
CHAPTER 1

CAPTURING THE INNOVATIVE SPIRIT

"To win, we need to find ways to capture the creative and innovative spirit of the American worker. That's the real organizational challenge."

Paul Allaire, CEO Xerox

The satellite spun just out of reach of the astronauts. Two rescue attempts failed and the space mission was taking a turn for the worse. Pierre Thuot, Thomas Akers, and Richard Hieb floated near the shuttle payload bay realizing they faced a serious dilemma.

The Space Shuttle Endeavour blasted from its launch pad at Cape Canaveral. Their mission was to recover the Intelsat VI satellite 22,400 miles above planet Earth. The satellite fell from its planned orbit and years of research and millions of dollars hung in the balance.

What was supposed to be a routine space mission had suddenly taken a turn for the worse, a potentially dangerous situation. Any mistake at this point could result in personal injury or the loss of the \$70 million dollar satellite.

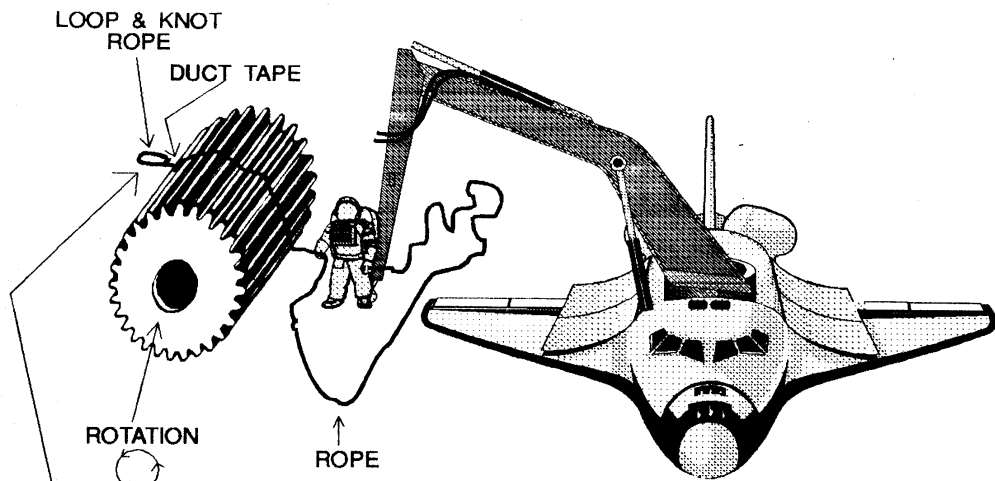
The highly trained crew of the Endeavor was specifically selected to handle the complexities of this recovery mission. Inside the shuttle was a special Recovery System Arm designed to delicately grab this huge satellite and gently tuck it into the payload bay. With two attempts behind them, the astronauts scrambled to find new ideas on how to proceed with its capture.

With the hands of a surgeon, mission commander Dan Brandenstein aligned the Endeavour within a few feet of the satellite. This was his final attempt--They were running out of time and they needed a solution quickly.

Orders came back from NASA to halt the mission. Both scientists and NASA experts were deciding the best course of action. A brigade of computers and scientific calculators figured trajectories and approach patterns. As the minutes clicked by, the shuttle crew waited for advice and directions. Back on planet earth, millions of Americans sat mesmerized in front of their television sets watching with awe and fascination. Then something totally unexpected happened.

The development unfolded in front of astonished NASA officials at the Johnson Space Center. Hundreds of innovative ideas poured into the Johnson Space Center from across the country. Americans were writing, calling and faxing the Space Center. Fax paper covered the floor. Phones ringing off the hook. School teachers, school children, plumbers, business people--representatives from all walks of humanity contributed their ideas.

TO: *MISSION CONTROL*



Solid #12 or 14 wire may be duct taped into LOOP to keep it floating outward, and for ease of grasping as it rotates once.

Have PIERRE adhere the loop end of rope to INTESAT, using duct tape. As INTESAT rotates at roughly 3rpm, the loop end can be adhered to it by having DUCT TAPE pre-installed onto rope. As satellite rotates PIERRE will allow his end of the rope to pass freely thru his hands until INTESAT rotates 1 revolution, then as the loop end comes around, he will remove it from INTESAT. He will then place the other end of the rope thru the loop creating a CHOKE hold on INTEL SAT. As soon as he has the CHOKE hold started he can tie the open end of the rope back to the SHUTTLE BOOM ARM. Recovery can be accomplished now by pulling INTEL SAT closer to the BOOM ARM manually, when close to BOOM ARM the BOOM can now take over and assist in docking.

The rope will act as a tether line, it should help with the safety factor.
 Manpower can now take over and attach your docking arm.
 Dan should use less Booster Rockets as INTESAT will be tethered.

Good Luck,
 GOD SPEED

I'll trade you guys my idea for -- the money that you spent on that 15' recovery system arm. Ha-Ha

ALLENTOWN, PA. U.S.A.
 PLANET EARTH

There were many ideas. Each ingenious idea was unique and different. Some of the ideas consisted of various techniques using ropes, hoops, nets, duct tape and combinations of other resourceful devices. Engineers carefully drew out some ideas. Others colored by school children with crayons. Each idea represented people's initiative and their natural problem-solving ability. Each person hoped their idea could solve this galactic problem. One idea in particular stood out from the others in its creativity. The person jokingly suggested one astronaut should clothe himself in a Velcro space suit and have another astronaut tie a rope around his waist. Then the strongest astronaut could throw him onto the spinning satellite. Once attached, they could reel the satellite and the attached astronaut back into the payload bay!

Finally, back at NASA, they reached a consensus and made the official decision. The third attempt successfully captured the satellite. It was safely stowed in the space shuttle and the astronauts and crew returned to a hero's welcome back on Earth. The American public cheered and celebrated the victory. Interest in the space program was revitalized. Outer space was conquered, person over machine, a tribute to American ingenuity.

In the process, NASA and the astronauts had not only captured the satellite, but also the imagination of the American people. To me, the most fascinating aspect of the mission was something entirely different, something tremendously more significant. I was fascinated by the innovative spirit of the people represented in each of those ideas. This space mission did not just demonstrate ingenuity, but illustrated a principle about people. NASA created an environment unleashing human potential-- the problem-solving power of people. To this day, only a few people appreciated the true significance of what really happened.

Secret of Success: The Innovative Power of Ideas

Throughout history, stories like this repeat themselves. People rise against tremendous odds, overcoming personal hardships. Businesses at the brink of financial failure rescued and brought back to life by a determined leader. A crisis sparks a high level of performance returning to normal after the event is over. New businesses spring up, ride the wave of new technology capturing market share.

Are these stories and situations anomalies or is there a pattern? Think about it--if normal people can provide practical solutions to the capture of a run-a-way satellite in outer space, just think what they can do back here on earth. What is more important, could businesses and organizations use

this energy and vitality to make organizations more efficient and productive? I think so. The outcome is a dynamic vitality, a vitality that can tear down any obstacle, any barrier, knowing no bounds.

Innovation Meets Bureaucracy: Walls Falling Down

In November of 1989, the Berlin Wall and the border between East and West Germany came down. I visited the border a few years before its destruction. I vividly remember the event. It was a gray and rainy day. We were escorted to within only a few yards of the border. The gray bunkers and towers stood above row after row of barbed wire, mine fields and guard dog runs on their side of the fence. Armed guards watched us through binoculars.

The wall stood for decades representing everything wrong with Communism. The border stood in the way of freedom, creativity and the human spirit. Today, the Berlin Wall stands no more, but in its place is a new barrier to freedom--a wall of bureaucracy. The wall of bureaucracy is found all around the world. It is found in almost all organizations, governments, churches, schools and businesses.

Like the Berlin Wall, bureaucracy and old leadership styles form barriers and obstacles restricting people's freedom and creativity. Eventually, if it goes unchecked, bureaucracy becomes overly restrictive and rigid creating unproductive work environments.

The Berlin Wall did not collapse because of a new weapon, new technology or political posturing. People yearning for freedom tore the wall down. People today want to be the best, but barriers and obstacles within a system won't let them...the system gets in the way. Too much bureaucracy saps their potential, creativity and natural problem solving ability. What is important to realize is that bureaucracy goes beyond just red tape and paperwork. Bureaucracy limits the way people think and the way they behave, holding them prisoners.

Many businesses have rules, regulations and policy manuals that look more like a set of encyclopedias. Excessive policies and procedures are like sacks of bricks tied around workers' necks. Nordstrums, a very successful department store, has an employee policy manual consisting of only one rule--"Use your best judgment." Nordstrom's realizes with fewer restrictions, workers empower themselves to be more pleasing to the store's customers. The leader must initiate a conquest seeking to destroy bureaucratic procedures and tear down obstacles hindering innovation.

A bureaucratic environment saps the innovative and creative potential of people. Ideas and the creative ability of people can become like innovative lightning bolts. The collective force of these bolts of lightning start forming small cracks, then the cracks grow into larger fractures until finally, they break through. When innovation meets bureaucracy, the walls come tumbling down.

Tremendous Potential

Paul Allaire, the CEO of Xerox, said, "To win, we need to find ways to capture the creative and innovative spirit of the American worker." Within all of us there is an immense reservoir of potential waiting to be tapped. Often this potential lays dormant until the right person, the right conditions, or a new form of leadership can bring it to life.

Around the country I am beginning to see a new optimism in people and optimism in the many opportunities available before us. I hope you don't mind me sharing my optimistic outlook, which is probably different than what you see and hear around the country. For the moment let's put the headlines aside and look at the big picture.

The United States still remains as the most powerful nation in the world. We are the most powerful nation for many reasons. Understand that "powerful" in this case, doesn't necessarily mean military might, having a balanced budget or a congress that works amiably together. If you have not realized it yet, the "seat" of power isn't in Washington D.C. Frankly, it doesn't really matter what happens in Washington. The seat of power sits with the people. True power equates to the ideas, dreams, creativity and the ingenuity of America's people. This is real power and this is why we stand head and shoulders above all other countries in the world.

America is still the land of opportunities and of dreams. The difference between those who can see opportunity and those who only see problems is choice. We as individuals choose between mediocrity and opportunity. I always remember what Zig Ziglar once said about why foreign-born American citizens seem to achieve financial wealth quicker and easier than American-born citizens. He said when they come into this country they are wide-eyed and overwhelmed by all the opportunities available to them. They work so hard and are so industrious by the time they realize America has problems they are already rich.

Our greatest resource is the ideas of and the diversity of our people. There are over 140 languages spoken within our borders, hundreds of faiths and religions practiced and people of all color. Those languages and skin

colors represent new and diverse ways of doing things. This is our strength not our weakness. To capture this potential is our greatest challenge.

Each morning when we get up, we decide if this is going to be a good day or a bad day. We choose to get upset at the fool tailgating our car. We decide if our boss will get us upset or not. We allow others to make us a victim or victor. The choice is in our hands.

Walt Disney was a great visionary leader. In his mind materialized the innovative concepts and ideas of Mickey Mouse, Disney World, Epcot Center and the like. Even with his imaginative power he knew he was limited. He knew he needed something else.

"You can dream, create, design and build the most wonderful place in the world . . . but it requires people to make the dream come to a reality."

Walt Disney

America stands at the doorstep of an exciting world full of opportunities. We have every right to be optimistic about the future. Today, people in the United States enjoy more freedoms and more rights than ever before. We of all nations have the ability to make a difference and to improve the world. You as an individual have the ability to make a difference, don't ever forget that.

Guiding Principles

Until I wrote this book, I often wondered what were the special ingredients that transformed people and businesses from ordinary to extraordinary levels of performance. Repeatedly, my research and experience have shown me that there are conditions leading to higher levels of innovative performance. I have taken these conditions and transformed them into guiding principles.

- Work must form a bond between life strengthening the human spirit.
- Work should be a place where people can reach their potential.
- Work must add value and have meaning; therefore,
- People are more productive when they understand how their work fits

in the big picture.

- Counterbalance information technology with meeting the interpersonal needs of workers.
- All people, no matter what their background, their culture or level of education, want to do an excellent job wanting to be successful.
- People will achieve amazing accomplishments when they believe their contributions are important and will be used.
- Top management is responsible for creating an innovative environment of leadership by providing direction, removing obstacles, and building trust.

The Innovative Environment: The Framework for Success

This is a leadership book that shows how to redesign and energize businesses by using a three-step framework. The framework shows you how to channel people's creative energy and ideas toward the goals of the business.

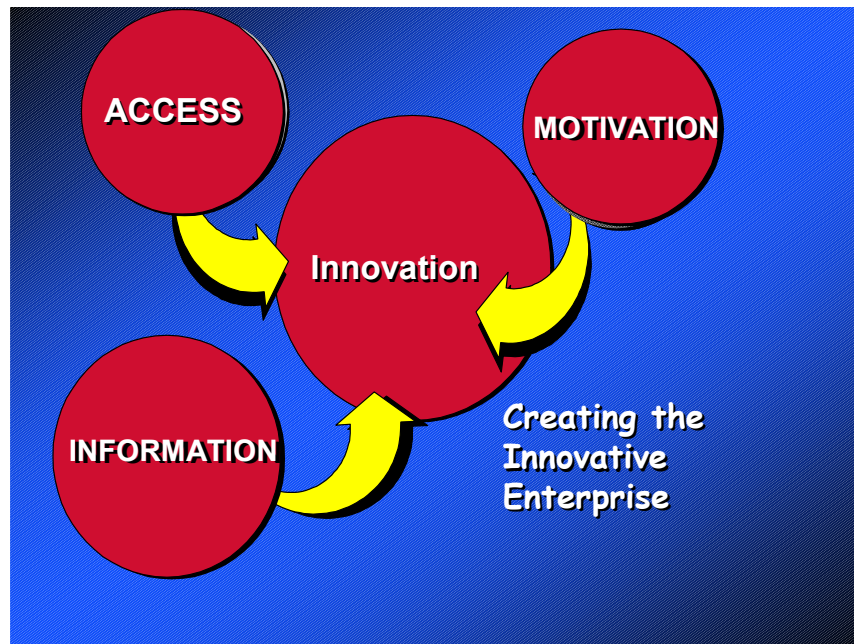
The successful business of the future will be one that provides unequaled customer service, delivers an exceptional product or service, and continuously makes innovative improvements. Success in the next decade will depend on managers and leaders capturing the innovative hearts and minds of their workers. This will only happen if businesses breathe, dream and allow innovation at all levels of the business. Preoccupation with gimmicks, short term thinking, bureaucratic rules and procedures will generate more "Going Out of Business" signs than anything else. Innovation comes from a workforce empowered by both their ideas and their ability to contribute to the enterprise.

Creating this innovative environment is the greatest business challenge of the 90's and beyond. Innovation begins with the leader or business manager. In today's rapidly changing working world, the manager must be more like a coach, or a team leader than a boss, a collaborator instead of a manipulator. The leader must create an environment supporting and nurturing innovation. We are seeing a new world where passion over knowledge, where chaos over structure are the norms.

Today, citizens and customers hold the government and all organizations to higher expectations. People want solutions to crime, taxes, and the declining infrastructure. The old style of management is obsolete--

unproductive. We must tear down the walls of bureaucracy replacing it with innovative ways of managing. The stories throughout this book combined with my own experiences show how people are capable of tremendous accomplishments. Like climbing a steep mountain, the challenge is difficult but the rewards are tremendous.

How do you become an innovative business? You must AIM for it. The three keys in the innovation framework are; A-Access, I-Information and Motivation. As shown in the graphic below, there are three components, or three keys leading to an innovative environment. Each is explained below:



Accessibility

The first part of the innovation framework is accessibility. The major organizational challenge facing us is to make everyone, particularly the workers, active participants in the work process. The innovative enterprise ensures everyone is accessible to each other at all levels within the organization. Accessibility to everyone facilitates a feeling of teamwork, trust and equality. This not only includes the workers, but the customers and suppliers as well.

Most organizations are infected by both visible and subtle barriers and limitations based on rank, position and structure. Hierarchical chains of commands, rank and titles affect workers' access to each other. These subtle barriers are like unwritten rules of conduct. They lay out who can talk to whom. Those organizations make it clear, often unconsciously, that top

management's role is to think and the lower ranking people at the bottom are to carry out the orders and dictums of those above them. Access by everyone to everyone fosters creativity, helps the flow of innovative ideas, and speeds up the decision making process.

A major driver making everyone more accessible to each other is the organizational vision. The vision connects personal goals and dreams of the workers with the goals and objectives of the business. Vision statements point to the direction in which the organization is heading. This unifies everyone's efforts toward a common purpose.

Information

The new leader must not only is concerned about the management of people, but the management of information. Change is a constant factor in the environment. It poses a major challenge for individuals, businesses and organizations. In times of change, people within the organization need more information and it has to be communicated more effectively.

The innovative enterprise must constantly adapt, create and innovate. Information and communication are the wind that sails the innovative enterprise toward its destination. Information and communication pose difficult challenges for most businesses. The difficulty lies in balancing the flow of information between providing too much or too little information. Managers complain that they are overloaded while, front-line workers complain, "no one tells them what's going on!"

In the traditional organization, information represents power. The flow of information is important to keep the enterprise on course. Those businesses faced with a rigid hierarchy have a limited flow of information. They have a major difficulty staying current and flexible. They end up pushing instead of leading their organization to the next juncture. On the other hand, the innovative enterprise effectively uses information and communication to keep everyone informed, working together.

Businesses must concern themselves with providing the right information at the right time, in the most effective manner possible. The right kind of information is called *innoinformation*. This type of information is critical to the vitality of the enterprise. *Innoinformation* consists of the plans, vision, goals, and all the new ideas affecting the enterprise. The innovative enterprise is looking forward, continuously changing and adapting to the needs of the customer. By providing *innoinformation* everyone in the enterprise can see new opportunities, not just the people at the top. Idea campaigns, teamwork, benchmarking and other programs keep the

organization flexible and vital.

One way to ensure people are ready to change is by communicating the ideas and suggestions made by the people within the organization. A constant flow of ideas and suggestions show people that there is a need for change. When people hear new ideas, they are more willing to change. They become more adaptable and flexible removing the biggest hindrance managers face in traditional organizations.

Jack Jackson, a professional speaker from Ft. Worth, Texas said, "If you are going to innovate you must communicate or you won't motivate!" His quotation prepares us for the third and final component of the innovation framework.

Motivation

Motivation is a complex process critical to any organization's success. It is important to understand that people become more innovative when motivated. As life becomes more complex, so do the needs and expectations of the people who work within our businesses. What motivates one person demotivates others. However, there are several common threads running through the motivational fabric.

People who feel they are contributing to the job are more motivated. Employment is more than hiring a pair of hands and people today want to feel they are contributing to the business. Personal recognition remains as one of the most important elements leading to high motivation. People rewarded for using their brains add a tremendous energy boost to the company. Providing pats on the back, ice cream parties and other simple celebrations create a feeling of pride that makes everyone a winner.

One of those common threads leading to higher motivation is creating a fun working environment. Barry and Eliot Tatelman are business people who created a work culture of having fun. These two brothers own Jordan Furniture located in Massachusetts. Everything from their zany television commercials, purple painted parking lots and their Multi-media Motion Odyssey Movie ride, commonly known as MOM, helped to build a million-dollar industry. Their "Raving Fan" concept attracts shoppers filling their 700-space parking lot.

They built the fun culture by surprising their employees. Once they played the William Tell Overture and both Barry and Eliot rode into the store on horses dressed as Lone Ranger and Tonto. Their fun behavior stimulates their employees to go out of their way to creatively help customers.

Loading dock employees occasionally dress in tuxedos. When shoppers drive around the back to pick up their furniture, they surprise them by washing their car windows, car tires and provide free hot dogs. There are no high pressure sales people selling stuff no one wants.

Innovative companies invest in human resource programs, development and continuing education. Low innovation companies end up spending much more money hiring replacements due to high turnover and low morale.

American Ingenuity

Few people are as ingenious as the American soldier. There was no exception to this during Operation Desert Storm. Give a soldier a roll of duct tape ("1000 mile-an-hour" tape) and look out. Consider the soldier who fashioned the portable toilet. Stored on the back of a Humvee was the innovative toilet seat heading across the desert. It was a steel gray folding chair with a hole cut out in the seat. Mounted on the seat, with olive drab "1000 mile-an-hour tape," was a styrofoam swimmer's ring. An innovative solution to a perplexing problem.

Several years ago the world's attention focused on a 18-month-old toddler who fell into in a dry water well in Midland, Texas. Somehow Baby Jessica fell down an abandoned water well becoming trapped deep underground. It seemed an impossible predicament. People from around the world volunteered to aid in her rescue. Ideas varied from a man with no collarbones who could squeeze himself down the shaft, to the idea of sending trained TV monkeys down to pull her up. Other ideas included sending a weather balloon down to Jessica. Then the balloon could be inflated with helium bringing Jessica up with it. Another woman suggested dropping tennis balls down so Jessica could work her way up. Finally, someone wanted to attach a sponge soaked in glue on a string, stick it to her head and when it was dry, start pulling.

Early arriving soldiers during Operation Desert Storm discovered entertainment and recreation equipment was hard to find. To make up for what they could not find, they made their own. One group created their own weight-lifting equipment by using cinder blocks and water jugs. The jugs were filled with sand and a little water. Finally, the entire apparatus was completed by taping it to camouflage poles. Baseball was another activity subject to soldiers' ingenuity. A mattock handle and a ball of tape went a long way before the real baseball equipment arrived.

A group of innovative workers won a \$77.1 million dollar Lotto jackpot in Austin, Texas. Every time the lotto hit \$40 million dollars the front officer workers at the Win-Holt Equipment Company formed a pool. The workers developed a special system for selecting lotto tickets and a method of splitting the winnings. This time five workers who had the lucky numbers split the winnings.