

Humans Resources as a Source of Innovation

By Bob Dunham,

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Beyond departmental functions and deliverables that Human Resources is responsible for, its biggest value-add is its contribution to the performance of the organization. Being responsible for the performance of others is a leadership responsibility. Since performance is always based on people as the source, HR has a unique leadership opportunity to increase the value produced by the people in the organization—leaders, managers, and professionals—through innovating in their skills and practices. And, “Innovation is the adoption of a new practice in a community.” *The Innovator's Way*, MIT Press, Sept. 2010

Although the Human Resources function must continue to provide its essential services such as the administration of benefits, payroll management, employee handbooks, hiring, employment regulatory support, and so on, it must also focus on the business value provided by the people of the organization. This is addressed by functions intended to increase productivity, employee satisfaction and retention, and support the management team in development of a distinctive and competitive company culture. Yet, as a support function, they are often not recognized or authorized to provide leadership in developing the capabilities of the organization.

What I propose is a leadership and value-producing role for HR, one that is best served by HR, to produce direct impact on the capabilities of the performers and leaders in the company through coaching in high value skills, in particular, *commitment-based management, effective innovation, and generative leadership*. These are skills and capability areas of the managers and leaders of the company and have a direct impact on the measurable performance and the culture of the company. They are all based on embodied skills in conversation, coordination, presence, connection, and creating shared commitment to a shared future. Linguistics, neuroscience, emotional intelligence studies, as well as new research in high performance, motivation, and the power of practice, are moving these areas from fog and mystery to clear skills and practices that directly generate desired results (see references below).

While these capability areas are ones that are already being demonstrated by extraordinary management and leadership performers, the principles underlying these successful performances have not been understood, articulated, and made available more widely to the management and leadership communities until recently. HR has the opportunity to incorporate new understandings and standards for result-oriented management, leadership, and innovation practices, and deliver them through coaching to produce increased skills in individual professionals.

Commitment-based management is based on the elements of communication that produce clear agreements focused on outcomes and value and that have clear practices and skills to manage the commitments through their inevitable breakdowns and changes. The inescapable principles are that actions and outcomes are shaped by clear agreements, the level of commitment and ownership of the agreements, and the skills of coordination to manage breakdowns, changes, capacity, moods, and satisfaction for both the customer and the performer of the agreement. These principles extend to practices of effective teamwork and team leadership. What is key is that these are observable, executable, and learnable skills, and experience has shown that the more capable the manager, the greater the impact they produce comes from focusing on commitment management.

Innovation is an inescapable part of sustaining a business today, yet half of senior managers report dissatisfaction with their investments in innovation, and, by one measure, 96 percent of innovation initiatives fail to meet ROI targets (*BusinessWeek*, August 2005). Our recent work with the generative approach to innovation and the study of serial innovators shows that effective innovation is comprised of eight inescapable practices that ground the skills of successful innovators. These practices are a framework for the design of organizational innovation practice as well (*The Innovator's Way*). We found the "prime innovation pattern" appear in the story of how Tim Berners-Lee drove the development and adoption of the Internet, how Mothers Against Drunk Driving (MADD) succeeded, how Gillette produced extraordinary new revenue from razor blades, and how a family shifted their children's behavior.

Generative Leadership is a discipline in development since the 1980s where the mysterious impact of effective leaders can be observed as skills rooted in learnable practices. The practices develop the interrelated coherencies of skills in language, moods and emotions, body and embodiment that show up as leadership.

Meeting new standards for learning, performance, and the power to produce results is developed through well-designed practice, enhanced and accelerated by effective feedback and coaching. Through a framework that we call "the conversational anatomy of organizations," these human skills can be made more observable, distinguishable, learnable, and coachable. With practice, a new source of business value and performance is being made available to organizations and HR departments through generative coaching and practices in management, innovation, and leadership.

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Robert Dunham is the co-author of *The Innovator's Way, the Essential Practices for Successful Innovation* with Dr. Peter Denning, due out from MIT Press in September. Mr. Dunham is also leader of the Newfield Network "Coaching Excellence in Organizations" program and founder of the Institute for Generative Leadership.

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