



TenStep Supplemental Paper

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The Creative Eye

Although it is difficult to reach the top, it is a Herculean task to remain there. After having achieved an acceptable level of performance and corporate status, most organizations find it difficult to repeat star performances every year. Complacency is the single largest factor responsible for this trend and accounts for a sharp drop in corporate performance.

The corporate scenario, however, has come of age. Organizations that once relied solely on their established products and practices are beginning to feel the pressure to change and develop innovative alternatives to their products to avoid being left behind in the competition to succeed. This does not imply that managers should obliterate their past visions and strategies. In fact, they must consider their past achievements, failures, vision and strategies as steps upon which to build their course of future action.

Initial hiccups

Today's competitive work environment demands people, policies, and strategies with a difference. Innovative individuals are taking over from intellectuals. In addition, managers who are capable enough to learn lessons from the past and incorporate them into future strategies will define the future. Organizations are expected to plan innovative strategies for the future without compromising on the existing capabilities. Most organizations fare well when it comes to reworking the existing structure; however, when the task involves innovative and new lines of business, many stumble and fall.

Ambidextrous organizations

An analysis of contemporary organizations revealed that not all failed in their attempts to innovate. Some companies have done a marvelous job at exploiting the existing capabilities and exploring the future possibilities. A comparative analysis of these organizations revealed that all of them had a few common characteristics, which may give others a hint or two about success at innovation.

These organizations have wisely split their exploitative and the explorative units. Each unit has its unique structure, culture, climate etc. However, a common senior management team tightly binds these units. This implies that within one organization there are two or more independent units working with a mission of their own that is in line with the vision of the company. Such organizations are also termed "*ambidextrous organizations*." These organizations are a treat to executives who have both the vision and inclination to challenge the status quo.

An organization does not have to overlook the past to renew the future.