
Breaking Free in Turbulent Times – The Intersection of Turbulence, Innovation and Leadership: Unleashing Creativity and Driving Positive Change

Ingar Skaug, CEO of Wilh. Wilhelmsen and Board Chairman of the Center for Creative Leadership

Abstract:

There is no doubt that we live in turbulent times and face an array of global challenges that impact business, society and the environment. The sheer pace of change is daunting. This article looks at ways to harness turbulence through a marriage of leadership and innovation, drawing upon Ingar Skaug's years of experience as chief executive of one of the world's largest shipping companies and his commitment to continued leadership development and personal growth.

The article uses research by the Center for Creative Leadership, including the *Changing Nature of Leadership*, *Leading Creatively* and *Leading Across Differences* projects that illuminate best practice in leadership development, focusing on innovation and creative thinking. Specific steps that leaders can take to address complex challenges, drive innovation throughout an organisation, and use innovation to solve specific problems are outlined.

There is no doubt that we live in turbulent times and face daunting problems – from the environmental challenges of global warming to the cultural challenges of an increasingly diverse society. On the business front, we face a growing global marketplace and far-flung organisations that span time zones and country borders. Information overload and the sheer pace of change have reached new heights.

Are we doomed to be carried along for the ride? Or can we harness such turbulence and use it to fuel new innovative solutions? Through a combination of my own personal experiences and those of other business leaders I encounter each day, I would argue that turbulence can be a positive force if we stay open to the possibilities.

Last year, for example, I was named chairman of a new Global Leadership and Technology Exchange (GLTE) designed to promote technological innovations that can enhance both business performance and environmental responsibility. GLTE was founded by a group of organisations such as Wilh. Wilhelmsen, a maritime shipping company, along with Pacific Gas and Electric, and Det Norske Veritas, an international risk management foundation. The first meeting drew a broad, international delegation that ranged from BP, General Electric, Bayer and Deutsche Bank to Sunoco, IBM, Fortune and Bloomberg; Shell Oil has since joined.

A decade ago, such cross-collaboration would have been unheard of in the business world. But the economic and environmental turbulence we face today has been a positive force for

change. I have great hopes based on early progress that GLTE will lead to innovative, environmentally friendly solutions that can transform the logistics management business. For example, one of the first GLTE targets is to design a new method of propelling freight ships, possibly with the use of fuel cells or solar technology, or even using a combination of solar, wind and wave power.

Is it possible to replicate this model in other turbulent situations? I believe we can if we learn to marry innovation with leadership. Such collaboration has been championed by the Center for Creative Leadership (CCL[®]), a top-ranked global provider of leadership education and research. CCL defines creative leadership as the capacity to think and act beyond boundaries to achieve more than imagined. This type of leadership involves real innovation. That is an exciting prospect, and the opportunity to help cultivate creative leadership is a major reason why I have accepted the role of chairman of CCL's Board of Governors. I am excited about this new role and the opportunity it affords me to study the intersection of turbulence, innovation and leadership. I believe it is the perfect venue for asking the big questions about leadership:

How do we use turbulence as a positive, creative force for change? How do we become innovative leaders who are able to drive creative approaches to problem-solving throughout our organisations?

A recent CCL research projectⁱ on the changing nature of leadership shows that many organisations worldwide are grappling with just these kinds of issues. In fact, 84 percent of the 300 C-level executives and senior managers surveyed believed that the definition of effective leadership has changed in the last five years as business challenges have grown more complex – due to the effect of issues such as globalisation and competitive demands. The same study showed that, in addition to the above, work has become far more connected and interdependent than ever before, requiring leaders to create an environment where others can help them succeed. A flexible, creative leadership style is needed in order to span country and cultural boundaries, promote collaboration and respond to an ever-shifting environment.

Seeing with New Eyes

As business leaders, it is tempting to try to cope with change and turbulence by imposing order, rules and new organisational boundaries. But imposing structure can cost us dearly by stifling creative problem-solving. A more positive way to adapt to change is to innovate – coming up with new approaches and heading off in new directions. Key to this is the ability to see new possibilities when we view the world; or, in the words of CCL experts Chuck Palus and David Horth, we need to 'see with new eyes'.

In their book *The Leader's Edge: Six Creative Competencies for Navigating Complex Challenges*,ⁱⁱ Palus and Horth explain that today's rapid work pace often demands that we scan information quickly and make rapid judgments. We take shortcuts and act on what we

expect to see. They note that when managers are faced with a complex problem, they tend to spend only 10 percent of the available time examining a problem and its context, while 90 percent of their time is spent on generating a solution. The result is that we often end up solving the wrong problem:

"Complex problems — even really wicked ones — often begin to crack and shift when you spend more of your time looking at the problem."

Based on their extensive research among CCL alumni in all levels of leadershipⁱⁱⁱ, Palus and Horth suggest several proven approaches for breaking free of our habitual ways of seeing so we can become innovators:

Stand in different places. We can shift our perspective radically by changing our point of view. If you are a marketer, become the customer. If you are a coach, become the trainee. If you are outside something, look at it from the inside out. Turn the problem upside down so that all the familiar parts look strange, and then take a fresh look.

Use the lenses of other domains. If you are an artist, import the lens of science. If you are a scientist, import the lens of artistry. Seek out and collaborate with others who have the skills and perspectives you lack.

Ask powerful questions. Use questions to take aim at the root of the issues you face. Asking powerful questions can be as simple as probing for what is missing in a given situation or probing the patterns you see before you. 'What if' and 'so what' questions can help you pose surprising scenarios and invite imaginative responses. What if we deliberately tried to make this problem worse? What would be the positives if we failed? What is so great about this new product?

Foster new knowledge. Try spending time among customers, constituencies and competitors. By making sure you regularly spend time in new places, you will gain new perspectives.

Create an innovation journal. Many scientists, artists and inventors keep a journal for tracking their observations and ideas. Since journals are private, they provide a place to try out ideas before making them public. They also can help you integrate the technical and the personal by blending words and pictures, analysis and synthesis, thought and emotions, focus and tangent.

Change the pace of attention. If you like to surf quickly through issues, make a practice of slowing things down — letting questions emerge, shifting positions, noticing interesting features and comparing perceptions. If instead your pace is typically more ponderous, practice taking intuitive scans of the data at hand or hold short, rapid-sensing forums on fast-breaking issues.

I saw first-hand the benefit of this approach when I was with SAS Airlines in the 1980s. The challenge was to turn the company around through a major change process, but we could not just change what we *did* – we had to change the way we *thought*. CCL devised a leadership programme that asked powerful questions to all areas of the company, including union representatives; questions that were often uncomfortable to answer, and even rather frightening to consider. We ended up with a completely different set of leaders, although they were the same individuals who had entered the programme. The airline then took off, in every sense of the term. Instead of letting the turbulence that was buffeting the airline (and the industry) throw us off balance and make us look for scapegoats, we embraced the energy of change within our business strategy and propelled the company toward sustained profitability. Acceptance of the diversity of perspectives amongst our leadership facilitated this.

Driving Innovation throughout an Organisation

It is one thing to value innovation and learn techniques for thinking and acting more creatively. It is quite another, though, to be successful at driving innovation throughout an organisation.

According to CCL's Bob Rosenfeld, a consultant who has helped major organisations throughout the world innovate effectively, 'sustaining innovation is a process with many components interacting in a dynamic and energising way. It is all too easy to let specific issues or tactics dominate your efforts'.

Rosenfeld points to five key principles that can help us breathe life into the innovation process within our respective organisations:^{IV}

1. Innovation starts when people convert problems into ideas.

Most innovative ideas are born through questions, problems and obstacles. They emerge when we are surrounded by issues that are not solved and by circumstances that are not smooth and simple. For the innovation process to flourish, we need a climate that welcomes problems and encourages inquiry.

2. Innovation needs a system.

Rosenfeld contends that whether intentional or not, each and every organisation has an innovation system. Some are formal, designed by the team's leadership, and some are informal, taking place outside established channels.

3. Passion is the fuel, and pain is the hidden ingredient.

Though it never shows up as a line item on a balance sheet, passion is a valuable company asset that can transform other resources into profits. Ideas do not propel themselves. It is

passion that makes them go. Unfortunately, there seems to be some universal law that says when pursuing a passion or following a dream, pain is part of the process. When we become innovation leaders, we need to take the pain with the passion and learn to manage both effectively.

4. **Co-locating drives effective exchange.**

When people are located in close physical proximity, it is easier to build the trust that is essential to the innovation process. There is a greater opportunity to exchange information, cross-fertilise ideas, stimulate creative thinking and critique ideas during their formative stage. Co-location can be a true challenge for today's globally-dispersed organisations, making it imperative that we seek out opportunities to promote both formal and informal collaboration.

5. **Differences should be leveraged.**

The differences that normally divide people – such as language, culture, race, gender and problem-solving styles – can be a boon to innovation. In a constructive environment that enables people to move beyond fear, suspicion, mistrust and prejudice, differences can be leveraged to enhance and sustain the innovation process.

In recognition of the impact of differences on today's world, CCL experts in demographic diversity, intercultural relations and global leadership are conducting a multi-year, multi-country research project entitled *Leading Across Differences*. The project spans five continents and is exploring how the dynamics in today's global society create both opportunities and challenges for organisations.

Using Innovation to Solve Specific Organisational Problems

Once we have mastered techniques for driving innovation throughout our organisation, we will have new-found opportunities to marshal those resources to solve specific problems. Stan Gryskiewicz and Sylvester Taylor have created a targeted innovation process for diagnosing issues and generating innovative solutions:^v

State the problem in a way that encourages creative problem-solving. Use open-ended language that is free of value judgments and implied solutions. For example, if you have a bottleneck in your shipping operations, you will limit the discussion and presume an answer if you ask your team to figure out how to get dockworkers to move faster. Instead, keep the ideas flowing by keeping things open-ended in the early stages of the discussion.

Explore whether the solutions offered are 'incremental' or 'breakaway.' An incremental solution improves on the original idea or performs an existing process better. A breakaway approach challenges the very definition of the problem and holds off on a solution in order to see everything in a new way. A balanced approach in which you entertain *both* incremental

and breakaway approaches typically leads to the greatest degree of creative flexibility and to sounder solutions.

Seek the right creative path. Almost by definition, innovation is boundless in its reach and direction. To make innovation practical, though, it is useful to see creativity moving along four different pathways, each passing through the continuum between the incremental and breakaway problem-solving styles at a different pace. Each pathway reflects a different amount of liberty that problem-solvers take when looking for a solution.

The following questions can be used to help you define influencing factors that determine where the best solution is likely to be found: How much can you afford to spend? What can you afford to lose? How often has this same problem cropped up? Who has to endorse the solution? How close is your deadline? How bad is the situation?

Generate ideas. Once you are on the appropriate path to a solution, where do the ideas come from? There are several techniques available. Brainstorming is one familiar format. Other ideas include restating the problem, shifting perspectives, engaging metaphor and taking real or imaginary excursions. Remember that creativity can be difficult to spark, and it can be killed quickly. One cynical or sarcastic remark can derail the creative process.

Evaluate those ideas. Evaluation turns the creativity process into targeted innovation. It helps you screen, synthesise and separate ideas, select those you believe will work the best and gain support for them. Use simple analyses to examine and rank ideas according to their usefulness, cost, acceptability and difficulty of implementation.

Conclusion

Sometimes people at Wilhelmsen ask me if I will ever stop needing to learn about leadership. They know that, in addition to serving with organisations such as the Center for Creative Leadership, I still engage on an individual level, taking time for reading, reflection, and discussion. This provides the fuel that I need for innovation and creativity, and makes me more passionate about every aspect of my life.

Those that question the need to be a constant student of creative leadership are often those who have yet to experience major turbulence on an organisational level. In 1989, the entire senior executive team of Wilhelmsen Lines, a subsidiary of Wilh. Wilhelmsen, died in a plane crash, and I was recruited to help rally, comfort and motivate those who were still there and build a new management structure. That was certainly a turbulent time, and required everything I had learned about leadership and leading in times of change and crisis.

When looking for direction in the pursuit of life-long learning regarding leadership, I encourage my team members to find a community of like-minded 'students' – whether it is at a physical location, facilitated by a teacher, in books, or virtually through online exchanges.

Many of the problems of our modern world - such as the global environmental challenges I mentioned at the beginning of this article - are tough, but I believe that leaders can solve these problems by working collaboratively, sharing best practice, and greeting turbulence as a positive factor that churns up ideas, innovation and ultimately, solutions.

References

ⁱ Martin, Andre, with Cindy McCauley, Phil Wilburn, Allan Calarco and Chris Ernst, (2005), *The Changing Nature of Leadership, a CCL Research Report*, Brussels, Belgium: The Center for Creative Leadership

ⁱⁱ Palus, Charles J. & Horth, David M., (2002), *The Leader's Edge: Six Creative Competencies for Navigating Complex Challenges*, San Francisco: Jossey-Bass and The Center for Creative Leadership.

ⁱⁱⁱ The research was commissioned to discover the next generation of leadership development by working directly with practice leaders (co-enquiry), including CCL faculty and staff, open-enrolment programme participants, organisational partners, and colleagues/scholars in the field. The *Leading Creatively* project spanned eight years with more than 600 managers, leaders and executives looking at leadership challenges and creative means to solve them, plus defining the new leadership competencies required. For a full description of the process and results of the Leading Creatively research, see Palus, C.J., and Horth D.M., *Leadership Development As Building Capacities For Making Sense Of Complexity: An Assessment Of The Outcomes Of The Leading Creatively Program*, presented to the Professional Development Workshop, States of the Art: The Theory, Practice and Research of Artful Inquiry and Intervention, Academy of Management Annual Meeting, August 4, 2001, Washington, D.C. Copies available upon request to the authors. Journal version is in preparation.

^{iv} Rosenfeld, Robert, w/ Kolstoe, John, (2006), *Making the Invisible Visible: The Human Principles for Sustaining Innovation*, Bridgewater, New Jersey: Replica Books

^v Gyskiewicz, Stan & Taylor, Sylvester, (2003), *Making Creativity Practical: Innovation That Gets Results*, Greensboro, North Carolina: Center for Creative Leadership