



Leadership Edge

Channelising Innovation by Enabling Leadership

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While innovation is essential to succeed in every aspect of business, it is up to leaders how they drive it. Innovation cannot take place without proper guidance and adequate encouragement in an organisation. Infact, driving innovation adds any additional layer of complexity to a leader's role. Learn how to navigate your way through an innovation journey and emerge on top with Sunil Shah, Global Head, Societe Generale Global Solution Centre, India and Romania, and CEO, Societe Generale Global Solution Centre, India, in this stirring write-up.

Widely regarded as a modern-day leadership guru, Warren G Bennis once said, *“Leadership is the capacity to translate vision into reality.”*

In this modern day and age, innovation is a strategic necessity, and a crucial driver for growth. Every organisation—big or small—seeks that secret formula to innovate at scale and eventually succeed. Well, here’s the thing, it does not exist. Most importantly, it requires enabling leaders who can guide the team consistently through ideation, exploration, and experimentation.



Innovation is a simple yet complex process—one that requires going beyond churning new ideas. It requires an enabling and inspiring work environment, and a team willing to explore and experiment.

Often, we are told to be curious, question, and not be satisfied with black-box answers. If innovation is ingrained in your organisation’s DNA, it may be easy to ask questions: “Why is this process done this way?” or “How can I do it differently?”

In my career spanning two decades, I have learnt that to understand if an organisation supports innovation, we need to observe its culture and its employees’ ability to experiment. In a highly collaborative environment, people work together, share their insights, and learn from each other. At the same time, such a culture is non-hierarchical and non-compartmentalised, promoting access to information and autonomy to work seamlessly across departments.



Leaders as Catalysts in Driving Innovation and its Sustenance



Innovation, by definition, has varying attributes and is applied differently, depending on the specifics of the sector. In the FMCG industry, the latest innovation could be a new product; in the IT sector, it could be a new technology; while in the healthcare industry, it could be an efficient product delivery process. Leaders must constantly push this lever of cross-industry learnings to drive home the best practices. A lot depends on their ability to find the perfect match for their organisation and decode the essence of innovation in their setup without getting trapped by industry trends.

Having a culture of innovation is one thing and sustaining it on an everyday basis is another. So how do you ensure that innovation remains a core driver of growth and not just a fad that may last a quarter or two before being relegated to the background? It must be articulated in the overall vision and mission of the organisation. When it is posited as the fundamental reason for the organisation's existence, it becomes a part of the core principles and values that the organisation embodies.

For our Global Solution Centres (GSCs) in India and Romania, we ensured that our focus on being innovative was well articulated in the objectives. We ensured accountability and clear metrics to track and measure innovation for this initiative. Moreover, we included a key responsibility in our objectives and key results to ensure we are pushing innovation and innovation-led solutions.

A leader can be the critical enabler of innovation in their organisation by:

- **Enabling a performance culture:** Competency is the key to measure or review the performance of the team. As a leader, one must ensure that innovation is entrenched in the fundamental matrices of the organisation's functions, and that team members are recognised for their ability and appetite to take risk and learn from their failures. A culture of innovation is sustainable only when employees who depict an innovative bent of mind are elevated as a natural progression. For instance, for our GSCs, having an innovative bent of mind is one of the criteria for promotions of managers and above, thus clearly emphasising the message of being innovative as an integral element for growth. 
- **Following words with action:** A leader must promote and drive innovation not only through their speech, but also by their actions. Ask yourself, do you, as a leader, demonstrate a high level of curiosity? Are you open to trying out a new approach or strategy? Do you support/encourage or shun out-of-the-box ideas? To establish an organisation's focus on innovation, the leader must be willing to devote time towards innovation, which at the beginning, could even mean allocating additional time and valuing it over other operational duties. In the GSCs, we rolled out the Internal Start-up Programme to gather ideas from the staff and enable those that showed merit through to MVPs (Minimum Viable Products). 

- ***Amplifying stories that celebrate innovation:*** It is pertinent to amplify not only success stories that showcase how innovation has helped the organisation move forward, but also stories that celebrate the risk-taking ability and out-of-the-box thinking. The results might not always be favourable, but the experimental intent and the learnings from the exercise could be immense. Teams need to consistently hear from senior management that innovation is encouraged, and that the outcome can either be rolled out in production as a solution, else it can be an immense learning experience. 
- ***Accepting failure:*** To be an effective enabler, first and foremost, one requires the ability to tolerate failure. Failure is a corollary of the willingness to experiment and try new things. As a leader, you must be ready to accept the team's failure as a necessary step towards achieving the desired outcome. A leader is the safety net that is always present for their team even in failure, encouraging them to experiment autonomously, without being overwhelmed by adverse outcomes. When you exhibit tolerance towards failure, it automatically empowers the team to take calculated risks. This helps the team sustain and foster innovation in the long-term. In GSCs, we have a sandbox approach to try out different solutions that have the potential to be delivered as capabilities. While some of them skyrocket—like our capabilities on Know Your Customer/Know Your Stuff, there are others that either lack business support or a strong enough business case. One such example was a proposal on data. While the solution in the proposed form did not garner support, we learnt from the proposal, and we pivoted to create a solution that resonated with the business. The key is to not be bogged down by failure or criticise the approach, but to take learnings and see how things could be pivoted to serve better results. 

Walking the Tightrope to Push Innovation

Hiring the right talent and leading them towards optimal performance is just one part of a leader's role. Too often, leaders face the challenge of strengthening the synergies and collaboration efforts within teams, especially when it comes to innovation. In the absence of instant success, it is imperative to have short-term and long-term goals, along with the practice of rewarding 'behaviour' and not

‘outcomes’, so the team is motivated and encouraged. It requires over-emphasising the message, that ‘as an organisation, we are looking for the right behaviour and mindset for innovation, and keeping it separate from the result.’

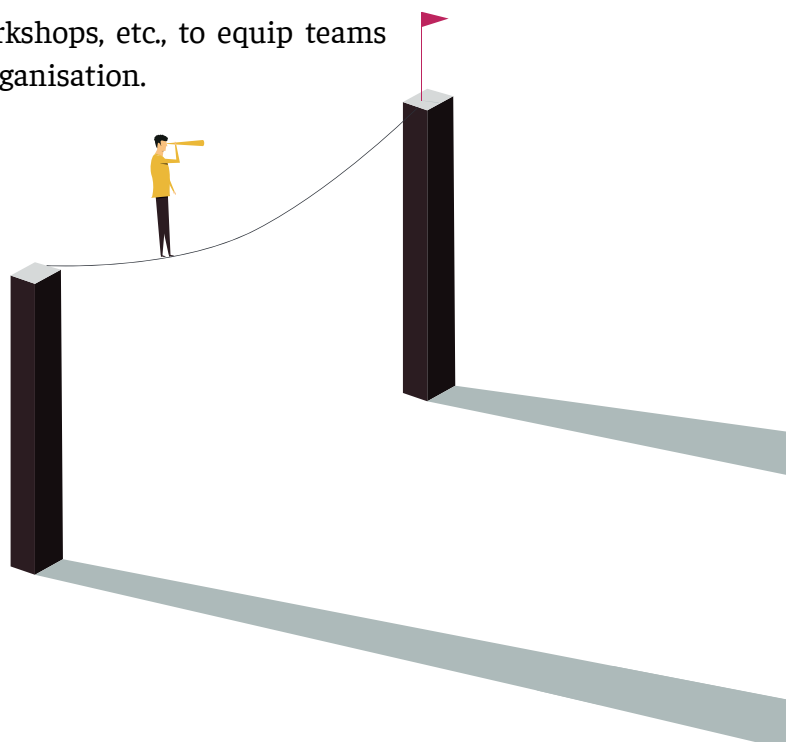
For instance, do not expect that a disruptive idea can bring in a new revenue line or completely transform the dynamics of the business. Instead, ask the team if it demonstrated enough curiosity to test and try new concepts, regardless of whether the efforts brought tangible results.

Leaders must have the right perspective to balance the long-term need versus the short-term motivation necessary for the team. Ask the team members, ‘did you try something new?’ instead of ‘did you achieve something?’

To fulfil the long-term goal, a leader must first ensure that the organisation moves forward on a fruitful innovation journey. Then, they must take on the role of a ‘change agent’ for effective application of the change management strategy in phases:

- Be prepared for a period of resistance from employees.
- Be ready to face questions about why things are being changed.
- Be present to push those employees who feel they are not capable of moving forward.
- Offer programmes, seminars, workshops, etc., to equip teams and celebrate innovation in the organisation.

A leader is always expected to be honest and transparent, and reward employees who display the correct mindset and behaviour towards innovation. This is quite the tightrope. Nevertheless, the balancing act in pursuit of steady innovation would involve providing measured praise and constant encouragement.



Challenges in Maintaining an Innovation Culture

Having the right innovation culture is both ideal and desirable. However, it can be challenging to maintain a healthy balance across teams and units, especially in a multi-office organisation. Driving innovation at the same pace as the rest of the subsidiaries often becomes a challenge with external factors such as geographical locations, time zones, availability of resources—human, capital, etc., also weighing in. So how should a leader overcome these external challenges?

An innovation culture that is separate from the parent entity can be unsustainable. The solution is to balance the key messages of your global parent firm vis-à-vis the innovation efforts you are leading within your mini-ecosystem and ensure that they are in sync. It is also important to openly communicate and explain the merits and value of having a sub-culture/smaller ecosystem with your stakeholders. To quote a concrete example from the GSCs, we align the timings and key messages of our key programmes, showcasing innovative solutions across the Group. But at the same time, we ensure contextual references to solutions, solving for local requirements. One of our solutions for enabling a safe return to office was locally developed and adopted, which was not necessarily the case in the headquarters. So, while it was showcased locally, the key message across the board was to enable hybrid modes of working.

In Conclusion

The pandemic necessitated pushing the boundaries on innovation as the worldwide crisis triggered new needs for people, societies, and organisations. In a way, it also freed us of our constraints and helped us demonstrate resilience, thereby helping businesses to grow. Challenging our restrictions turned scepticism into deep satisfaction and eventual admiration for what we were able to achieve. The pandemic made us take the plunge and we were able to execute a successful transition to a hybrid work environment within weeks. We are witnessing a new momentum where organisations and business leaders have been forced to break the shackles of procedures and limitations, thus opening us up to massive possibilities and ushering in a new era of innovation. Instead of losing this momentum, we must make the pivot towards building cultures that uphold innovation with the right set of leadership actions.

Key Takeaways to Drive Innovation Across Organisations:

1. Be consistent in your efforts to push the team in the right direction.
2. Encourage teams across departments to collaborate and experiment.
3. Reward innovative minds and celebrate individual successes to set the tone.
4. Provide room for improvement.
5. Accept unsuccessful attempts as learnings.



Sunil Shah is the Global Head, Societe Generale Global Solution Centre, India and Romania, and CEO, Societe Generale Global Solution Centre, India. He is responsible for driving the digital transformation initiatives, innovation, and creation of new services and solutions. A transformational leader driving profitable growth and extending business partnership to Societe Generale's global entities since 2011, Shah worked with the US-based financial services group Fidelity Investments, before joining Societe Generale. Earlier, he was with Infosys for over a decade in various roles, across India and the US.