

On the Folly of Adopting A while Hoping for Apple

FastCompany released its annual [?50 Most Innovative Companies?](#) list, one of the more enjoyable of the dozens published every year. Pick up any one of these and three things become immediately apparent. First, there is no shortage of role models for innovation. Second, outside the crowd favorites (Apple, Google, and Facebook) there is little overlap between lists. Third and perhaps most importantly, each company and what makes them innovative ranges wildly.

Some are behemoth multinationals employing hundreds of thousands, others are startups with less than a hundred; some are in heavy industries, others are iPhone apps; some in the US, others in developing countries. Some swear by customer service, others are on the cutting edge of emerging technologies. Some swear by their ability to ruthlessly execute a singular vision, others by their ability to experiment promiscuously.

Anyone trying to copy what these companies do faces a Rorschach test rather than a recipe. Do you think a foosball table will foster a creative culture? There's a company on the list that swears by it. Want everyone to have the time and motivation to drive their pet projects? Want in-office massages? Your own four-star cafeteria? It's all there ? but will it really make a difference?

Unfortunately, while the research on innovation offers more tangible findings grounded in rigorous studies, it's only marginally more relevance. The best practices that correlate most strongly with generating, developing, and delivering successful innovations include the usual suspects: cross-functional product development teams, heavyweight team leaders, boundary-scanning activities, brainstorming, prototyping, and tolerating risk.

But recognize that these practices apply to all companies?they are the most general and generalizable practices but not necessarily what will drive your success in any given effort.

To understand why building an innovative organization is so hard, you have to recognize that simply adding smart people to an organization doesn't make it smarter and adding creative practices to an organization doesn't make it more creative. Nor, for that matter, does building a creative space, changing the reward system, moving the cheese, or holding an offsite make innovation flourish.

Take group brainstorming, the practice of bringing people in your company together for several hours to generate as many creative ideas as possible. Brainstorming works in a company like IDEO where participants are trained designers who often work in a range of industries, where the culture rewards crazy solutions and failure (or at least dumb ideas), and where there is little hierarchy and nobody waits to see what the boss will say. It does not work as well in companies where participants have worked together, on the same projects in the same industry, or where the culture punishes failure (even bad ideas), or where there is a strong hierarchy and a domineering boss.[1]

Or remember how the aging retailer JC Penney's hired [Ron Johnson, the Apple VP who built the Apple Store](#), one of the most successful retail stories ever (and before that credited with Target's success)? His reign at JC Penney's was a short but equally epic disaster. The same happened to Bob Nardelli, whose effectiveness as a senior VP at GE got him the head job at Home Depot, only to stumble equally badly. In both cases (and more), no matter how smart these guys were, their earlier success came from the fit between their styles and the nature of the business, the culture of the companies, and the strategic context. Dropped into an entirely different business, culture, and context and it's no wonder they failed.

Then there's Google's much vaunted practice of hiring only the smartest people. They retreated from that notion after finding no correlation to which people and which teams performed well. ?Google famously used to ask everyone for a transcript and G.P.A.'s and test scores,? explained Laszlo Bock, the company's Senior Vice President of People Operations, ?but we don't anymore, unless you're just a few years out of school. We found that they don't predict anything.? It turns out that how people approach the kinds of problems Google faces, they work with each other, and work within the culture at Google matters far more.

Ultimately, which people, practices, or tools will help you innovate depends on your particular strategy (where you' want're trying to

go), what challenges stand in your way and what it will take to get through them. A 10-month old Internet startup will face different challenges than does a 50 year-old electronics company like HP, which will be different from what a 100 year-old industrial goods maker like GE will face, and so many of the the people, practices, and tools will need to be different too.

Go ahead and get the foosball table. You know you want to?just do it for the right reasons.



This post is adapted from my forthcoming book, [Sustainable Innovation](#), which looks at the capabilities that companies need in order to face down the particular challenges of developing sustainable new products and services.

Bob Sutton and I spent over a year observing the innovation process at IDEO and recognized how their practice of brainstorming fit particularly well within its business, its culture, and the ways in which its individual designers, leadership, and clients defined success. Sutton, Robert I., and Andrew Hargadon. "Brainstorming Groups in Context: Effectiveness in a Product Design Firm." *Administrative Science Quarterly* 41, no. 4 (1996): 685-718. ?