



# How to Create an Innovation By All Culture

The key practices needed to transform your people into a team of innovation superheroes





## Executive Summary

# Business leaders today face an innovation imperative.

Innovation By All, the concept introduced by Great Place to Work in the first paper in this research series, explains how business leaders must involve all of their people—and their talent—in the innovation process if they hope to compete in an ever-evolving marketplace and to truly succeed. By analyzing the work experience of 625,000 employees at more than 800 organizations across a wide variety of industries, we've discovered the two critical factors that enable companies to create an Innovation By All culture. The first is creating a Great Place to Work For All. The second, related, factor is what we call “For All” leadership. In this paper, we outline those concepts and spell out the key practices that allow any organization to transform its people into a team of innovation superheroes.

**The Great Place to Work® Innovation Insights Series will help you succeed by:**

- Outlining the Innovation By All model—giving you a data-driven approach to improved invention and agility
- Helping you assess your Innovation capabilities and discover hidden barriers
- Giving you actionable insights to level up your organization's innovation and agility

## If you want to know how to cultivate a team of innovation superheroes in your organization, look no further than Genentech's phone booth.

**Genentech**, the biotech giant, placed an old-fashioned phone booth in a lounge area in its South San Francisco headquarters last year. It looks just like the kind of phone booth that Clark Kent would dash into in order to transform into Superman. Only Genentech's booth doesn't have a working phone in it. It's a space for employees to make calls on their mobile phones in privacy.

But it's more than that.

The phone booth reflects the way Genentech taps the wisdom, ingenuity and passion of all its people. For one thing, the tiny room is a whimsical exercise in crowd-sourcing. Genentech's facilities department placed the phone booth in a third-floor open space as an experiment, and asked fellow employees to give feedback on its effectiveness by writing comments on a nearby white board. Indeed, someone noted that the door handle was located in an awkward place.

Less visible to the casual observer is the wider context for this attempt to improve the employee experience. Genentech views incremental advances in all areas of its operations as serving a single goal: saving patient lives. This mantra extends from research scientists crafting new anti-cancer proteins to technicians increasing medicine production levels to janitors more



efficiently cleaning the sprawling headquarters. Every penny saved means a penny more to be invested for patients.

The same goes for the phone booth. The goal is to give employees a bit more peace of mind when handling personal matters, so that they can bring the very best of themselves to their work and their teams.

In a small but real way, then, that phone booth aims to transform Genentech's people into innovation superheroes.



## Building an Innovation By All Culture

Genentech is building what we at Great Place to Work call an “Innovation By All” culture. Innovation By All refers to maximizing a company’s human potential by cultivating and harvesting the intelligence, skills, and passion of everyone in the organization. In an Innovation By All culture, everybody creates, everybody is connected and everybody contributes.

These cultures are the future. They are increasingly necessary given a business climate characterized by constant disruption, with ever-faster technological change, increasing social demands and an ever-more diverse workforce. Companies that build an Innovation By All culture generate more high-quality ideas, realize greater speed in implementation, and achieve greater agility—resulting in 5.5 times the revenue growth of peers with a less inclusive approach to innovation.

In the first paper of this Innovation Insights Series, we defined Innovation By All, documented its benefits and introduced our Innovation Velocity Ratio (IVR) gauge of creative capacity. Our second paper highlighted the hidden barriers that prevent inclusive innovation in organizations. And our third paper showed how Innovation By All can happen everywhere, by profiling companies in a variety of industries that invite everyone to invent new products and processes.

But how do you cultivate Innovation By All in your organization? How do you bring out the best in everyone, so your employees transform into a

team of superheroes enabling your organization to achieve better business results and make progress towards your highest purpose?

Our research into more than 800 organizations and some 625,000 employee surveys reveal two fundamental, related keys. In the first place, Innovation By All requires a “For All” culture—a diverse workplace environment in which all employees feel safe and inspired to offer their unique contributions. And to create a For All culture, organizations need what we call “For All Leaders”—leaders characterized by traits including humility, a focus on purpose and the ability to foster connections between people. With the right inclusive, For All environment, fostered by the right For All leaders, companies like Genentech are developing Innovation By All cultures. And in this way, they are preparing themselves for success now and into the future.

“We know that approaching any problem from a single point of view is setting a course for failure - particularly in science,” says Cynthia Burks, Senior Vice President of Human Resources for Genentech. “By encouraging diversity of background, thought and experience, we are far more likely to uncover new insights and unique approaches to address today’s medical challenges.” Read on for details on how to establish Innovation By All in your organization, enabling you to **transform your people into a team of innovation superheroes.**



## Underdeveloped Innovation

Innovation is on every CEO's mind these days. Virtually all organizations are scrambling to put innovation strategies and tactics into place as they search for ways to improve revenue and profitability. And managers are being charged to drum up more creativity in their teams. No wonder. Technology is advancing today at a breakneck pace, with developments like artificial intelligence and blockchain disrupting industry after industry. Business leaders face increased expectations to weigh in on social and political issues, which can arise with the speed of a single tweet. And the workforce is increasingly diverse, representing new challenges and opportunities for business leaders. In this volatile, uncertain climate, virtually every organization must increase its agility and inventiveness if it is going to survive and thrive.

But the results of innovation initiatives usually are disappointing. Just 6 percent of executives are satisfied with their innovation performance. What's the disconnect? Our research suggests that most organizations have what might be called an underdeveloped approach to innovation. For starters, they are missing a key piece of the puzzle—the people piece. They fail to recognize the power of all their people to advance the organization through new ideas both big and small.

Instead, many leaders of organizations hold onto a belief that innovation is driven by lone geniuses and must come in the form of blockbuster, “unicorn” products. In addition, many leaders have a mechanistic view of innovation, where processes and technology tools are prioritized above all else—including human development and interpersonal relationships.

These are outdated conceptions of invention and agility.

Happily, more and more organizations are beginning to recognize the importance of “psychological safety,” the value of individual and team learning, and the power of employees' connections. Still, many leaders aren't sure how to get all their people involved in innovation. They may set up a hackathon or two and expect brilliant ideas to materialize.

It's not that easy.

But neither is it impossible. What are the right steps? How do you transform underdeveloped innovation into Innovation By All?



## What 625,000 Employees Told Us

To find out an answer, we studied survey responses from more than 625,000 employees in more than 800 organizations reflecting a wide variety of company sizes and industries. We examined companies that had higher Innovation Velocity Ratios than peers of similar make-up. We interviewed leaders from different industries, including hospitality, healthcare, and technology. We studied hundreds of Culture Audit submissions from best workplaces about the practices they use to drive innovation in their workplaces.

The solution we discovered is not a typical innovation strategy. It is not a blueprint for an innovation engine or edifice. Those conceptions of innovation tend to minimize the role of people.

Innovation By All is fundamentally about that people piece. And once you recognize that no great innovation has happened without people, and that the most innovative organizations today are involving all their people, you see the problem differently.

You see that an effective innovation strategy is less about building a machine or structure as it is about cultivating a flourishing garden of productivity, collaboration and creativity. It is about setting the conditions in your organization for your people and their ideas to cross-pollinate, and for their superhero powers to blossom.

For that to happen, you need a For All culture, fostered by For All Leaders.

## Four Ways Leading Organizations See Innovation Differently

### **Innovation is about the connections among people.**

It isn't about lone geniuses. It's about the space between employees—is it warm and crackling with energy, or cold and lifeless?

### **Innovation is a volume game.**

It isn't about home runs and unicorns. It is about getting lots of ideas from lots of people. This means maximizing everyone's potential and inviting everyone into the game through diverse approaches.

### **Innovation is an organic, human activity.**

It isn't an engine. Experimental practices that may be a bit messy are more important than routine processes. And psychological safety is a must for people to bring their unique talents forward.

### **Innovation is particular and personal.**

It isn't generic. It's specific to particular industries, to particular companies, to particular teams and people. The more innovation is personalized—say by helping employees see how their distinctive idea contributes to a worthy goal—the better.



## A For All Culture for Innovation By All

Our research into leading organizations such as computer chip-maker Nvidia, financial services provider Quicken Loans, grocery chain Wegmans Food Markets and hospital system Texas Health Resources showed that an inclusive approach to innovation is central to their success. And for everyone to feel truly included and inspired to bring their ideas forward, the organization has to be a Great Place to Work For All. Or, in short-hand, a “For All” culture.

A For All culture is the accumulation of day-to-day experiences that help people feel they belong, that their unique talents matter, and that their individual needs are cared for by their colleagues and leaders. For All, then, is more than a set of programs. But there are six practices we discovered at leading companies that are central to cultivating Innovation By All.

1. Give all types of space.
2. Nurture diverse connections.
3. Create energy by thanking all.
4. Invest in everyone’s growth.
5. Make it easy for all.
6. Inspire all with purpose.

## PRACTICE 1

# Give all types of space.



By “space” we’re not talking just about physical space. The leading companies create mental, emotional and temporal space as well for employees to get creative, take risks and come up with ideas that advance the organization.

Mental space refers to expanding employees’ minds with new, inspiring concepts and examples. Top innovators seed the atmosphere with outside thinkers and stories of internal innovation.

Consider the “PAM” talks at **CapitalOne**. Akin to TED talks, “People And Money” talks at the financial services company give associates a chance to share insights from customer interactions as well as research findings. The speakers at PAM events are mostly rank-and-file employees rather than execs. Through storytelling, they share personal experiences and data to engage and influence colleagues at all levels to come up new and better products.

Or look at the “Where Did That Come From?” Initiative at financial services giant **American Express**. “Where Did That Come From?” Is a graphic novel-style series highlighting the innovation and teams behind successful products

and services like the Membership Rewards and Personal Savings programs. Each installment features five to seven colorful illustrations that illuminate a step along the road from concept to market, and the challenges teams overcame to make it happen. The series gives employees context for their own work, helping them understand the history of American Express and prompting them to think of their own possible innovative contributions.

By emotional space, we’re referring to the psychological safety that is crucial to taking risks. Many companies talk a good game about it being “Ok to fail.” The test is whether actual failures are seen as learning opportunities and even reason to celebrate rather than shameful episodes swept under the rug, with individuals or teams blamed for lost resources.

At the best workplaces, employees experience a kind of emotional freedom around pursuing new ideas. “Of course you’re going to make a mistake but it’s okay,” says LaRay Lissberger, an employee at **Encompass Home Health & Hospice** who came up with a novel way to integrate the companies that Encompass acquires. Lissberger describes



the Encompass atmosphere this way: “We have solutions way bigger than your problem. There’s nothing wrong here. Let’s just figure out how to move forward so that we can gather all of our pieces back up and get back in the game.”

Spaciousness around time means carving out hours, days and weeks for employees at all levels to reflect, to imagine, to build. This practice runs counter to the hurry-up-and-do-more-with-less philosophy governing many organizations today. But innovation leaders are willing to slow down so employee ideas can bubble up.

Work management software company **Asana**, for example, has a set of hackathons including “Thankshacking”—a multiday event held around Thanksgiving where employees can work outside their usual teams, learn new skills and dream big. Another Asana innovation-related ritual is “Roadmap Week.” Twice a year, employees at all levels of the company come together to discuss strategy. One former Asana employee described the company’s culture of taking pauses for the purpose of innovation: “We can break away from the execution of day-to-day and think at things a little more high-level and think of new ideas.”

She’s talking about the freedom to fly high. Innovation leaders make room for all their people to bring their creative best. To turn into those inventive superheroes whose ideas save the day and help results soar.

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**"Leading companies create physical, mental, emotional and temporal space for employees to get creative, take risks and come up with ideas that advance the organization."**



## PRACTICE 2

# Nurture diverse connections.



The second key practice for creating an Innovation By All culture is fostering connections across teams, roles, job levels, backgrounds and perspectives. This isn't cheap talk about breaking down silos. The leading organizations actively build bridges, bringing people together who otherwise might never talk to each other let alone collaborate.

A good example of this is **Ultimate** Software's "Lightstarters" initiative. The maker of human capital management software creates inter-departmental teams that generate new ideas and solutions to problems. The collaboration is encouraged by physical proximity—Ultimate rearranges office seating based on ongoing efforts. And the "Lightstarters" don't just start projects. Once final ideas are implemented in the business, employees follow-up to ensure the solutions are having the intended effect.

Or consider what law firm **Orrick, Herrington and Suttcliffe** has done to bring the voices of the next generation into strategic planning conversations. Orrick created a commission made up of 20 junior partners--typically with one to two years of experience as a partner--from offices around the firm. Their mission was to advise on the firm's five-year strategic plan. Commission members met with major clients, academics from Harvard

and other institutions and Orrick's bankers to understand the economic market for law firms. After seeking out and synthesizing the views of many outside perspectives, the group reported their recommendations on the future direction of the firm to Orrick's Board during its annual Partners Meeting last year.

Nurturing diverse connections in an organization begins with hiring. Leading organizations open the door wider to people whose experiences and perspectives make the company and its teams more diverse. Our research also discovered certain traits in candidates that support an Innovation By All culture. These include an openness to

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**"Leading organizations actively build bridges, bringing people together who otherwise might never talk to each other let alone collaborate."**



new experiences, cognitive flexibility, being comfortable as a “node” in a network, empathy and being comfortable in conflict, risk and failure.

Leading innovators know it’s not enough to bring great talent together. They need to provide some method for people to navigate the organization and find the connections they need. At the leading companies, employees know their “lanes,” and the processes for veering into other parts of the organization to pitch ideas or collaborate. **Asana**, for instance, has an “Areas of Responsibility” system that distributes decision-making authority, with the aim of faster and better execution. The flat approach to making decisions is taken seriously by executives and employees alike. That helps explain how one employee felt confident enough to propose a new approach to customer support within her first few weeks on the job. “I was responsible for the area of scaled customer success. I really took that to heart and leaned into the responsibility,” the employee told us. “I acted on that sense of empowerment and did something about it.”



## PRACTICE 3

# Create energy by thanking all.



Most companies reward contest winners and celebrate their successes. But the leading innovators go further. They make sure to thank everyone for proposing a new product, for participating in an ideation session, for providing feedback along the way. A culture of recognizing everyone for their efforts, not just the outcomes, doesn't dilute the idea that is carried forward. Instead, it acts as a fertilizer. It energizes individuals and the entire organization, and encourages people to keep contributing. The enthusiasm around trying to make things better becomes infectious and fun—which is itself a catalyst for creativity.

There are limitless options for recognizing and rewarding those involved in innovation. These range from a small sum of cash for contributing an idea to team-level appreciation rituals to companywide celebrations. One of the best ways to thank people for participating in innovation activities is to pair the effort with constructive coaching from peers and leaders, making it a growth opportunity.

Among the companies showing how to be generous and universal in appreciating employees is professional services firm **Deloitte**. Deloitte

sponsors an annual “Audit Innovation Challenge” with the goal of improving the process for conducting financial audits for clients. Finalists in the contest meet with company leaders to pitch their ideas, and the winning team's idea is put into practice. But all participants who submit ideas are rewarded, whether or not their idea makes it to the next round of judging.

Even when highlighting winning ideas, leading companies send messages that it is about the process in addition to the final product. Consider hotel giant Hyatt's “CEO Award for Innovation.” This award is given to a group of employees who create an innovative solution to a guest need. But **Hyatt** considers both the innovation itself as well as whether it reflects the “test and learn” approach that is valued as a part of the innovation process at Hyatt. A recent winner was a hotel in Singapore that developed and created a “chatbot” to quickly respond to guest needs. The team won because the idea responded to guest needs, but also because they sought funding through grants, went through a complex test-and-learn process, and partnered with a third party to develop the tool.



## PRACTICE 4

# Invest in everyone's growth.



It's not about the “high-pos.” It's about “all-pos.” Lavishing resources on just a few employees who show signs of having high potential effectively ignores the potential of everyone else in the organization, and often has unintended consequences—like infighting, frustration and favoritism. Instead, the leading companies see the importance of maximizing all their human potential, and consciously work to help all employees develop.

Investing in everyone's growth doesn't have to break the bank. Some of the best ways to do this are nearly free. They include practices mentioned above, such as giving the entire staff space to come up new ideas, and giving thanks and feedback to all participants—whether or not their proposal is selected for implementation. Another low-cost practice to enable everyone to develop is to help people “grow in place.” That is, recognize the interests and talents of individuals and continually give them stretch assignments within the domain they are passionate about.

Consider how **Kimpton Hotels and Restaurants** has treated employee Lauren Bucherie. Bucherie was an Austin music producer who was hired at one of Kimpton's Austin properties, Hotel Van Zandt, to build out a more intentional music experience for the guests. This included particular soundtracks for spaces like the lobby. The approach had such success—boosting

sales in the bar, for example—that after one year, Kimpton elevated her to Director of Music + Brand Activations, to roll out a strategic approach to music companywide. So far, she has created 140 different playlists for various Kimpton properties. When Bucherie was hired, she was told: “You have potential here to make this your career. And your ideas are going to be heard.” In effect, Kimpton has given Bucherie a bigger box in which to grow – and her innovation superpowers have blossomed as a result.

Another good example is the way **Wegmans** Food Markets fosters development across the board. The Rochester, New York-based grocery chain does extensive cross training of its front-line staffers. This practice expands skillsets even as it prepares the store for unexpected employee absences. In addition, Wegmans leaders constantly ask for new ideas from colleagues who interact with customers directly. This climate of curiosity and respect for employees at all levels helped prompt meal coach Jody Wood to suggest that Wegmans sell “cauliflower rice” several years ago—a move that boosted sales and kept the company on the cutting edge of healthy foods. Overall, minds are flourishing at Wegmans: Roughly 9 in 10 employees say they are offered growth opportunities, and 88% say leaders “listen to my ideas and suggestions to improve our work and the company.”



## PRACTICE 5

# Make it easy for all.



Coming up with great ideas, breakthrough products and improved processes is hard enough already. Make it easy for your people to generate ideas and lots of them – volume is more important than unicorns. Leading organizations know they need to leave no stone unturned and that it's not enough to put out a suggestion box or set up an email inbox for new product concepts. They go further, by doing such things as providing guidance for fleshing out a new concept and adopting systems that allow peers to comment on and get behind promising proposals.

A great example of an organization making it easy for everyone to innovate is Adobe, the maker of Acrobat and other software tools. A year ago, the company launched the “Adobe Idea Lab.” This is a community forum that provides a space for all employees—technical and non-technical—to share and further develop their ideas by collaborating and collecting feedback. At its inception, 12,000 existing ideas from Adobe engineers were imported from the company's patent database. Since the launch, employees have submitted over 800 additional ideas, logged in 10,000 times, conducted 30,000 searches, and “liked” ideas more than 1,500 times. Many of the ideas

submitted to the Idea Lab have been or will be incorporated into existing Adobe products.

If Adobe makes it easy for employees to try out a new idea, **Texas Health Resources** stands out for making it easy for everyone to get involved in the innovation process. In fact, the health system puts an “easy button” icon on all computer desktops for people to give immediate feedback on any new change or process.

Or consider how Quicken Loans simplifies idea sharing—with a sense of humor. The mortgage provider has a section on its intranet called the “Cheese Factory” that invites team members to help the company “build a better mousetrap.” Suggestions for improvements take the form of nuggets of cheddar, and all employees are encouraged to vote and comment on the proposals. In a recent one-year period, nearly 8,100 suggestions were made. Of them, 930, or 12 percent, were implemented. What's more, the five best ideas are recognized in a company-wide email each month, and employees get cash rewards ranging from \$100 to \$250.

## PRACTICE 6

# Inspire all with purpose.



This final practice is about helping everyone in the organization feel part of an organization’s “incredible.” We mean that literally. Our research shows that when employees use the term “incredible” to describe their workplace—in phrases such as “incredibly hardworking environment” or “incredible company journey”—they are 81% more likely to experience a lot of meaningful innovation opportunities. At most organizations, inspiration and purpose tend to drop as you move down management layers toward the front line. Leading organizations find ways to fire up everyone from those in the C-Suite to those toiling in the basement boiler room.

Look at **Genentech**. In fact, when you look around their campus you see inspiration at every turn. This comes in the form of banners nearly 30 feet high and 15 feet wide featuring patients who have benefited from Genentech’s medicines. The giant images are there to spur on not only the company’s scientists and technicians, but employees of all levels and job roles. “I’ve worked at Genentech for nearly 30 years and seeing a patient’s photo when I walk into work never gets old,” says Sean Johnston,

senior vice president and general counsel. “It’s a clear reminder of why we come to work and what motivates us to make a difference every day.”

Or consider software firm **Salesforce**. On the face of it, you’d think it would be harder to get employees at a maker of business applications to feel jazzed on the job compared to people working at a firm making life-savings medicines. But Salesforce employees experience some of the highest levels of purpose at work worldwide. And this helps explain why Salesforce is routinely ranked as among the world’s most innovative companies. CEO Marc Benioff has defined the company mission to be about more than software or even profits. “The business of business isn’t business,” he says. “The business of business is improving the state of the world.” Salesforce backs up those words by encouraging all employees to volunteer to help their communities—with paid time off. It’s part of the company’s 1-1-1 philosophy of donating one percent of equity, product, and employee time to good causes.



These six practices are essential to creating a Great Place to Work For All, and by extension an Innovation By All culture that races ahead. But there's a final, vital piece. Consider the practices above as the conditions that allow a garden to flourish—the sunlight, warm temperatures, water and fertilizer. But you still need a gardener. The person who provides the right amount of water, prunes the weeds, applies the fertilizer. Who ensures the six practices take place, in ways that are effective and inclusive. This is where leaders come in. And it takes a particular kind of leader to cultivate both For All and Innovation By All.

## For All Leaders for Innovation By All

We call that type of leader a For All Leader.

We uncovered this leadership approach by studying 10,000 managers and 75,000 employees. In the research, we found For All Leaders fueled better performance by creating the day-to-day experiences that lets virtually everyone on their team thrive, no matter who they are or what they do. We discovered that these leaders are adept at fostering genuine human connections, developing their teams on a continual basis, solving multi-dimensional problems, and enabling every employee to bring their unique selves to work.

What do these leaders do differently than most to fuel Innovation By All? Here are a few key differences.

**Get out the way** - To start, they consistently act with humility. The spotlight and credit aren't things they seek. They don't claim to have all the ideas or all the answers. That type of egolessness is accompanied by comfort in the vulnerability of uncertainty and failure. As one leader told us, "It's okay to fail. That's how ideas mature. Not every idea is gonna hit it out of the park but if we have this constant culture of innovation many ideas will."

**Ask lots of questions** - While they don't pretend to have all the answers, they never rest in asking questions - lots of them and to lots of different people. It's a habit that strengthens their empathy and understanding for the people involved in their decisions, be it customers, their team or other

parts of their business. It's fundamental in allowing them to hold and hear multiple viewpoints, without getting tied to just one. One leader put it this way: "You can't ever assume you know the answer. With every interaction, you've got to get in the other person's heads/shoes/experience and strive to understand it before taking action to solve."

**Build connections** - They see part of their role as building networks, within and across their team. If Innovation By All is like a flock of birds, as we described in our first Innovation Insights Series paper, then For All leaders act like air traffic controllers. They keep their radar up for opportunities where their team can go to grow or implement their ideas while identifying places to bring people together that could spark solutions to shared problems.

**Create space** - Through high-trust connections with their teams, these leaders are adept at building the emotional space for innovation, specifically by acknowledging risk and failure while valuing effort. They also give their teams the room to disagree and engage in constructive conflict, so they come out with better ideas and understanding. If there are barriers or obstacles, they take action to knock them down. One executive gave space to his team by literally leaving the room when it was time to make a decision - even though he felt strongly about the issue.



# Conclusion: Innovation By All Should Be Fun

With the Six Practices of a For All culture and For All Leadership, your organization is poised to flourish. Innovation By All will take root, to great effect.

A final reminder, though. Remember that Innovation is ultimately about creativity, and fundamental to creativity is fun.

Yes, the leading innovators are serious organizations that produce cold hard cash. But they tend to blend an intense focus on results with a light-hearted approach to work.

And playfulness is a wonderful way to bring out the innovation superheroes in your people.

At Ultimate Software, they break out actual superhero costumes. The winners of an employee process-improvement challenge are given green capes by executive leaders and dubbed UltiVate Superheroes.

The same spirit of playfulness can be seen in Genentech's phone booth. The company could have gone with the standard small, private room for enabling personal calls. Instead, they opted to make a replica of phone booth from several decades ago, replete with a decoration of an old-school telephone receiver.

The kind of phone booth Superman would have felt comfortable in. The kind of place that helps an everyday employee turn into an innovation superhero.

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## Three Steps to Your Innovation Velocity Ratio and Stage

Great Place to Work research shows the Innovation Velocity Ratio (IVR) is a simple-but-telling metric of an organization's agility and invention. Organizations with the highest IVRs enjoy higher levels of discretionary effort, less risk of turnover, greater adaptability and faster revenue growth.

So what is the Innovation Velocity Ratio, and how do you calculate yours?

Put simply, it is a figure representing the number of employees who feel willing and able to innovate in relationship to the number of employees who do not feel able to innovate.

Here's how to calculate your IVR, using Great Place to Work's Trust Index Survey and Emprising survey platform:

1. Find how many employees say they have "A Lot" of meaningful innovation opportunities.
2. Find how many employees say they have "Just a Few" and how many employees say they have "None." Add these two numbers together.
3. Divide the number of employees who say they have "A Lot" of meaningful opportunities by the number of employees who say they have "Just a Few" or "None."

## The Stages of Innovation by All

We have found that companies fall into three broad categories with respect to their Innovation Velocity Ratios. We call these the Stages of Innovation By All. Here are the IVRs for each stage:

**Accelerated IVR: 5.5**



This equates to 11 employees pulling the organization forward for every 2 that are a drag on the organization with respect to innovation.

**Functional IVR: 2.5**



This equates to 5 employees pulling the organization forward for every 2 that are a drag on the organization with respect to innovation.

**Friction IVR: 1.5**



This equates to 3 employees pulling the organization forward for every 2 that are a drag on the organization with respect to innovation.

## How to Improve Your IVR

Read our Innovation Insights Series of research papers for advice on accelerating your innovation efforts. [You can download the papers on our website here.](#)



Don't miss the next installment in the Innovation By All research series. For more information, and to subscribe to receive the next report visit

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### About Us

For 30 years, Great Place to Work® has worked with leading companies from around the world to identify and build high-trust, high-performance workplace cultures. Our research has proven that building Great Workplaces For All isn't just the right thing to do, it's better for people, better for business, and better for the world.

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