspectives. They are passionate about their vision and goals and have a strong desire to engage their staff in a shared vision.

### How do innovation leaders drive and sustain innovation?

Daft argues that leaders don’t have to be active innovators themselves. Their role is to set innovation aims, encourage bottom-up innovation, and make a decision on whether to put new ideas into practice or not. *Bottom-up innovation* is described as the emergence of new ideas throughout the organisation and its existence is a key determinant of the quality of the innovation culture. *Top-down innovation* focuses on the process and ‘organisational discipline’ required to implement the vision set from the leadership. To sustain innovation at high levels, companies want both types of innovation.

*Work environment* is a significant determinant of the creative output of individuals and teams. Amabile *et al.* set out five environmental factors that affect the level of creativity within organisations [2]. Briefly, these are: an active encourage-

ment of new ideas and unrestricted communication at all levels throughout the organization, the degree of ownership of work and contribution to the firm, access to resources, a suitable level of work pressure which sets a balance between challenges and stress of over-load and organizational resistance to creativity which can arise from internal politics or non-adaptive sub-cultures.

It is argued that leaders can influence innovation directly by addressing the 'intrinsic motivation' of individuals and indirectly by cultivating an appropriate work environment that encourages exploration without punishment if the outcomes are unsatisfactory.

Innovation leaders are those who can create an environment that 'encourages creativity and helps the organisation (as well as individuals) be more innovative'. Daft proposes some advice on what they really need to do to make it real. First, in order to facilitate ongoing creative processes in organisations innovation leaders need to make sure that employees' behaviour and thinking are aligned with company's vision and goals. Therefore, the vision should be constantly promoted by leaders and clear goals defined. Second, leaders can encourage, as Daft calls, 'corporate entrepreneurship' amongst their employees by giving a free rein to their rooted (but usually suppressed by numerous factors) enthusiasm to explore, experiment, create, innovate and take risks. 'Corporate entrepreneurship' in turn may lead to a substantial increase in a number of innovations and 'idea champions', people who truly believe in new ideas and take them forward for execution. Third, leaders can enable employees with spare time to carry out non-formal experiments and activities, which may help to increase the number of creative ideas, as many of them are formed during unofficial, work time. Fourth, leaders can encourage their employees to test a wide range of experiences by employee rotation, offering time-off for sabbaticals or other 'diverse stimuli'. It is argued that a whole process of innovation in organisation cannot be accomplished by a single person. Therefore, good communication among employees within organisation is needed. Daft argues that leaders can cultivate collaborative environments where different 'thought worlds' as described by Dougherty communicate across boundaries, and some of the ways to embody this are through corporate culture and the creation of cross-functional teams.

### **Conclusion**

Sustainable innovation can only be achieved if top managers build a favourable environment for the cultivation of innovation leadership. By actively promoting values that reinforce innovation within a suitable culture, top management should be able to attract, effectively deploy, retain and engage a cadre of innovation leaders who will be able to sustain innovation within the firm over time.

### **Bibliography:**

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3. Bennis, W.G., & Nanus, B. 1985, Leaders: The Strategies for Taking Charge, Harper & Row, New York.

**ЛИДЕРСТВО, КОТОРОЕ ПОБУЖДАЕТ И ПОДДЕРЖИВАЕТ  
ИННОВАЦИИ В ОРГАНИЗАЦИЯХ**

Чарльз О.

*Практика и литература показывают, что для того, чтобы выжить в условиях сегодняшней глобальной экономики, организациям жизненно необходимо принимать активное участие в процессах инноваций. Лидерство признано одним из наиболее важных факторов, который может повлиять на инновационность предприятий. Согласно исследованиям 500 CEO, проведенных Американской Ассоциацией Менеджмента, большинство респондентов ответили, что для того, чтобы выжить в сегодняшней деловой обстановке, мировым компаниям необходимо практиковать творческий потенциал и инновации. Однако, только 6% CEO верят, что их компании делают это эффективно. Таким образом, одной из наиболее важных задач для лидеров сегодня является задача объединить творческий потенциал и энергию рабочего коллектива с целью побуждения инноваций и последующих интересов организаций.*

*В этой статье исследованы характеристики тех лидеров, которые побуждают и поддерживают инновации в организации.*