The Chief Innovation Officer: Mastering Influence and Building a Cross-Functional Coalition

by Jamie Lahiere and Sean Klein

Although the role of the Chief Innovation Officer is on the rise, most businesses still operate in traditional functional structures that add significant complexity to this role.

Companies with innovation engines that outperform their competitors understand that meaningful solutions develop horizontally across vertical reporting structures and require a cross-functional mindset. For a Chief Innovation Officer, developing this mindset requires the establishment of horizontal reporting, rewards and incentives.

However, creating horizontal solutions across a large organization is not easy. Most Chief Innovation Officers operate in matrixed organizations, where profit and loss statements flow vertically through functions, geographies, and business units. In these vertical reporting structures, employee accountabilities, rewards, and incentives pass through functional leaders.

Become a Master of Influence

Without positional authority, the Chief Innovation Officer must influence the work that others are doing. Building a coalition among business leaders and creating functional alignment between everyday operations and innovation initiatives are the first steps to combating this structural challenge.

Innovation officers must recognize that businesses have to make payroll today, and employees will not drop existing accountabilities to focus on innovation without the assent of their managers.

A Chief Innovation Officer’s role involves actively convincing others to invest their time in innovation activities. Stakeholders must believe that adopting innovation initiatives will benefit them in the long term and functional employees must be motivated to work beyond their current scope of responsibilities.

Build a Coalition

Business leaders should be treated as clients and allies. Chief Innovation Officers must become trusted advisors to business leaders by helping them save resources, improve performance, and by providing information for better decision-making. When creating these internal alliances, it’s important to speak the language of functional leaders and communicate why investing time and resources in innovation is in their best interest.

To help connect with these leaders effectively, innovation officers can use a stakeholder value sheet. Value sheets provide an at-a-glance look at what is most important to business leaders; their value drivers, key concerns, and accountabilities.

Stakeholder Value Sheets help determine:

- What are these business leaders held accountable for?
- What information do they need to make decisions?
- What are their day-to-day concerns?
- What are their key objectives and timeframes for evaluation?
- What are their key value drivers?
- How can I provide value to them?
- What questions might they have for me?

Having this information readily available allows the Chief Innovation Officer to recognize stakeholder value drivers and tailor messaging in a language each individual is more likely to understand.

Actions Speak Louder Than Words

Speaking in a language that resonates with internal stakeholders is an important first step in building a cross-functional coalition. But when it comes to cementing alliances across an organization, actions speak louder than words. A Chief Innovation Officer must demonstrate real
value to their constituents.

Here are a few influential tasks that an innovation officer can tackle to demonstrate value to their fellow business leaders:

- Help with trend-based horizon planning by identifying strategic gaps and vulnerabilities for disruption five, ten, and fifteen years out.
- Provide views, interpretations and recommendations on their current portfolio mix. Help them think through tough questions regarding portfolio alignment to business strategy, objectives, and organic growth goals.
- Publish innovation metrics and measures that help improve their decision-making confidence.
- Build innovation capabilities that share benefits with core business activities.
- Supplement funding for projects that meet specific innovation criteria.

These are only a few examples of ways a Chief Innovation Officer can make themselves a valuable asset and trusted advisor to business leaders. By becoming a master of influence and building a coalition, the Chief Innovation Officer can overcome barriers posed by traditional functional structures to deliver transformational value to their organization.

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