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The Innovation Equation

Strengths development + engagement = innovation, according to a Gallup study

by Jerry Krueger and Emily Killham

"Entrepreneurial innovation will have to become the very heart and core of management." -- Peter Drucker

When Peter Drucker penned these words in 1993, he was -- as usual -- well ahead of his time. Executives today have made promoting and managing innovation a top priority. Leaders understand that the ability to transform ideas into successful products or services is essential to creating a competitive advantage.

Recent research on companies that are among the most successful innovators points to one common denominator -- the right culture. To probe the relationship between innovation and culture, the *Gallup Management Journal* (GMJ) surveyed U.S.

employees to determine the effect on individual creativity and workplace engagement when employers emphasize developing employee talents and strengths. (See "Who's Driving Innovation at Your Company?" in the See Also area on this page.)

This research indicates that strengths development can be a powerful factor in creating and sustaining a workplace culture that allows innovation to prosper and flourish -- and employee engagement can intensify this effect.

The findings strongly suggest that when companies emphasize strengths development, the chances are greater that a culture of innovation and creativity will exist. When Gallup surveyed employed adults, 30% of respondents strongly agreed that their organization is committed to building the strengths of each associate. Of those, a majority (54%) also strongly agreed that their current job brings out their most creative ideas. In contrast, of the nearly 50% of respondents who disagreed that their organization is committed to building the strengths of each associate, only 1 in 10 strongly agreed that their current job brings out their most creative ideas.



Strengths Development
+ Engagement
= **INNOVATION**

Not surprisingly, the results showed that managers also play a significant role in the "strengths development + engagement = innovation" equation. Fifty-two percent of workers who said their supervisor "focuses on my strengths or positive characteristics" also said that "My current job brings out my most creative ideas." Only 8% of respondents who did not agree that their supervisor focused on their strengths or positive characteristics strongly agreed that their current job brings out their most creative ideas.

Previous Gallup research has shown that higher levels of engagement are strongly related to higher levels of innovation, but the combination of engagement and a focus on strengths magnifies this impact. Sixty-six percent of engaged employees -- those with a profound connection to their company -- who said that their organization is committed to building strengths also indicated that their current job brings out their most creative ideas. Only 3% of actively disengaged employees who disagreed that their organization is committed to building strengths strongly agreed that their job brings out their most creative ideas. (See graphic "The Three Types of Employees.")

The Three Types of Employees	
1	ENGAGED employees work with passion and feel a profound connection to their company. They drive innovation and move the organization forward.
2	NOT-ENGAGED employees are essentially "checked out." They're sleepwalking through their workday, putting time -- but not energy or passion -- into their work.
3	ACTIVELY DISENGAGED employees aren't just unhappy at work; they're busy acting out their unhappiness. Every day, these workers undermine what their engaged coworkers accomplish.

Thinking outside the box

Companies that want to create a culture that drives innovation must do more than develop employee strengths. If creativity is to thrive, companies and supervisors need to be receptive to new ideas. Fifty-eight percent of respondents who said that their organization is committed to building the strengths of each associate also said that their employer encourages new ideas that defy conventional wisdom. Among respondents who disagreed that their employer was committed to building strengths, only 9% strongly agreed that their employer encourages ideas that defy conventional wisdom.

Similarly, when respondents were asked if their supervisor focuses on their strengths and if their company encourages new ideas that defy conventional wisdom, almost half (48%) said that both conditions were present in their work life. Among respondents who disagreed that their supervisor focused on their strengths, only 9% strongly agreed that their company encourages such new ideas.

When examined through the employee engagement lens, the impact of these factors -- focusing on strengths and encouraging new ideas -- was even more evident. Sixty-five percent of all engaged employees stated that their organization

is committed to building employee strengths and encourages new ideas that defy conventional wisdom. Among actively disengaged employees, this number plummets to a mere 2%.

Spurring creativity

George Bernard Shaw wrote: "If you have an apple and I have an apple and we exchange apples, then you and I will still each have one apple. But if you have an idea and I have an idea and we exchange these ideas, then each of us will have two ideas."

Shaw's insight was confirmed when *GMJ* researchers studied the relationship between a strengths-based work environment and idea sharing among colleagues, especially colleagues categorized as close friends. Fifty-six percent of respondents who said that their organization is committed to building the strengths of each associate also said that they feed off of the creativity of their colleagues. Among respondents who disagreed that their organizations were committed to building strengths, only 14% of respondents strongly agreed that they feed off the creativity of their colleagues.

Managers also play a role in spurring creativity among employees. Just over half (51%) of the survey respondents strongly agreed that their manager focuses on their strengths or positive characteristics and strongly agreed that they feed off the creativity of their colleagues. However, when respondents disagreed that their manager focused on their strengths, only about 1 in 8 respondents (13%) strongly agreed that they feed off the creativity of their colleagues.

The survey findings also revealed a significant relationship among worker engagement, a manager focus on strengths, and creativity between colleagues. Two-thirds of all engaged employees strongly agreed that their manager focuses on their strengths or positive characteristics and strongly agreed that they feed off the creativity of their colleagues. Fewer than 1 in 10 actively disengaged workers who disagreed that strengths were a focus strongly agreed that they feed off the creativity of their coworkers.

“ Workers in organizations with cultures that support and nurture employee strengths are more likely to share ideas -- often a key first step to innovation and creativity. ”

Sharing ideas with friends

Gallup research has shown that strong friendships at work pay off for businesses in significant ways. Employees who have best friends at work are *seven times* more likely to be engaged in their jobs, while those who have at least three "vital friends" at work are 96% more likely to be satisfied with their lives. (See "What Are Workplace Buddies Worth?" in the "See Also" area on this page.)

GMJ's survey results suggest that workers in organizations with cultures that support and nurture employee strengths are more likely to share ideas -- often a

key first step to innovation and creativity. Three-quarters (75%) of respondents who stated that their organization is committed to building the strengths of each associate also said that they have a friend at work whom they share new ideas with. Among respondents who disagreed that their organization is committed to building strengths, only 38% strongly agreed that they have a friend whom they can share ideas with.

Sixty-seven percent of respondents who stated that their manager focuses on their strengths or positive characteristics also said that they have a friend at work whom they share new ideas with. Conversely, only 35% of those who disagreed that their manager focuses on their strengths strongly agreed that they share their ideas with a friend at work.

When the responses to the questions on idea sharing and strengths commitment were compared by worker engagement levels, the results were even more telling. Eight out of ten engaged employees (83%) who strongly agreed that their organization is committed to building the strengths of each associate also strongly agreed that they have a friend at work whom they share new ideas with. This number drops to 5% among workers who are actively disengaged and who disagreed that their organization is committed to building the strengths of each associate.

A slightly lower percentage (79%) of engaged employees who indicated that they have a manager who focuses on their strengths also strongly agreed that they have a friend at work whom they share new ideas with. This number drops to only 5% for actively disengaged employees who do not agree that their manager focuses on their strengths.

Growing innovation through strengths development and engagement

Gallup's research into the relationship between strengths development and innovation strongly indicates that organizations that emphasize developing employee strengths may reap the benefits of increased levels of workplace innovation. This relationship is further intensified by employee engagement. Company leaders who want to drive growth through innovation could look to employee strengths-development initiatives as a viable strategy for achieving organizational goals.

Results are based on telephone interviews with 1,010 national adults, aged 18 and older, conducted April 22 to May 17, 2006. For results based on the total sample of national adults, one can say with 95% confidence that the maximum margin of sampling error is ± 3 percentage points. In addition to sampling error, question wording and practical difficulties in conducting surveys can introduce error or bias into the findings of public opinion polls.

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