

MAKE COURAGE CONTAGIOUS

BREAK THE GRIP OF RISK-AVERSE TRAPS
TO PROFIT THROUGH TURBULENCE



MAKE COURAGE CONTAGIOUS: BUILD ENQ TO PROFIT THROUGH TURBULENCE

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There are 5 levels of Innovation Leadership. Which is yours?

Level 5 Leaders **PowerUP** everyone's best inventive thinking, initiative and entrepreneurial spirit. They Make Courage Contagious.

Level 4 Leaders are **luminaries with imagination and creativity**. They have courage to put forward bold solutions with **influence** to get their ideas adopted.

Level 3 Leaders have courage to **adopt inventions and get things done**. They listen, learn quickly and teach others to adjust and adapt to change.

Level 2 Leaders are **interested** in inventive possibilities — but **back away until** they get permission, instructions, resources or can fit it into their schedules.

Level 1 Leaders **ignore or discredit** luminaries who say, "Here is a better idea" or "Our customers and investors want more." They stick to what's comfortable.

Most Fortune 1500 CXO's complain - they don't have enough Level 4 luminaries, who look beyond "what they're given" (or "what was") and invent "what can be." They have too many people who eagerly await instructions in turbulence and too few who can say, "Here are the opportunities we should seize" or "Here are the threats we need to address."

That's a pity. Because we see how much potential you and your colleagues have. We see how much you want to step up and make a difference. We also see how you get stuck - in risk-averse traps that lower your creativity, imagination and urgency and compromise the value-creation you can bring to diverse matrix and alliance teams.

With a high EnCourage Quotient (EnQ)[™], you can be a Level 5 leader who breaks the icy grip of risk-averse traps and lifts everyone's innovation leadership to Level 3 and Level 4. No matter where you sit in your enterprise hierarchy, you can make it fun to ride the roller coaster of Volatile Uncertain Complex Adverse (VUCA) conditions, invent bold promising possibilities, mobilize support and profit through turbulence.

Read on to see how >>

The gap between inventive potential and inventive value-creation

In too many teams, leaders with the potential for Level 4 inventive thinking are scared to speak up, let their imaginations go and deliver the bold thinking and initiative that CEOs say they need to profit through turbulence. Too many inventive thinkers are afraid to be branded as troublemakers or renegades, so they back away rather than try to argue their case. Too many are caught in a Catch 22 — where robust risk assessments and risk mitigation plans are misinterpreted as “throwing people under the bus” rather than “sharpening plans up.”



Even at the very top, too many leaders settle for “what the culture will tolerate.” They Go Along, appease their boards, and settle for win/win compromises, instead of win/win/win value-multiplying possibilities. Too few PowerUP inventive thinking, initiative, entrepreneurial spirit and find a way to profit from turbulence, not just hunker down and survive Volatility Uncertainty Complexity and Adversity (VUCA).

“We have lots of do-ers, even super-doers” one CEO said, “Super-doers expedite orders, push things forward and give customers what they want. But they don’t spot a market niche or an unmet customer need *before* customers know there’s a ready-made product or service they can request — or before a competitor gets there first and they’ve got to play catch-up with a ‘me-too’ offering. Super-doers jump into action and work hard to fix problems after an adverse event. But they aren’t alert enough to spot accidents that are waiting to happen and mitigate threats before they become emergencies that no one saw coming.”

Studies by Deloitte and by the Ontario Innovation Centre in Canada say - there are lots of mini-innovations that produce small incremental sales gains by tweaking proven products and business models. But, even when luminaries have the foresight to invent bold breakthroughs, they back off when they are told, “It costs too much, no one has done it before, or someone tried it and failed.” They filter out and tamp down ideas that can create new niches, solve vexing persistent problems and deliver so much value that they can generate generous profit margins.



Fortunately, with a high EnCourage Quotient (EnQ)[™], you can change risk-averse dynamics and close the gap between potential and real value-creation, no matter where you sit in the organizational hierarchy. You can say, “Let’s refine that bold idea,” rather than ridiculing something half-baked. You can say, “Bring it on!” when

ideas are challenged, rather than taking sides and descending into a struggle for hegemony. You can shape the culture, with poise, humour and a reminder about your enterprise's stated Values, rather than taking the culture as it is in your Task Force or Value Analysis Committee (VAC). You can ask for diverse perspectives, rather than disinviting critics who can mitigate threats, refine plans and offer their own bold new ideas to PowerUP an even more successful launch. You can seize opportunities before they get away — rather than waiting for someone else to take decisions and tell you what to do.

Courage — not just insight, talent or potential — is what lifts luminaries higher than Level 3 (or Level 1 or 2) and to Level 5, when those study in risk-averse traps collude in pulling everyone lower. That's what our research shows — along with studies by Google, Deloitte, Coca-Cola, GM, Sunkyong, Wharton, MIT, McKinsey, McGill, Insead — and by dozens of unpublished in-house studies at major pharmaceutical, defence, financial service and venture capital companies.



How does this compare with your experience? Think about the last time you shook your head, stuck in groupthink, not believing a consensus but reluctant to ask questions that could challenge apparent team harmony. Think about the last time you saw an opportunity missed and thought, “I saw that coming; if only they had let me act and we had gotten there first, instead of being stuck in tunnel vision or bias against outliers.” In defining moments like this, you had the brilliance. But more Courage to assert brilliance — and invite others to co-create with you by Making Courage Contagious and shaping an inventive culture — would have generated more value.

Your enterprise spent vast sums to recruit, promote and deploy high-potential talent like you — to be able to make a difference. But it's only with Courage that you flip the switch and actually deliver the return expected from their investment in you — and actualize your career potential.

How Level 5 leaders build EnQ to shape an inventive thinking culture

Our research asks, “What distinguishes leaders who PowerUP inventive thinking, entrepreneurial spirit and initiative so Level 4 colleagues thrive and invent new ways to profit in the face of Adversity, Volatility, Complexity Adverse (VUCA) turbulence? What sets them apart from Level 2 and Level 3 leaders — who profit when the culture makes everyone comfortable, when technology works like it should, when they have all the time, resources and data they want, and when no one challenges their thinking or their hegemony?

In simulations, real scrums and strategy sessions and in 360-feedback with highly successful innovators, we see 5 distinct choices that set Level 5 leaders apart from Level 3 leaders who can deliver great results only when the culture is already receptive, when they can work the problem themselves and tell others what to do. To EnCourage, in a way that lifts everyone’s Courage to Level 4-5, they...

- **AIM** high to create a lofty ambitious compelling **PURPOSE** to make a difference
- **ASK** inquisitively to open **CANDOUR** and explore interests, needs and issues
- **AROUSE** passion, urgency, an optimistic and resilient can-do **WILL**
- **ALIGN** interests with trust so factions **RISK** for enterprise-wide success
- **ADHERE** to best practices to decide, hand off and execute with **RIGOUR**



These 5 high EnQ Courage-Builders are like the 5 cylinders of a precise European performance car. If one of five misfires, the car will stall, rather than operate at 80%. Especially on a steep incline. So will an innovation team.

In VUCA turbulence, imagine what more could happen if you accurately diagnosed when a team, a dialogue or an email exchange was stuck in low-Courage risk-averse traps — and asked, “What can I do to EnCourage” instead of asking, “Why is this so dysfunctional?” Imagine what would be possible if you asked, “How can I influence the team to embrace Level 4 inventive thinking?” rather than going back to your office in a funk, because you and other Level 4 luminaries can’t get traction on initiatives that you’re accountable for accelerating.

With practice — in simulations, case study analytics and just-in-time rehearsal for real scrums and win/win/win negotiations — you can make these 5 EnQ steps fluent and natural. Then, at Level 5, you can teach what you’ve learned — to Make Courage Contagious and bring out the best in your entire team’s inventive thinking. Courage isn’t Contagious when you Puff Up and push others of of your way to neutralize opposition and defend your hegemony. With inventive thinking

at all levels and across an entire cross-functional team, there is quick progress because teams don't have to double back and spend dollars solving problems that could have been faced and prevented for pennies.

Make Courage Contagious with a stronger EnQ. That was our advice to the Head of Medicinal Chemistry in a global pharma company, with labs on 5 continents. He was shocked that his Level 4 luminary brilliance was actually bringing everyone else to Level 2. He was strong on AIM and ADHERE. But all it took was a sarcastic laugh or a disapproving question for really smart diverse teams to ask, "What do you want, boss?" rather than push themselves to ask, "How can we PowerUP analytical, computational, formulation and other medicinal chemists so they ascend to Level 4 and find the best possible formulations?" In one glance, he could thwart efforts to AROUSE passion, ALIGN interests and ASK openly.

12 risk-averse defensive traps: How teams stifle Level 4 brilliance

VUCA conditions don't make it easy to step up, offer your best ideas or assert your influence to shape the culture. There's never enough time, resources are limited, there is too much information and not enough clear answers. You may not know when you have hegemony and when you are overstepping, especially if you "only" have a support role and are not seen as "someone in charge."

When conditions aren't ideal, it's tempting to blame the C-suite for being dysfunctional or failing to "walk the talk" of the enterprise's official Values. Or convince yourself that you're not in a position to be a Level 5 EnQ culture-shaper, rather than a Level 2 culture-taker. And surrender to Victim Thinking, which is the most debilitating of all risk-averse traps.



Military psychology has long asked, "How do we thrive in VUCA conditions?" understanding that soldiers have to thrive in a world that is threatening — and is complicated by diverse geopolitical and trade interests that require broader thinking than just "How do we subdue opposition, limit our own casualties and secure a military triumph?"

As business leaders, we are blessed that we face battles of words and wills, not bullets, and economic and competitive rather than literal minefields. But we also need to know how to step up, reach out and take charge in VUCA conditions — and shape a culture that will PowerUP inventive thinking, rather than complain if the culture or conditions aren't as clear and safe as we want.



The 12 risk-averse traps that you can expect to face — and can stifle or suppress the potential for inventive thinking that resides in your team — are:

- **Sandbagging.** Regress to comfort zones. Compromise goals. Appease colleagues who are uncomfortable with new standards and want easy routines.
- **Hierarchy deference.** Look to senior high-ranking authority figures for directions, decisions or approval. Freeze until higher-ups give their OK.
- **Groupthink.** Defer to group consensus if most people appear to agree, even if you see flaws or problems that have not been addressed.
- **Anti-outlier bias.** Experts with tattoos or unconventional diverse backgrounds hear, “You do not know enough” or “Don’t be an uppity trouble-maker.”
- **Silo myopia.** Seek input from others who think like you, who share your professional training and understand your discipline’s or region’s priorities.
- **Tunnel vision.** Frame the problem incorrectly by focusing on what is already known, what has already been done, what seems proven and confirmed.
- **Win/lose rivalry.** See other divisions, departments or alliance partners as opponents rather than collaborators. Negotiate to win, rather than to optimize.
- **Summit fever.** Overconfident, swept up in team spirit and excited about possibilities. Collude in overcommitting or pushing forward without precautions.
- **Loss aversion.** Keep investing because you have already invested so much in a deal that you cannot afford to walk away without some return on investment.
- **Chaos and turbulence.** Distracted by politics, information overload, side-issues, noise. No mechanism to get past brainstorming and weigh options.
- **Rub the wrong way.** Bristling and asking, “What’s wrong with them?” when diverse personalities, age-groups, cultures or disciplines violate your norms.
- **Victim thinking.** Act as if falling into defensive traps is “not our fault” or “not our choice” and we have no influence, impact or recourse to PowerUP teams and lift them out of defensive thinking to shape an innovation culture.

With practice, you and other Level 4 innovators can learn to diagnose these risk-averse traps. With EnQ, you can lead from the middle to lift yourself and others out of risk-averse traps that reduce the creativity, imagination, business acumen, brilliance of high-potential talent. That’s what Courage to bring everyone to Level 4-5 inventive thinking is all about.

The Head of QA for a global chemical company is an example. She learned to challenge commercial leaders on Summit Fever so sales projections didn’t get too far ahead of capacity management. She learned to spot Silo Myopia when QA and other functions were left out of critical business decisions — and see the Bias against Outliers when she was told, “Someone with your gender and ethnic background can’t possibly understand the Big Picture.”

This was a profound new perspective for this Head of QA. With an understanding of risk-averse traps, she could stop blaming other executives for challenging her recommendations and could take charge and shape team dynamics and

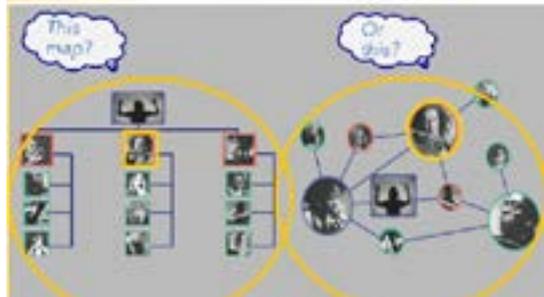
decisions. With the 5 high-EnQ steps — AIM high, ASK inquisitively, AROUSE confidence, ALIGN interests, ADHERE to disciplines — she learned to lift her QA team out of risk-averse traps and PowerUP inventive thinking, and, by so doing, improve the company's reputation for quality and regulatory compliance.

Lead from the middle — with a high EnCourage Quotient (EnQ)

Safety and quality programmes only work if every single associate at every level takes responsibility for adherence. In labs and manufacturing plants, associates are told, "If you see a problem, own the problem." They are extolled to lead from the middle and remind co-workers to wear safety glasses, obey clean-room standards and even stop production if a defect is apparent.

The same is true of bizdev initiatives. "Everyone sells" makes it clear that bizdev isn't just a sales and everyone in the supply chain impacts revenue generation.

To PowerUP an innovative entrepreneurial culture, the same ethic of "s/he who sees it owns it" has to apply. If you see risk-averse traps, in a live conference room or an asynchronous email exchange, as a high-potential innovation leader, it is yours to address with a high EnQ. Each risk-averse trap you see is a defining moment of truth. You can respond at Level 1 (criticizing dreamers who say, "we need to be better, despite VUCA conditions), at Level 3 (waiting for someone else) or Level 5 (mobilizing others to lift inventive thinking).



With training and practice, you can learn to spot risk-averse traps — and anticipate VUCA conditions that create traps and manage the situation proactively. You can read personalities and cultures and anticipate the sensitivities and biases that lead some people to some risk-averse traps more quickly than others. Each time you receive a new assignment, you can clarify the role (or roles) that your Sponsors expect you to play — so you embrace the opportunity to be an Orchestrator, a Connector or a Thought-Leader/Advisor, rather than defaulting to a role as a subordinate where you are expected to do as instructed and execute orders.

You can learn what it takes to intervene, ennoble and lift a team higher to adaptive rather than defensive thinking — to AIM, ASK, AROUSE, ALIGN and ADHERE, firing in sequence, like a smooth finely tuned turbocharged 5-cylinder engine. So you know what to do, to replace risk-averse traps with inventive thinking.

Why should you step up, lead from the middle and build Courage?

After you learn to diagnose risk-averse traps and lift teams out of them — the choice is yours — whether to be a bystander or a luminary; to be a Level 5 culture-shaper or a Level 0 conformist fitting the culture; whether to take what fate and VUCA turbulence have in store for you or create your own luck. Here is a menu of possible “Why’s” **so you identify “What’s in it for you” — to throw off the yoke of risk-averse thinking and lift your head above the parapets to be a high-EnQ Level 5 champion:**



- **What makes you happy?** Praise and participation trophies — or robust criticism that stimulates your creativity and lifts your thinking to higher levels?
- **What satisfies your ambition?** Authority and power to give orders so others comply? Or influence, collaboration, dialogue and growth in your team?
- **What gives you a sense of achievement?** Me-too routine performance that fills orders and delivers what others ask? Or bold innovation that solves problems that no one has done before – and makes things significantly better for your customers, channel partners or for the countries where you do business?

• **What makes you secure in your position?** Clear orders, knowing where you fit, with technology you have mastered, steady-as-she-goes stability? Or agility to look ahead and see what is coming, what more you need to learn and how you need to pivot to ride the waves of change — and take others with you?

Experience: How best to strengthen your EnQ and break free of traps

But real experience is too slow, too expensive and too complex to provide good cost-effective practice and learning. So, in a Courage Innovation Leadership workshop, we use simulations to put you in the middle of VUCA realities and defensive traps. We use cases to sharpen your diagnostic skills. We use skill-practice activities to buff up your Courage-building



and inventive thinking mojo — to lift yourself and everyone around you to Level 4 and 5. And commit to action plan that have public support — so it’s clear that you’re a valued contributor, not a renegade, when you step up to Level 5.

Simulations make it fun. So your high-potentials start with the **AROUSE** fun step — when your energy, passion, mental energy, enthusiasm, optimism, confidence is high. With a forward possibility-thinking bias toward action, not passivity. And a team that enjoys working with one another. Then AIMs high, ALIGNs diverse interests, ASKs inquisitively and ADHEREs to disciplines.

In mid-action scrums and after-action debriefs we ask, “What - So what - In what - Now what? So there’s a bridge from serious fun to insight and from insight to application and ROI.

- **What** opportunities can you seize and what VUCA conditions do you face?
- **So what** can you do, using the 5 Courage-Building steps to take charge and lift your team out of Risk-Averse Traps to Inventive Thinking?
- **In what** situations can you apply your learnings, lift your EnQ and PowerUP inventive thinking in the next email exchange, telecon, team scrum or board meeting?
- **Now what** will you actually do to boost you EnQ, PowerUP inventive thinking, drive value-creation and tap the potential of diverse talent living your Corporate Values?



Your Innovation Initiative is a real cross-functional team assignment that gives you a platform to use what you have learned and gives you visibility to show you can be a trusted advisor who brings brilliance, not just following orders, to your C-suite SLT, CEO and Board when they put bigger enterprise-critical assignments hands. Innovation Initiatives give you a learn-by-doing laboratory to practice, get feedback from peers and coaches, and get mentoring from senior management. In most enterprises, Innovation Initiatives earn a 3-5X ROI from the investment in Innovation Leadership — and get traction on real innovation imperatives.

Your 360-feedback and other assessments will tell you what strengths you can build on what what practices you can improve. So you can build a solid Development Plan. Figure out **In what** specific VUCA conditions and risk-averse traps you need to ASK - AIM - AROUSE - ALIGN - ADHERE more effectively so you build Courage. And get support, from executive Sponsors, peer coaches in your high-potential Innovation Leadership cadre, mentors in your board and matrix structure, and from external professional coaches — to rehearse for high-pressure high-stakes moments of truth and hold you on belay.

Then — **Now what** — it's up to you. To take what you learn and use it PowerUP a Level 5 high-EnQ culture for brilliance and innovation, one meeting, issue and one online discussion at a time.

Are you ready to lift yourself and others to Level 5?

That's the question we ask in our online Innovation Leadership readiness assessment. Click below to see for yourself - if you have the desire to be one of the high-potentials that Fortune 1500 CEOs and innovation investors see as "truly brilliant" and capable of lifting inventive thinking in diverse teams.

The assessment will ask if you have the passion to make a difference, rather than do a job, the cross-functional alliance-building reach to see beyond your silo, and the VUCA business conditions that require more - better - faster - bold creative thinking, rather than settling for safe pedestrian "me-too" incremental upgrades.

[Click here to take this first step and assess your Level 5 EnQ potential>>](#)

LIFT INVENTIVE THINKING?

In risk-averse traps:

- Frame blindness
- Bias against outliers
- Regress to comfort
- Loss aversion
- Summit fever
- Conform to groupthink
- Chaos/noise/turbulence
- Defer to hierarchy
- Silo myopia
- Win/lose competition
- Role confusion
- Victim/stuck/poor-me



Lift to Level 4-5

5. Mobilize others
4. Invent solutions
3. Learn and do

or

Drift @ Level 0-1-2

2. Wait till safe
1. Complain/blame
0. Assume what was = what's now



AIM
clarity & Purpose

ASK
noise & Candour

ACTIFY
positive & Will

ALIGN
trust & Risk

ADHERE
charm & Rigor

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The authors lead **Courage Growth Partners**, a global innovation leadership consultancy that equips leaders to replace risk-averse traps with inventive thinking. They equip C-level executives to create bold new success waves as empowering sponsors — and equip high-potential mid-level leaders to orchestrate innovation by taking full advantage of diverse talent in matrix structures, global alliances and cross-functional teams. They equip boards to select talent with potential for brilliance and instill accountability and equip investors to spot the entrepreneurial teams that can multiply value and wealth-creation. Merom and Louise Yochee are business psychologists with 25+ years of experience advising large corporations, entrepreneurial teams and government agencies to accelerate innovation and wealth-creation in VUCA conditions. They have lived and worked in Israel, USA, Canada, UK, Eastern and Western Europe, Asia, Latin America, Oceania, India and Africa.

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