



Innovation Everywhere

How business leaders in the hospitality, healthcare, and technology industries are achieving innovation powered by all of their people.





The Innovation Velocity Ratio

In the first Innovation Insights paper, we unveiled the Innovation Velocity Ratio (IVR), our calculation that helps companies better understand the abilities and success their employees have in participating in innovation. Throughout this paper, we refer to the IVR as we dissect each of the three industries and compare the success of Great Place to Work-Certified companies against the IVRs of average companies. To find out how you can calculate your own company's IVR, see the last page of this report, which also has information to help you begin the process of evaluating employee engagement, as well as how to become certified as a Great Place to Work.

For more information on the series, visit
greatplacetowork.com/innovationinsights

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 thousands of employees at more than 800 companies, we've identified some of the best performers in three industries that continue to experience radical change—and are facing daily disruption. In this report, we take a closer look at nine companies within the fields of healthcare, hospitality, and technology to show how Innovation By All can be achieved by companies of any stripe.

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

Going the Extra Mile

If you want to drive a culture where all employees innovate, you may have to drive all night. Just ask April Anthony, CEO of Encompass Home Health and Hospice.

Anthony and two of her top lieutenants visit 130 of the company's more than 280 sites each year, sharing the Encompass vision, building relationships with the organizations' roughly 11,000 employees and encouraging those staffers to generate new ideas.

Last year, Anthony's scheduled trip to La Grande, Oregon looked iffy. The connecting flight from Seattle was canceled. It would have been easy for Anthony and her team to skip the meeting—only about 20 employees were expecting them in the remote city in eastern Oregon. But the CEO takes her commitment to connect face-to-face seriously.

"All of those 20 people were expecting me to be there the next morning, so at eleven p.m. Seattle time I got in the car and the three of us drove to La Grande, which was five hours from Seattle," Anthony recalls. "We got there at four in the morning. We slept for a couple hours. We went to work."

That work made the rough night worth it. Because during their meeting, Anthony noticed that one of the company's physical therapists seemed much happier than during her previous visit. She spoke to him after the formal presentation and learned that he'd completely reversed his view of the company's technology for capturing electronic medical records. The physical therapist, Tom, was an older man who'd grown up in an era before the ubiquitous presence of smart phones and tablet computers, and he initially chafed at a company policy to document patient visits on a digital device before leaving their homes.

But during a training at the Encompass headquarters in early 2017, Tom began to see the benefit of using the system. And by consciously working to build a new habit, he gradually got to the point where he completed all his paperwork through the software system while still in the home. Anthony later checked the data and discovered that Tom was working 6.7 hours a week less than before, yet spending an additional 3.5 hours a week with patients. What's more, Tom was doing a better job than many of Encompass' employees at finishing the data entry in the home.



In effect, the overnight drive to remote Oregon to see Tom and his colleagues prompted Anthony to discover an inspiring example and to spread its lesson across the company. A few weeks afterwards at a gathering of 500 Encompass leaders, she turned Tom's story into a catalyst to save employees time even as they improved the quality of care—by entering patient data when it is top of mind.

“That conversation prompted a whole session on how specifically to create this culture of accountability around in-home documentation and how that can affect our 8000 clinicians not only with their attitudes and their experiences but with the quality of care and clinical documentation that they're creating,” Anthony says. “If I hadn't made the effort to get there I wouldn't have heard Tom's story. Tom's story wouldn't have inspired the other 500 leaders of our team.”

Innovation in Every Industry

This story holds several key lessons. Among them is that leadership willing to sacrifice for meaningful relationships creates a fertile environment for innovation. Another is that those on the frontlines can show the way to some of the best product and service improvements. Yet another takeaway is that an innovation imperative affects all industries—including healthcare and its home care niche.

We sometimes treat innovation as a phenomenon exclusive to the technology world. But in our ever-more connected, digital business world, organizations in all arenas needs greater agility and inventiveness.

Hospitality, for example, is continually being disrupted by AirBnb and must balance new, tech-enabled services with the human touch. Healthcare organizations are facing pressure from the public and lawmakers to improve outcomes and cut costs. They also are wrestling with upstarts like OneMedical as well as the emergence of clinics in retail powerhouses like Walgreens and Target. Companies in technology, for their part, confront external, public concerns about data privacy and security. They also must work to create environments in which women and underrepresented minorities feel welcome and able to bring their best every day.

Across the board, what we call “Innovation By All” is the way forward. The first paper in our Innovation Insights Series showed that the debate about innovation has missed the people piece. We found that the organizations that best enable all their people to create, get connected and contribute enjoy much higher revenue growth, productivity and adaptability. Our second paper identified the five hidden barriers that get in the way of effective, inclusive innovation.

This paper illustrates how leaders from a variety of industries are tackling the innovation challenge with a people-first strategy. Although Innovation By All is the overall solution, there are nuances particular to every industry. We highlight the challenges and features specific to hospitality, healthcare and technology. And we show how leaders in these three fields are applying Innovation By All — to great effect.

INDUSTRY 1

Healthcare

The Innovation Velocity Ratio (IVR) at Great Place to Work-Certified companies in the healthcare industry is 3:2, which is 4.5x greater than the industry average.

The health care industry is at once defined by innovation and by a reputation for being slow to improve.

Even as advances continue in fields like robotic surgery, genetic medicine, and artificial organs, politicians and consumers complain about rising healthcare costs, confusing bureaucracy and a patient experience that feels stuck in the 20th century. Hospital systems and other industry players also must contend with an ever-shifting regulatory landscape as well as disruptive forces. These include OneMedical, with its promise of much better customer service, and the rise of such convenient services as MinuteClinics from CVS Health.

Part of the problem is that business models haven't caught up with the times. In an industry still dominated by a fee-for-service framework, healthcare providers struggle to move to consumer-friendly services like FaceTiming or texting to address patient concerns.

At the same time, healthcare organizations have unique constraints when it comes to innovating. The stakes are higher for heart surgery procedures than for smart phone apps. "You don't want us to 'fail fast' when it's you, the patient, that we're innovating and experimenting on," notes Winjie Miao, executive vice president and chief experience officer at health system Texas Health Resources.

The best healthcare companies are striking the balance between creativity and caution by including all their people in the conversation. Here's how leading organizations are meeting industry challenges through Innovation By All.



HQ: Arlington, Texas
U.S. Employees: 24,000
No. 9 on *Fortune's* 100 Best
Companies to Work For

The system for scheduling nurses at Texas Health Resources was not healthy.

It seemed like the 24,000-employee health system serving Dallas and much of north Texas was assigning the right numbers of nurses based on industry benchmarks. But time and again, nurse supervisors found themselves short staffed. That resulted not just in stress and frustration but higher expenses in the form of overtime pay and costly temporary nurses from staffing agencies.

Enter the team led by Winjie Miao, whose role includes creating a great experience for both customers and employees. Their diagnosis? Texas Health Resources wasn't paying close enough attention to its particular needs, based on the organization's unique trends in patient levels and nurse availability.

Miao and her staff realized they needed a software application that could crunch the data from their facilities to optimize scheduling. "Sure enough, a tool didn't exist," Miao says. "So we started on a journey to create a solution for our teams."



WINJIE MIAO

In a pilot study, nurse managers tested a new online scheduling system developed in partnership with a software vendor. The results are promising. Texas Health Resources has been able to reduce costs by cutting overtime wages and contract labor expenses, even as core staffing levels were increased.

"We're really excited about it," Miao says. "And we have an opportunity to share that with other health systems who may also have a similar desire."

A willingness to venture beyond the boundaries of healthcare is part of what makes Texas Health Resources an innovation leader. But there's more.

Another way Texas Health Resources innovates is in the way it standardizes. That is, the organization has created a series of data-driven, best-practice care guidelines. The "Reliable Care Blueprinting" process has led to dozens of standardized procedures in areas such as treating sepsis, screening for emerging diseases and preventing patient falls.

Crucial to these care enhancements has been tapping the insights and wisdom of diverse employees—including doctors and nurses as well as staffers from both rural and urban care settings. During the two months that these interdisciplinary teams work on the new blueprint, power and status are checked at the door, says Stephen Allen, director of system transformation at Texas Health Resources.

"You essentially take your badge off," Allen explains. "It's the thought that counts. The manager or the physician is not always the one that has the best solution."

Camille Torralba, a nursing supervisor at Texas Health Resources, has participated in these design teams. She says the egalitarian approach to innovation is made possible with the help of a communication tool used throughout the north Texas health system. It's called "Question and



CAMILLE TORRALBA

STEPHEN ALLEN

Resolve," and it gives all employees permission to ask clarifying questions of any colleague until the two parties come to an understanding. "If something's not jiving with you, you can just keep questioning until you see what they're seeing or they see what you're saying," Torralba says. "It really helps."

People are often surprised when Miao shares stories about how Texas Health Resources has boosted financial and clinical outcomes by inviting in the thinking and passion of its staff. The assumption is that needle-moving advances come mostly from external consultants.

Miao herself remains impressed by what an Innovation By All culture has produced at Texas Health Resources: "It never ceases to amaze me, the creativity, the passion, the knowledge, and the expertise that our care team has to solve problems."



HQ: Dallas

U.S. Employees: 10,705

No. 54 on *Fortune's* 100 Best Companies to Work For

April Anthony has no illusions about her personal powers of innovation.

As the story of her overnight drive to La Grande, Oregon suggests, the CEO of Encompass Home Health & Hospice believes staffers at all levels of her organization are key to improvements.

“We have 10,000 employees. I certainly couldn’t do every person’s job. Our executive team is in the same boat. If we think we’re going to come up with all the best ideas we’re probably fooling

ourselves,” Anthony says. “We’re not in the weeds enough anymore to be able to really understand at that base level what are we doing? Why does it work? Why does it not? And so we have to rely on our people.”

LaRay Lissberger is one of those people.

Lissberger is director of integration at Encompass, meaning she is in charge of smooth acquisition processes for the many home health care agencies Encompass brings into its fold every year. Encompass has acquired 26 agencies over the past three years.

Lissberger proposed a better way of integrating organizations and employees a few years ago. Instead of just one point person at Encompass communicating with all the departments and staffers of the acquired agency, Lissberger arranged for members of key Encompass units



to connect directly with their counterparts at the new organization soon after the deal closed. The move paid off in the form of more efficient transitions to Encompass systems like patient record keeping and billing.

As important to Lissberger, the new approach is much kinder to new employees who are often confused, angry and worried about the sudden change in their life. In fact, she speaks about the integration process as “hugging ‘em” into the Encompass culture.

“Maybe not a literal hug, but certainly sometimes it is,” Lissberger says. The best way to welcome the new folks, she adds, is “by sitting with them, by trying to be as patient as you possibly can to explain a new process, to try to help them understand what their new world looks like.”

The same patience and good will toward the incoming employees is what Lissberger experiences from senior management at Encompass. Leaders’ trust in staffers translates into truly open doors and the power to take action.

“I can go to literally anybody in our company and tap on their door and get a quick answer so that I

can continue on my path,” Lissberger says. “You don’t have to wait for committees and hierarchy to make decisions on your behalf, you’re allowed the reins to go do your job.”

Also key to the Encompass innovation equation is forgiveness, which leads to fast iteration. Here’s how Lissberger describes executives’ attitude toward failure: “Of course you’re going to make a mistake but it’s okay. 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.”

Keeping employees engaged in the game is Anthony’s central goal when it comes to continual improvement. To her, Innovation By All comes from supporting and recognizing employees, creating efficient processes for them and providing a mission—in Encompass’ case, caring for patients as they recover or face their final days—that lifts the spirit.

Says Anthony: “When you build a culture that inspires people to want to be their very best, then they want to help you make the organization its very best.”



INDUSTRY 2

HOSPITALITY

The Innovation Velocity Ratio (IVR) at Great Place to Work-Certified companies in the hospitality industry is 6:2, which is 13.5x greater than the industry average.

Innovation in the hospitality field starts with the guest experience—one that is evolving to be about more than comfy beds and cheaper rates but rather about personalized, memorable experiences.

Meeting the changing expectations of guests is one of several challenges specific to hotels and restaurants. Another is the need to incorporate technology without losing the human touch that remains crucial to high-quality hospitality. Yet another issue is an imperative to treat innovation as an ongoing, iterative process, given how small changes can make a big difference in the kind of experience a hotel provides.

Getting innovation right has never been more important for hospitality companies. What was once a sleepy field has been disrupted by AirBnB and other sharing economy players. At the same time, consolidation is creating a few formidable giants—including InterContinental Hotels Group along with Marriott International, which acquired the Starwood Hotels and Resorts Worldwide portfolio in 2016.

Then there is the pressure on hotel companies to not only offer a five-star stay but enable guests to tailor their visit in new ways. A 2018 report from Deloitte found that “empowering guests to customize their experiences is a growing trend. Luxury guests value customization 33 percent more than guests at other tiers.”

Here’s how leading companies in the hospitality industry are meeting these challenges through Innovation By All.



HQ: Chicago

U.S. Employees: 41,000

No. 32 on *Fortune's* 100 Best

Companies to Work For

Hotel giant Hyatt recognizes that technology advances can be part of the solution to personalized, self-directed hotel experiences. Hyatt's Andaz Singapore hotel, for example, developed a digital concierge system that serves as a guest guide, providing curated tours, recommendations for various local restaurants and interesting activities in the neighborhood. It is a "chatbot" that uses artificial intelligence and works through the hotel's Facebook messenger account.

The invention, built with the help of a local technology company, reflects the way Hyatt has decentralized its approach to the development of new products and services, says Jonathan Feigle, Hyatt's managing director of business innovation. "The company shares a very entrepreneurial mindset," Feigle says. "Hotels are empowered to operate independently within some bounds."



JONATHAN FEIGLE



JASON WHITE

The digital concierge tool at the Andaz Singapore won last year's "CEO Award for Innovation" at Hyatt. That honor is given for novel products and services that not only meet guest needs but demonstrate a "test and learn" approach—a feature central to the design thinking philosophy that Hyatt has introduced across its roughly 850 properties worldwide.

For Hyatt, innovation is never-ending.

“Often we think of innovation as the ‘unicorn ideas,’” Feigle says. “But in reality, innovation is about testing and learning, and at times it can be just about simple incremental change and adapting to a unique need.”

To identify the unique needs and the changes to make, Hyatt involves those on the frontlines. Jason White, the director of rooms at the Grand Hyatt San Francisco, conducts interviews with employees who interface with guests directly.

“We’ll sit down with a bellman and we’ll just get to know him. We’ll get to know his story, we’ll get to know what a day in his life look like, what are things in the hotel that he’s proud of? What does he think that the operation does very well? What does he think that he could employ from other areas in the hotel? What are the things that get in his way? What keeps him from servicing the guest or servicing his other associates?”

White explains.

Conducting the interviews and following up with tangible changes reflects Innovation By All in action.

“The beauty of it is you never know where the conversation’s going to go, but you always get great information. These frontline colleagues have the best ideas and they know, they’ve seen it all the time,” White says. “And once you have that buy-in from them that we’re going to drive innovation through their ideas, then we start to get some real impact.”

Hilton

HQ: McLean, Virginia

Employees: 56,000

No. 1 on Fortune's 100 Best
Companies to Work For

In February 2019, Hilton was named as the top company on *Fortune's* annual list of the 100 Best Companies to Work For, published in partnership with Great Place to Work. The honor was a result of years of creating an Innovation By All culture, led by "For All" People Leaders.

One such leader is John Bernier, an Area Director of Human Resources, who is responsible for identifying ways to improve the Team Member experience by using technology. He has overseen numerous projects, including the innovative Gustaf AI Scheduling system. During a study of staffing issues, it was discovered that managers devoted 20 to 30 percent of their time dealing with administrative tasks. Gustaf was implemented so managers could focus on operations and their teams. As the AI schedule "Manager," Gustaf's duties include accepting sick calls, finding replacement workers, providing weekly schedules digitally, eliminating perceptions of favoritism, and alleviating feelings of guilt over



JOHN BERNIER

calling in sick. As a result, managers recovered 90 percent of their time spent on scheduling. Gustaf works 24 hours/day, giving Team Members more advance notice of overtime work and opportunities. Team Members can respond to open shifts through text message, reducing the time to get shifts filled. Read more about innovation at Hilton by downloading "[Hospitality for All.](#)"

KIMPTON®

HOTELS & RESTAURANTS

HQ: San Francisco
U.S. Employees: 8,170
No. 5 on *Fortune's* 100 Best
Companies to Work For

Guests at the Kimpton Nine Zero in Boston had a chance to get on the dance floor for a good cause in late April.

Pop performer Betty Who played a concert at the hotel April 25—a show that benefited charities including suicide prevention group The Trevor Project.

The concert was part of an initiative at the hotel group designed to make music a more deliberate and integral part of the guest experience.

The three-year-old music push includes playlists designed for each of Kimpton's 68 hotels, with specific song sets designed for spaces like lobbies and for transitions—such as when a restaurant starts to feel more like a bar or nightclub as it gets later in the evening.

More music is leading to more money for Kimpton. Thanks to the curated tunes, people are lingering in the company's bars and restaurants, says Lauren Bucherie, Kimpton's director of music and brand activations.



LAUREN BUCHERIE

“When we programmed the nightlife in our bars and restaurants with intentional playlists that change as the dinner crowd was ending and it was turning into a more bar and nightlife scene, guests were staying longer,” Bucherie says. “It might not have been that they knew every song that was playing, but they loved the vibe. They wanted to stay there.”

Kimpton has a state-of-the-art website and guests can use the mobile phone app from Kimpton's parent company IHG to search for and book rooms. But the company is betting

big on a high touch approach over too much high tech. With a motto of #stayhuman, it launched the Off The Record charity concert series last year. And it has a vision of creating what it calls “ridiculously personal experiences,” says Kathleen Reidenbach, Kimpton’s chief commercial officer.

Kimpton wants its employees to respond to each guest and their individual needs in creative ways—nonstop.

“The opportunities for innovation are happening, minute by minute,” Reidenbach says. “The situations are so different all the time you can’t create an automated process for it. You’re in fact innovating every time.”

The key to that ongoing invention is employees who are authentic, empathetic and autonomous, Reidenbach says.

“You need to make sure that you’re hiring, attracting, and inspiring people to be incredibly empowered and to do the right thing and to lead with their heart,” she says.

Part of how Reidenbach and Kimpton cultivate creativity and a sense of empowerment is through storytelling. Tales of Kimpton employees who have taken ideas forward are front and center. When Bucherie arrived at Kimpton in 2015, for example, she heard about colleagues like Mike Ryan, a bartender from the Hotel Palomar in Chicago who turned his enthusiasm for mixology into a national program for Kimpton.



KATHLEEN REIDENBACH

Such accounts encouraged Bucherie to push the concept of music as an under-developed aspect of the guest experience. She began with building custom playlists for the Hotel Van Zandt, Kimpton’s property in Austin. And when that effort led to customers asking for the playlists and buying more drinks in the bar, Kimpton elevated Bucherie to a national role. So far, she has created 140 different playlists for various Kimpton properties.

Bucherie embodies how Innovation By All brings out the passions of people in ways that are better all around.

“I have always seen music as a motivator—the way it can change the scene in a movie and inspire emotion,” she says. “To find a home with Kimpton, who fully believes in that, was really incredible.”



HQ: Bethesda, Maryland
Employees: 135,000
No. 31 on Fortune's 100 Best
Companies to Work For

In the hospitality business, it's not difficult to have diversity among hourly employees—in the housekeeping departments and at restaurants. The real test is whether everyone, no matter their background, is able to move up in the organization and have their ideas heard.

Diversity & Inclusion initiatives span every level of the entire organization and across all

geographies. Translators are present at hotels' daily housekeeping meetings to make sure that everyone's voice can be heard. The Emerging Leader Program identifies high-performing associates at varying career points and puts them through a year-long development and mentorship program. More than 1,500 associates have gone through or are in ELP; more than half of the participants are women, and more than a third minorities. And more than 90 percent of participants have been promoted or selected for strategic developmental roles after going through the program. To learn more about ways that Marriott applies Innovation By All, read

[**"A New Marriott—For All and By All."**](#)



INDUSTRY 3

TECHNOLOGY

The Innovation Velocity Ratio (IVR) at Great Place to Work-Certified companies in the technology industry is 7:2, which is 9x greater than the industry average.

When someone asks you to think about innovation, you probably think first about the technology industry.

Info tech arguably has produced the most important inventions the world has seen over the past 70 years—from the transistor to the personal computer to the Internet to the mobile revolution to the emerging era of artificial intelligence. Eight of the 10 most innovative companies in the world today are computer, Internet or social media companies, according to advisory firm Boston Consulting Group.

But partly because tech titans like Google, Amazon and Facebook have such power to disrupt the computing world and beyond, other technology companies face increased pressure to innovate more effectively. At the same time, tech firms confront public and regulatory demands for better data protection as they roll out new services and products.

Diversity and inclusion also are challenges to improved innovation in technology. Although a growing mound of evidence shows demographically diverse and welcoming teams produce better outcomes, the male-dominated tech realm has made scant progress on the issue. Another, less-discussed obstacle to successful software inventions is the difficulty of understanding the needs of customers from a wide variety of fields beyond technology.

In decades past, technology companies relied largely on the smarts, drive and vision of leaders like Steve Jobs of Apple, Bill Gates of Microsoft and Andy Grove of Intel. But today, leading tech firms are turning to a new formula—one that taps the power of all their people for increased agility and creativity. Here's how some cutting-edge companies are embracing Innovation By All.

cādence®

HQ: San Jose, California

U.S. Employees: 2,900

No. 73 on Fortune's 100 Best

Companies to Work For

Tech company Cadence tapped Innovation By All as part of its turnaround journey. During the 2008 recession, Cadence's stock tumbled. But for the past decade under CEO Lip-Bu Tan, the maker of software to design computer chips has seen results rebound. A key has been Tan's conviction that all employees have good ideas. Consider, for example, the company's Machine Learning Task Force, which includes employees from R&D, HR, Marketing, IT and various country offices. "We have an executive team that really listens to employees," engineer David White says. "Recently, they put machine learning at the front of our corporate vision and strategy." Fueled by an Innovation By All culture, Cadence has introduced more than 20 new products in the past three years. And the company's stock has more than doubled the performance of the NASDAQ in the past five years. For more about how Cadence has applied Innovation By All, read "[**Cadence and the Culture Cure.**](#)"



LIP-BU TAN



HQ: Weston, Florida
U.S. Employees: 4,500
No. 8 on *Fortune's* 100 Best
Companies to Work For

Empathy energizes innovation at Ultimate Software.

The South Florida-based company makes human capital management software for customers in a wide range of industries, from restaurants to insurance providers to hospitals. To make sure Ultimate's engineers have a deep understanding of clients' needs and challenges, the firm holds weekly calls with some, monthly calls with others as well as a unique kind of annual conference, says Pragma Malhotra, Ultimate's director of products.

Unlike other industry events where software firms invite prospects and look to upsell current clients, Ultimate's "Connections" event is all about getting close to current customers.

"It's been an Ultimate tradition where we don't even invite the sales teams to those customer conferences," Malhotra says. "It's only real customers. We solicit feedback from real customers. We tell them what's coming on the roadmaps, what features we are building."

Those conversations, in turn, get the creative juices flowing.

"When my teams return from Connections they are like a spitball of fire oozing with life," Malhotra says. "That energy is palpable. Being able to see, understand, and hear the customers is incredible."



All the excitement and insights would be for naught if the company did not create an environment where employees felt free to innovate—to channel their passion and “aha”s into new products and services.

Ultimate, though, has cultivated a “safe space” for employees to test out ideas and raise questions, says software engineer Neela Balkaran. “One of the things that I heard when I joined early on that stuck with me was someone told me to just question “why” something,” Balkaran says. “Like, ‘Why do we do this process this way? Why do we make this icon look like this? Why? Why? Why?’”

Soon after Balkaran was hired three years ago, she questioned the way Ultimate got new team members up to speed. She noticed that newcomers to her team lacked background information on the project or software component, and would have to pull aside more-senior engineers for explanations. Balkaran brought the issue up to her direct manager and suggested a better way was possible. The response? Pursue a solution, working with others across departments.

“As soon as the idea was brought up, nobody said no. And so we kind of ran with that,” she recalls.

Balkaran and her peers eventually created a consistent “holistic learning path” that taught new recruits about their team, the product and how the software was being used.



NEELA BALKARAN

“New hires get up and running a lot quicker,” Balkaran says. “They can start contributing to code so they feel more a part of the team faster.”

This onboarding upgrade reflects the way Ultimate balances order and innovation. The company provides clear “lanes” for employees to focus their efforts. At the same time, Ultimate invites people to imagine improvements that cut across lanes—and to connect with peers to invent together.

Hence a software engineer like Balkaran could come up with a new and better system for employee onboarding.

Through empathy, psychological safety and smart coordination, Ultimate is enabling Innovation By All.

“Roles are clearly defined, so if you had to pitch an idea to someone or you thought of something that would benefit another division, there are pretty clear people who you would talk to and who you could work with to try to get that done,” Balkaran says. “There’s a lot of collaboration that goes on between all of the people that work here.”



HQ: San Francisco
U.S. Employees: 500
No. 4 on Best Small & Medium
Workplaces 2018

Work management software firm Asana turns the idea of the hero CEO on its head.

Modesty, more than self-importance, is the watchword for the company's top executives.

Here's how Anna Binder, Asana's head of people operations, describes co-founders Dustin Moskowitz and Justin Rosenstein:

“Our founders have a deep humility around, ‘Hey, we’re not necessarily the smartest people in the room. If we contain the “idea genie” to rooms that have just the two of us, we are going to lose.”

Building off a belief that innovation can come from everybody, Asana has set up structures to harvest good ideas from across the 500-person company. One is a set of hackathons, including



ANNA BINDER

the annual “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. Inviting everyone from senior executives to freshly hired individual contributors to wrestle with critical plans and initiatives is in keeping with a broader system

of power sharing at Asana. The company 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.

How seriously? Consider the story Binder tells about CEO Dustin Moskowitz—who also was one of Facebook’s co-founders. Three years ago at a Roadmap Week meeting, Moskowitz felt strongly about a particular issue. But rather than lay down the law, he left the room—and left the decision in the hands of those who were responsible in that area.

“He said, ‘if you all don’t mind, I would actually just like to express my opinion and then I’d like to leave the room, and empower you to make the decision,’” Binder recalls.

The faith Moskowitz showed in his staff helps explain why Kaite Chambers felt comfortable proposing a new way of supporting customers within her first few weeks on the job. Hired as a customer success manager four years ago, Chambers noticed that premium customers were having trouble finding information on topics such as best practices for using Asana software. She figured a good solution would be an online community for customers, moderated by Asana staffers who could weigh in with direct support even as users helped each other out.

Chambers pitched the idea at a Roadmap Week event. Company leaders backed the plan. Fast forward to today, and the community forum Chambers designed has more than 30,000 members, communicating in multiple languages.



KAITE CHAMBERS

It also has served as the foundation of a larger global community program, enabling Asana to hear customer feedback constantly as well as recognize its user advocates and give them tools to serve as brand ambassadors.

Partly because Moskowitz and other senior executives are willing to step back, Asana has built an Innovation By All culture—one where everyone feels they can step up.

“I was responsible for the area of scaled customer success. I really took that to heart and leaned into the responsibility,” says Chambers, now Asana’s customer experience program lead. “I acted on that sense of empowerment and did something about it.”

Conclusion

The challenges differ by industry. But the companies leading the way as innovators share some key traits. They are tenacious about overcoming obstacles in their field—whether that be a lack of sophisticated nurse scheduling software, the difficulty of blending high touch and high tech for a great hotel guest experience or the hurdle of coders truly understanding the problems of customers in a wide range of fields.

These innovation leaders also tend to provide clear “lanes” for employees to swim in. This helps focus staffers as they develop new ideas and processes.

At the same time, the companies that are best creating Innovation By All cultures let every employee know they have the freedom to speak up, the ability to question the status quo, the power to try something new.

The practices and methods can vary by company and industry. But the mindset is shared.

“You actually have to believe that innovation can come, should come, and you’re better off if it does come, from everyone,” says Asana’s Anna Binder. “It starts with the belief.”

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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
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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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