Lessons from the Valley

Thirty-seven University of Nebraska students and staff were on a tour of discovery — a weeklong deep dive into the world's most recognized entrepreneurial ecosystem. The vast majority of our party had grown up in rural places far removed from the place we now stood. The apparent gap between the two places was daunting. As we climbed the stairs to visit the first of many companies, I remember thinking, "What have I gotten these kids into? Will they be taken seriously here?"



Innovation and creativity

The Silicon Valley is synonymous with innovation — a place with the mythical allure of Camelot. In the Valley, the world is largely perceived through the lens of technology and virtual reality. This is vastly removed from the visceral experience of ranching, where nature, not software, drives decisions. In the natural world, a valley is geologic in nature — a place defined by geography. The Silicon Valley, on the other hand, is a space defined by ideas and technological creativity.

As our team interacted with entrepreneurs, venture capitalists and business thought leaders, it became apparent that there were indeed lessons to be applied to agriculture, that the Valley culture was certainly interested in engaging with bright young minds from the Heartland, and that all of us were undergoing substantial professional growth as a result of integrating the insights gained from the experience into our own enterprises. Apparently even the

gurus in the Valley understand the value to be found at the interface of the virtual and visceral world given that Mark Zuckerberg, founder of Facebook, visited a South Dakota ranch not long ago.

So why do the lessons of Silicon Valley matter to beef producers? Innovation and creativity hold the key to business growth for American agriculture. The great challenge is to break out of the boundaries of commodity thinking that dominate most ranching businesses. It is easy to





get trapped in an endless cycle of imitation and routine. Thus, one of the most important questions to be answered by leaders of established ranches is how to develop and sustain a culture of innovation and creativity.

There are three critical steps for leaders of established organizations to grow a culture of discovery and innovation:

- 1. Reinvigorate a personal sense of
- **2.** Bring bright young minds to the table and then treat them like adults; and
- **3.** Make innovation a priority.

Innovation is not a tagline nor an annual theme nor a one-and-done workshop. Rather it is a fundamental way of tackling problems, meeting customer needs and engaging team members. However, an organization will never embrace innovation without the leadership team modeling, rewarding and living the message.

Role of innovation

In an effort to live by example, I reached out to my oldest son, Justin, who is a people coordinator for Craftsy, a company that serves "makers by the millions" and is driven by the mantra "Endlessly Curious — Insatiably Creative." I requested his view on the role of innovation and creativity to a business, the process of fostering innovation, and what is required to sustain innovation within an organization. His answers are below.

What is innovation?

"Innovation and creativity is pushing for something new, remarkable and useful for our business partners, our team members and, most importantly, our customers. Innovation and creativity in our world are paired with data and analytics, too. Trusting only gut instinct that something will work or just hoping for success isn't good enough. Innovation and creativity should be unconstrained in many instances (especially in the ideation phase), but we do not let it run wild."

How do companies foster innovation?

"Better communication, better procedural innovation (see Stanford d.school and design-centered thinking) and

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better lens development to create specific focus (i.e., innovation for specific purposes or needs, not just innovation for the sake of innovation) can all lead to innovation on a company level. Google's 20% time (a time block in which team members work on projects they think will benefit the

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organization) has been immeasurably beneficial for the company, too, and they allow their employees to pursue passion projects. This may seem to stand antithetical to my previous point on company-level innovation, but the point here is personal innovation versus

organizational innovation. Google's 20% time has led to things like Google Maps, Gmail, AdSense and more."

In reality, sustaining the 20% rule has been problematic, as employees simply become over-taxed with the competing demands of projects deemed valuable by the company and the 20% driven by personal initiative. Nonetheless, the idea behind the concept is more important, as it demonstrated the commitment of leadership to organization-wide curiosity and discovery.

How do companies sustain innovation?

"If a company wants innovation and creativity, the one thing I can say that will ring true across the board is: Time must be

made for it. Employees need to have the space to innovate, they need to see others innovate, they need to see their leaders take on new ideas that *may* not work but have solid arguments and data behind the trial, and they need to see that innovation and creative work is prized by those with power. Asking an employee on the bottom level to change an organization without providing them the means, the time or the resources

to accomplish what you've asked is, in my opinion, shirking your duties as a leader. If a company wants a culture of innovation, leaders have to lead by example (which means presenting ideas that may fail, being vulnerable, and opening themselves and their ideas up to criticism)."

The greatest lesson learned from the Silicon Valley — and my son — is that company leaders who question the status quo and invest in making sure that they simultaneously direct their teams toward innovation while unleashing the imaginations of team members substantially increase their chances for sustained success.

At our ranch we are seeking innovative approaches to move our family business forward, and it will take all of the talent we can muster — and we will be listening intently to the next generation!

Want to learn more? Consider the following resources:

- ► *The Art of Innovation* by Tom Kelley.
- ► The Four Steps to the Epiphany by Steve Blank
- https://dschool.stanford.edu/resourcescollections/a-virtual-crash-course-in-designthinking.

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