



CHAPTER 01

Practice Prismatic Thinking



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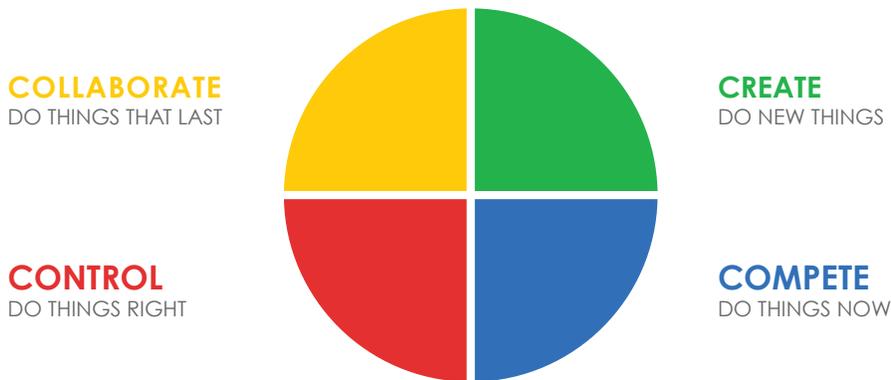
01 Practice Prismatic Thinking

What is the Innovation Genome?

The Innovation Genome is a way of thinking about and strategizing growth within yourself and your organization. It identifies four different methods of innovation—**Create**, **Control**, **Collaborate**, and **Compete**—each with their own pros and cons. Every person and every organization has a dominant logic that determines the way they see the world and approach innovation. The Innovation Genome helps you identify your dominant logic and understand your strengths and weaknesses. Each of the four quadrants represents a different dominant logic. The goal is to incorporate other modes of seeing into your own, to find people who fill in your blind spots and complement your own strengths and weaknesses. Individually, the four quadrants are wildly different approaches to innovation. It is important to make them work together and, as a whole, create an organic system of growth.

The key here is **constructive conflict** or **positive tension**. When dissimilar people come together, they may clash and disagree, but that conflict can become a good thing as people come up with new ideas they wouldn't have thought of on their own.

The Four Types of Innovation



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Create (Green)

The Create profile represents organizations and people who pursue radical breaks from the past and breakthrough ideas. Their motto is **DO NEW THINGS**. They are artists and visionaries who value experimentation and speculation. They strive to orient their products, services, and ideas to the future. Taken to an extreme, the Create organizations become chaotic.

Innovation

- Futuring and scenario planning
- Diversified radical experiments

Growth

- New market speculation
- Greenhouse funds

Strengths	Weaknesses	Types of Leaders	Types of Workplace
<ul style="list-style-type: none"> • Creative, artistic, expressive, imaginative • Flexible, adaptive • Optimistic, enthusiastic • Accepts failure, takes risks • Open to new ideas • Future-oriented • Conceptual 	<ul style="list-style-type: none"> • Ignores and breaks rules • Rebellious, impulsive, undisciplined • Unfocused, distracted • Unable to make realistic plans • Careless • Takes too many risks • Rushes to actions 	<ul style="list-style-type: none"> • Visionary dreamers • Clever • Optimistic • Enthusiastic • Quick on their feet • Expressive • Big picture thinkers • Examples: Steven Spielberg, Walt Disney, Thomas Edison 	<ul style="list-style-type: none"> • Stimulating projects • Flexible hours • Free from everyday constraints • New initiatives • Independent work streams • Diverse workforce • Examples: Pixar, Startups, Pharmaceuticals

A large grid of dots for notes, consisting of 10 rows and 20 columns of small gray dots.



Control (Red)

The Control profile represents organizations and people who want incremental change that is systematic, careful, and practical. They look for efficiency and predictability and tend to implement innovation by elaborating or extending existing products with minor variations. Their motto is **DO THINGS RIGHT**. Taken to an extreme, the Control profile becomes a bureaucracy.

Efficiency

- Lean manufacturing
- Supply chain innovation

Quality

- Total quality control
- End to end IT system

Strengths	Weaknesses	Types of Leaders	Types of Workplace
<ul style="list-style-type: none"> • Logical, rational, objective • Organized, orderly, methodical • Follows rules and procedures • Safe, reliable • Productive, efficient • Predictable, dependable • Disciplined, persistent 	<ul style="list-style-type: none"> • Authoritarian • Controlling • Inflexible, rigid, dogmatic, stubborn • Uncreative, no new ideas • Resistant to change • Hierarchical, bureaucratic • Focused on details only, not the big picture 	<ul style="list-style-type: none"> • Pragmatic • Methodical • Scientific or technical • By the book • Problem solver • Objective • Persistent • Examples: Henry Ford, Ray Kroc, Alfred Sloan 	<ul style="list-style-type: none"> • Clear roles and responsibilities • Logical objectives • Processes • Standards and regulations • Ordered and structured work • Examples: McDonald's, Boeing, Toyota





Collaborate (Yellow)

The Collaborative profile represents organizations and people who believe in something greater than the business itself. They are committed to their community, focusing on shared values and communication. They hope to nurture a group of empowered individuals. Their motto is **DO THINGS THAT LAST**. Taken to an extreme, the Collaborative profile becomes a party.

Community

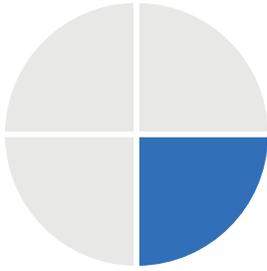
- Collaborative communities of practice
- Culture and competency development

Knowledge

- Knowledge management
- Search and reapply

Strengths	Weaknesses	Types of Leaders	Types of Workplace
<ul style="list-style-type: none"> • Sensitive, caring, helpful • Empowering, inclusive • Open-minded to differing opinions • Resolves conflicts, gains consensus • Builds commitment and trust • Cooperative, receptive • Likes to learn and teach others 	<ul style="list-style-type: none"> • Slow to act • Unassertive • Too much reliance on teamwork • Lets emotion overrule logic • Lacks emphasis on individual development • Unclear in direction • Lacks focus to hit targets and goals 	<ul style="list-style-type: none"> • Sees potential • Builds commitment • Trustworthy • Caring • Patient listeners • Participative • Respects differences • Empowering • Examples: Thomas Watson Jr., Estee Lauder, Walter Reuther 	<ul style="list-style-type: none"> • Family atmosphere • Collaborative workplace • Shared values and vision • Integrates personal goals • Informal • Teaching and coaching • Examples: S.C. Johnson, Habitat for Humanity, Doctors Without Borders





Compete (Blue)

The Compete profile represents organizations and people who appreciate the intensity of competition and achievement. They are motivated towards speedy, profitable outcomes and embrace the discipline necessary to achieve them. Their motto is **DO THINGS NOW**. Taken to an extreme, the Compete profile becomes a sweatshop.

Speed

- Mergers and Acquisitions
- Rapid action problem solving teams

Profit

- Revenue insight processes
- Market adjacencies

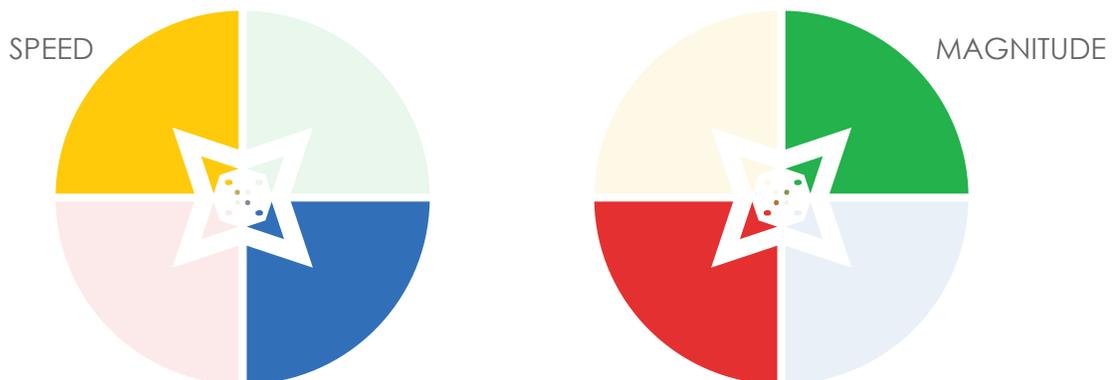
Strengths	Weaknesses	Types of Leaders	Types of Workplace
<ul style="list-style-type: none"> • Strategic, opportunistic, incisive • Focused, ambitious, self-motivated • Assertive, decisive • Rational, pragmatic, loyal • Skillful, competent, hard-working, persistent • Fast, action-oriented • Effective, rewards others for performance 	<ul style="list-style-type: none"> • Single-minded to achieve goals, can be ruthless • Self-centered • Short-sighted, overlook long-term implications • Aggressive, domineering • Brusque, rude, uncaring, insensitive • Workaholic, overworked, burn-out • Uncollaborative, not inclusive 	<ul style="list-style-type: none"> • Goal and action oriented • Impatient • Assertive • Driven • Decisive • Challenging • Competitive • Examples: Bill Gates, Jack Welch, J.P. Morgan 	<ul style="list-style-type: none"> • Competitive • High pressure and impact • Fast moving and high energy • Image enhancing deal making • Quantifiable results • Winners and losers • Examples: Goldman Sachs, General Electric, Microsoft



How Do the 4 Quadrants Interact?

The **Control** and **Create** quadrants are opposite forms of innovation. The Create form of innovation produces big, breakthrough innovation, while Control produces incremental improvements. While green thinkers want to promote deviance, red thinkers want to eliminate it. If the visionaries of the green quadrant value experimentation and independence, the pragmatic innovators in the red quadrant value order and structure. The difference here is in the **magnitude** of innovation or how much innovation each of these approaches produces.

The **Collaborate** and **Compete** quadrants are at odds with each other: the growth of a yellow organization is slow-moving with a sustainable, long-term payoff, while the growth of a blue organization is fast-paced yet not sustainable in the long-term horizon. The difference here is in the **speed** of innovation or how fast innovation happens.



These kinds of conflicts are positive because they produce new, hybrid forms of innovation that wouldn't be possible without the interaction of these varying viewpoints. Thus, you need all four types of innovation in your organizations.

These differences between the 4 types are important because they represent your strategy. You need to think about how much and how fast innovation you want to make happen in your organization. If you want to produce radical new products and services (green), then you need to have practices in your organization that enable their creation, such as futuring sessions and running experiments. If you employ red practices, such as lean manufacturing, you will actually hinder the development of those radically new products and services. You will end up with incremental improvements – products and services that are slightly different than the existing ones. **How you create is what you create.** Start with the outcome that you want, and figure out what types of practices and people you need to employ to achieve that outcome.

