

The BULLETIN

FIVE IDEAS FOR MANAGEMENT INNOVATION

Management is on the leading edge of business innovation. The variety and velocity of clever new ideas and technologies create ample opportunities for process improvement. We've asked experts for five disruptive trends that you should know.

1) Crowdsourcing: Crowdsourcing is a way to aggregate insights, said Brian Uzzi, a Richard L. Thomas distinguished professor of leadership at the Kellogg School of Management. Coke, Kraft and McDonalds are no longer relying solely upon internal R&D to come up with their latest products, and Kraft's crowdsourcing of Velveeta "cheese" uncovered valuable marketing insights, he said. Uzzi's other observations were that there's a potential downside in controlling the process and preventing harm from unproductive undertakings (which he referred to as "blind alleys") or a potential snowballing of negative reactions. Businesses are very good at managing eyeball-to-eyeball interactions, but crowdsourcing can be new territory, he noted.

2) Expert networks: "It's hard enough to stay on the frontier of one field, let alone many," Uzzi said. The solution: turn to an expert network to find people who have the right skills and ideas. This helps a manager to transcend their limitations as a leader and rely upon other

people's knowledge rather than attempting to acquire new training. However, top talent can have its own brand and PR machine. Hiring managers and recruiters "will require new skills to cut through the shine and spin to assess this online presence as part of pre-qualifying candidates," said management consultant Val Wright, who runs her own practice. I can't begin to say how many new skills my LinkedIn connections believe that I have...

3) Big data: Big data comes with a combination of computational, networking and storage problems and managers aren't data scientists. It's important for managers to know what questions to ask their IT people in order to make informed evaluations and manage data. Data can come in real time and helps organizations to be more responsive to the market, Uzzi said. Big data strategy also means that marketing and IT people have to collaborate, said Iqbal Ashraf, and MBA and CEO of Mentors Guild. "Strategy is getting un-siloed."

4) Profit sharing: "Businesses should be ready to give up 25, 50, even 70% of profits to employees (profits, not sales)," said Richard C. Kelleher, and MBA and blogger on management. It's not an entirely new idea, but companies seeking more growth (and productivity) and even the United Autoworkers union have avored this approach over pay raises for the long-term benefit of both workers and businesses. Why is growth so important? "Innovators are recognizing the danger that minimal growth starts a death spiral downward," said CPA/MBA growth and fiscal leadership expert Gary W. Patterson.

5) Hire where your talent is, not your HQ: "Too many companies restrict growth by focusing on only one location, but it requires different leadership skills," said Val Wright. "Israel is now dubbed the

Silicon Valley of the world with the recent \$1B acquisition of WAZE, another for \$120M and Amazon announcing an R&D facility there."

(Image credit: Kellogg School, David Worthington)

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