Innovators or Thought Leaders: What do Organizations Need?

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Abstract: *Innovators and thought leaders have been gaining the interest of business leaders and strategists due to their critical roles in the success of organizations, particularly in competitive markets. The lack of empirical research on thought leadership brought some ambiguity to the term, which made it challenging to differentiate it from innovation. Many do not seem to draw a clear distinction between the two; so do organizations need innovators or thought leaders? This paper sheds some light on both terms; it addresses business leaders and strategists by informing them of the relationship between the two. While innovators create new ideas, thought leaders champion those ideas until implementation. Thought leaders continue the work of innovators; the success of the organzations requires both.*

Keywords: *Innovation, thought leadership, strategy, organization*

1. INTRODUCTION

Organization's success depends on many variables. Among those variables are the effectiveness of leadership, strategy, organizational objectives, structure, capabilities, and corporate governance. The competitive nature of markets presents a unique challenge to organizations; the necessity to stay ahead of rivals has been the driver behind the growing interest in innovation and thought leadership. Although literature contains significant research on innovation, the same cannot be said about thought leadership. In fact, the lack of empirical research on thought leadership brought some ambiguity to the term, which made it challenging to differentiate it from innovation. Many do not seem to draw a clear distinction between the two; do organizations need innovators or thought leaders? This work suggests an answer to the question based on findings from the literature. This paper is divided into three parts. The first part presents an overview of innovators. The second part discusses thought leaders. Finally, the third part presents the suggested relationship between the two.

2. INNOVATORS

Literature contains a wealth of research on innovation. Defined as a core competence that every organization needs (Drucker, 1995), innovation is an organization's inner capability and is not limited to product or technology. The pursuit of innovation optimizes the new value proposition which could be in the form of a new process, product, or the way of doing business (Dervitsiotis, 2010). A learned behavior (Dyer,Gregersen, &Clayton, 2011), innovation is among the metrics used to reflect the growth prospects of a company (Eccles, 1991). In a broad sense, innovation has been applied to a wide span of disciplines including service, design, process, approach, methodology, or offering.

In its simple form, a global organization defines innovation as the creative thinking and development of new ideas, technologies, and processes that are explored to create differentiated products (Alhaddi, 2013). Extensive literature shows significant research on innovation from definition to intertwinement with leadership and strategy (Battistella, Biotto, & Toni, 2012; Stowe &Grider, 2014; Chalhoub, 2010; Innovation & Leadership, 2008). The consensus in the literature supports that innovation as an essential management practice is considered a driver for growth and has a positive impact on organization performance. Therefore, organizations are starting to recognize that in order to succeed in a global competitive environment, innovation is required (Chalhoub, 2010). This explains the elevation of innovation as a top priority for executive leadership (Innovation & Leadership, 2008). So who are the innovators?

An innovator is a pioneer who develops new ideas and new approaches, not limited to product development, innovation can span all endeavors from policy making to strategies. Literature

contains several types of innovators; serial innovators, consumer innovators, and conceptual innovators, to name a few. Vojak, Price, and Griffin (2012) define serial innovators are individuals "who repeatedly create and deliver breakthrough innovations in large, mature organizations" (p.42); they are passionate and positive contributors to their organizations. In a business sense, serial innovators are those who have been credited and recognized by managers for bringing multiple innovative breakthroughs to market. According to the authors, serial innovators are characterized as self-motivated, tenacious, agile learners, and problem solvers. In an artistic sense, conceptual innovators are individuals "whose ability to solve specific problems can free then to pursue new goals" (Galenson, 2007, p.17). Characterized by versatility, conceptual innovators use their work to communicate their ideas and emotions.

3. THOUGHT LEADERS

Surprisingly, relevant literature did not reveal evidence of significant empirical research on thought leadership. Unlike other management-based concepts like strategy and innovation, the earlier works on thought leadership cannot identify the real origin of the term. However, there seems to be consensus in the relevant literature supporting the emergence of the term from Kurtzman's*Thought leaders: insights on the future of business* (1997). In his book, Kurtzman used the term to describe a group of individuals whom he believed to have addressed "the big questions with which today's most senior executives are wrestling", (p.2). The group of participants included business leaders with global mindset. During a series of interviews, individuals were asked questions in relation to business strategy, growth, and human resources. Collectively, the drives, perspectives, motivations, viewpoints, and talents of these business leaders were assimilated and referred to as thought leadership. Despite the variations in the style and skills, a common thread that united all those leaders was their ability to champion something new.

In that regard, thought leadership is "the championing of new ideas rather than anything to do with managing people or helping a group achieves a goal"(McCrimmon, 2005, p. 1064). Radically departing from traditional leadership, thought leaders "inspire leadership; they ignite imaginations, explode old myths, and illuminate paths to the future that others can follow" (Butler, 2012, p. 1). It is very important to draw a distinction between thought leadership and traditional leadership. The latter mandates authority over others and can vary in style including charismatic, altruistic, transformational, and commanding. Regardless to the culture and structure of the organization, some form of traditional leadership is indispensable to the survival of the organization. On the other hand, thought leadership does not require management of other people (Alhaddi, 2014).

McCrimmon (2005) outlined key characteristics of thought leadership. In his work, thought leadership is the promotion of new ideas; an initiative rather than a position or role. The qualities of thought leadership can be exhibited by non-managerial employees with revolutionary mindsetsand the capability of championing new ideas. Additionally, thought leadership is non-hierarchical, egalitarian, ephemeral, and not easily monopolized. Unlike traditional leadership that needs to exist for the life of the organization, thought leadership starts with the spark of a new idea and ends with the implementation readiness for the idea. A thought leader continues to champion other news ideas until the idea is accepted and implemented by the organization.

Different than McCrimmon's, Gibbins-Klein (2011) suggested standards for thought leadership by defining four key attributes of thought leaders. Firstly, thought leaders have the ability to effectively reach other individuals in their respective organizations and/or industries. Secondly, thought leaders have the capability to engage with other their respective audience through personal communication. Thirdly, thought leaders have the capacity to stand-out as authoritative figures in the organization. This authority stems from the individual's confidence, expertise, and his/her influential skills. Lastly, thought leaders are willing to weave longevity into the fabric of their ideas (or the ideas they championed). Thought leaders leave an impact that lasts long after the idea has been implemented.

4. INNOVATION AND THOUGHT LEADERSHIP: A DUO

Similar but not the same, some research revealed that thought leadership is intertwined with innovation (Butler, 2012; McGrimmon, 2005). Other research suggested that thought leadership

is based on innovation. "In simple terms, innovation creates the new idea and thought leadership champions it until it is ready for implementation. The Innovation and Thought Leadership Diagram illustrates the connection between the two outlining the essence of 'new ideas' as the basis for both" (Alhaddi, 2014). See Figure 1.
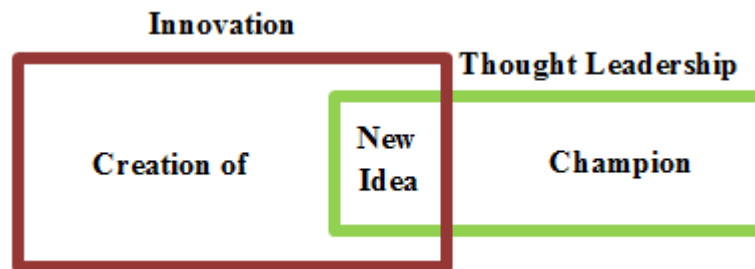
Figure 1. *Innovation and Thought Leadership Diagram, (Alhaddi, 2014)*

Figure 1 above, shows the connection between innovation and thought leadership, which is the "new idea". Innovators are creative thinkers; they have the ability to create new ideas. On the other hand, thought leaders are early adopters of these ideas. They possess influential skills that enable them to persuade and inspire the organization to implement the new ideas. Once the new idea is accepted, forms of traditional leadership take over to ensure successful implementation of the new project (formerly, the new idea) through project and operations management practices. The continuation of the innovator's work by the thought leader is illustrated by the New Idea Process Diagram shown in Figure 2 below.
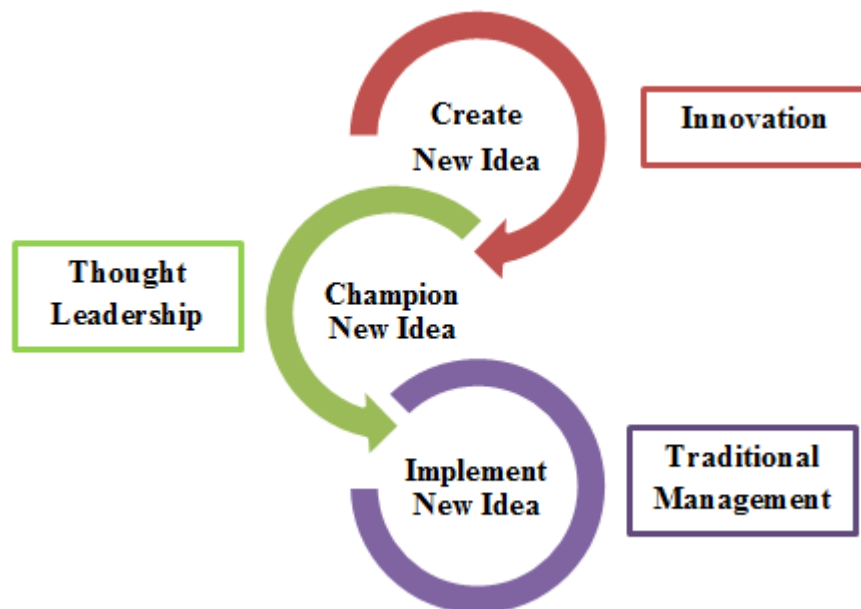
Figure 2. *New Idea Process Diagram, (Alhaddi, 2014)*

As shown in Figure 2 above, the cycle starts with the creation of the new idea by the innovator. The new idea can be for a service, product, or process. The next step is the championing of the new idea by the thought leader. In this step, the thought leader adopts the new idea and uses his/her influential skills to persuade the organization to accept it. Once the idea has been accepted, the implementation phase starts, which is overseen by traditional leadership that ensures proper execution through effective allocation of organizational resources including business unit managers, operations managers, and project managers in addition to the other functions, (Alhaddi 2014).

Drawing from literature, innovation and thought leadership are inseparable. For example, a recent study by Alhaddi (2013) showed a strong connection between thought leadership and innovation.

In a global organization (Johnson Controls, unit of analysis), innovation was set as a strategic priority to ensure long-term success of the organization. Analysis showed that the organization drives innovation through thought leadership; a connection that differentiates it from rivals and enables it to achieve its strategic position. Johnson Controls defined the term thought leader as an innovator with the ability to anticipate needs and proactively design and provide solutions. Providing thought leadership is a critical concept for the global organization and spans multiple spaces in its operations.

Additionally, Chalhoub (2010) showed that the relationship between innovation and thought leadership is a cultural requirement in a global and competitive environment. In his theoretical framework for innovation drivers, several dimensions including thought leadership, entrepreneurial culture, participative management style, performance evaluation criteria, and compensation mechanism drive innovation, which in turn influences the organizational performance. Although there is no evidence of significant research on integrating thought leadership into strategy, scholars have extended research on innovation in the strategy literature. For example, Stowe and Grider (2014) presented strategies for advancing organizational innovation. Their work discussed structural innovation; the organizational capacity to be innovative and suggested that organizations should integrate innovation into the organizational strategies in order to cultivate a culture of creativity. Other research suggested that in order to establish a foundation of innovative culture, strategies should be developed to embed innovation into the organizational structure (Innovation & Leadership, 2008).

5. CONCLUSION

This paper provided an overview of the surveyed literature on innovation and thought leadership. Unlike the significant research on innovation, there is a lack of empirical research on thought leadership. In light of that, the similarity between the terms created an ambiguity, which made it difficult to draw a clear distinction between the two. As some sources use the terms interchangeably, the purpose of this paper was to shed some light on both concepts in an effort to bring clarity to the terms. Based on recent research, this paper proposed that although similar, thought leaders continue the work of innovators. While innovators are the creators of new ideas, thought leaders champion those ideas and use their influential skills to persuade the organization to accept them. So do organizations need innovators or thought leaders? They need both.

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