Leadership for Innovation

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Reimagining ICT
About PURC...

• At the University of Florida, Gainesville, Florida
• Research and training on regulation of public utilities, as well as leadership
• PURC/World Bank International Training Program
  – 153 countries, ~3300 professionals
• Advanced International Practices Program**
• Customized courses
• Executive and Leadership Academy
Introduction: The Importance of Innovation

- Amazon’s acquisition of Whole Foods
- Stock price of Whole Foods’ rivals dropped
- Investors in those competitors feared the upcoming Amazon-Whole Foods innovations
- Competing for the future is about innovation, especially in the ICT world
Innovation is Risky

Start-Up Companies in Silicon Valley:

• 30-40% failed completely
• 30-40% managed to return money to their investors, no profit
• 10-20% were successful *

* This 10-20% sets the pace for everyone else
• To not innovate is risky too....
• To “reimagine ICT as a tool for national growth & development” you will need to innovate

Three Kinds of Innovation

Leadership Tools for Innovation
1. Innovation in what is known

- Constant improvement on a product line, a service, etc. that already exists
- The work is done by the technicians, engineers, economists...

- Imagine innovation as a ladder: you can make the ladder sturdier, thinner, lighter, etc.

- Example: Google search engine
2. Innovation into what is knowable

- Understanding the customers and designing solutions to eliminate customer frustrations
- The work is done by the psychologists and marketing experts

- Imagine innovation as a ladder: you make the ladder taller

- Example: Mark Zuckerberg - Facebook as a dating tool
3. Innovation into the unknown

- Creates products that customers did not even know they wanted. It “creates the desire/need”
- The work is done by the artists by anticipating the customers’ needs

- Imagine innovation as a ladder: you may need to step sideways, blindly, to reach out for another ladder you can’t see

- Example: iPhone and Steve Jobs
Leadership Tools for Innovation

• How do you create the type of company culture that tolerates potential failures and encourages innovation?

Consider the following juxtapositions
Not *Best* practices, but *Next* practices

- Best practice is imitation, or “borrowing knowledge”
- Best practice has a *backward*
- Best practices is likely to keep you anchored to a culture that doesn’t encourage innovation
- Next practice is needed when we are going into areas where no one has gone before
- Accept that what you’re going to try next is going to be an experiment

– *What will you try next that has not been tried before?*
Not What?, but “Why?”

- Ask “Why have certain practices or experiments been successful or unsuccessful?”
  - Analyze underlying priorities and context
  - Learn, keep what is important. Discard what holds us back
- “Why” is about learning. Learning changes organizations
- This reasoning will give us something to hold on to as we move towards the future
- And help us design those next steps

- How can learning be improved?
Not *Leading*, but *Leadership*

- No “follow me” in an innovative environment
- Leadership mobilizes people to tackle difficult and often ambiguous problems
  
- Helping people understand that we don’t have the answers to our questions...
- *Stirring and steering* to make progress

  - How can you stir and steer?
Thank you for your attention!

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