

Editor's letter

Some special issues are planned, for others the articles are dealt to the editor like winning cards in a hand of poker. This one, "Seeking Sustaining Innovation" organized itself as submissions arrived over the past weeks. Clearly, sustaining innovation is on the top of a lot of thought leaders' agendas nowadays. So what's so urgent about it and what are the new tools and rules for successfully seeking sustaining innovation?

Stephen Denning, a trail blazer of the radical management movement, believes that the long-term survival of many corporations is at risk because leaders have been wrongly emphasizing exploitation of existing business models rather than **"exploration and the search for new ways of meeting customer needs and desires – the production of new outcomes that society actually values."** The new goal should instead be achieving innovation that takes the firm to new profitable markets. In his article, **"The age of Agile,"** he reports that, **"A new kind of management is emerging in which firms emphasize searching out opportunities, finding solutions through rapid experimentation, and achieving agility through decisiveness."**

In his article, **"If your market is a competitive dogfight, think like a cat,"** Columbia Business School professor Leonard Sherman provides a cogent overview of how to undertake the quest for new markets and breakthrough products. **"Over the past two decades, three business-strategy frameworks have emerged, all of which provide useful guidance to entrepreneurs and corporate innovators seeking to identify meaningfully differentiated products and services that deliver a compelling consumer value proposition."**

So where do breakthrough ideas come from? In **"Observational skills: eye-openers for innovation,"** author and consultant James H. Gilmore recounts how Starbucks' CEO Howard Schultz turned three insightful observations about coffee brewing and culture into a multi-billion dollar empire. **"A key lesson to be learned from these three pivotal points in Starbucks' history is: recognize that observation is the fountainhead from which any and all innovation takes place."** His article offers a methodology to help managers observe better: **"The Six Looking Glasses method is a tool designed to improve observational skills, using a distinct set of "lenses."**

Big ideas often start small and need a place to flourish and mature. In his article, **"Idea labs: instituting an innovation discovery process capable of sustaining the business,"** V.K. Narayanan, Professor of Strategy & Entrepreneurship at LeBow College of Business, Drexel University, lays out the process and best practice for protecting nascent disruptive ideas. **"Idea labs are safe places for individuals and teams to work out ideas; for example, idea smashing will produce impractical and silly concepts—in Whirlpool's case, 'refrigerators for dogs' and a 'one cup dishwasher'—but labs treat all ideas – including zany ones – with respect since they may lead to other productive lines of thought."**

"Partnering with AI: how organizations can win over skeptical managers" by Accenture researchers and consultants Vegard Kolbjørnsrud, Richard Amico and Robert J. Thomas notes that artificial intelligence is shaping up to be the biggest transformation in how work gets done since the Industrial Revolution. And it's likely to be a hotbed of game changing innovation in services. **A key lesson: "Executives can remind themselves that artificial intelligence improves with experience. The more managers and intelligent systems interact, the more they can learn from each other."**

Before this became a special issue I had planned to put Brian Leavy's interview, **"Joseph Badaracco: Working through 'gray area problems' as a manager and resolving them as a human being"** at the front of this issue since we need all the ethics we can muster in these

awful times. In the memorable words of Badaracco, Professor of Business Ethics at Harvard Business School: “**Bear in mind that a manager facing a hard problem isn’t simply trying to find the right answer. He or she is also writing a sentence or paragraph in the long narrative of an organization’s history and defining or redefining what it stands for.**”

Hot tip: Don’t miss Harvey Hornstein’s review of *Pre-suasion* by Robert Cialdin, “**Before I speak I want to say something: the setup for persuasion.**”

Finally, it’s my privilege to convey a heartfelt “Thank you!!” to Catherine Gorrell who has written our “**Quick takes**” column for some 20 years and is retiring as the world’s record holder for her achievement. We will miss her discernment, her skill at highlighting the actionable insights in articles and her dedication and loyalty to *Strategy & Leadership* and her colleagues.

Good reading!

Robert M. Randall

Editor