



**THE
INNOVATION
CODE**

**THE
CREATIVE POWER
OF CONSTRUCTIVE
CONFLICT**

JEFF DEGRAFF
THE DEAN OF INNOVATION
AND STANEY DEGRAFF

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Praise for *The Innovation Code*

“You know what I never want to do again? Be in a meeting about another meeting. It’s the business leaders’ opportunity and responsibility to create a culture that catalyzes, identifies, and cultivates innovators—the lifeblood of any organization. Meetings aren’t the answer; it’s innovation. *The Innovation Code* provides clear guidance on how to identify innovation and get the best from it.”

—Victoria R. Montgomery-Brown, CEO and cofounder, Big Think

“It is rare to find a senior executive at a large company who does not claim to value innovation; however, ask him for his ‘innovation playbook’ and you will likely get a blank stare. In *The Innovation Code*, Professor Jeff DeGraff has written the definitive guide to creating the right conditions, assembling and nurturing the right team, and recognizing and harnessing the right interpersonal conflicts to create a winning innovation culture. *The Innovation Code* is itself a conflict—a well-written book of ideas that nonetheless can be readily put into practice by managers who want to innovate for growth.”

—Tom Glocer, former CEO, Thomson Reuters

“With *The Innovation Code*, Jeff DeGraff masterfully reveals the personality traits that drive innovation and shows us how we can harness those traits in our organizations, our teams, and ourselves.”

—Aaron Fried, Vice President, MetLife

“*The Innovation Code* should be a ‘must’ for leaders who wish their organizations to grow and prosper. The essence of the book, as its title suggests, is the acceptance—first by the leader and then by her or his close associates—of the fact that conflict, disruption, and challenge of the status quo are a healthy proposition and the basis for innovation to occur and for the organization to gain strength from it. When this concept is embraced, the environment is poised to move forward, but to do so, it needs the balance of creativity, control, competition, and understanding that comes from a diverse workforce. The book explains in simple and understandable ways the four competing approaches that drive innovation and thereby growth. Jeff DeGraff beautifully describes the creative power of constructive conflict, something that can be applied to manufacturing as well as service industries the world over.”

—Carlos A. Pellegrini, MD, FACS, Chief Medical Officer, UW Medicine; Vice President for Medical Affairs, University of Washington; and former President, American College of Surgeons

“Jeff DeGraff has helped many of the world’s leading arts organizations summon the courage to evolve, adapt, and develop new ways to grow their organizations. Conflict is an honest and necessary part of leading any successful arts and entertainment organization. *The Innovation Code* should be standard issue for anyone who is a leader in the arts!”

—Matthew VanBesien, President, New York Philharmonic

“The idea of creative tension has been around for many years. The difficulty comes with how to keep it positive, manage it, and take advantage of the outcomes. Jeff’s expertise is born of his experience with hundreds of companies around the globe. His practical insights and advice will help you harness the power of diversity and creativity and build a culture to maximize innovation.”

—**Mabel Casey, Vice President, Global Marketing and Sales Support, Haworth, Inc.**

“Innovation is hard. Unlike other books, *The Innovation Code* doesn’t gloss over it or make it sound easy. In fact, it tackles the hardest element: how to create constructive conflict and use it to innovate. In this book, DeGraff, the Dean of Innovation, shares his insights from working with many organizations to create a practical guide for all students of innovation.”

—**Mark Thompson, New York Times bestselling author, Forbes columnist, and venture capitalist**

“Most companies want a culture of innovation, but they don’t know what it is or how to develop one. DeGraff shows us what we need to do in the most fundamental way: adopting the mindset of innovator and embracing gracious conflicts. Instead of avoiding conflicts, DeGraff explains that innovators can harness this energy to create something better and new. This book is a playbook about innovation that can be applied in any field.”

—**Tan Le, founder and CEO, EMOTIV**

“*The Innovation Code* shows you how to play to win the innovation game. Whether you’re managing a professional sports team, or any other kind of organization, or just trying to develop your own skills, *The Innovation Code* is the playbook for you.”

—**R. C. Buford, General Manager, San Antonio Spurs**

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The Innovation Code

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This book is dedicated to the late
Budi Dharmakusuma (Yap Chuan Yu),
an entrepreneur, educator, and loving father,
who believed in the creative power of diverse
communities to overcome poverty,
disability, and prejudice.

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Preface

The discord in the early moments of a brainstorming session is like a symphony: the tense back and forth between wildly different thinkers, the points of antagonistic contact between totally opposing worldviews. When it comes to any innovation initiative—from building the next breakthrough app to designing the next miracle drug—disharmony is crucial. The only way to create new hybrid solutions is to clash. Innovation happens when we bring people with contrasting perspectives and complementary areas of expertise together in one room. Innovation is unlike any other form of value or growth because it's the only kind that necessitates discomfort. It requires us to *not* get along. We innovate when we disrupt, and we first have to disrupt each other. It's best that we innovate not with people we agree with but with people who will challenge us. Forget everything you've ever heard about teamwork and harmony. It's time to ruffle some feathers.

The Innovation Code

This is precisely what the *The Innovation Code: The Creative Power of Constructive Conflict* is about. This book introduces a simple framework to explain the way different kinds of thinkers and leaders can create constructive conflict in any organization. There are four fundamental kinds of innovators. Each of these innovators holds dear a different value proposition, which guides the way each thinks and acts. Understanding how these four kinds interact and work against each other will help you facilitate innovation in your organization and life. This book is derived from our experience in working with nearly 200 of the Fortune 500 companies across the globe, jumpstarting creative growth in a variety of fields from healthcare to entertainment to manufacturing. With this book, we've distilled our years of experience into a clear, step-by-step guide to navigating innovation teams and harnessing the energy of constructive conflict.

The Innovation Code contains the interactions between the four basic approaches to innovation, represented by the four different kinds of dominant worldviews or value propositions in any business. There's the wild experimentation of the **Artist**, the pragmatic caution of the **Engineer**, the quick competitiveness of the **Athlete**, and the patient community building of the **Sage**.

The four dominant worldviews come together to produce a positive tension, a constructive conflict that generates sustainable growth. When outside-the-box Artists clash with by-the-book Engineers, the result is innovation that's simultaneously revolutionary and sensible. When aggressive, profit-hungry Athletes clash with empathic, high-minded Sages, the result is innovation that's at once winning and conscientious.

Preface

This book shows you how each of these four types functions and how to build, manage, and embrace the dynamic discord of a team that contains all four elements of the Innovation Code. There is a short assessment that you can take at the end of Chapter 2 to see how you fit into the four types. Please see The Innovation Code Supplemental Material section on page 129 for more information about online assessments and other supporting materials. But for now, it's time to get uncomfortable, to talk to people you don't agree with, to collaborate with thinkers who might otherwise be your rivals, even your enemies. Let's get disruptive.

CHAPTER 1

Tell Me Your Biggest Weakness

Tell me your biggest weakness: it's that awful, cringe-worthy question anyone inside or outside of corporate America will immediately recognize as the most overused, clichéd line in the job interview script. "I work so hard I tire myself out," you've probably once said. Or, even better: "I'm too much of a perfectionist." You groan—we all groan—because the very premise of the question is absurd. Why would anyone give away their worst quality at the moment when they're supposed to be at their best?

Take a step outside of the interview room, and the question evokes a sense of dread. Its real absurdity is its sheer difficulty. How are you supposed to articulate a legitimate vulnerability in the space of a two-minute conclusion to a conversation with

someone you've never met? Then there's the haunting suspicion that there might be a real answer to the question that you don't even know yourself. Is it possible to know what's great about you without also knowing what's not so great?

It's a wonder that the most popular interview question of all time is actually a good question—despite the fact that most likely it never yielded a meaningful answer in the history of hiring. That's because it's pretty damn hard. And even understanding why it's hard is, well, hard.

What makes it so hard to answer that question is ourselves: because we're clouded by our own biases and worldviews, it's nearly (though not totally) impossible to get outside of our heads and get an objective look at what's wrong with us. This bias is our dominant worldview.

The Upside and Downside of Your Dominant Worldview

On the one hand, your dominant worldview is your biggest strength—the quality that makes you stand out from other people. Your dominant worldview determines the way you approach all challenges in your life. Some people are big-picture thinkers. Others fixate on particulars. Some people are pragmatic and by the book when it comes to solving problems. Others are dreamers who go outside the box. Some people are goal-oriented, driven by the thrill of competition. Others are patient listeners, inspired by a cooperative community that they build around them. These dominant worldviews are our greatest gifts, the set of skills we bring to any situation.

Tell Me Your Biggest Weakness

On the other hand, your dominant worldview is holding you back. Your defining quality is also your greatest weakness. The problem is that our dominant worldviews overpower all other points of view. Our dominant worldviews are so intense that we lose the ability to think outside of them. They give us blind spots. We become prisoners of our own ideology. Left by themselves, the pragmatic thinkers become bureaucrats. The big-picture thinkers become chaotic. The goal-oriented thinkers become control freaks. The patient thinkers become irrationally enthusiastic.

The biggest obstacle you face on the path to innovation is yourself. Dominant worldviews of all kinds can distort reality. They inevitably twist facts and prevent us from seeing the bigger picture. When it comes to innovation, our dominant worldviews impede creative thinking. The most effective innovation solutions are almost always hybrids, processes that combine multiple perspectives, so it's imperative that we learn to break free of our own biases and preconceptions.

You Are Your Own Biggest Problem

Consider this tale of a whiz kid fresh out of graduate school, hired as an operating officer for a rapidly growing company. In the wake of wild success, he unexpectedly found that things weren't getting done. When he confided in his boss, he claimed that the problems were with the people he managed. But the CEO told him that what they all had in common was him. He was the source of his own problem.

“Ask everyone on your team what you’re incompetent at,” the CEO said. And he did. One by one, they told him what he couldn’t do. “You’re not very good with finances,” one said. “Marketing just isn’t your thing,” another said. When he went back to his boss, the CEO told him they were all correct. “Well, they’re right. Now make other people do all those things so you can have the time to do what you’re best at—which is, of course, strategy. No one can come up with solutions to complicated problems like you can.” Over time, the whiz kid learned to delegate. He learned to accept his weaknesses and acknowledge his strengths. He learned to rely on the talents of others as he showcased his own talent.

What Are the Gifts You Don’t Know You Have?

To break free of your dominant worldview is also to embrace it. And sometimes embracing it is even harder—because we can’t always see what we have to offer the world. Take as an example the story of Miriam.

Miriam was a caretaker to everyone but herself. She was always quick with a pleasant word or a comforting comment that made you believe everything was going to be just fine. Few would have suspected that this middle-aged woman with the radiant smile had more worries than most. It all started out well enough for Miriam. She graduated from college and married her high school sweetheart. But twenty-five years later, he ran out on her and their five children. Though her career as a nurse brought her tremendous satisfaction, it didn’t provide much in the way of income. Miriam struggled just to make it all work, and it did, for a while. As if on cue, after all of her children had grown and moved

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out of the house, her vivacious mother was diagnosed with dementia. Always a deeply spiritual person, she went to her rabbi seeking advice. He was very helpful, and with the support of her synagogue, her mother was moved to a local assisted living center where Miriam could visit her daily.

Believing that Miriam's situation was becoming more common among members of his congregation, the rabbi asked Miriam to tell her personal story at temple one Friday evening. She was reluctant to speak to her friends and neighbors about such a deeply personal and difficult subject. But the rabbi emphasized that other members of the synagogue needed her help to get through their own struggles. So when the appointed time came, Miriam slowly began to disclose the challenges of her life and how she had, to the best of her abilities, endeavored to meet them through prayer and positive action. What followed were drawn-out moments of silence and sobbing. When the services were complete, dozens of congregation members came up to talk to Miriam. To her surprise, many of them wanted to share their own experiences with parents who needed assistance in their golden years. The rabbi suggested that Miriam develop an educational program that could be delivered at other synagogues and perhaps beyond.

At the medical center where Miriam worked, she talked with a wide array of doctors, nurses, patients, and their families to better understand the key challenges, potential solutions, and the needs of caretakers. She met with specialists who were happy to share their expertise and information. Over the course of a year, Miriam became a practical expert on caring for elderly parents with dementia. She was asked to speak at temples, nursing homes, and hospices. With each new speech, Miriam added to her material—stories others had given her, variations on her subject matter, handouts, and even a website filled with articles and other resources.

The Innovation Code

These days, Miriam is widely known as a regular on the speaking circuit. It all came together the moment she realized what she had to offer to the people around her. She had powerful gifts of storytelling, caregiving, empathy, communication, and bringing groups together, but it wasn't until she'd been put in this difficult—indeed, dire—situation that she knew she had them.

What are the gifts you don't know you have? That's precisely the question this book will help you answer.

Introducing the Innovation Code

The Innovation Code is a system for identifying, understanding, and combining the different dominant worldviews of creative thinkers and leaders. A worldview is more than a type or a style. It's a collection of deeply held beliefs about how we interpret and experience the world. A dominant worldview is a comprehensive conception of the world from a specific standpoint. We derive these views from our personal experiences as well as the cultures in which we are socialized, for we are neither self-contained nor self-created. We exist as part of a larger community and system. Our dominant worldview may change over time as we experience new situations and become more self-aware of our own inclinations.

In revealing your greatest strength, your dominant worldview also reveals your greatest weakness. Furthermore, it considers how each kind of thinker and leader interacts with others, so you can determine the other people you need to surround yourself with most. The best innovation teams are like bands of

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superheroes: each member acknowledges and makes use of his or her gifts and talents, but they don't let those superpowers limit them. They use them at the appropriate moments and then stand back and let their partners take over at other moments.

There are four basic approaches to innovation: the Artist, who loves radical innovation; the Engineer, who constantly improves everything; the Athlete, who competes to develop the best innovation; and the Sage, who innovates through collaboration. These approaches come together to produce a positive tension, a constructive conflict that promotes sustainable and scalable growth. When you combine the radical, visionary thinking of the Artist and the methodical, practical thinking of the Engineer, you get innovation that's both revolutionary and manageable, highly ambitious but without high risk. When you combine the cutthroat, results-oriented attitude of the Athlete with the conscientious, values-oriented attitude of the Sage, you get innovation that's both a good investment and good for the world.

In today's snappy corporate speak, forms of creative leadership are like statement blazers or ultra low-rise jeans: they're either in or they're out. Every year, the most popular business magazines claim that a certain type of person is the most innovative of the moment. This month, it might be the triumph of the technological guru. In the fall, it might be the rise of the artistic genius. Pundits treat innovation strategies as if they were fashion trends, hot during one season, only to become passé the next.

The truth is that dominant worldviews are more than just catchy buzzwords on a glossy list. There is no single approach to innovation that will always come out on top. There is no overriding trend you can rely on. Rather, knowing which kinds of leaders to bring to your project is about knowing all the things you can't do yourself.

Innovation Is Not About Alignment

Most people like to surround themselves with people who are like them and run the plays that they're used to running. But in reality, it's crucial to work with people who have different skills than you and to run a wide variety of plays in order to increase the likelihood that one of them will work.

Do things that make you feel uncomfortable. Talk to people with whom you have nothing in common. Remember that the ideal solutions to the most complicated problems will never involve just one mode of thinking. They always require a cross-boundary, interdisciplinary approach that takes advantage of multiple—and often seemingly contradictory—mindsets and ranges of skills.

Innovation is not about alignment. It is about constructive conflict—positive tension. This is exactly how and where innovation happens: you need to surround yourself with people who are not like you.

The Innovation Code begins with a look at yourself: both what you have to offer the world and how you fit into that world. Once we've established a structure of the self, we'll discuss how you can create constructive conflicts. We'll go through each of the four innovation types individually, examining all of their talents and flaws, their gifts and shortcomings, and talk about how these types use constructive conflict to innovate. Finally, we'll end with an action plan for the future, a set of simple tools for building and maintaining an innovative mindset and an ever-evolving sense of self.

So that question we've all sighed, rolled our eyes at, and thought we were done with forever once that interview ended is actually the start of something great. For identifying your biggest

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weakness is the first step to looking outward and seeing the kinds of people to enlist on your teams. Think of the question as less of a demand than an exchange: Tell me your biggest weakness and I'll give you my greatest strength.

Summary

Innovation starts with two self-assessments—one devastating, the other uplifting: what's the worst part about yourself and the best part about yourself. Once you've really identified your greatest weaknesses and strengths, you can determine what kind of people you need to surround yourself with. Find people who are unlike you, who can push you to create the things you can't on your own. Create your own team of superheroes.

Exercise

Start your journey toward growth by looking closer at the stories you tell about yourself. For it's in these self-narratives—the stories we tell ourselves—where we can get the strongest idea of our strengths and weaknesses.

1. Reflect on your story

Draw a straight line on a page. Treat this as a timeline of your life. Starting at the right end, which represents today, recall memorable events working backwards. List them on your timeline. This doesn't mean recalling every important event but rather whichever events feel significant to you right now: perhaps an argument with a sibling, a decision not to take a job, or a project that really made your career. Give yourself a moment to reflect on these events.

2. Analyze a moment of failure

Now pick one event that represents a failure: a bad relationship, a work of art never completed, a job from which you were fired. Recall the event with as much detail as possible: who, what, where, when, why, and how.

Make sense of this failure. Ask yourself these questions: What went wrong? Why? What went right? Why? Have you experienced similar failures in the past? Do you see a pattern? What does this tell you about your biggest weakness?

Tell Me Your Biggest Weakness

3. Analyze a moment of success

Now, repeat this self-assessment by reflecting on a story of success. Ask yourself the same questions you asked about your failure. What do these complementary self-narratives reveal about your dominant worldview?

Keep in mind that you'll return to both of these stories over the course of this book, each time seeing these situations anew, so hold onto your timeline and reflections. Get ready to go deeper. Seeing your own dominant worldview is just the first step in seeing the very different dominant worldviews of the other people who will round out your innovation team.

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