

Mindset / Thinking Style

Achieving goals and having success is greatly determined by how a person thinks and their mindset.

Extending on this, with the “ Thinking Style ” being similar in Startups and Disruptive Innovation in Enterprises, the following provides insights on the different “ Mindsets ” to help in assessing what is needed in “ The Team ” to improve the probability of success and managing the risks associated with effecting meaningful change.

Depending on the Enterprise Innovation / Startup objectives, growth expectations, risk tolerance, culture, etc., this analysis is intended to help in determining what is needed to augment the competencies, skills, attributes, personalities, etc. of those currently in the group with the additional capabilities needed to have a talented and highly competent Brain Trust so the organization is better positioned to achieve the desired results.

Scenario / Mindset Analysis

Given the importance of the team meaningfully improving outcomes and managing the many risks associated with change, for the following scenarios, the required “ Mindset ” to achieve success is –

<u>SCENARIO</u>	<u>MINDSET *</u>
1. Early - Stage Venture	Entrepreneurial
Enterprise Innovation Initiative	Entrepreneurial / Institutional
2. For “ Scaling “ a Young Company	Entrepreneurial / Institutional
For “ Scaling “ an Innovation project in an enterprise	Institutional / Entrepreneurial
3. For Corporate Planning / Strategy / evolving the Business Model	Entrepreneurial / Institutional
4. For Exploring New Opportunities – in a Startup	Entrepreneurial
-- in an Enterprise	Institutional / Entrepreneurial
5. To Manage and Perform Processes – in a Startup	Entrepreneurial / Institutional
-- in an Enterprise	Institutional

* **Entrepreneur Mindset** : curious, exploring, innovative, future oriented, more risk tolerant

Institutional Mindset : operations and process oriented, with there being potentially a lot to lose with change , there is a low risk tolerance and marginal innovation.

Other references to this mindset or thinking style are – conventional, traditional, accreditation based, etc.

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To meaningfully improve outcomes by expanding capabilities and leveraging competencies, select from the following “ Thinking Styles “ the “ Mindset “ that best positions your organization for success with additional complementing talent and skills -

<u>Attribute</u>	<u>Institutional</u>	<u>Entrepreneur</u>
1. Impact	Having little exposure to many uncertainties and consequential risk, dealing with “ the new “ or “ different Mindsets “ is frequently avoided. While short term results can be acceptable, the organization is vulnerable to disruption over time.	Having had to deal with many challenges, new situations, and risks - entrepreneurs are very aware of the different “ Mindsets “ and the need to find a way to cross the chasm - to get things done and better manage change to improve the probability of the organization having a future
2. Interested in :	<ul style="list-style-type: none"> - Incremental change - Knowing & following the rules - Doing what is acceptable - Avoiding risk / potential of failure - The optics of success & happiness - Being liked - Driven by the expectations of others - Minimize or not - changing much / learning new concepts / developing new thinking / doing new things, etc. 	<ul style="list-style-type: none"> - Meaningful change / Disruption - New opportunities and experiences - Reaching / challenging - Expanding knowledge, awareness, etc. - Increasing capabilities and value - Realizing potential - Being well rewarded for success - The game / winning - Doing what it takes to succeed - Results
3. Approach when Engaging	<ul style="list-style-type: none"> - Methodical, measured approach - Prefers to do what they are familiar with or worked in the past, being in control, theory, etc. - uncomfortable with uncertainty 	<ul style="list-style-type: none"> - “ Roll up the sleeves “ style - Enjoys being creative, partnering, creating synergies, building an ecosystem, exploring, trying new things, etc. - comfortable with uncertainty
4. Culture	<ul style="list-style-type: none"> - Invests \$ of others / Agent Mindset - Want results through a process - A “ corporate “ environment with processes, discipline, predictability - Structured for meaningful upside when successful - and minimal downside if not successful - Expects to be compensated ... regardless of results - Depending on the circumstances, a hierarchical or collaborative setup - Considerate / subtle style 	<ul style="list-style-type: none"> - Invests their \$ / Owner Mindset - Focus on results with strong talent, look ahead, agility, speed, strategic thinking - Entrepreneurial / Innovative environment about leveraging competencies to make – sales, product dev, building the team / competencies, cash / runway, having advantage, etc. - Expects compensation tied to results ... with a substantial reward for success - Collaborative environment / setup - Typically gregarious, outgoing style

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5. Adaptability	<ul style="list-style-type: none"> - Low / Medium : Likes the known - Typically have narrow business experience and are challenged with digital initiatives (since they frequently do not have much if any background in technology) 	<ul style="list-style-type: none"> - Medium / High : enjoys challenges, learning, solving unknowns, assessing and making good on opportunity - The higher value entrepreneurs have technology knowledge / skills as well as valuable business experiences
6. Innovation Style	<ul style="list-style-type: none"> - Prefers “ Incremental Innovation “ with H1 / H2 innovation - Emphasis on process and predictability - Good with modest outcomes - Enterprise / Corporate oriented to evolve the business 	<ul style="list-style-type: none"> - Goal is to “ Innovate for Impact “ - Based on : insight and inspiration + process and predictability - Expects meaningfully improvement with H1 / H2 + heavy H3 innovation - Entrepreneur oriented to create a new Business
7. Approach to Managing Risk	<ul style="list-style-type: none"> - Little interest in major challenges or dealing with uncertainties / unknowns associated with risky situations - Concerned with potential loss, financial sensitivities, status concerns, training, aptitude - Emphasis on quantifying and analysis - Typically conservative persona - Low risk tolerance 	<ul style="list-style-type: none"> - High interest in major challenges - Manages risk by asking lots of questions, being creative, challenging, leveraging expertise and experiences, etc. - Gravitates to others who know a lot – especially with those having different and complementing skills, domain knowledge - Great at communication & collaboration - Recognizes risk goes with opportunity - High Risk Tolerance
8. Status	<ul style="list-style-type: none"> - Established organization oriented - A Facilitator / Agent - Prefers structure with proven methodologies and strategies 	<ul style="list-style-type: none"> - Oriented to creating wealth / opportunity - A Principle / Player - Open to options to make things happen ... depending on what is needed
9. Skills	<ul style="list-style-type: none"> - Typically Finance, Legal, Business Administrative functions 	<ul style="list-style-type: none"> - Business, Product Mgmt, Client Services Revenue Generation, Operations, etc.
10. Education / Background	<ul style="list-style-type: none"> - Emphasis on formal education and accreditation + brand recognition - Enterprise experience mainly 	<ul style="list-style-type: none"> - Heavily self-educated with ongoing learning and formal education - SMB experience mainly
11. Dealing with Failure / Surprises	<ul style="list-style-type: none"> - Very challenging - Failure is typically viewed as a career setback or end-of-career - While typically not showing disappointment from failure, they frequently become more risk averse (to avoid issues in the future) 	<ul style="list-style-type: none"> - Learns from failure / surprises - Failure is viewed as a cost of progress and effecting change – to make things better part of what is involved to develop better - Insight, Look Ahead, Ability to Assess People / Opportunities / Manage Risk, etc.

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12. Achievement Metrics	<ul style="list-style-type: none"> - Revenue, Growth, Market share - Highly value the benefits that go with successfully achieving corporate objectives ... recognition, increase in status, awards, promotional opportunities, bonus / added compensation, etc. - Pride in their contribution - ie: Good with 3 - 7 % sales growth 	<ul style="list-style-type: none"> - Revenue, Market share, Growth, Valuation - Intellectual and financial rewards - Pride in their contribution to the new Business / product, improving society - Recognition by colleagues - More business opportunities - Expanded access to expertise & resources - Networking with accomplished people - ie: Expects + 100 % annual sales growth
13. Awareness	<ul style="list-style-type: none"> - Having aspired for and being comfortable in institutional environments, they are good with what they know, what they do, etc. ... having set and achieved their goal - Typically not interested in other ways of thinking, external events / trends, different perspectives, etc. 	<ul style="list-style-type: none"> - Very interested in learning new things, exploring, challenging, etc. - stems from their curiosity and self-confidence to achieve goals / get through things - For those having many experiences (good and bad / business and personal), they are quick learners, very knowledgeable, and have an expensive education !
14. Effectiveness	<p>Competencies, openness, ability to meaningfully contribute and awareness varies significantly depending on the situation - High in their domain / Medium in related areas / Low in many other areas</p>	<p>Competencies, openness, ability to meaningfully contribute and awareness varies depending on the situation - High in various domains / Medium in many other areas / Low in other areas + willingness to explore facilitates change</p>

With each “ Mindset “ having important qualities and that many scenarios benefit with both, to meaningfully improve outcomes from innovation, it is essential to –

1. Get the balance and competencies right for each scenario
2. Have Leadership :
 - with strong look ahead and conviction
 - who are accomplished at effecting change
 - that is becoming better at managing the changing nature of risk
 - ... in the C-Suite, in the innovation team, in the enterprise
3. Evolve the culture to be more entrepreneurial
4. Ensure high calibre talent for each mindset is on the team

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Next Steps

Determine :

- A. What “ Scenario “ best describes your situation - Today ? In the Future ?
- B. What additional “ Thinking Style “ would improve the competencies of the group(s) responsible for innovation / preparing the organization for the future ?
- C. Who has the complementing capabilities to enable the organization have the “ Mindset “ needed to innovate for impact ?
- D. When bringing on additional talent, how do we need to be organized to leverage these new competencies and better position the organization for success ?

and / or

- E. Do an Innovation Assessment – to better understand how to meaningfully improve outcomes from innovation

and / or

- F. Contact CAIL to share insights on how to Innovate for Impact

