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Building an innovative firm is a lot like herding cats

For two years, *Business Week* and the Boston Consulting Group have recognized Apple Inc. as the most innovative company in the world. Since the introduction of the Apple I personal computer more than 30 years ago, the company has been known for its innovative culture.

And since Steve Jobs rejoined the company in 1997, innovation at Apple has risen to a new level. Successful innovations such as the iMac in 1998, the iPod/iTunes in 2001, iLife in 2003 and the iPhone in 2007 have enhanced Apple's reputation.

What sort of people did Jobs bring together to energize Apple?

In their book, "Making Innovation Work," Tony Davila, Marc Epstein and Robert Shelton (two professors and a consultant) suggest the appropriate metaphor for an innovative leader is a movie director:

■ A person directing a film must manage the individual needs and temperaments of many different people, from actors, camera operators and stylists to the movie's financial backers and the senior management of the studio.

■ The director also must anticipate the desires of the targeted market, keeping the process focused on the important factors and creating a differentiated product.

■ The director has a schedule and budget that must be met because his or her performance is being assessed and funds are allocated on the basis of results achieved against the budget and schedule goals.

■ Finally, the director needs to balance all



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of these and stay deeply involved in all aspects of producing a blockbuster movie.

Using a different metaphor, an innovative leader must "herd cats" when managing people with diverse perspectives.

Take Jobs' closest associates at Apple. Chief operating officer Timothy Cook turned Apple into one of the most efficient manufacturing companies. Scott Forstall is the technical wizard who brought the iPhone to market and was involved with the operating system used by all Apple computers and handsets. Then there is Jonathan Ive, a designer from Britain. He and Jobs are responsible for the superior design of Apple's products and building its reputation as a "design-driven" company.

On the surface, these may not look like people with diverse perspectives. But their attitudes and values are very different. Cook is a manufacturing expert focused on business results; Forstall is an engineer solving difficult technical problems; and Ive is a designer with a flair for sleek, sophisticated and attractive aesthetics.

Similarly, a cross-section of people at Rochester Institute of Technology will reveal significant differences in values and attitudes. A business individual is interested primarily in tasks with value that can be quantified—for example, return on investment or manufacturing efficiency. An engineer enjoys solving problems and is less interested in the solutions/commercial prospects. The designer also creates value, but the type that is qualitative and hard to measure.

Put it all together and the business individual is like a quarterback leading the team toward victory in a competitive environment. The engineer is like the lone genius—a Thomas Edison or Alexander Graham Bell. The designer is the artist, a Michelangelo or a Picasso.

Jobs' view of innovation has multiple dimensions. Design innovations pioneered by Apple are well-known. But Jobs has pioneered business model innovations as well with iTunes and Apple retail stores and technology innovations such as the multi-touch screen for the iPhone. For these advances he relies on talented people with a flair for innovation in significantly varied spaces.

The business he created coordinates the talents, abilities and skills of individuals in business, engineering and design—just the creative sort of "cats" one expects to find at an innovative company or university.

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