

# Fielding high-performing innovation teams

Innovation is a team sport. For projects to succeed, they must be staffed with the right combination of talent. Here is how to ensure your initiatives have the players they need to win.

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The CEO of a globally recognized bank is frustrated with the lack of innovation performance delivered by her company. She sets up an incubator charged with developing a portfolio of new high-growth businesses. Inside this incubator, she places teams of high performers from the core businesses of the bank in part-time roles. Recipe for success, or a road to nowhere?

CEOs of other companies face similar challenges around innovation. They struggle to identify “intrapreneurs” within their organizations who possess the rare mix of commercial and technical skills to shepherd new products to market. Employees within R&D groups may not have the external orientation to uncover valuable customer insights, while commercial leaders often lack the technical acumen to translate client needs into product attributes. Hiring “innovators” from the outside isn’t always an effective solution as newcomers may struggle to navigate complex, operationally focused organizations.

It can be tempting for executives accountable for the delivery of critically important innovation initiatives to believe that simply assigning an initiative to high-performing talent will yield success. However, when it comes to innovation, it is rare to see individuals who possess the full range of skills needed to lead an initiative.

For starters, innovation initiatives require skills and mind-sets that are under-developed in even the highest performers. The obstacles that arise in optimizing an existing dominant business model, such as boosting same-store sales or making a factory more efficient, are well-understood. History can be a useful guide in mastering performance in these environments. Scaling a new business successfully, on the other hand, often requires the experience to respond to and navigate new contexts where the rules of success are yet to be written. Innovators must craft bold but realistic visions,

conceive entirely new value propositions that sync with customer challenges, and manage extreme uncertainty. In essence, the team must operate more like a start-up that can adapt development and commercialization plans based on continuously challenging assumptions and learning what will propel their business to scale.

It’s unlikely that one person will possess all the capabilities such initiatives demand. The likelihood is even lower in large, successful organizations. Instead, our experience shows that a well-constructed team that brings together the needed abilities of a world-class innovator can compensate for the lack of “founders.” To do this, first you must understand what the critical traits are that drive the most successful innovators, and second, you must have a method of assessing your employees against these traits. With this information in hand, companies are able to form high-performing innovation teams.

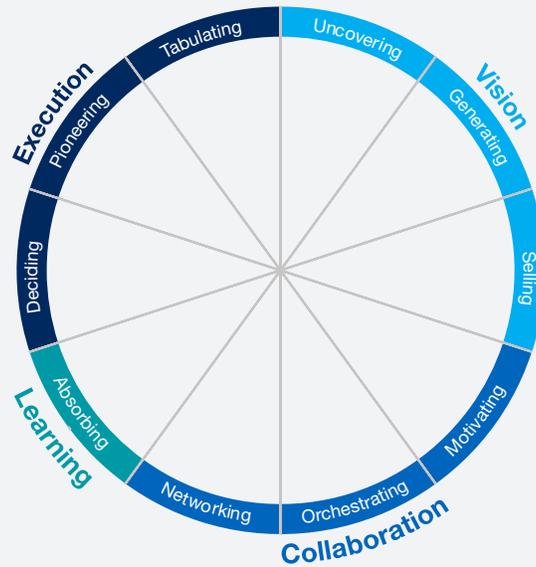
### Ten traits of successful innovators

Over decades of combined experience working with companies pursuing innovation-led growth and start-ups, we have identified ten traits that distinguish the most successful innovators (Exhibit 1). While many of these capabilities are well-recognized, we have seen that reframing the discussion from individuals to teams helps tremendously to unlock performance in most organizations.

Assessing each team member’s innovation aptitude can help you build a stronger whole. The ten traits can be grouped into four categories. We find that a successful team needs a base level of competence in all four.

*Vision:* The first group of traits highlights the ability to identify opportunities and inspire others to pursue them. Articulating a compelling vision, and the skill to translate it into a differentiated

**Exhibit 1** The innovation talent wheel illustrates the ten key traits of effective innovation teams.



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value proposition that breaks through the noise of the marketplace is a talent in itself. *Uncovering* is an intrinsic curiosity to see the possibility in a given context and distill the most valuable insights. “Uncoverers” use these insights and pattern recognition to interpret unmet needs and define highly valuable problems to solve. *Generating* is the ability to develop meaningful value propositions that solve significant customer problems. The most successful “generators” meld the big-picture market context with a thorough understanding of an organization’s strategic position, including its underlying capabilities. *Selling* is the ability to explain the nuances of what creates the value for a new proposition and carefully tailor it to the target audience. “Sellers” are compelling enough to motivate people to sway internal stakeholders on the value of pursuing a given innovation opportunity and marshaling the required resources to drive

commercialization. These people are also gifted in crafting the marketing elements of a new proposition.

**Collaboration:** People with the second collection of traits foster effective teamwork and change management, bringing cohesion to a group. Those strong at *motivating* tend to be charismatic leaders adept at spurring action by creating a work environment that tolerates failure as a necessary aspect of the innovation process. *Networking* is the essential skill in maintaining connections among all the stakeholders in a project. Successful innovators seek input from outside the team and—as importantly—outside the organization, linking with ecosystem partners such as universities, other start-ups, or incubators. *Orchestrating*, meanwhile, refers to the ability to supply projects with the needed resources and to monitor the team’s activities to ensure these resources are effectively deployed; in other words, that workloads are distributed appropriately and

the team can “do more with less.” People with this skill combine attention to detail and the ability to anticipate roadblocks with an ease in developing relationships, talents that make them adept at resolving conflicts.

**Learning:** Most entrepreneurs exhibit *absorbing*, a quality manifested in a deep curiosity about anything that could help their venture succeed and a willingness to explore leads as they arise. Such individuals continually pursue new ideas and quickly incorporate lessons from multiple sources.

**Execution:** The final group of traits enables quick decision-making amidst uncertainty while maintaining a realistic pace of progress. *Pioneering* skills enable individuals to break down ideas into an achievable sequence of activities. These team members tend to be the first to challenge the status quo, have resilience and perseverance when faced with setbacks, and quickly adapt plans to new input or conditions. *Deciding* encompasses strong critical-thinking skills that enable people to draw conclusions from imperfect information. “Deciders” blend pattern recognition with a high degree of pragmatism which enables them to synthesize insights, draw implications, and get things done. *Tabulating*, meanwhile, is the ability to apply financial modeling to size an opportunity and then use scenario planning to de-risk a given project. “Tabulators” use their quantitative orientation to accurately judge risks and payoffs as they plan their initiatives.

While some of these traits are complementary—for example, pioneers are often good decision makers, owing to their ability to forge paths and make judgments amidst uncertainty—almost no individual will possess all ten. Some leaders are great at inspiring others, but poor at timely delivery of results. Others excel at planning but need help with selling the vision. Just as the best entrepreneurs know what qualities they lack and surround themselves with individuals who complement their

strengths, so corporate innovation teams must ensure that the group as a whole represents all the key capabilities. A team lacking people with uncovering skills will likely end up focusing on incremental change. A group without networking capabilities may end up tackling a problem outside the company’s core competence without spotting an opportunity to bring in a partner.

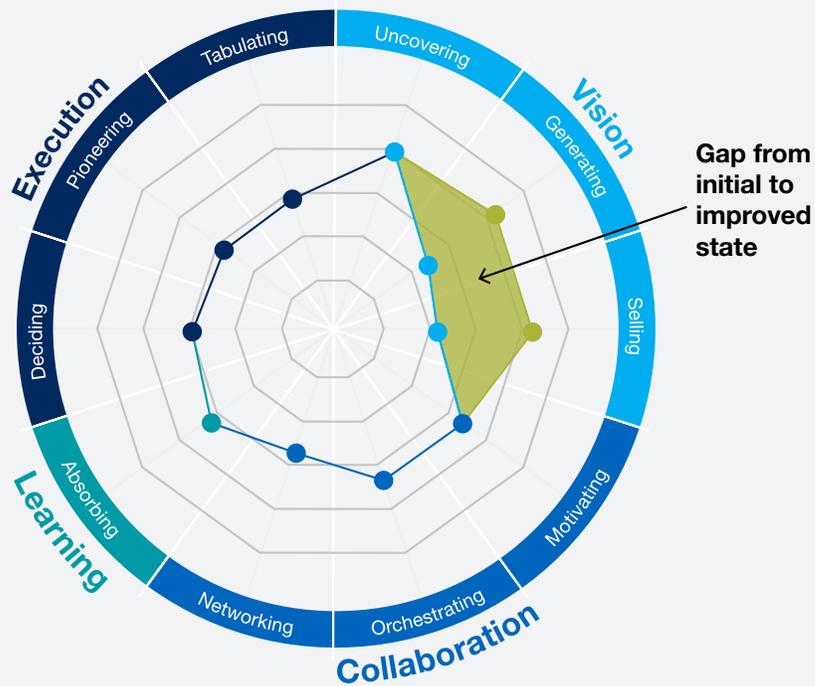
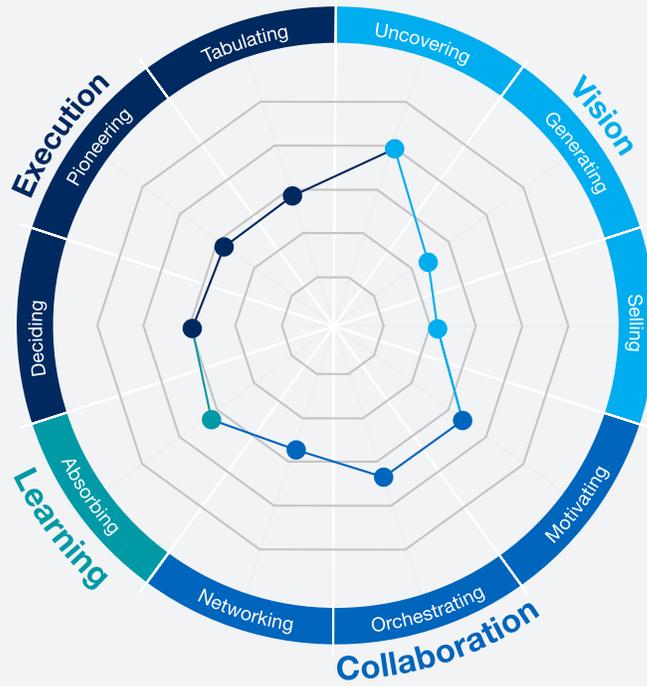
### Staffing innovation projects right

Turning back to our banking incubator, was the CEO able to assemble the best possible teams to execute her vision? Six months into the projects, one of the innovation teams had built a minimum viable product (MVP), but its members struggled to articulate the offering’s value to users. While the MVP had lots of functionality, each team member voiced a different interpretation of the product’s ultimate purpose and the team lacked a cohesive plan for where to focus development. Amidst this confusion, progress slowed and the team failed to reach project milestones. Initial customers weren’t adopting the new product and the team was unsure how to respond. Meanwhile, the bank continued to spend on digital development to add functionalities in the hopes of improving the strength of the value proposition.

Up-front analysis had defined a substantial profit pool associated with this idea. The promise of strong financials was one of the core reasons the business case was approved. However, the unforeseen roadblocks suggested that even this initial perspective was flawed. But was the idea the problem, or was it perhaps the team’s inability to find the “path to profit” that was the challenge? Carefully constructing the team with the right mix of skills could have dramatically changed the odds of success.

Roadblocked, the company decided to assess the team against the ten traits (Exhibit 2), scoring each team member.

Exhibit 2 Team composition gaps



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This survey revealed to the bank that the team composition was relatively strong in its ability to identify the customer problem (*uncovering*) and would likely be able to execute a robust development plan, judging by its average scores on traits related to execution. However, the overall scores showed the group to be lacking real strength in any of the ten traits, and highlighted substantial gaps in *generating* and *selling*. It turned out that this “profile” was mirrored in many of its incubator teams. As a result, project teams repeatedly needed interventions to keep initiatives on track. Once the bank recognized its deficiencies, it launched an external talent search to identify talent to fill in the missing skills, and developed an intensive “entrepreneur academy” to identify internal innovators and build their skills.

To minimize innovation failures, companies should be more strategic in the composition of their teams. One large consumer packaged goods company made the Innovation Talent Wheel assessment an explicit part of its innovation team onboarding process. It has found that innovation ideas often originate from individuals who excel in *generating*, *orchestrating*, and *deciding*. As a result, this company’s innovation governance board now insists on evidence that a project leader has built a well-rounded team before it will fund a project. Moreover, teams are re-evaluated at critical points, such as when a project is about to scale. This helps ensure that the team make-up fits each project phase, and that as members master new skills, they are challenged with greater responsibility. Since instituting this policy, the rate of innovation “false starts” has decreased markedly—from more than 50 percent of projects to fewer than a quarter.

One additional insight from the bank’s experience is that the progress of a project has to be balanced with ensuring the well-being and motivation of your people. When individuals are pushed to work across too many dimensions of the wheel that are not their intrinsic strengths, such “stretch” roles can easily turn into exhaustion that reduces

productivity. Innovation high performers should be encouraged to build from core strengths while learning new ones through a combination of being surrounded by team members with complementary strengths and proactive training. Getting this balance right will energize your organization as people work “in the zone” a higher percentage of the time.



Understanding the traits of innovation talent and the need for project teams to have balanced combinations of these traits will help companies get better and faster returns from their innovation investments. What’s more, by identifying and encouraging people who possess these traits, then steering them into supervisory roles, organizations can build a ready cohort of innovation leaders who can drive projects in the future. ■

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