



Strategic Innovation: Applying Entrepreneurial Leadership to Innovative Ideas

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Abstract

Innovation and entrepreneurial leadership are still a matter of confusion for many. Yet, if applied correctly the return on investment can be huge. This article sets out to clear up this confusion and outline a foundation of what strategic innovation is, and how entrepreneurial leaders can make the best of it. Topics such as: what innovators and entrepreneurial leaders do; ideas that solve problems; and potential customers are themes found in this paper. Final thoughts of how to put innovation and entrepreneurial leadership into action will be provided for immediate success in the marketplace.

Introduction

Do you find yourself thinking about a specific social problem or issue? Do you see a gap or void that is not being met? Are you tired of working for someone else, or maybe you don't feel appreciated at your current place of employment? This is something many innovators have expressed or have gone through once or twice in their professional careers. Yet, many continue to go through the motions of having a 9-5 job. However, maybe you were made to do something else. Maybe you have some great ideas and are finally ready to start a new product or service at your current workplace, or even launch and start your own business, organization, or nonprofit. If that is the case, this article is for you. This article is about applying strategic innovation and entrepreneurial leadership to your next phase of life and business.

What is Strategic Innovation and Entrepreneurial Leadership?

Strategic innovation and entrepreneurial leadership are all about progress, change, and renewal. When referring to entrepreneurial leadership, Mike Haynie of Syracuse University's Whitman School of Management states that entrepreneurship is "the practice of starting new organizations, particularly new businesses generally in response to identified opportunities." Entrepreneurs identify and enact alternative paths to the future. Most entrepreneurial leaders were so tired of getting their ideas beat to the ground, they started to pursue their own innovative journeys.

John Mullins, in his work *The New Business Road Test*, asserts that every innovator sets out to solve a problem with their creativity. This is, in fact, the true mark of an entrepreneurial leader, one who is at the service of others. In other words, it's seeing a problem and having the desire to solve it. Strategic innovators see value in solving problems and do whatever it takes to unravel them. These women and men are driven by a burning desire because they know that their ideas, creativity, and inventions are needed for humanity.

This was the case with Annie Duflo, executive director of Innovations for Poverty Action. This entrepreneurial leader is helping bring a literacy program created by an NGO called Pratham to disadvantaged children around the world. The main program, which is commonly referred to as Balsakhi (a Child's friend) trains people of the community to become teacher assistants. Most of these folks have limited education themselves, but through the program are educated at a very low cost, and are launched as Balsaki's to reinforce literacy skills to those students in their class. This innovative program solved a literacy issue with students who usually performed below average, and gave other adults who would have never had the opportunity to get educated an opportunity to make a difference with the next generation of leaders.

Creativity does not just transpire in leaders, as Michael Michalko states, leaders need to be proactive about training themselves to think and act creatively. Innovation is rarely accomplished without action, and entrepreneurial leaders understand this. Innovation is about the future, using the past to propel creation for what's to come, by making it a reality. This is what Michalko calls future fruit: building scenarios for competitive advantage. The point here is that entrepreneurial leaders need to train and stretch their brain to think differently, and acquire methods to create organizational and personal innovative cultures.

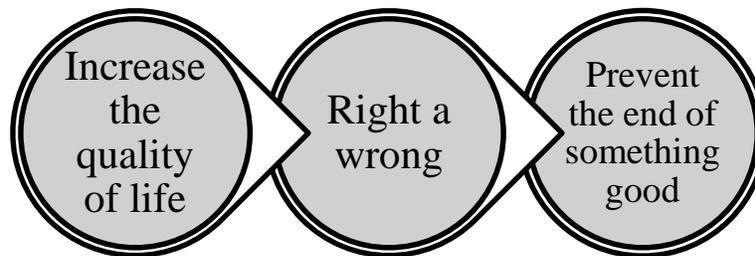
This is what innovators and entrepreneurial leaders do.

Innovation is interchangeable with diversity; meaning that innovation is the driver of change, new ideas, and leadership of resilience. These types of leaders produce an organizational culture that creates innovation, resilience, and productivity within the organization and its followers. C.R. Bell writes that "innovation at its purest form is a raw insight- the "aha" that sets a force in motion that leads to a creative application." Therefore, innovation and creativity cause leaders to move and act on their ideas and ventures. Leadership that is innovative is full of energy, inspiration, and aspirations.

Innovators make products that have a purpose. For example, entrepreneurial leaders make meaning in three ways:

1. Increase the quality of life
2. Right a wrong
3. Prevent the end of something good

Three Qualities of an Entrepreneurial Leader



Great Innovators know two things: what should change, and what should never change. One of the main problems innovators have when facing the process of change is innovation antibodies. In *Making Innovation Work*, Tony Davila, Marc Epstein, and Robert Shelton declare these antibodies can be seen through systems of control in organizations with such methods as limiting funding for innovation. This makes innovative employees want to leave their place of employment due to the absence of being nurtured and motivated to create new systems, products, and services. Leaders in organizations will have to take several measures to keep innovation at the forefront of their business. In *Making Innovation Work* these are:

- Develop innovation platforms for the different types of innovation you want to pursue
- Create portfolios of projects in each platform
- Form internal and external partnerships and networks
- Ensure that markets for creativity and commercialization are open and transparent

Innovative leaders understand the importance of creativity in the workplace and advocate for it. Scott Williams, in his article *Increasing Employees' Creativity by Training their Managers*, states:

There are two primary ways in which management practices affect subordinates' creativity: creating a work context and evaluating creative performance. Creating a work context that is supportive of creativity covers a broad range of concerns from issues of organizational structure to choices regarding how much autonomy to give subordinates. The evaluation of creative performance, though a much narrower category of managerial practices, is every bit as important to fostering subordinates' creativity.

Who can be an Innovative-Entrepreneurial Leader?

Many read the previous section of this article and probably counted themselves out from the entrepreneurial life, but this should not be the case. Some follow myths about entrepreneurship and innovation, but according to the *Entrepreneurship Bootcamp Program for Veterans at the Institute for Veterans and Military Families*, the following characteristics do not drive entrepreneurship: intelligence (having a certain IQ), being a certain gender, risk-taker, or family history. What you will need is what Scott Berkun affirms in *The Myths of Innovation*, which are determination, vision, creativity, self-esteem, a good work ethic, an understanding of history, and a passion for serving others.

Innovation development.

Organizational leaders have to be the ones leading in innovation, or cultivating an organizational culture of it. Leaders do this by training and giving their employees the opportunities to create new ideas. In the book *Making Innovation Work*, the authors proclaim: “innovation in some companies is more than a strategy. It’s a way of life, almost a religion.” This is the attitude a company needs to adopt if they want to foster a culture of innovation and creativity.

Organizations that innovate have to avoid complacency and the traditional saying that “this is the way it has always been done around here.” Success should not slow them down, but give the fuel necessary to continue innovating and keeping their competitive advantage. Tony Davila, Marc Epstein, and Robert Shelton write that leaders need to foster a certain employee culture that follows the following tips:

Focus on the things that make it successful in the present market, yet diverse in the areas it explores for opportunities.

Conservative, to perpetuate the best practices that exist, yet willing to take risks on new and better things.

Controlling, to ensure that the innovation investment is well used, but trusting enough to allow employees the freedom to create, explore, take risks, and innovate.

As one decides to pursue innovation and an entrepreneurial venture, there are certain things that need to be considered. The following section will present what needs to be reflected on. What Ideas do you have that will Solve a Problem?

The reality is that most people who try to innovate and be entrepreneurial will fail, mainly because their ideas do not solve problems. Bauback Yeganeh, in *Mindful Leader*, wrote that leaders ought to “analyze the environment mindfully; being mindful means paying particular attention to situational contexts.” In other words, what is needed within the community, the organization you work for or own; where is there a void? This may very well be a context for creativity because finding problems can call for just as much creativity as solving it.

For example, someone was tired of washing clothes in the river and decided to invent the washing machine. Another person wanted to work at night, but could not because there wasn't any light after the sun went down; until a wise person came and invented the light bulb (most believe that it was Thomas Edison). Please do not be misled and think that all this was invented overnight. It is a myth to think that innovations happen from one day to another, the reality is it is always a long process of trial and error.

The point is this: entrepreneurs recognize a problem and also visualize a solution for it. What problem do you see in your community, industry, or country that has you awake at night? This is where your ideas and innovation should come from. Whatever you are passionate about; whatever you are great at; and whatever you have a burning aspiration to do in this world may very well be the solution to what humanity needs.

Until a person is tired enough of something their best innovation will not flourish. Popeye the Sailor Man cartoon was created in the early 1900's. Popeye would go along with what his environment served him until a certain point came where he would be irritated and would say: “that’s it, I can’t stands this no more” (quote directly from Popeye) and eat his spinach and kick some butt! What can’t you “stands no more?” Maybe it is the injustice this world has to offer. Perhaps it is poverty around the world or racism that still seems to get the better half of humanity. The list goes on and on, but innovators will have to answer one. This is where entrepreneurial leaders find their innovation.

Who are your potential clients?

No idea or problem is worth solving if you will not have customers or clients. Even if you want to feed the poor, you will have to start a nonprofit which your clients would be the needy. If you

do not have customers or clients you may very well have a hobby but not a business. Don't get this message wrong, it's great to have hobbies, it just isn't business or entrepreneurship.

Strategic innovators go an extra mile when launching a new business, product, or service. They check to see if their idea is truly valuable. Meaning, they research and conduct market analysis. Paul E. Bierly, Robert W. Kolodinsky, and Brian J. Charette, in their article *Understanding the Complex Relationship between Creativity and Ethical Ideologies* Bierly state: "a firm's ability to develop new, creative products and services is often its source of competitive advantage..." This means that entrepreneurs will have to find out if people will actually pay for their service or product, commonly known as a business niche. Strategic innovation requires you ask yourself four questions:

- Who is your customer?
- What is your solution to your customer's problems?
- What do they buy?
- Are you able to relate and articulate your customer's problems, needs and wants in a tangible way?

Anyone can call themselves a consultant, but unless they have clients and serve them well, they are just people with dreams and hobbies. As John Mullins says, entrepreneurial leaders check to see what are the risks associated with their start-ups and do everything in their power to minimize them. Contrary to popular belief, many think that entrepreneurs and innovators are risk takers, but this couldn't be farther from the truth. Actually, strategic entrepreneurs have evaluated all risks, have discovered value where there wasn't any, and have leveraged an opportunity to bring to their society.

Final thoughts

Strategic innovators differentiate themselves from the bunch. They are able to brand themselves in such a way that people desire to pay for their service and products. Why? Because entrepreneurial leaders know it's all about the customer. This is what is going to help you in your new entrepreneurial venture. What makes you different and your services or products unique? In *The Future of Human Resource Management*, Mike Losey, Sue Meisinger, and Dave Ulrich stress, "Organizations most effective at fostering creativity and innovation know that what their company stands for, where it is going, and how it does business have been deeply implanted in the hearts and minds..."

If you go along with the rest of the folks complaisant with how things are, then innovation and entrepreneurial business are not for you. But, if you think you have what it takes to launch an idea that will change humanity forever, don't wait any longer, it may be time for you to stop saying, "someone should do something about that," to saying, "I'm going to do something about this!" Who knows, you may be the next inventor of a great product or service or someone who solves a great problem our society is facing. The world is waiting for you!

About the Author

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