

Challenging and contrarian teams are key to business innovation

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Research shows that there is value in having people around you who differ from you and who question your approach, something that Fast Company co-founder Bill Taylor calls the "[obligation to dissent](#)".

This culture of openness appears to have been lacking at Steinhoff, and might explain, in part, why the company has gone catastrophically off course in recent months says Dr Grant Sieff, CEO of IC Growth Group and convener of [Strategic Thinking and Execution for Growth programme](#) at the UCT Graduate School of Business (GSB).

[A former employee](#) of one of Steinhoff's subsidiaries describes the organisational culture as "an anachronistic 'old boys' club', where the dominant personality of the CEO created a culture of fear and non-questioning". This, along with the fact that its two-tier board structure created accountability holes, appears to be a key factor in [the company's downfall](#).

"By contrast, leaders should gather diverse, contrarian, challenging and competent teams that are empowered to challenge the CEO. This will enable the exploration of new ideas and make sure that the company is resilient and relevant. Having these multiple perspectives is essential and assists in avoiding blind spots," says Sieff.

In a global environment characterised by volatility, uncertainty, complexity and ambiguity (VUCA) against a backdrop of exponential technological innovation, it is increasingly difficult for leaders and their teams to envision solutions to stay relevant, adds Sieff. "To offset this, a strategic framework needs to take into account the external environment, bring together multiple perspectives and enable leaders to make decisions, while ensuring that all stakeholders are engaged and aligned. This is how business model innovation and disruptive innovation is made possible."

Yatin Narsai, co-founder of the soon-to-be launched [Bank Zero](#), an innovative app-driven bank, in South Africa would agree with this. "Innovation is hard work, it needs a business culture where everyone contributes and is free to challenge," she said in a press release on the new bank. "Such passion is in itself innovative; it is our DNA."

Narsai and co-founder Michael Jordaan are both former First National Bank executives and are considered to be pathmakers in South Africa's financial services industry. They say that the new bank is a response to the reality of living in a hyper-connected world and seeks to give customers more control and greater transparency and cost efficiency – without losing the robust banking value proposition.

Sieff says that this attitude towards teamwork is key to business innovation, and it is what is setting many leadership teams apart, creating an environment for business model innovation. He adds that equipping tomorrow's leaders with the skills and understanding they need to create the conditions for innovative teams to thrive is a core focus of the course on strategic thinking and growth that he teaches at the GSB.

According to Kumeshnee West, Director of Executive Education at the GSB, coordinating with others has been identified as one of the top 10 skills needed to thrive in the Fourth Industrial Revolution by the World Economic Forum in its latest Future of Jobs report.

"As the nature of work changes, business leaders and educators need to be proactive in up-skilling and retraining so as to future proof their careers and lay the groundwork for success," she says.

"Radical innovation becomes possible when you create the conditions to harness the power of idea generation and [amplify the engagement](#) of staff and customers," says Sieff. "Organisations that want to succeed in a VUCA world need to establish

a framework that allows them to look at the current conditions, see what's not working, what could be done better, consider future options, and finally to take actions to provide better solutions.

"In their lifespan, all organisations will be challenged to change and leaders must be ready and willing to engage. Those who think and act strategically, but create a framework that takes others with them, are far more likely to succeed in the long term."

For more information on the [Strategic Thinking and Execution for Growth programme](#) at the UCT Graduate School of Business (GSB) running in August (Cape Town) and October (Johannesburg) call 0860 UCT GSB or email execed@gsb.uct.ac.za.

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