



The Power of Reflection in Innovation[©]

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In creativity, it is often not until you have completed a piece work that the obvious intent of the work appears to you.

This is particularly relevant in the case of innovation. Personal creativity, the input that produces organizational innovation, never follows a direct path and this has important strategic implications for organizations pursuing systemic innovation as a prime business objective.

Our challenge in developing the analytic, the Management Innovation Index™ (the MIX™), was to model an organization's innovation as a whole system in order to make innovation measurable. Over 3 years, we trialled and amended the MIX with various clients in Australia and then finally international proof of product came when Allianz Insurance UK appointed us in 2011 to benchmark and measure their 6 year innovation programme.

The result for Allianz and me, as designer of the MIX™, was insightful and confirmed it was possible to make tangible, model and measure embedded organizational innovation practice. More importantly, though, the analytic revealed much more about the depth of creative thinking behind the practices of the organization's daily operations and its potentialities than I had originally conceived of in design.

What is very difficult for an organization to observe is the unsurfaced value continually being built into the creative ecology of an organization. It is only when these elements of value become part of a dialogue or conversation in the organization that the full implication and potentiality of the strategic innovation opportunities that currently lie dormant in the organization can be understood and harnessed to drive value.

The problem is personal creativity in action is subconscious and almost impossible to perceive in whatever you are doing.

When you begin a creative piece of work, there is a great degree of uncertainty and tension. Your initial creative thoughts are often simultaneously simple and epic and nearly always unresolved. There are always gaps in the details between the creative thinking behind the initial idea and the implementation of it. The devil is in the doing is the common metaphor used to describe this state.

Intuitively, along the way, you know there are elements in your concept that require risks that are potentially fatal to your idea. Crucially, these elements in your creative thinking must be recognized, confronted and challenged, explored and/or discarded or overcome as they emerge, otherwise the outcome of your creative work will be faulted and found out later often at great cost to you and the organization.

However there comes a moment in time when your creative concept, made up of many ideas and elements, is complete and implemented. Now is the time for you to observe how this work affects those around you and the organizational system in which it has been introduced.

It is at this point where one of the most important creative leadership capabilities, reflective practice, as it is referred to academically or reflection on practice more commonly stated, comes into play assessing the output of this work – the innovation itself.



Reflective practice is the most neglected element of innovation because it requires time and distance and those elements are considered scarce resources in a rapidly changing world always driven to look to the future for new ideas, new opportunities rather than to look backwards.

Yet, it is from reflection your creative thinking and how it is applied in practice, whatever your profession. that you directly develop and form your accumulated professional knowledge and experience. It is reflection that lays the platform for new insights to emerge and for you to be confident in taking the risks needed to become a true innovator and creative leader in your profession and your organization.

Most importantly, it is through reflection you and your management begin to understand and recognize the full strategic potency and potential of innovation.

A Case Study in Reflection and Its Implications.

As Allianz UK reflected on their Management Innovation Assessment Report, the output of the Management Innovation Index™, a realization emerged they could position the organization to be perceived as the most innovative insurance company in the UK.

As the creator of the MIX™, this came as a complete surprise to me. Something I had not anticipated as an outcome. Why and how did Allianz arrive at that decision based on their MIX™ report?

Here is a perfect example of how slow and careful reflection on data, in this instance, the aggregation of managers' perceptions of an organization's creativity, unintentionally signals new meaning, possibilities and opportunities.

The MIX™ revealed Allianz's managers across all levels perceived "being creative" as needing to focus internally on cost cutting and efficiencies – a one dimensional and constrained view of innovation that however had been very effective over some years.

Allianz UK's Strategic Innovation Team saw that if they could remove these perceived constraints to creativity across all levels of management and their blinkered and entrenched practices, in the process facilitate managers' engagement externally not only with customers, but with professional peers, suppliers and stakeholders generally, they could open the organization up to whole new fields of thinking that would substantial influence the quality and quantity of the organization's creative inputs – the ideas submitted by their managers.

This simple insight whilst exploring the outcome of the MIX™ analytic had profound strategic and tactical implications for Allianz UK.

It instantly empowered managers in whatever position they held to engage more openly about innovation and "being creative".

The result meant Allianz managers in their external connections positioned Allianz UK as a contemporary and dynamic organization in which to work as opposed to the general perception financial services and insurance organizations are conservative risk adverse highly regulated mature environments.

External communications along these lines signals to smart eager young graduates as well as those experienced managers wishing to move with the times Allianz UK is a progressive employee that offers an exciting and engaging environment in which to work.



Allianz managers across all levels now begin to play a vital strategic role in re-defining and re-positioning Allianz UK in the market place, implying through these communications indirectly to its competitors Allianz is the innovator in the industry.

The decision to pursue this strategic direction has its risks. It will shake the organization's culture and operation at its core without really knowing what the implications or outcomes are. That is the reality and risk of innovation, of "being creative".

It is vital then the organization's current leadership and management are publicly committed to innovation going forward and have the right experience and information to enable them to reflect, support and build on innovation decision making and its uncertainty that drives it.

What the reflection on the MIX™ provided Allianz with was the certainty and confidence their initial decision to drive innovation as a core business value was correct and working well. What it also revealed were the impediments.

As Jeremy Trott, Head of Innovation Allianz UK says "With the Management Innovation Assessment Report, we have enough information to really concentrate on shaping our strategic innovation plan over the next two or three months, that will drive the success of the business for the next five years!"

The second MIX benchmarking of Allianz's innovation occurs in 6 months time and it will be interesting to see what new insights, directions and opportunities reflection on a new set of numbers and data will throw up.

**For further information on
Reflective Practice and How It Works
or
the Management Innovation Index and a full case study on Allianz UK.**

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