AT THE EDGE PODCAST

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DOUGLASS HUMPHRIES
Interviewed by Michael Lee

Douglass Humphries is SVP, Sales at Innovation Minds. His entrepreneurial background includes multiple start-ups, roll-ups and turn-arounds. Areas of expertise include: Innovation, digital transformation, experience design and management consulting. He was a Managing Director at KPMG Consulting/BearingPoint, and Director of Global Business Transformation and Innovation at Unisys. Doug is a frequent speaker at Innovation events and has worked with tier-one global brands to capture efficiencies and drive growth for over 20 years. He's a graduate of Swarthmore College and lives in Marin County with his wife, Katie and their four children.

In this bonus episode, Douglass shares his long history with corporate innovation, explores the roots and impacts of "Innovation at the Edge," offers some surprising details about his early career, and tells stories of specific experiences in his innovation work with companies.

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Michael Lee
We're here with Doug Humphreys, the Head of Global Sales for Innovation Minds, and a person with many years of experience in the innovation field. So Doug, welcome. And thanks for being here with us.

Douglass Humphries
Oh, thanks, Michael.

Michael Lee
Specifically, "Innovation at the Edge" - what does that mean to you? Why is it important? And why should it be something we care about?

Douglass Humphries
Innovation at the Edge will be a little bit of an echo for people that talked about edge computing for the minute that edge computing was around, but the concept is that instead

of having all the innovation done by very senior people at HQ, in small teams, and being really responsible for growth, or for continuous improvement, Innovation at the Edge sort of pushes that capability and responsibility and authority for coming up with the new out to the to the workers, out to where the rubber meets the road, where people are interacting with customers, where people are interacting with vendors. And it's there that, for most brands, that's where it really it all happens.

Now, whether leadership, management, has a really good handle on exactly what's happening out there, that's a communications issue that goes back to my roots. Are you getting good info? Are you hearing the right stories? Do you know what people are doing, what they're thinking? Do you know if some of your folks have a better way of doing it than the standard operating procedure? Do you know exactly what your customers think about your product or services or brand? By pushing those capabilities out to the people who are doing that work all day, every day, your chances of getting good information back around innovation, good information about what you could be doing, what you should be doing is heightened, it's increased a lot.

So at Innovation Minds, we're really focusing on this concept of Innovation at the Edge by creating a technology toolset that helps people do their everyday job. And by doing that, by helping them just do what they always do faster, better, they have a little extra time, innovation is available to them. So when they have that idea, or when they see that you make that observation about what's going on, they have a place to put it, they have something to do with it, they have a community of people who can comment on it and help them with it. And it can work itself up into an idea, into an initiative, into a project.

And all of a sudden, innovation isn't this thing that's done occasionally by a few people in in an ivory tower. It's something that's just part of your everyday life. And that's really our goal. We talk about creating a culture of innovation. Lots of people talk about creating a culture of innovation. It's very hard to do. It takes a long time typically. So what we feel is that this is a really interesting pathway to get there.

Michael Lee
What are the challenges that you've come across of getting people to innovate?

Douglass Humphries
It's that old saw, you know, "Success has a thousand fathers, but failure is an orphan." What happens in the innovation space? Is that where you have management saying, Oh, you know, feel free to fail, we want you to fail fast, cheap, all that kind of stuff. That doesn't resonate with most people. Most people in high performing organisations are themselves high performers, they got A's, they did well, they got good scores, they went to good schools, they don't really like to fail. So you can say it, but until you've created an environment that is experimental in nature, and until you truly lionise and shine a spotlight on the projects that didn't make it, you're not going to progress.

So one of the things we've tried to do at Innovation Minds is really focus on that communication layer, focus on the recognition and the acknowledgement of just participation. Our belief is that a lot of this, this speaks very specifically to an area of innovation called the idea challenge methodology. And one of the drawbacks, from my perspective, having watched this for years and years, is that many of those challenges are competitive in nature, they're designed to pit the different people or the different teams one against the other. When someone goes to the Shark Tank, pitches their stuff to Mark Cuban, everyone else loses. And that's okay. That's not inherently bad.

But our feeling is that if you have everyone collaborating, everyone helping each other all pulling together, you get a lot more value. And because we're all competitive by nature, we need to gamify something. So what we gamify is participation. Participation is what gets you the points. And so by acknowledging and shining a light on those innovation champions, we feel that that that's kind of a game changer.

So if we're looking for a truly engaged workforce, people who really care about the values and the mission of the organisation, let them be innovators. Don't take that away from them. We all like to be asked our opinion. Ask it and then acknowledge their response, give them voice, they'll be engaged. Now you're well on your way to that culture of innovation.

There's a good story, though, that I have from Dow DuPont. This is quite some years ago. And there, they did a sort of a very broad challenge. And they really invited everyone in the company. So it wasn't just the scientists wasn't just the R&D, it was anyone and everyone. Everyone who was who had Dow at the end of their email was invited to do this. And they did this a few different times. And it was being successful. And they noticed that several of the projects rolled back to this one guy. And they were like, Hey, this is this is kind of interesting, this guy's coming up with some really good stuff. And so they went down the roster to figure out where he was from, what he was doing. And it turned out he was working in the loading dock.

And they were like, Loading dock, what is going on there? How is this guy coming up with the stuff that's actually very technical? It was sort of PhD chemistry stuff. And as it turned out, this person who was working there was a PhD chemist, and he'd gotten to retirement age, but really didn't want to leave the company, because he was so engaged with the brand and with the life and the people and his friends. So he just took a job in the loading dock. And he was there as sort of the traffic cop for different stuff. And in his spare time, he would send these ideas in, and a couple of them got patented. So anyway, that that was a great story. I just love that. You wouldn't get that kind of submission of that kind of input if you didn't push it out to the entire organisation, to the Edge.

Michael Lee
In most organisations, especially large ones, there's a lot of talent throughout the organisation that's probably being ignored at most places.

Douglass Humphries

Well, Michael it's not just that it's ignored. When we just go to the people who have deep expertise in a particular area, there's a lot of bias that's inherent in that with respect to innovation. It's really hard to think out of the box if you designed and built the box. So the problem often is if you have that kind of expertise, people have a very rigid notion of what can work and what can't work.

You take someone who's doesn't have that background, they don't know what they don't know. And so they go, Well, why don't we do this? And the instant answer might be, you can't do that, that'll never work. But you take someone else who's not in the box, who goes, Oh, you know what I saw an interesting technology. This might work. And all of a sudden, you start to put together this really counterintuitive approach, certainly a counter standard operating procedure approach. And you have an innovation. So you know, getting those people who have a different outlook works.

I'll tell you another story. I used to work at a firm that was an architectural consultancy. And one of the things we did is we used data to understand how we could better set up neighborhooding within the workplace, and how that impacted performance, human performance. It was fascinating. You could dial this to different values.

But if the value that we were looking for was innovation, it was very important that you created points of interaction between people that were from different groups, different functions, different business units. And so it wasn't always optimal to create working spaces that that were the most quote unquote efficient, as far as getting people from their cars to where they were going to sit, to the dining places, etc. Sometimes you wanted to actually run them through another group. And it was those collisions that created different ways of thinking, different ideas, different relationships. And the same thing applies to universities or schools, to collide these people with different backgrounds and good things happen.

There are certain places where innovation programmes fail within enormous global organisations. And one of the things that happens is that when innovation is kept to a smaller team, the expectations and the demands on them to perform to produce either new products or efficiencies is intense. And if times are such that there is belt tightening, often those teams will be eliminated, they're not creating any value, at least not any near term value. They're out. And then all the institutional knowledge of the discipline of innovation is lost with them. So anyone who knew who the champions were in the organisation, where they could go to get new ideas or anything like that, where they could go to get problems.

Sometimes the issue is, what are the business problems that we should be thinking about, that we should be solving? It's a matrix, right? As far as the problems and the possible solutions, the teams and the people who would be impacted by them. So taking a programmatic approach to that is absolutely essential. Because on any given day, you might do the right thing, someone might come in and put together the right team and good things might happen. But if you want to do it repeatedly, and you want to do it scaleably, you have to have a program. And there are lots of different approaches, there's not just one right way to do it. It's not saying here, you do this one by this author, but rather, pick one or pick several and make one that fits the culture of your organisation, and then just keep doing it and good things will happen.

Michael Lee
One of the things I know you're very fond of is the personality profiling done through the Big Five. Can you explain why that's so viable, and specifically the Big Five?

Douglass Humphries
This is the era of analytics. We can't get too far away from data and analytics if we're having a conversation. And that leads us right into AI and NLU, NLP, natural language processing and understanding. And so one of the things that we're trying to do is we're trying to create predictive models, and we're trying to create them in all kinds of different places.

As it turns out, it's very difficult to predict human performance. And we have found over a period of time that we can do something around predicting team performance, very difficult with individuals. A lot of that has to do with understanding an individual's temperament and their motivations. And there's lots of different ways of measuring those things. We've all done Myers Briggs, or Colors, there's a lot of them. There's only one that's been actually shown to have value in predictive models. And that is the Big Five.

And so one of the things that really attracted me to what Bala was doing was that he was leveraging Big Five, underneath the covers, basically, of the platform such that, as someone uses the platform, their digital exhaust is actually painting a picture of their temperament, of their motivations, of their personality. And so what we are able to do off the back of that is have a much deeper understanding of that whole person, not just an employee, not just an innovator, but really how they tick and how we can better support that person. Because they're all different, right? And so saying they're in this bucket or that bucket isn't helpful. And especially in this age of diversity and inclusion, we want to be able to really understand individuals and how to help individuals. Additionally, it gives us an ability to put together teams that are not based just on competencies, like that's a project manager, that's a designer, that's a DevOps person.

But on top of that, we can also look at how their personalities are likely to mesh. And if I was going to anticipate your question about how do you quantify the value of that, it's just purely to think about all of the projects, all the great innovation projects that have failed over the years, that didn't fail because they were not good ideas or relevant ideas, but rather because they have the wrong people working on them at the outset. Maybe some of those ideas get brought back later, maybe they don't. And if they don't, that's something that we think we can fix.

For me, coming to innovation was not very circuitous, it was almost instantaneous. And that might have been a function of the things that were happening at the time. But getting out of school, getting out of a small liberal arts school, with a political science and literature background, I ended up in film of all things. And film was kind of an interesting time to be in it, because it was undergoing some pretty radical transformation, both in the way that it was edited, and also the way that film and video was shot. So without going into too much of the technology, it created some opportunities for small companies that didn't have a lot

of investment in in the gear of the time, to be able to adopt new and different technologies that were better and faster and cheaper, etc. So that was how I came to innovation.

In those early days, what it created an opportunity to do was to start my own film company. We had one of the first Avid nonlinear editing systems in the country. And so we could cut commercials, and we could cut movies, way faster than other people could. We got into some interactive television testbeds with Bell Atlantic and a couple of other big telcos. And that was very interesting.

Here we are, some years later, still trying to figure out exactly how the streaming thing should work. But those were things we did back then. And it was funny, because some of the test stuff we did was, the whole concept of minimum viable concept or the minimum viable product, we wanted to know what people were going to do with on demand video.

So we set up this little fake set top box, and you pushed a button and selected your movie, but nothing happened digitally. Because we didn't have that technology yet. So it rang a little bell in the back room, someone would shove a VHS into the VCR and play that movie. We just wanted to see what people wanted to do. So we did that kind of voice of customer stuff.

Anyway, that company grew into Red Sky Interactive, which was named one of the top ten digital ad agencies in the country - in the world, actually. By the end we ended up selling that to John Wren at Omnicom. And it ultimately became agency.com, which I think is still going. So that was kind of a cool thing.

Right off the back of that transaction, I started two other digital consultancies, digital design, and both were a little bit more technology centric. And each of those was acquired as well. I got involved in the sort of early days of, strangely, using technology to recruit patients for clinical drug trials. I ended up actually being invited to go speak at the NIH, the National Institute of Health, to talk about how we could use these new emerging tools to try to do something that the doctors were really struggling to do, which was to get people signed up for the Phase Three clinical trials. So we did that.

Then I ended up joining Unisys as Director of Global Innovation and Global Business Transformation, and was there for five years working with teams all around the world, mostly helping clients make sense of these emerging technologies so they could take action, and helping them do so.

From there, I did a number of things independently and ended up joining a firm called Imaginatic, which was the top ranked innovation management software player in the space, top ranked by Forrester and their Forrester Wave. And it was while I was there that I met Bala. He was at the time Head of HR Innovation at LinkedIn. And I was very impressed with Bala's vision and what he was doing. And his HR expertise.

Because from my perspective, it's humans that innovate. Tools help, and they're great, but it's people. So his focus on the whole human and being able to support people and what

they were doing was really very impressive to me. So a couple years went by and as he was ramping up Innovation Minds, we reconnected, and I was able to join him.

Michael Lee
From being a filmmaker, along the way you decided to move into more of the space of innovation management and supporting innovation.

Douglass Humphries
I didn't grow up saying, Oh, I want to be a filmmaker. I just kind of fell into it because of the technology side. The technology was changing. I was able to take advantage of that change. And we were able to do things that were extraordinary at the time. We shot some of the very first digital videos with Sony for instance. We made a movie. We did a lot of cool stuff.

But the other thing that's interesting about that is the economics of the industry changed at the same time. As I entered commercial making, it was a pretty lucrative business if you knew what you were doing. But with the advent of digital technologies, digital shooting, digital editing, it became available to everyone. There was a democratisation of filmmaking that took some of the information advantage and experience advantage away from the established commercial production companies. So at some point, I started looking at the numbers, and it was like, Hey, you know what, this is not a great business to be in. However, this new emerging digital business is a really interesting business to be in. Let's go do that.

And so that was, I don't want to say a pivot, it was sort of a veer into doing more of that. And that's really where my passion lies, in these new and different exciting technologies, and what they meant for the different industries that we were working with.

Not being a technologist, it's left for me and people like me to try to look at these technologies from a user standpoint. How is this gonna be useful? What can we do with that?

If you're in innovation, you end up being a systems thinker, and you even end up being a systems of systems thinker. What you're doing is working with people in enormous companies with global operations. And they are interested in how these technologies might impact them positively or negatively.

We talk about disruption a lot, maybe too much. It's kind of an overused concept. But it's a real thing. And so if you're sitting on top of millions, maybe billions of dollars of revenue, you need to be looking over your shoulder at what could be potentially disrupting you. And at the same time, you need to be looking at the opportunities that lie in front of you to do new things, different things. Maybe that's new things for the same customers, or maybe it's new things for new customers, which would be those sort of moonshot, those Horizon Three kinds of innovations.

Michael Lee

It's interesting. You've come from a background where getting into innovation was about your passion for technology, not as a technologist, but as someone who sees the value of it. And yet at the beginning, and at the end, it really is about people.

Douglass Humphries

We've actually regressed. If you think about it, two thousand years ago, your average person knew where all the stars were gonna go at night. They could tell you that's gonna go right across, that's gonna go there, they could tell you when the sun was going to rise, they could tell you which of the plants you could eat, which ones you couldn't. No one can do any of that stuff anymore.

So we are users of technology. Most of us are not makers of technology. But that said, it's we users that drive it. Necessity is the mother of invention. We are the ones that drive the development of the new technologies. So when we identify a hole, some technologist will fill it. But as one engineering pal of mine says, given time, I can do anything. He also needs budget. But what he's saying is that you give me the rack, and I'll create the product, I'll create the software. All of us who are innovators, which is everyone, who can see where the holes are, we see the problems, see the opportunities. And it's those smart folks that then put together the solutions.

Years ago when I was at KPMG, I used to say we would always deliver. We always delivered nice, big, fat reports. Used to cost about a million dollars, and we'd deliver it and needless to say, no one would read it. But the thing about that was, I always felt we were always going to give you the answer, but it was often the right answer to the wrong question.

So what we do now is we spend a lot of time really working with clients and helping them work with their teams to figure out what are the right questions before we ask anyone their opinion about what the answers are. What are the right questions and why? At core, the Innovation Minds solution is a challenge where we're looking at the different questions, the different observations, the different holes in the experience out there that need to be filled, and really work on them prior to ever getting to the How Might We Solve This question that would be the core of an idea challenge. We do that too. But we just don't start with that. We start with the other.

The people have to ask the questions. So if you're in an organisation where it's only leadership, only the people at the top, who are asking the questions, then there's no engagement. People will say what they think those people want to hear. This is Emperor's New Clothes stuff. We see it every day, this kind of groupthink. It's got to be the people who are the rank and file. It's got to be everyone asking the questions.

Some people say, Change is a constant. It's not a constant at all. Change or transformation is inevitable, but it's not a constant, it's actually something that is very unevenly distributed. So some industries, some fields are undergoing way more transformational pressure than others. What we can say, though, is that it's inevitable.

What are we all going to do about that? Some people ignore it. And we see that all the time, the laggards in Moore's curve. Most people react to it, Oh, this is a change, what do I do? And then a few people really drive it, they are in fact, the agents of change. They see the value that it can create, to create a better world, a world that's more sustainable, more equitable, in which all people are supported. Those are the people who are and can be innovators. But the reality is, it can be and it should be us all. So be that agent of change.

Michael Lee
Well, thank very much Douglass Humphries.

Douglass Humphries
Thanks so much, Michael. I really appreciated being here.