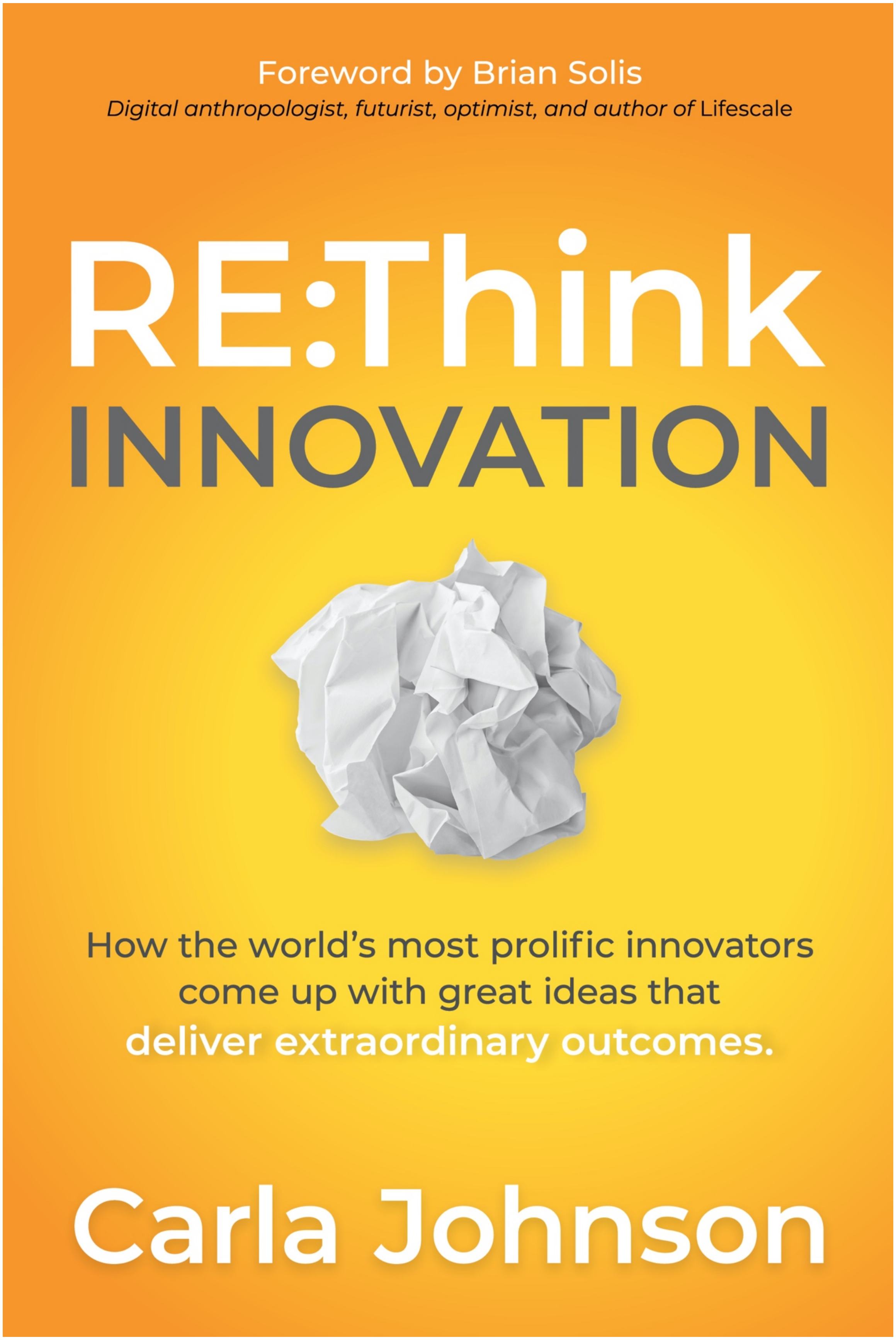

Foreword by Brian Solis

Digital anthropologist, futurist, optimist, and author of Lifescale

RE:Think
INNOVATION

How the world's most prolific innovators
come up with great ideas that
deliver extraordinary outcomes.

Carla Johnson

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Introduction

It was the end of teaching a summer course in Colorado Springs, and Katharine couldn't wait for one last adventure before she returned to Massachusetts. The group headed out to Pike's Peak, one of Colorado's 58 fourteeners—a mountain that tops out at over 14,000 feet. After a ride to the summit, she took a long, deep breath and savored the 360-degree view.

As a college professor, scholar, former journalist, and social activist, Katharine was also a prolific writer. She cared deeply about urban poverty, social injustice, and sexism—and how to right them. As she stood atop the mountain, the memories of what she'd observed on her travels across the country came flooding back, sights such as the white buildings in Chicago and the wheat fields of Kansas. She was struck by the expansive views of the plains spreading out into the distance and the emotions the experience evoked in her.

When she got back to her hotel room, she began scribbling out the lines to a poem, which she finished before she left Colorado Springs. She'd set it aside for a few years before submitting it to a publisher to commemorate the Fourth of July. Once it was distributed to the broader public, Katharine was taken aback at how fast people picked it up and its overwhelming popularity. Eventually put to music, this poem took observations of the good and bad within a country, distilled it into a people's optimism about the future, and related that into her own work as a writer. The result is one of the most extraordinary songs in US history: "America the Beautiful."

At the top of Pike's Peak in 1893, Katharine Lee Bates didn't set out to write words that described the idealism of a country. She didn't intend to pen a song that rivaled "The Star-Spangled Banner" as a national anthem. She simply connected the dots between what she'd observed in her travels, distilled them into a pattern, related that into her work, and out came the idea for her poem—one she no doubt edited many times to get it just right before she pitched it to a magazine for publication, and one that's had an extraordinary impact on generations of people.

Katharine never held an official innovation title in any of her jobs, yet she was one of the most prolific innovators in history. Her work consistently delivered extraordinary outcomes. As a professor at Wellesley College, she mentored young poets such as Robert Frost. She helped establish American literature as a field of study in college. Katharine traveled internationally and earned a master of arts degree during a time when women barely left the comfort of their parlors. As a journalist, she sought to change stereotypes of down-trodden people. As a social activist, she considered herself a global citizen who worked fervently for world peace.

Katharine is only one example of why we need to rethink how we define innovation, who's involved, and how it's done.

Because we're leaving a significant number of opportunities on the table that can make an extraordinary impact on the world in which we live.

My Inspiration for This Book

In old-fashioned paper memos, there was a line that read "RE:" for "regarding." It let people know the topic of the memo they were about to read. With that as my inspiration, the title of this book comes from regarding the way we think about innovation = RE:Think Innovation.

I want to change the way we think about innovation.

Since I was in second grade, people have told me it wasn't my place to raise my hand with a new idea. It was someone else's responsibility: Someone older, someone with a degree, someone with a different degree, someone with more degrees, someone more serious, someone more conceptual, someone with a specific job title, someone with accreditation letters behind their name, someone with…you can fill in the blank with a slew of random credentials.

The message was clear: Innovators were a special breed. I wasn't one of them.

Except I was. I knew it in my heart, I just didn't know how to prove it.

It's taken nearly five years for me to write this book. The one question I sought to answer was this: Is coming up with a great idea that has a big impact a process people can learn? I conducted interviews and research into hundreds of innovators in all walks of life. I started out asking about how they came up with their big ideas. Most couldn't tell me. So instead, I asked questions that walked them backwards through time to understand the path of their idea starting with its inspiration. Once we had reverse engineered it, the person then recognized that they followed the same process over and over. It was an eye-opening revelation to them and further confirmation for me of a tried-and-true process. Not only was the framework much simpler than they realized, it also helped tell a story of a new idea in a way that made it feel more familiar and less risky.

Then, I took the process and put it to the test in the real world. I actively sought out left-brain analytical thinkers and conceptual right-brain visionaries. I worked it through with C-suite executives, traditional innovation groups, frontline employees, volunteers, and everyday people who would *never* label themselves as innovators. Around the world I shared and taught it in speeches, workshops, consulting, and one-on-one coaching.

It worked. Every time.

I wrote this book for three reasons:

1. To teach people a simple, scalable process that anyone, at any level, with any experience, can learn and use to consistently come up with great ideas. In fact, it's my goal to personally teach one million people how to become innovators by 2025.
2. To make it clear that there's no single "type" of person who makes the best innovator. Everyone has their natural genius. But, if we're going to succeed as teams, much less entire organizations, we have to empower people to use their own way of innovating and appreciate what each style contributes. You'll begin to recognize and even create opportunities that your competitors miss once you harness the collective powers of your larger organization. It builds a culture of respect and trust, and ultimately, extraordinary outcomes.
3. To de-bunk the myth that innovation has to be complex, time-consuming, and expensive. There's plenty of disruption that follows new ideas, but not all innovation requires that level of upside-down thinking. For many of the companies I studied, it was the cumulative effect of giving unconventional thinkers opportunities to contribute that made the difference. This also helped remove the elitist stereotype that came with innovation. One of the reasons I use people's first names in the pages that follow is to take the formality out of the stories. Mr., Ms., and last names create hierarchy and emotional distance. Being on a first-name basis with someone means you know each other well. I want you to feel you know the people and stories in this book as well as I do.

This Book Is for You If…

…you're an executive who's frustrated with the complexity, cost, and culture of your innovation focus. If you feel that you're constantly pushing that huge boulder uphill trying to reach your (or your company's) full potential but never get higher than false summits. And, if you're exhausted with the effort and dealing with the psychological impact of constantly dashed hopes and feelings of failure.

…you're a team lead who believes your crew is capable of much more but can't figure out how to draw it out of them. Who wants to build a brand and a track record as a successful innovator but doesn't know what to do, doesn't think you have time, or tries through rigid processes rather than by bringing out the best in people.

…you believe in innovation with a little "i" as much as a big, disruptive one. Who's had to deal with the brunt of massive change and upheaval that cascades down from the top under the dictate to drive synergies, leverage strengths, and think outside the box.

…you've ever heard that little voice inside tell you that you have a great idea. The one that pops into your head and screams for your attention before reason convinces you it's ridiculous, and you'll look stupid if you say it out loud. And day after day, another little piece dies inside of you because you've squelched that urge to do extraordinary things for so long that you no longer believe that you can.

My wish for you is to feel competent, confident, and empowered to do work that has purpose, makes you proud of how you spend your days, and has a bigger impact on your world than you ever dreamed possible.

Now, go be extraordinary.

Chapter 1

What Is Innovation?

It was a hot, humid day in Orlando as Marc Duke caught up with his business partner. It was 1990, and they'd gotten together because his colleague had an ingenious idea he wanted to run past Marc.

While walking down an aisle in the grocery store, Marc's associate noticed something: On one side he saw row after row of soft drinks. On the other, pet food. What if you could take the refreshing essence of a soft drink and package it up for the pet market? Marc, a 47-year-old former ad man and basset hound owner, believed they were onto something.

That's when the partners launched their new venture: the Original Pet Drink Company. The duo believed that regular tap water—laden with chlorine, lead, and bacteria—wasn't good for the four-legged loves of their lives. Hoping to tap into the $17 billion (and growing) that pet lovers spent on their beloved darlings, they entered the market with their Thirsty Dog! and Thirsty Cat! specialty water.

These carbonated, vitamin-enriched beverages retailed for $1.79 and came in two flavors. Crispy Beef for dogs had beef bouillon with a hint of sweetness. Tangy Fish was a bit like salmon in a butter sauce. The Food and Drug Administration approved the water as fit for human consumption, and it was even kosher.

Ad Age quoted Marc as asking, "Once you give people more than water to drink, they do. Why shouldn't pets have that option, too?" He predicted the pet soda market would reach $500 million by 2004.

Within two months, Marc's company was shipping 175,000 bottles of beef- and salmon-flavored premium pet water every week to stores around the United States. The testing the company had done during research and development plus the 100 formula tweaks they'd made seemed to be paying off.

At least for a while.

The goal of the specialty water was to give pets healthy skin and thicker, healthier fur. However, vets questioned the need for the specialty drink. At 200 calories a bottle, the sugar-laden refresher made a pet's tendency toward obesity even worse. On top of that, once customers tallied up the long-term cost of Thirsty Dog! and Thirsty Cat! water compared to the free-from-the-tap version, the sheen wore off. In the long run, buyers believed their pets probably didn't care what they drank—considering their four-legged friends gave themselves whole-body tongue baths and quenched their thirst from the toilet.

Experts now consider the Thirsty Dog! and Thirsty Cat! line of waters one of the biggest product flops in history. I'd venture that the execs of the Original Pet Drink Company probably thought they were incredibly innovative with the launch of their new idea.

But the deeper question is, did they really understand innovation to begin with?

What Are We Searching For?

If you asked 10 different people to define innovation, you'd get 20 different responses.

It's one of those things that seems simple to define and understand but turns complicated when you're pressed for specifics. It's no wonder. *Innovation* has turned into one of the biggest cliché words executives use to talk about how they differentiate their companies and lead industries but never actually define or explain. The truth is, we don't have a common, agreed-upon definition of innovation. That's because people have a hard time understanding and recognizing it, much less defining it.

Let's take a look at some of the definitions from industry experts:

> We define innovation as creativity plus delivery, helping our clients transform their innovation performance by focusing on four requirements for innovating at scale: strategy, pipeline of ideas, execution, and organization. (McKinsey & Company)

> Innovation is the process through which value is created and delivered to a community of users in the form of a new solution. (*Fast Company*)

> …an approach…that addresses a major imminent want or need that people have, [something] they know they want or need or that they will want or need once we provide it. (George Damis Yancopoulos, president of Regeneron Laboratories and chief scientific officer of Regeneron Pharmaceutical)

> Innovation generally refers to changing processes or creating more effective processes, products and ideas. (Department of Industry, Australian government)

> An innovation is a feasible relevant offering such as a product, service, process or experience with a viable business model that is perceived as new and is adopted by customers. (Gijs van Wulfen, author of the FORTH innovation methodology)

Can you actually tell me what innovation is after reading those definitions? I can't, and I make a living in this line of work!

Innovation is an amazing thing that can have a tremendous number of benefits, but does anyone really know what it is? I'm guessing that even if you had *your* company's definition in front of you, you'd still feel confused.

> ***People have a hard time defining innovation because they don't understand it themselves.***

This is because people have a hard time explaining something they don't understand themselves.

For example, most people confuse innovation and creativity. They think they are synonymous, but that's because they misunderstand the relationship between them. It's especially important for business leaders who compete in an innovation-driven world to get the difference, because it's a huge deal when it comes to a company's culture.

Creativity

Most of us think of creativity as a unique talent that relates to art—the ability to paint, sculpt, draw, compose music, or do anything that's expressive. More broadly defined, creativity is the mental ability to imagine new, unusual, or unique ideas.

The *Creativity Research Journal* points out that originality is vital for creativity, but it's not enough. For me, creativity is bringing a new perspective to anything and having it add value. Investing in creativity is almost a loss leader—it won't make money as soon as you invest in it. But six months down the road, you'll begin to see a change in the performance of both employees and your overall company for having encouraged it.

Innovation

Not only is this a confusing word, but it's also intimidating because of how it's thrown around in business today—especially disruptive innovation.

The distinction between creativity and innovation is important because one can't exist without the other in any environment. It's impossible to develop a truly innovative company if creativity isn't recognized, appreciated, and nurtured. And without effective processes to transform creative thinking into practical, high-value applications, creativity doesn't mean squat.

Yet, when people think of both of these topics, they think of creativity as optional and innovation as a business necessity.

To be fair, there's a lot of pressure on the C-suite to focus on innovation. As the world adopts new, fast, and frequently changing technologies, businesses scramble to keep up through digital transformation and changing customer expectations. Execs want to prevent customer churn and revenue slumps. Boards of directors demand agility and efficiency, and they have keen memories of the Kodaks, Borderses, and Polaroids of the world who failed to keep pace with change. They look at the likes of Amazon and Netflix and see that innovation is where the money is. The fact that it's not happening either quickly or consistently means that it has to be hard to understand, right? There's no CEO or executive consultant who would last a day if they didn't tell the story of how they, personally, understand the complexity, complicated processes, high-dollar investments, and bloated teams that make it a reality.

Innovation isn't actually complex at all—once you stop trying to make it that way. Here's the definition of *innovation* that I've developed over more than 20 years of doing this work.

Innovation is about consistently coming up with new, great, and reliable ideas.

It doesn't matter where in the organization you work, what your title is, or how long you've been there. An innovation culture understands why you need all three of these attributes to be successful. When you only have one, your approach to innovation isn't sustainable.

Let's take a look at the characteristics of new, great, and reliable ideas.

New Ideas

Look at the news from any business media outlet and you'll see that every company is being told to innovate. Experts tout executing on new ideas as the savior for bigger market share, bigger customers, and bigger revenues. That's music to every shareholder's ears.

However, when companies hunt for new ideas for the sake of new ideas, their efforts invariably fall flat. Coca-Cola tried New Coke before rebranding it Coke II and going back to the original recipe. Myspace tried moving into entertainment and music after users jumped ship for Facebook. Colgate launched a line of frozen foods (Colgate beef lasagna anyone?). Bic tried extending its brand into disposable underwear and pantyhose. Frito-Lay made a Cheetos lip balm. Swedish weapons manufacturer Bofors added toothpaste to its product line. Harley-Davidson tried its hand at cologne. R.J. Reynolds found its smokeless cigarettes a tough sell, especially when the company's own CEO said, "It tastes like shit and smells like a fart. We spent $350 million and ended up with a turd with a tip."

People think coming up with new things is the answer to business growth without understanding why or even if they should create new things in the first place. We think new = good simply because it's new. A lot of innovation is actually just coming up with a new idea, assuming it's good because it's new, and then watching it crash and burn.

A new idea can be something completely disruptive, like personal computers, video streaming, or smartphones. But to be a new idea, it doesn't have to be completely revolutionary. It can simply take the essence behind another successful idea and massage it to fit in a new, yet drastically different, environment. For example, the BMW iDrive system was inspired by the video controls from the gaming industry. Retired aeronautical engineer Owen Maclaren used the idea of an airplane's retractable landing gear to develop the first lightweight foldable baby stroller. McDonald's based its drive-through design on the principles of a fast Formula 1 pit stop. A new idea simply needs to go beyond the same old thing that's always been done and bring in fresh inspiration from the outside world. At its root, a new idea is something that's unexpected.

But truly innovative companies understand that being new is just one aspect of a successful idea.

Great Ideas

A great idea makes you feel really good. It inspires you, gets you excited, and engages you emotionally. It has a big *wow!* factor. David Ogilvy describes great ideas as the ones that make you gasp when you first see them and make you jealous you didn't think of them yourself. Whether people realize they needed the idea or not, it creates appeal and excitement.

I'll be honest, *great* is much more of a subjective term than either *new* or *reliable*.

A great idea is something that people actually want. The business landscape is awash with ideas that seemed revolutionary but ended up failing because there was no value to be delivered (or the value didn't match the price tag), and therefore there wasn't a market demand.

We were once big fans of brands that are long gone. AOL was an early pioneer in the mid-1990s of using the internet to connect people. As the first company to open up access to the internet en masse, AOL was the most recognized brand on the web in the United States. The PalmPilot helped people organize their lives. It was the first true personal digital assistant and sported a touch screen, stylus, and apps that helped you manage your calendar and tasks and synced with your desktop computer. Of the original handful of social media sites, Myspace had the greatest popularity and influence. MapQuest was the first commercial mapping service that let people pitch their oversized atlas. TiVo gave people freedom from their TV with the ability to pause, rewind, and record TV. All were incredibly innovative in their prime. But when's the last time you talked about any of them other than as the butt of a joke?

Coming up with an idea that's a great idea is the first step. However, if the only redeeming quality of your idea is that it's great, your innovation strategy won't last. You've seen companies like these come out of the box and experience amazing, huge success.

Everybody went crazy over them…but they had one great idea. That's the best they ever did, and their shooting star quickly fizzled.

It's not enough for an idea just to be great. You have to be able to rely on it for the long run.

Reliable Ideas

A reliable idea is one on which you can build your business. It will make your company money. It doesn't matter how cool or exciting your idea may sound, if it's out of scope for your business, it's not the direction you should go, or if doesn't tie into the purpose of your company, then it's not feasible.

You can execute a reliable idea. It contributes to the growth of your organization and has a cost benefit. This could be in generating revenue, saving money, using resources (people, time, equipment, etc.) more efficiently, or any other way of delivering financial value.

Reliable ideas also have longevity. There's the telephone in all of its iterations. Portable music players and being able to carry a thousand songs in your pocket, as Apple showed us, or the ability to Shazam a tune. Think of how the travel industry changed when people could book airline and hotel reservations directly. All of these ideas have endured the test of time.

There are a lot of ideas we wouldn't rely on (flashing back to Colgate's frozen lasagna meals). To be considered innovative, you must to deliver ideas that people can trust will turn into something that delivers the results you want.

But reliability in and of itself isn't enough to make your company innovative. There are business that have one highly reliable idea, and then over time they just cling to that success. After their initial boom, they never really come out with anything new. Every other idea turns into just a slightly different twist on their first success. Companies like Blockbuster and Sears were guilty of this. They both had ideas that served them well for decades, but ultimately that wasn't enough to withstand changes in either of their industries. The glory days were too great to let go of, so they never did. And we know how those strategies worked out.

People say coming up with ideas is the easy part. It's the execution that makes or breaks innovation. I beg to differ. I believe that the reason most ideas are so hard to implement is because they don't have all three aspects of success: being new, great, and reliable.

A new idea surprises and delights people because it's unexpected.

A great idea inspires and excites you.

A reliable idea makes you money.

Our task is to consistently come up with new, great, and reliable ideas.

The Perpetual Innovators

When all three of these criteria come together in ideas on a consistent basis, you have what it takes to build an iconic, innovative company. I call these brands and the people behind them Perpetual Innovators.

Perpetual Innovators have a consistent track record of new, great, and reliable ideas. Organizations that are persistent and open to new things welcome experimentation. They understand that every new idea has a height that plays out, and that's when they identify the next opportunity. They're able to deliver innovative ideas consistently over a long period of time—decades or even centuries. They get people—both employees and the outside world—excited about what they do, because others want to see what comes around the next corner. These are the Amazons, the Googles, and the Teslas of every industry. They've made perpetual innovation something that's an innate part of their culture.

Look at Netflix, one of the most successful Perpetual Innovators in the history of business. It started as a front-door DVD delivery service that rivaled movie-rental stores like Blockbuster. As a Perpetual Innovator, the company has grown through subscriptions to a physical product to subscriptions to a streaming one. It wooed a team of writers and developers so it could deliver original content. The brand created prestige and credibility for itself through shows like *House of Cards* and *Orange Is the New Black.* Netflix continually innovates the experience with new, great, and reliable ideas that remove pain points before subscribers realize they exist.

Don't want to click to watch the next episode? No problem—Netflix now has a six-second countdown that takes away the need to decide. Too impatient to sit through the trailer on each episode of your favorite show? No problem—just click to skip the intro. Through consistent, perpetual innovation, Netflix has revolutionized the way people watch movies and TV shows.

Innovative companies like Netflix—the Perpetual Innovators—do this because the leaders of the organization and the employees who work there have a clear definition and understanding of innovation.

You, the Innovator

Consistently delivering new, great, and reliable ideas comes from practicing it so much that it that turns the process into a habit. Creativity and critical thinking are like any other muscle—if you want to strengthen it, you have to use it. You have to push it beyond its normal boundaries and apply pressure from different directions. You must practice making it perform under different situations, time frames, and terrains. The more consistently you do anything, the better you get.

> ***Perpetual Innovators are the elite athletes of ideas. They consistently hone their skills so they can draw on them without giving it a thought. The pressure of a situation or deadline doesn't deter them.***

Perpetual Innovators are the elite athletes of ideas. They consistently hone their skills so they can draw on them without giving it a thought. The pressure of a situation or deadline doesn't deter them, because their ability to jump in at a moment's notice is deeply practiced. While we like to think that these people are creative geniuses, it turns out that the only difference is that the "geniuses" have more practice than other people.

The ability to build a practice that draws on all three characteristics of an idea creates an organizational culture conditioned to deliver extraordinary outcomes. If you don't have all three, you will struggle to produce the opportunities your employees deserve to bring forward, your company deserves to deliver, and your stakeholders deserve to enjoy.

While there's a lot of focus on companies and their ability to innovate, here's what I want *you* to know.

You have the ability to become one of the most iconic Perpetual Innovators the world has ever seen. Whether it's you as an individual, you as a leader in your organization, or your company in the market you serve. Maybe you're a small business owner, an entrepreneur, or the CEO of a Fortune 50 company. It doesn't matter.

Regardless of who you are or where you work, *you can become a Perpetual Innovator.*

Let's take a look at why you aren't one already.

Chapter 2

Why Don’t We Innovate?

I could hear the stress in his voice in just the first few minutes of our call.

Mohamed worked for a start-up research and development company based in Canada. He was in the thick of planning the launch of the company’s new software, but he was stuck. He and the executive team wanted to build a strong emotional connection with their customers and simplify how they talked about the software. But the sophistication of their platform and their push for disrupting an industry made their story convoluted. That’s why they wanted my help. Mohamed and his executive team needed a marketing strategy as innovative as the product itself.

One day as we were thrashing through a strategy, I asked Mohamed what brand inspired him.

“Disney,” he said. “Because it doesn’t matter where you enter the brand—theme parks, movies, or a retail store—you always have an amazing experience.”

Disney then became our measuring stick. “If Disney built a learning management platform,” we asked ourselves, “what decisions would they make?”

The first goal Mohamed had was to become the go-to resource for how teachers, administrators, parents, and students looked at learning. Just like Disney has its Disney Institute blog that teaches people and companies about how to deliver stellar customer experiences, he wanted to set the standard for how people looked at education and then set their expectations. We laid it all out in a strategy document, which Mohamed then took to the executive team for approval.

That’s when the wheels fell off the bus.

As Mohamed wrapped up his presentation, the chief financial officer put his pencil down. He pushed himself back from the table, crossed his fleshy arms across his broad chest, pursed his lips, and said, “We’re not doing this. We’re nothing like Disney. We don’t have dogs. We don’t have princesses. And we don’t have theme parks. We are a serious company with PhDs. We have engineers. We’re smart professionals who take the work we do seriously. What you’ve proposed is ridiculous. If we’re going to show people how innovative we are, I need you to go back to your desk and come up with some ads that tell people we’re innovative. I need you to update the website. And I need you to start doing cold calls. This is how we get people to know that we’re innovative—by *telling* them we are.”

That’s when Mohamed’s shoulders drooped. He hung his head. And he went back to his desk. Instead of coming to work every day with a spring in his step, excited to become the "Disney" of learning management software, he did the same boring work that other people in his industry were stuck doing—ads, cold calls, and web pages that were actually sales brochures.

Although this nimble, starry-eyed start-up touted innovation, Mohamed's idea of what that looked like was distinctly different from that of his executive team.

Has this ever happened to you?

Walk the Talk

Nearly every organization in existence today touts its innovation chops. They list it as a value, insist it's their market differentiator, and claim to invest in it wholeheartedly.

But if you look under the hood of a majority of these businesses, they fail miserably at walking the talk. While they may have a definition of innovation that they understand, moving from that point into execution is a gap they haven't been able to navigate. Either the general employee population doesn't understand how to move forward with an innovation directive, or, like Mohamed's leadership team, they don't believe that they're the type of company to innovate like others.

During my research, I've found that there are three big, common reasons why people and companies don't step forth and make progress with innovation:

- They overcomplicate it.
- They think it's only something others know how to do.
- They don't how to do it.

Overcomplication

Innovation isn't impossible. But it usually doesn't work because we see it as a complex process that we have to work hard to grasp. Why? Because we've been taught that the more complex something is, the more credible it is and the more likely it is to work. There's actually a term for this: complexity bias, the belief that complex solutions and ideas are always better than simple ones. When we have to choose between two options, we often ignore the simpler, faster, cheaper, or easier one because we think it's *too* simple. Nothing that easy could actually work! So, to us, innovation can't be a simple or straightforward process, because if it were, it wouldn't *be* innovation.

Contrary to the complexity bias, the simplest answers usually are the best ones. It goes back to Occam's razor: the simplest solution is most likely the right one.

Let me give you an example. A couple of years ago I suffered from deep fatigue. It didn't matter what I did; I just couldn't shake it. I'm not a coffee drinker, so I explained to my doctor that it couldn't be caffeine. Iron deficiency? The bloodwork came back clean. I exercised. Cut back on sugar and processed foods. Counted carbs and made sure I got enough legit sunlight. Nothing worked.

Then my doctor asked an all-revealing (and embarrassingly simple) question: How much sleep do you get?

It couldn't be something that easy, could it?

But it was. As a parent with young kids, a business owner, and frequent traveler, I realized I was squeezing by on four to five hours a night, instead of the eight or even nine I really needed. My complexity bias, however, made this simple answer hard to accept. However, once I started hitting the hay earlier and for more hours, my fatigue vanished.

So why do we have this complexity bias? And why can't we accept the idea that innovation might actually be simple? Our fascination for complexity leads to bigger, more emotionally driven problem. If a problem is simple, then you should know how to solve it. And when you don't, it makes you feel…well…dumb. Therefore, by adding layer upon layer of complexity to a situation, you're able to rationalize your way out of understanding it.

Let's pretend your career's clicking along and you're enjoying your vice president status and corner office. The day comes when you hire a herd of McKinsey consultants to help with an innovation challenge. Team McKinsey comes in, takes a look around and points out how simple the solution is. So simple, in fact, they can't believe you missed it. As the responsible party who brought them in, that would probably cost you your job. Companies—and the executives who run them—put a whole lotta weight in complexity, not simplicity. It's what makes you feel important, and like you have credibility and value.

For many, innovation is about "big bangs" and multimillion-dollar investments—the kinds that disrupt industries and turn markets upside down. These set unrealistic expectations that bring white-knuckled risk with them because the cost of failure can end careers and put organizations out of business. They drive people's emotions around their job and work responsibilities. You want to feel important, not incompetent or out of your league. But complexity and simplicity are opposite extremes, and leaders have to understand that not all innovation demands a complicated process.

> ***Complexity and simplicity are opposite extremes, and leaders have to understand that not all innovation demands a complicated process.***

Leaders will need a leap of faith that one of the greatest problems with innovation is the perception that it's too complicated. It actually can be very simple, and there's nothing wrong with that. Yes, you look at iconic brands like Apple, Google, Tesla, or any number of others and say, "I could never be that innovative." But perhaps you're selling yourself short too quickly.

It's Something Others Do

In the world of great ideas, iconic brands get all the credit.

Take LEGO, for example. This is a company that sells little rectangular pieces of plastic. But they consistently churn out great idea after great idea. Go to their website and, besides ordering products, you can build things, share them with friends, and watch videos. Five times a year they publish a magazine that kids go crazy over. They produced *Beyond the Brick: A LEGO Brickumentary*—a documentary for adult fans of LEGO bricks. They released Hollywood feature films that grossed hundreds of millions of dollars. Their YouTube channel has millions of subscribers. There's even have a game you can download from the app store.

Toms Shoes gives away a pair of shoes for everyone you buy. Domino's Pizza is now called a tech company. Red Bull is a media empire that happens to sell energy drinks.

And even business-to-business (B2B) brands like IBM are hard to top. Their team of engineers built the smartest machine in the world and then took it on national TV to compete again world's smartest minds. GE's Ecomagination was a groundbreaking strategy the company used to build more efficient machines that produce cleaner energy, reduce greenhouse gas emissions, clean water and cut its use, and make money while doing it. And Volvo's B2B division hired one of the world's most famous stuntmen to do a split between two semitrucks.

Now, brands like all of these create a big problem for you and me.

If I'm a household cleaning company, I'm not going to create the world's smartest machine and compete on national TV with it. If I work in pharmaceuticals, I'm not going to give shoes away for free. And if I'm in environmental cleanup, there's no way that I'm going to spend the money to launch a Hollywood feature film.

A number of years ago I was at a conference listening to a speaker from Zappos talk about their approach to customer experience. Since I work primarily with B2B brands and was consulting for a boron mining company at the time, none of what the Zappos speaker talked about felt relatable to me. As I sat in the audience, my mind began to wander. I scrolled through my social media feed to see what was going on in the "real" world and looked around the room for someone I could catch up with over cocktails.

A few weeks after that, I thought about this particular scenario. Out of curiosity, I did an internet search on my behavior. It turns out that what happened to me is actually a psychological phenomenon called Brand Detachment Disorder.

Brand Detachment Disorder is the tendency we have to dismiss the relevancy of great ideas because we think that what we do is different or unique.

And it turns out that you suffer from BDD just as much as I do. When someone talks about Virgin Airlines and how great they are, I hear people say they don't have that kind of budget. Or bring up Microsoft, Marvel Studios, or Salesforce, and you'll hear a slew of excuses:

We don't have that kind of budget.
Our team is too big and can't be that agile.
We have too much bureaucracy.
We need more processes.
Our company is more serious.
Our company isn't that serious
My boss is a control freak.
My boss is emotionally MIA.
Our sales cycle is too long.
Our sales cycle is too short.
What we sell is too boring.
It's too consumer oriented, and we're a B2B company.
That's more business focused, and our target is consumers.

Everyone makes excuses for why they can't be more creative. After I gave a speech in Stockholm, Sweden, a man from Red Bull came up to talk to me. He said BDD hit home for him. When I asked what brand he envies, he said Coca-Cola. "If I just had Coke's budget…the things I could do!" If someone from Red Bull—a company that sets the bar high for every other company out there—is making excuses for why they can't be more creative, this is a syndrome that afflicts *everyone*.

We have to stop discounting great work from inspiring brands and instead use them for our own inspiration, because these are the kinds of brands that set the expectations for every one of our customers. Ignoring them sets the stage for our own mediocrity and gives every employee an excuse to stick with the status quo.

The recovery for Brand Detachment Disorder begins when we admit that we have a problem. But we have to catch ourselves in the moment when we're exhibiting BDD and nip it in the bud right then and there.

Think about this: You're back at the office and someone from sales says to you, "We need to do a cool video like Land Rover did when it drove up the 999 stairs to Heaven's Gate in China!" and you roll your eyes. That's a sign you have Brand Detachment Disorder. When someone from human resources says, "We need to create something that will go viral like the ALS ice bucket challenge!" and you cross your arms and grimace, that's a clear sign you're in the midst of Brand Detachment Disorder. Or, if your boss says (again), "We need a team that's going to become 'the ultimate driving machine' for our industry, just like BMW," and you want to reach across the desk and strangle her…that's a *clear* sign you're suffering from Brand Detachment Disorder!

If you catch yourself feeling certain that your tiny budget and small staff could never manage to embrace the mindset of publicly traded companies with billion-dollar valuations, think again. Because once you've raised your awareness, you'll be able to recognize BDD in your everyday behavior. If you don't, you'll end up with the business-as-usual stale ideas and status-quo thinking. When you tune out creativity from wherever it comes, you lose the opportunity for inspiration.

We Don't Know How

Maybe you're ready, willing, and perfectly able to dive into innovation, but you just don't know where to start. This can be one of the most frustrating situations in which to find yourself. There's a tremendous amount of information on the market about how to innovate, but it feels like you need a PhD, a hefty budget, and a team of consultants to hold your hand.

Trust me, it doesn't have to be that way.

It's a common misconception that to become innovative, you just need to generate ideas. Successful innovation, however, involves homework before you get into a room with your colleagues and start sharing whatever comes to mind. And there's plenty of vetting that has to happen after the fact to ensure that the ideas you come up with are actually executable.

Innovation is easier than we think because there actually is a consistent process you can learn (and teach) to show you the way. If you're looking for hope to get things rolling, this is exactly what you've been waiting for.

In the next chapter, you'll learn the five-step process that the most prolific innovators in the world use. It's so simple that anyone at any level, in any organization, and in any industry can use it to get better at innovation. By following this process over and over again, you'll become a Perpetual Innovator who will consistently deliver remarkable ideas that turn into extraordinary outcomes for your business.

How to Use the Rest of This Book

I hear too many people say they don’t have good ideas, or they don’t know how to come up with them. It’s important that everyone in your organization—no matter how big or small, how old or new, or what kind of industry you’re in—learns to connect the dots between life around them and the work they do. This book is for engineers and artists, marketers and accountants, PTA presidents and nonprofit volunteers. Learning a process to come up with, vet, and share ideas can be used to solve all kinds of problems whether you’re at work or home. You’ll find the idea-generation process you learn in this book helpful to not only climb the corporate ladder, but also make life more exciting, connected, and fun. There’re infinite possibilities that come with new ideas.

This book is for those of you who believe that our best, most creative, and most innovative days of business are ahead. That innovative thinking is a skill that’s both taught and learned. And that this is the key to the future of a business’s ability to create opportunities and thrive.

Now, let’s get down to business.

Part 1

How to Innovate

The Perpetual Innovation Process

In 1999, Carey Smith started a company called the HVLS Fan Co. This name (an acronym for *High Volume Low Speed*) described the types of fans his company sold: massively big ones that move a huge amount of air but at very low speeds. They're the kinds you see hanging from ceilings in places that aren't practical to air-condition, such as gyms, dairy barns, fairground buildings, churches, event centers, bars, and airports.

In the early days, it was Carey and a handful of people sitting around the table getting the business off the ground. "We had one phone," he said. "When it rang, whoever was closest answered it, saying, 'High Volume Low Speed Fan Company, can I help you?' Inevitably, there was a long pause on the other end until the person finally asked, 'Are you the people who sell those big-ass fans?'"

Carey admitted he's no marketing genius, but he knew a good idea when he heard one. It didn't take him long to change the name of the company to Big Ass Fans.

"What the name tells you is that the company is very contrarian. We don't look at things the way others do. We don't think about products or marketing the way other people do. The name appealed to us because we thought it would be like wearing a ponytail. Where we could basically say in a manner of speaking that we don't care what you think; we do things the way we do things." Carey also showed he didn't care what other people thought when he donned the title chief big ass.

This mindset was a big part of the culture as he grew his company. It's something he had experienced firsthand years earlier at a deli in Ann Arbor, Michigan.

Driving down the street looking for a place to grab lunch, Carey saw a line out the front door of Zingerman's Deli. He knew that was a good sign for his growling stomach.

He parked, got in line, and slowly inched his way inside. Once there, he looked around. This was not your typical deli. There were entire display cases of meats, cheeses, and other exotic items that weren't your run-of-the-mill, quickie-mart-type sandwich makings.

"They bought the best cheeses, meats, and condiments, and they baked their bread fresh every day," explained Carey. "You weren't going to get crap ingredients, because they built the best sandwich in the world. And that's how they approached their entire business."

When he ordered his sandwich, it wasn't an apathetic high-school kid slinging a basket across the counter. "They were hippy-dippy types and different to talk to. They liked to kid around and joke, but they delivered a great product. The employees knew why an Amish chicken breast or Arkansas peppered ham had their own unique flavors and textures. They could tell you what part of Switzerland Emmental cheese was from and how the taste compared to handmade fresh mozzarella. Everyone there was smart and made business fun. That motivated me," Carey said.

There was a lot about Zingerman's Deli that he transplanted into Big Ass Fans—especially the idea of going against popular opinion about making money and instead, focusing on quality.

"Just like I saw that day at Zingerman's, Big Ass Fans does the whole thing differently. The name on the outside is indicative of what's going on inside. You're driven by it, or you aren't. The name expresses who we are and why we do what we do. It'd be hard for the people who work here to make a standard ceiling fan or light bulb."

Carey understood that having a brand that says it values a quality product is one thing. But consistently coming up with new, great, and reliable ideas that turn it into a reality is another. Big Ass Fans' headquarters was in Lexington, Kentucky, but its biggest competitors were companies that made low-end fans in China by the millions fast and cheap. They didn't use real wood or metal, and they used the cheapest motors they could find. Then, they made up revenue in maintenance, repairs, or replacement fans.

He realized that if he could make quality his secret sauce, that would inspire customers to keep coming back. And that's exactly what happened.

"What's interesting about Zingerman's is that it has grown larger over the years, but it's not a Kroger. It's not a Whole Foods," Carey said. "They recognized that there's a limit to what they can do. They won't sell salami to everyone in the country. To be the best, they have to focus on a smaller market, and they can't be everything to everybody. We're in the same boat…We're not a high-volume manufacturer, either. We started out making a couple of hundred fans a year. If you make a decision that you're going to focus on quality, you limit your volume."

As Carey and his team focused more and more on quality, that brought them closer to their customers. They looked for constant feedback to help them deliver new, great, and reliable products every single day. Big Ass Fans' customers came to trust the "ingredients" and the employees of the company.

Carey's small-time start-up grew into a successful business that's won a slew of awards for innovation and been named one of Fortune's 50 Best Workplaces for Recent College Graduates. It's also one that he sold to a private equity firm in 2017 for $500 million.

Why was Carey so successful? He understands some key things that have made him a Perpetual Innovator.

"Most people assume they lack creativity," he pointed out. "That's not the case. It's that they're afraid of failure. You have bright kids who have a 4.0 in high school or college, and they'll fail because they're not willing to take a risk.

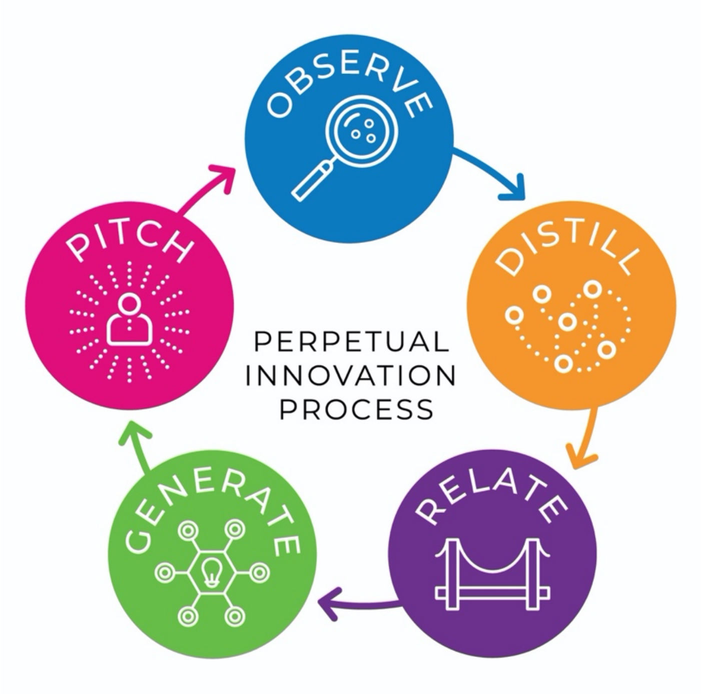
"People are conformists. I've been in customer situations where people are conservative in terms of business, and they're afraid to do anything different. Other companies would like to work with us, but it might disturb their channels. Public companies are even worse because CEOs don't want to give up control of anything.

"It's safe, but it has to be an awfully boring place to be."

The Perpetual Innovation Process

As we look at innovation and what consistently leads to new, great, and reliable ideas, it's time to dig into the process that the most innovative people and teams in the world use—people like Carey and his teams at Big Ass Fans. As I've studied people, teams, and corporate cultures, I've learned that the most innovative people in the world all follow the same process, whether they realize it or not. And this is the five-step process that they follow:

1. **Observe.** Innovators start out by observing the world around them. There are so many times when we shut down and focus on what we have in front of us. But it's when we stop, make time to be mindful, and take in what goes on around us that we start to look at the world from a different perspective.
2. **Distill.** They look at their observations, and they begin to notice patterns. It's these patterns that they distill into a broader theme.
3. **Relate.** They then do something that I call a brand transplant. They take the pattern that they've distilled from another idea and transplant that into their own brand. The ability to relate outside ideas into their own world is almost second nature. This step is key in connecting the dots between the world around them and the work that they do
4. **Generate.** Ideas generated from inspiration are powerful. People come to the table with lackluster or unrealistic ideas because they don't have a process that allows them to draw on a portfolio of experiences that have meaning to them. Or they don't know how to bring those ideas back to their own brand.
5. **Pitch.** Bad pitches kill great ideas. Every great idea needs support to go somewhere, and it's the pitch that moves a Perpetual Innovator's work to the next level. Great pitches paint a picture and tell the story of an idea and how to realize its potential.



I hear too many people say they don't have good ideas, or they don't know how to come up with them. That's not true. Everyone has ideas. We've just been taught that we're not the kind of person who comes up with them. That there's a "type" of person who's smart enough, educated enough, educated in the right way, or has the right title, and they're the ones we need to trust with new ideas. Don't leave ideas to chance, we're groomed to believe—leave them to professionals with data and degrees.

It's important that everyone in your organization—no matter how big or small it is, how old or new it is, or what kind of industry you're in—learns to connect the dots between life around you and the work you do. Learning a process to come up with, vet, and share ideas can be used to solve all kinds of problems whether you're at work or home. You'll find the idea-generation process you learn helpful not only to add potential to your career but to make life more rich, exciting, and fun. Infinite opportunities come with new ideas.

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