

Dr Alan Gregerman

How insights from strangers can bring new ideas into your company

Speakers:

Nick Skillicorn - Innovation and Creativity Expert and Host of Innovation & Creativity Summit

Dr Alan Gregerman

Expert Interview transcript:

Nick Skillicorn: Hello everyone and welcome to another expert interview at innovation and creativity summit 2017, today on the line I am very pleased to have Doctor Alan Gregerman with us, Alan is the author of several book including the necessity of strangers and he is also the president and chief innovation officer of venture woks, Dr Gregerman lovely to have you here.

Alan Gregerman: Great, thanks for having me

Nick Skillicorn: No problem, why don't you let the watchers and listeners know a little bit about you and your background of how you got into innovation.

Alan Gregerman: That's great, I actually am trained as a geographer, I actually have a bachelors and masters and a doctorate in geography, I was working on my dissertation which is all about why some ideas gain attraction and arrive at places and other ideas seem to get stuck in the place where they were created, fascinated by the idea of kind of variation of kind of creativity and innovation and kind of brilliant all around the world, hated being the doctoral student determined to finish but they are determined not to stay at the university and so I simply left there and started to work with companies and help them to think about how they can bring their best ideas to market.

Nick Skillicorn: How long is the innovation stuff at venture works been around and what sorts of stuff do you do

Alan Gregerman: Yes we have been around for twenty nine years and we focus on three different business areas in a way all tied to innovations but the core thing we do is we help companies to grow and I think that's the bottom line for companies, if you could grow without innovating, I think lots of companies would be keen on that being way easier. So we work on business strategy, we also work on innovation. We help company to not only figure out how to kind of gain market chain growth in their market places but what are the fundamental kind of ideas, products, services, solutions, business practices, customer relation tips, we are going to help them grow so we do that and then we have a bit of and edge to actually helping companies to re emerge the experience their customers have and how they create more compelling value from the moment customers hear about them to long after they have used the product or service. So that's really in a nutshell what we do, we wok in a lot of different industries from the hospitality to, health care to IT, to pharmaceuticals, to financial services, to the paper industry, so a lot of different industries and we



generally kind of abide some different ways of thinking to help companies to simply figure out how to grow.

Nick Skillicorn: What a lot of people might know you from is your book the necessity of strangers and you and I had a quick chat before we started out here and you told me that people under estimate the value and the importance of strangers when it comes to new ideas and innovation, what do you mean by that

Alan Gregerman: That's a perfect thing to talk about, so we live in a kind of a friend and context centric world, so we tend to believe that friends and the people that we already know are the most reliable source for us in thinking in new ways kind of growing our enterprises, making the right kind of connections and doing the things that we need to do. my sense is that kind of a bit wrong, not all friends and colleagues are pretty valuable to us but it turns out from all of my research and almost all the work that I have done that strangers actually people we don't know, and particularly strangers who are significantly different than us are way more likely to help us create breakthroughs than anyone we know and simply because of the fact that they are strange or strangers to us, simply because they know things that we don't know. Most of our friends actually know most of the same stuff we know, we tend to hang around with people who are often a lot like ourselves. Most of the folks in our work places tend to know a lot about what we know because we tend to kind of hold gravity towards overtime thinking and acting the same way. So if I want to come up with fresh ideas, I am way more likely to do that by finding people who think very differently than I do, who have lot of different background and experience and who simply kind of engage the world in a very different way.

Nick Skillicorn: So you are talking more about interacting with strangers in the sense of getting out of your bubble or more along the lines of there being this disconnect between the internal teams in a company and actual customers on what then is

Alan Gregerman: I would like to think of it in a couple of ways, I mean that I hated to think that our customers are strangers to us but I have to admit a lot of organizations that I consult with, it's clear they don't know a lot about their customers or they know a lot about how their customers use to be. So the extent that your customers are kind of strange to you, one of the easiest thing you can do to actually figure out the kind of platform for growing your business is spend a lot more time with your customers, finding out what kind of motivated them today, what they dream about, what are the things that make them sad at any given day, what are the things that would be outrageously awesome for them if you could make them happen, so certainly doing that is important. So we certainly want to make sure that our customers don't stay strangers for very long. Equally important is we are going to be regularly casting a wider net in connecting with people who just look at the world very differently. We pretty got lucky today because the internet makes that really possible. I mean certain network encourages you to find different types of people in the city or community that we are in, but we also can simply go online and kind of explore a world filled with people thinking about different stuff. So let's say that we discovered there are folks in Singapore who had figured out this awesome way to engage the community by giving small grants to people to recommend any idea they have that will make the community get better, we have the ability to connect with those people, we have the ability to connect with people who are working on health technology ideas and several repairs. We have the ability literally to kind of gain insights from folks in India, Africa and



anywhere in the world, so we are only limited by our curiosity about thinking about who is doing something cool, whether right now or it relates to me or not, if I can find people doing cool stuff and I can understand what is cool about what they are doing, that gives me a totally different frame work for thinking about the stuff that I ought to be doing to my business.

Nick Skillicorn; I mean that makes so much sense when you explain it like that but the difficulty is when you actually go to companies and you try and convince people who are struggling with that it is a good idea because quite often the reaction that I get when you first interact with people underground in a company is well, I m the expert in this engineering department, that's my job, I know what I am talking about, I know more about engineering than the house wife in middlesbrough, how do you then get them to change their mindset of engaging with strangers

Alan Gregerman: I get them to think about engaging with strangers simply by giving them some ideas that are going to be reasonably kind of relevant to them. It's going to depend certainly on the organization but ideas in which people who are kind of connected with strangers were able to create some breakthroughs. So I am used to I do in any kind of the work that I do or in any presentations that I give use power points slide to plays a lot of toys. So let me give you a few examples and the folks that are listening give a few examples. So imagine this, this is an awesome thing, this is a helicopter I mean this is a toy helicopter but imagine a helicopter kind of an awesome idea the fact that somebody could have imagined that there could be something actually let me get the propellers working, somebody could have imagined that there could be something that could go straight up in the air from a standing start and then fly forward and hover around kind of go and rescue people and deliver supplies or hang out with friends, so imagine that awesome idea obviously an expert, a guy who understood aero dynamics really well, actually it was a guy who was more curious than he was a genius, a guy named Igor Sikorsky, he was a Russian or a Ukrainian immigrant to the united states and in 1939 he launches this helicopter and then this helicopter in its first flight flies for fifty nine minutes, kind of amazing. His inspiration, a two thousand year old toy, two thousand year old toy invented by the Chinese called the Chinese tuck kind of an awesome thing. You are probably too young Nick to remember this, but folks who are closer to my age might have played with this toy when it was like a light weight world kind of toy. You simply spun it in your hands and it loose straight up right in the hair, as an eleven year old Sikorsky saw this toy and kept this toy in a margin that may be two thousand years of knowledge might someday lead him to getting humans to do the exact same thing. But that was an actually all because then he decided who are the other strangers either the name or throughout the history who had illusion of humans going straight up in the air and he came upon this guy, kind of a clever guy Leonardo Da Vinci. We all know if we Google Leonardo da Vinci we put helicopter, we are likely to see this picture of a helicopter like thing that he drew, never created one kind of a funky thing probably one to flown, did he come about with that idea on his own, did he know about the Chinese top actually not but what he did know outside his balcony in Florence he saw these guys dragging floats, he actual burden of a helicopter except them acting on a propelling say acting up and down, they can go actually go actually straight up in the air kind of hang out and then go forward and then hang out with friends, party maybe and come back and they coined that a helicopter can actually go backwards where the modern helicopter can fly backwards. So the reality is that folks should think in kind of cool ways and they are open to explorative ideas a world of possibilities tied to the idea that they have are the ones to create breakthroughs. So I simply talk to companies about that, I suggest to them that being curious and



being observant and imagining how things come together and being open to go out there and find these things that could come together are likely to kind of change their world. So a lot of people don't buy into that, a lot of people say exactly what you say, so I am the world's leading expert, expertise is actually way less important now than it used to be because the reality is that most new business are creating their own expertise, some trying to figure out in a way how the folks who run all the world's leading taxi cab company including the amazing taxi cabs in London kind of missed the big wave that is now left in uber. So how did they miss it because they were experts in taxi cabs they weren't expert in gps, they weren't expert in the shared economy, they weren't expert in thinking about how people want to be mobile, so folks who kind of think about the world differently and are willing to abandon initially their expertise and then figure out which part of my expertise is relevant and which part isn't are the folks who are likely to win. So I think when companies say no we know too much or we know it all or what are you going to help us with then my guess is just time to move on.

Nick Skillicorn: This building on that as well, the other thing that sometimes keeps innovation back is people who are experts in the field they think that what is important is all the knowledge they have accumulated so far. In a lot of ways it goes back to the way we thought of learn and recite facts, it's all about repeating things that have been proved to be correct previously but when you need to innovate and look forward, then quite often you need to find ways of breaking that knowledge or at least building on it looking forward, is there any way that you found to help integrate new ideas into companies

Alan Gregerman: That's a good question, I think that companies that are best at integrating new ideas are simply the companies that are opened to new ideas and are willing to expose themselves and their people to a lot of different ideas. Realizing that a bunch of them long over time be particularly relevant to their organization but they are consistently challenging folks to bring new thinking, bring best practices, finding examples of places where they can go and visit, again get them thinking in new ways about what's possible, so those companies are way more likely to be kind of consistently innovative what I try to challenge our customers to think about is, what does it mean to be consistently innovative, what is the core of what we do and how do we consistently make it better until that we understand that at some point we have to break it up entirely. By breaking up entirely, just think about all the new business models that are out there and how many industries whether it's kind of the taxi cab business or whether is the hospitality business, think about everything being kind of the global phenomenal, kind of the entire hotel or think about how we get content today, so imagine that before we didn't have access to kind of a world of contents and suddenly we have these lame ways to get contents in which we have services which we could actually get a DVD actually mailed to our house, or we put it in a red box, going to get a DVD at the red box or we are from a small town and go to a local kind of video store we get a video , who does that today, maybe people from small towns who don't have access to the internet but the rest of us who are using Netflix or whatever service we us to download basically the entire world of contents. So business models at some point change for a lot of industries and so we have to figure out how to get people to get open to that as a possibility, always keep an eye to an invent and at the same time be better and better at the core thing that we do.

Nick Skillicorn: If I can go back to what you talked about right at the beginning what venture woks does talking about strategic innovations, because a lot of what we have talked about here is building



on one idea in the innovation's field we talk about incremental innovation and sometimes tanjection innovations but when you want to really break pass those and think more long term or disruptive, how do you get people to think outside of this constraints that they really go for a break through strategic innovation.

Alan Gregerman: I think you know it really depends, I like to think about that we have really two different types of customers while I think about it, everyone has customers in fairly large organizations but the typical type of customers are either the folks who understand their kind of in available in organizations who understand we have to keep doing new things because we know somebody else is doing new things. So that's certainly is a group of customers, the other group where the folks who certainly one day go oh crap the world is changing way faster than we realize, we have a lot of trouble here, we had better re invent the game we are playing or we won't be playing the game at all and then there is this huge group of companies certainly in the middle who probably should be re inventing the game but certainly feels we can kind of tweak to margins what we do.

Nick Skillicorn: Things are going about well enough, let's just keep going and hopefully

Alan Gregerman: Exactly, so if I was just here a little bit kind of my old learning running a business for twenty nine years, it's probably the early life of my business, I started off a lot of times trying to get all these folks to become customers because I believed I could convince them, that I could help them to be way more innovative and way more successful in growing their business. As I get older I don't know if your folks are seeing the limited hair I have left is actually kind of grey. I certainly realized that life is kind of short and I'd rather work with folks who are super highly motivated so I tend to focus on either companies that are super highly motivated because they are about to screw up badly or companies who are super highly motivated because they are never satisfied, that they are kind of doing the kind of next thing in enough time to make it happen. I like to think of folks that are continually thinking about that the world is going to change, I would love to use an awesome example, I don't know enough time that we have but imagine this, probably a lot of your viewers are familiar that there is this amazing device that exist and this amazing that enable people who have irregular heart beat to actually have the chance to have their heart work regularly called pace maker. They probably don't know that the original pace maker which was developed by in this early days of this remarkable company called metronics, it was developed by a team of doctors and engineer with one remarkable insights that got injected into the process that really proves the power of strangers to me. That remarkable insight was that one of the members of the team was not great but a reasonable piano player and while thinking about how do we get people's heart to be regular, one day sitting on his piano, he happen to start thinking in a new way about his metronome and he started thinking about well this is kind of awesome, somebody created this device that actually allows me to play the piano more regularly, one make better jazz pianos but it allows me to play the piano more regularly, that's kind of awesome, what if we could then invent a metronome for a human heart, Aha ding ding, in fact they decided to try and do that and in fact the first pace maker was roughly the size of metronome, people aren't aware of the outside, over time it evolved so that it could be implantable but that's just kind of a minor part of how we need to keep evolving in an organization because could you imagine this lets say I have a pace maker which I don't yet, it sounds like a cool technology, now one day I wake and I don't feel particularly great and I call my doctor and supposed to say doctor, can I come in I don't feel particularly great, can you do vital



tests, the doctors says about this, let me pull you up on my screen and so the doctor then puts up me and my pace maker which is blue tooth enabled and he sees how my heart is beating and he says you know you are actually right, its fair that you are not feeling that good, let me make an adjustment of that and he reprograms my pace maker from his office at his laptop or he can even do it on a cell phone and this is okay. So keep it a bit amended and tell me how you feel. Now before the minute job he goes my guess is you feel better because your heart is pretty down regular right now and then I go god I am actually feeling much better, that's kind of a freaky cool thing. In essence what we have done now is that we can use the innovative things actually to help make our bodies work better but what is based on fifty years ago, a team of people fist looking at looking at a metronome deciding we can create a metronome for a human heart, then in evolution of that, it now enables us to do all these kind of cool things. Well think of every company needing to do that, think of a need to do it faster and faster, think of every company having to figure out no matter what you do, how you get with the program, how you engage it with the internet, how you connect with customers in different ways and so that what's I try to get companies to think about, simply the power of thinking in those ways and then we run a race to continue to create greater value and the folks that stop running are the folks that are going to lose and they are going to lose faster than they ever did before.

Nick Skillicorn: It's a fantastic example and I m sure my viewers and listeners can really relate to that. But what about the companies which are keen on being more innovative, they might be approaching it in the wrong way, if you got any sort of insights that companies that might be just trying to be like the next silicon valley company and hoping that it works for them, is that also going to result in innovation

Alan Gregerman: I don't think it will and I think what happens is title what you are saying, I think that too often a lot of folks believe in certain innovation about creating the right culture, I still believe most organizations are missing a fundamental part of the culture, so for a lot of organizations, they decide exactly what you said, well the folks in silicon valley they are super super innovative and so let's kind of be like this people because if we can be like this people, lets create an office environment like that, let's do the types of things they do, let's bring in all these smart kind of young people and presumably folks with all kinds of the different back ground including folks who are trained in the humanities as opposed to engineering or business, let's bring all these people together and then that's going to make it happen, lets create more flexibility, let's give them time to fall around, whatever the case is. That's all well and good, but the lesser these people are bringing with them a kind of wealth of ideas from other places, once we enter an organization, we kind of get wrapped up in the culture and the way the organization does things. So while I am doing things every day, it's a little bit hard to say let me suddenly re invent this stuff that I am doing. The missing piece from my perspective is that we need regularly just get out of the office, even if our office is awesome, we need to get out of the office to see what other folks are doing because in the world people are doing new things all the time, they are doing new things in the cutting edge of a lot of industries, whether it's the tech industries or the restaurant industry or a transforming neighborhoods, or transforming mobility or whatever the case is, we ought to be out there figuring out what people are doing because the folks who are succeeding have connected with customers in some compelling ways. So the missing piece I find in all these efforts to build kind of an innovative culture is that we miss certain often a lot of the culture that we need to be kind of engaging people



is in our own culture and cultural value, it's a culture outside of our abilities. So when companies don't do that, then they run the risk of creating this awesome internal culture that over time get kind of so caught up with how awesome we are and how well we do this that if the world changes outside our window we are still looking inside our window

Nick Skillicorn: So just to be clear, you are saying that pin point tables are not going to result in more profits

Alan Gregerman: Pin points tables might result in more collaboration, it might result in people who don't like each other kind of liking each other or hanging out with each other but that alone is not going to make it happen but going but going and taking our teams to talk to the folks at tesllock or taking them to a kind of rock concert where two thousand young people are standing up and kind of super engaged and taking them to a trendy restaurant in which you get these technologies much as little as you want in terms of kind of ordering, paying for your meal and taking up you meal, so all kind of things out there are going to keep us young and fresh and thinking in new ways and I think it's great to collaborate but I have had people collaborate by getting out together, the folks that we want to play ping pong the other at send them out on a mission together and send them out to explore something cool and then come back and report come back and report on what they have learnt.

Nick Skillicorn: Alan it's been wonderful speaking with you today, we are coming up to the end of the session but if you could give like I ask all of the other experts, if you could give one piece of advice or an actionable insight or a tip for something that the people can do either this afternoon or this week to improve their ability to innovate, what would it be

Alan Gregerman: Yes that's perfect, so I will give one fact that is compelling that I want everybody to think about and then I will give one idea, the fact is awesome to me, the fact is the most liberating idea that I ever kind of discover and that is simply 99 percent of all new ideas are based on somebody else's thinking, so if I know that 99 percent of all new ideas and that surrounds history and actively with the most innovative companies, so think about this, we all think the folks at the apple are brilliant, they don't need other folks, think about the ipad, did they come up with the idea of the ipad, actually it solely came up with the idea for the walkman 25 years before apple ever came up with anything, did the folks at apple come up with the technology that drives most of their devices, mp3 technology knows to German engineers in 1986, so even the most innovative companies understand that 99 percent of all new ideas are based on somebody else's thinking, so that's the case, the tip I will give people is to regularly get out of their office. I would ask teams of people in the organization that listens to this to regulate the kind of monitoring, what the common businesses that are in your community, what are folks starting that is really kind of capturing energy and attention no matter where you are and go visit these people and ask them what they know, ask them what their secret sources, ask them what the fundamental idea that under lines their business model and how the deliver value is and then use that to think about could we imagine differently the stuff we do.

Nick Skillicorn: Perfect, we are going to also just put all of the links up on screen for where people can go to find out more information on about your insights on innovation and the work that you do, just give them a quick rundown on where they are going to be taken.



Alan Gregerman: that's great, I have a blog which is simply alangregerman.com, we have our corporate website which is venture-works.com, I try to get a little bit better, I am not super good about tweeting yet but you could always go to alan_gregerman which is kind of my twitter handle I am trying to put up more interesting stuff there by tweeting interesting stuff. Those are the some places

Nick Skillicorn: Perfect, it's been wonderful having you on the line today and I am sure we are going to have another chat sometimes soon

Alan Gregerman: Okay, great thanks for inviting me.