



IS YOUR INNOVATION TEAM TOO FAST? TOO SLOW? NOT FRESH ENOUGH?

TWO FUNDAMENTAL TENSIONS OF HIGH-PERFORMING INNOVATION
TEAMS

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During the course of my intensive work with companies – including, most recently, a multi-billion dollar European-based life and material sciences company – to increase the performance of their innovation project teams, I have observed two fundamental tensions that they must resolve in order to perform at their best.

1] The tension between reflection and execution

In his best-selling book, *Thinking Fast and Slow*, Daniel Kahneman talks about two systems of cognitive processing: Type 1 and Type 2. Type 1 is the fast, execution-oriented processing. It relies on intuition and snap-judgments. But is also prone to the pitfalls that accompany cognitive biases and laziness. Type 2 thinking is the slower thinking – that which is more reasoned and deliberate.

High-performing innovative teams need both: the fast thinking to act on and execute the ideas. But also the slower thinking to carefully consider what actions to take. The slow thinking is particularly important when an innovation team faces a failure or error in their project. Inherent in innovation is experimentation. That is, trying something and seeing if it works and how it works. Also inherent in this trial-and-error is, naturally, failure.

What keeps companies from truly being successful – particularly in an age where disruption is inevitable and agility is paramount – is an aversion to failure. But even if there is a culture where failure is accepted, what often keeps innovation-based companies, particularly when that innovation is highly technical, from succeeding, is not responding to a failure with a *targeted and accurate pivot*. What I mean by a *targeted and accurate pivot*, is *carefully considering* what went wrong, why it went wrong, and where to go next.

Sometimes, these failures have nothing to do with the innovation itself but more to do with what the market wants or needs at that exact moment. For many for-profit and non-profit organizations, innovations are only as good as the market dictates. But that decision of “where to go next?” requires the Type 2 (slow) thinking that consists of stopping, considering what went wrong, and deciding how to carry on.

At the same time, the Type 1 (fast) thinking is required to actually execute that next step rather than to remain in an eternal analysis-paralysis death spiral. I have seen innovation teams that are so preoccupied with a failure they recently experienced (and preventing another one), that they never actually take the next action (i.e., a failure of Type 1 thinking). Or even worse, I have worked with organizations that are so fearful of another misstep that they paralyze their highly-talented teams from moving forward. Thus, to be successful, innovation teams need to be adept at both fast- and slow-thinking, and like a highly-skilled golfer who knows which club to use for which shot, know which system to use when.

2] The tension between holding the team sacred and sacrificing the team

Any leadership scholar or perceptive manager knows that the key ingredients of excellent team functioning are cohesiveness, trust, and loyalty. These ingredients provide an environment of psychological safety where people can perform at their best and the true deep-level diversity of the team shines through constructive task conflict within the team.

However, inherent in an environment where pivots need to be made quickly and competently lies the reality that teams need the right technical and leadership skills in order to make these pivots. Sometimes, these pivots are minor (e.g., tweaking the materials in a product or how the product is marketed) and sometimes, these pivots are major (e.g., pursuing an entirely new market or use for a product). When a pivot is major, sometimes the technical competencies and skills, or knowledge about a particular market needed to successfully make this pivot are not possessed by the existing team.

It is also a possibility that even if the technical skills or knowledge contained in the team are sufficient, the team has worked together for so long, and that they are no longer able to create the healthy cognitive diversity and discord necessary to be innovative. Sometimes, people have worked well together over such a long period of time that they start to think exactly the same and view the world through a lens that is too-similar to be able to challenge their collective thinking. This phenomenon spells certain death to innovation. Thus, while the attributes of loyalty, trust, and cohesiveness are absolutely vital for high-performing innovation teams, it is also sometimes necessary to sacrifice the team (at least in its current composition) in order to create progress. In other words, sometimes members need to be replaced by newcomers who have a different skill set or fresh way of thinking.

Resolving these tensions

Can the skills required to balance these fundamental tensions be learned or developed within a team? Absolutely “yes”! All humans, particularly the highly-intelligent ones who often comprise these teams, are capable of both fast and slow thinking. Therefore, the problem lies not in ability but rather familiarity. Most managers have become used to using one system or the other – rather than exercising both in an ambidextrous way. Some people are more skilled at fast execution, while others are adept at reflection and contemplation. By asking oneself questions like, “What is my default mode of thinking?” or “What type of thinking do I resort to when I am exhausted?”, one can often determine what their current default has become and where attention needs to be placed to develop the other. It is also a possible to fill a team with individuals who are good at one or the other, in order to create a balance.

Resolving the tension between holding the team sacred and sacrificing the team is very difficult to resolve, as the exact conditions that allow a team to innovate at a high level are the ones that also can eventually lead to the team’s innovation stagnation. The only way that I have seen this tension successfully resolved is for the team leader or organization, more broadly, to cultivate an environment where the understanding that even high-performing teams sometimes need to be disbanded is tacit. That is, a mindset where revitalization and renewal is inherent to high-performing teams. Thus, while it is important to be absolutely loyal to one another, you also have to, in the words of my IMD colleague, [George Kohlrieser](#), be prepared for separation and to prepare your teammates for potential separation for the greater good of the organization and project.

In the fast (and growing faster) world that our organizations are operating in, staying innovative is vital to remaining alive and successful. But innovation is not only about having good ideas, it is also about cultivating the best conditions in which our top teams can perform.

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