

# Try.

# Learn.

# Modify.

The IT executive's guide  
to navigating change

From the pages of *Organize for Innovation*  
by Jim Whitehurst

Senior Advisor and former President, IBM, and former President  
and CEO, Red Hat



# Grow your garden

Try, learn, modify.

In the wake of disruption from COVID-19, organizations across the globe are realizing that traditional planning techniques, hierarchical structures, and rigid processes will not help them succeed in today's rapidly changing environments.

According to the third-annual digital transformation survey by Harvard Business Review Analytic Services, 95% of global executives surveyed say digital transformation has become more important for success in their industries over the past year.<sup>1</sup> Still, only 58% say their organization's transformation strategies since the start of the pandemic have been effective, up from 20% before the outbreak.<sup>1</sup>

Adapting to these changes and facing widespread uncertainty requires renewed focus on digital transformation plans, including a strategic review of how best to support business priorities in a new reality.

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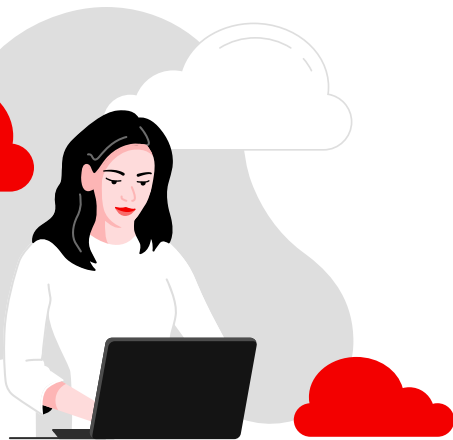
Transformation today involves optimizing for a very different economic era, one that demands new organizational models and cultures. It means no longer relying on top-down systems to spur change. Instead, it requires organizations to operate from the bottom up, responding nimbly to constantly changing circumstances.



More than ever, **modern organizations must develop business resilience as a core competency, and ultimately that means making it a fundamental part of their organizational culture.**

**Mike Walker**

Senior Director and Global Lead, Red Hat Open Innovation Labs



<sup>1</sup> Harvard Business Review Pulse Survey, sponsored by Red Hat, "[Accelerating Transformation for a Post-Covid-19 World.](#)" 2021.

If yesterday's recipe for success was "plan, prescribe, execute," then the winning formula for today's tumultuous climate is "try, learn, modify."

And the organizations most capable of embracing that formula are open organizations.

Leading an open organization—one where hierarchy cedes much of its control to dynamic, networked structures—can feel like maintaining a perennial garden. It involves working more on conditions (turning soil, locating those spots in need of watering) than it does on dictating direction. It means creating the context for things you may not have considered—or even imagined—to occur.

But tending to your organizational innovation networks like you would tend to your garden—planting the seeds and letting things flourish outside your control—is going to produce high-performing organizations every time. Great leaders must accept their new role in today's world: helping their organizations respond to the current environment while anticipating invisible and unforeseen forces along the way.

If long-term planning is dead, then long live shorter-term experimentation.

Try, learn, modify—that is the best path forward during uncertain times.



Download the "IT Leadership in the Next Normal," a Harvard Business Review Analytic Services report that reveal CIOs' top priorities.

Download the e-book



# The culture club

Today's leaders can't expect to prescribe every behavior or make every decision that will lead to success. They have to ensure they've created an organizational culture in which people take action with the organization's purpose and values in mind—and innovate in their own creative ways.



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Leaders should reinforce an organization's culture through actions others can observe.

## Build cultural capabilities.

An organization's culture—the principles that inform what we do and why we do it, along with the ways of working that stem from them—is a key source of competitive advantage, and it has become more important every day. Organizations hoping to manage disruption, to disrupt rather than be disrupted, will need to make sure they are building new cultural capabilities in addition to technical ones.

## Seek alignment.

The alignment between the values you claim to hold and the actions you take will tell you if you are cultivating an organizational culture capable of weathering our current environment of constant disruption.



## Use culture as a force for innovation.

As action and values align, organizational culture works as a positive force, propelling an organization to greater innovations faster. When action and value are misaligned, the opposite happens: organizations flounder. Savvy staff work best when they understand an organization's mission, purpose, and values—and then have the latitude to make what they determine are the best decisions in pursuit of success.



To foster innovative environments, leaders must **model the kinds of feedback behaviors they want to see in their teammates** and associates. They need to be open to even the most difficult conversations.

**Jim Whitehurst**

*Organize for Innovation<sup>2</sup>*



Download "Teaching an elephant to dance," a digital transformation executive summary that provides a real-world framework for building a more responsive organization.

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Your organization was designed with a certain vision of success in mind.

But as business goals change, so should your definitions of success. Adaptive leadership fosters environments where people can do their best—sparking innovative behaviors from their employees, without having to prescribe everything they do.



<sup>2</sup> Whitehurst, Jim. [Organize for Innovation](#), Red Hat, 2021.

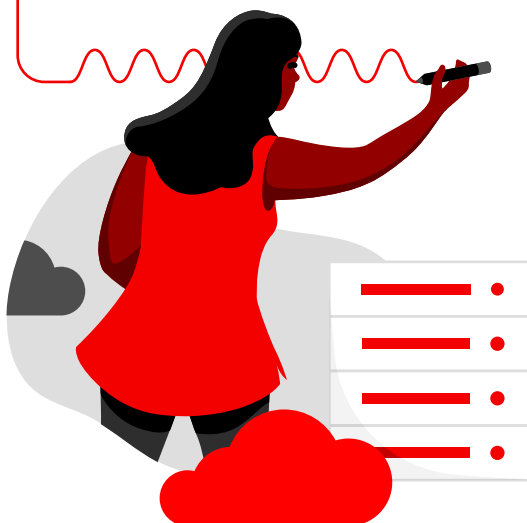
# Let the best ideas win

Innovative organizations produce innovative ideas. But they can only do this when those ideas can come from anyone, regardless of their position. That's organizational meritocracy in action. Here's what it means:



## The best ideas should come from anywhere.

Your organization's structure needs to be flexible. It shouldn't limit what people can do—or what they can offer. Everyone in the organization should feel empowered to share ideas. And when people speak up, they should feel heard. An organization can only be sure it has found the best idea when it considers a diverse set of ideas from people with different backgrounds, perspectives, and experiences.



## The best ideas should always win.

The ideas that create the most value or solve a problem most effectively should be the ones that rise to the top, not just the ones that come from managers or contributors who have been part of the organization the longest. Debate should be common and welcome—but it should always be about ideas, not people.





## Contribution matters more than title.

What people offer—the value they provide—matters more than the title they hold. Power and influence are something people in the organization earn, not something they are simply given when they receive a promotion.

Fostering meritocracy on your teams and in your departments might take time—it is a culture shift, after all—but your organization's ability to innovate will increase when you do.



Creating an innovative culture in any organization means **always having to balance the novelty of fresh ideas with the valuable wisdom the organization's leaders have accrued over time.**

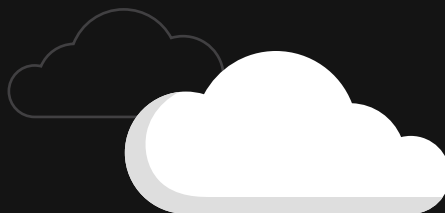
**Jim Whitehurst**

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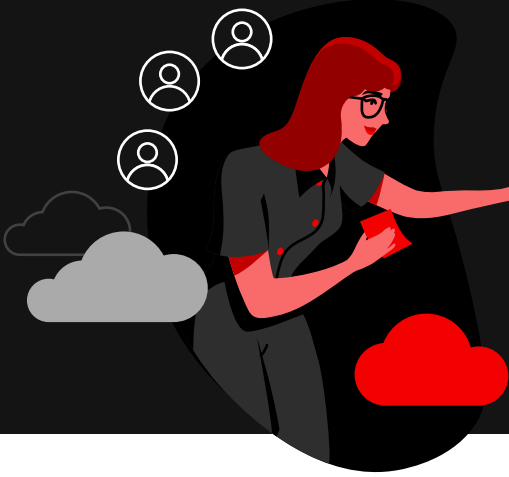


Download the Open Decision Framework, a step-by-step guide to harnessing your organization's best ideas while making transparent and inclusive decisions.

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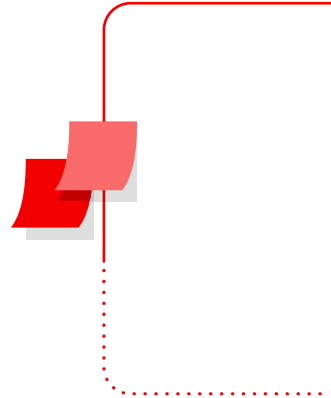
<sup>2</sup> Whitehurst, Jim. [Organize for Innovation](#), Red Hat, 2021.



# (Re)thinking the future

Planning for the future might be tougher than it has ever been. The increasing speed of innovation and the shift to more open styles of production and organization are prompting many organizations to rethink the ways they set, execute on, and measure performance against present and future goals.

Great leaders don't just help their organizations prepare for the unknown—they also create enterprises able to grapple with forces that are fundamentally unknowable.



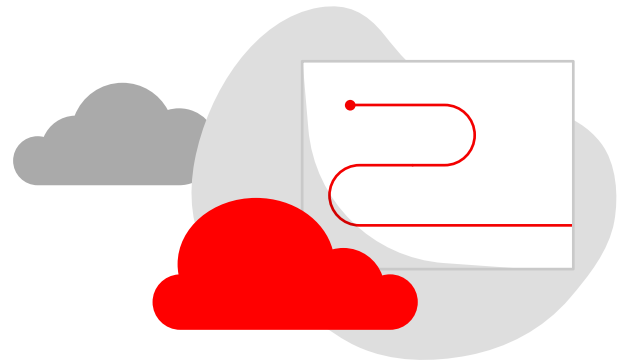
## Innovation, step-by-step.

Incremental advancements toward openness go a long way to fostering a culture of innovation, one where people can freely voice their perspectives and opinions. It is about establishing an open and transparent environment where people are engaged, energized, and empowered to suggest new ideas—and new ways to implement them.



## Being fearless in the face of risk.

Being innovative involves taking calculated risks. People in innovative organizations must have the freedom to try something novel and unexpected without fear of intense, negative blowback. Otherwise, they will never attempt anything new.







## No progress without challenge.

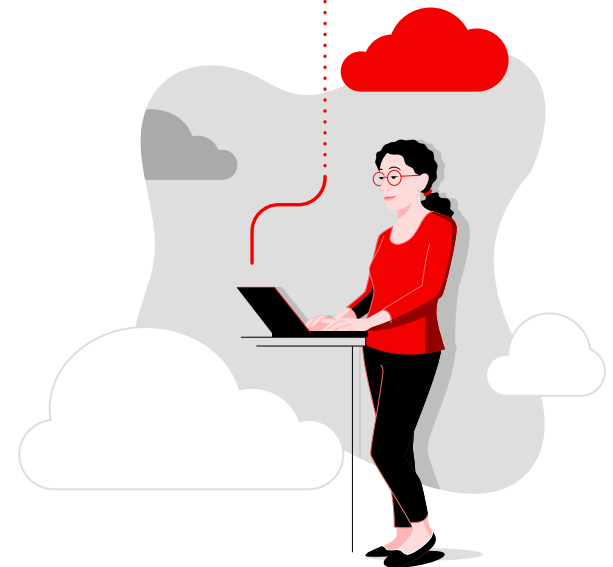
Leaders must be able to encourage certain intrinsic motivations on their teams, which are a key source of innovation. But motivations are not as overt or quantifiable as observable outcomes, which is why traditional management theory struggles to account for them.



Adapting to the unknown fundamentally can't be planned for, but **through practice and repetition, it can be taught, can be mastered, and can become part of organizational culture.**

### Mike Walker

Senior Director and Global Lead, Red Hat Open Innovation Labs



One of the biggest challenges in navigating change is motivating people. Read [Culture Matters: The IT executive's guide to building open teams](#).

Learn more about navigating [digital transformation](#) with research, e-books, and other content.



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Download the entire *Organize for Innovation* e-book by Jim Whitehurst.

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