



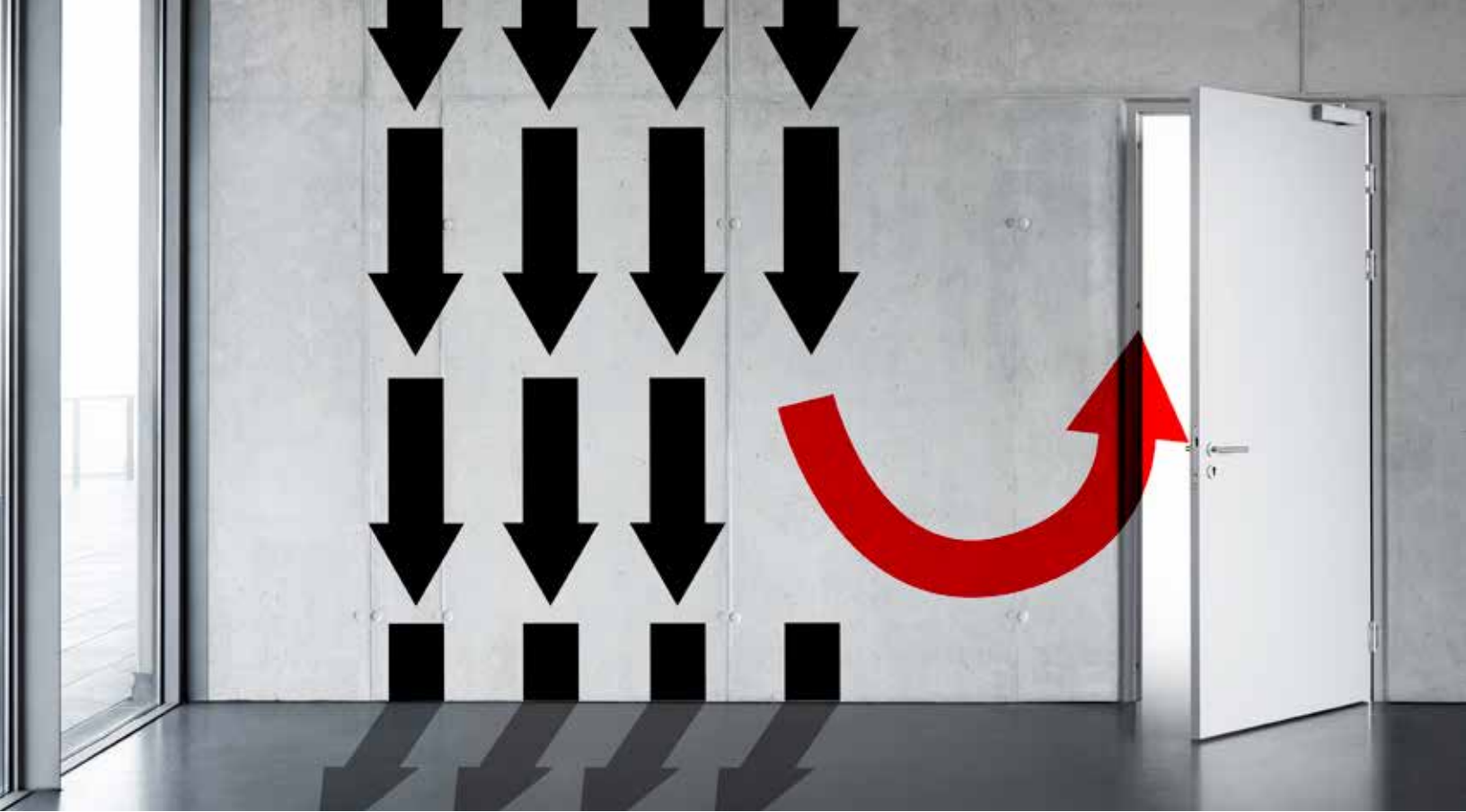
**FMI QUARTERLY:
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Leading Innovation: Insights From Industry Executives

By Kim Morton and Ron Magnus





FMI often hears stories about innovations and positive disruptions occurring in and around the engineering and construction industry. These new ideas are often associated with project-related processes, systems or technologies. And while some ideas and technologies stick, many others seem to fail.

FMI's Center for Strategic Leadership (CSL) has been observing innovation trends with a slightly different lens that is focused on how leadership positively or negatively impacts the innovation process. We have seen many leaders struggle to navigate and truly lead their organizations through disruption—whether it's by introducing a change in their business processes or adopting new ways of thinking.

Along the way, we've discovered that the influence of leadership in this process has a more profound impact than most would think. In fact, several key leaders in our industry have thrived in their leadership roles during times of highly innovative and disruptive shifts in their businesses. Witnessing these shifts caused us to pause and reflect on what we saw. We began by asking ourselves questions like:


- What types of leaders successfully drive innovation?
- What differentiates them from their peers?
- What have they learned over the years of leading innovation?
- How can FMI help spread their knowledge to current and future leaders in our industry?

These questions led us to orchestrate an intimate, one-day “think forum” with three leading industry disruptors: Russ Becker (APi Group), Tom Scarangelo (Thornton Tomasetti) and Atul Khanzode (DPR Construction). Each of these leaders has led innovations and positive disruptions within our industry in different ways. To share what we've learned from our in-person conversations, we will develop a three-part series in which we will highlight:


1. The traits of successful innovation leaders
2. Lessons learned leading organizations through innovation and disruption
3. The influence of culture, talent and leadership in the innovation process

Trends in innovation and thought-provoking ideas from these leaders will be sprinkled throughout the series. This first article describes what it takes to successfully lead innovation in our industry. The traits, characteristics and worldviews that were discussed by Russ, Tom, Atul and FMI are outlined as follows.


Industry Disruptor Profiles



Thomas Z. Scarangelo, P.E.
Chairman and CEO
Thornton Tomasetti



Russ Becker
CEO and President
APi Group, Inc.



Atul R. Khanzode, PhD
Director of
Construction Technologies
DPR Construction

Six Key Traits of Innovative Leaders

When people think about innovative leaders, they envision someone who has the latest technology gadgets and who constantly discusses new product introductions and trends. While this may be true in some cases, there is more to the story than just technology. To effectively drive innovation, leaders in the engineering and construction industry must focus on more than just the way they design and build structures; they must harness very different characteristics than what stereotypes and tradition would tell us. According to Russ, Tom and Atul, the following traits are common to those who lead innovation and disruption well:

- Focus on people and culture first—the rest will follow
- Identify the opportunity in every situation
- Have the courage to take a risk and face the tough questions
- Share ideas as often as possible—both internally and externally
- Continually push your own thinking
- Understand your own limitations

For the purpose of the conversation, we loosely used the following definitions to differentiate disruption and innovation:

Disruption

- Interrupting and changing the trajectory of business, processes and systems
- Challenging traditional methods
- Addressing a market or client in a significantly different way

Innovation

- Introducing a new idea, technology, method to a market or system
- Improving processes, products, services or technologies
- Creating new value (or capturing new value) for internal and/or external customers

1. Focus on People and Culture First—The Rest Will Follow

During our one-day think forum, the main focus of our conversation was on how leaders actually lead the business to drive innovative thinking and execution. There was strong agreement that a leader's chief responsibility is to lead his or her people and organizational culture first. As we dug into this further with the group, a few common worldviews around this topic emerged:

- Spend your time, energy and resources on your organization's people and culture. Helping them learn and grow in their thinking, experiences and competencies will pay dividends later when you need an innovative shift. Shortcutting people development never pays off.

- Recognize that the power of your culture is stronger than you think. Toxic, negative or close-minded cultures chew up new ideas and spit them out. Cultures where ideas are valued and heard provide a safe harbor for people to speak up and share different—and sometimes radical—new ideas that could forever change the trajectory of your business.

- Don't expect the leader to come up with all the innovative ideas. Every role in your business has a different perspective on how things could be done better. Provide an inclusive way for all voices to be heard—and then listen.



- Build a culture that encourages frequent conversations around continuous improvement and better ways of doing things. Create a safe place to talk about failures, learn from those mistakes and teach others in the future.

- Create space for nontraditional employees to join your team. External experiences and perspectives often bring some of the most influential shifts in our industry. Just because you don't have a traditional role for them doesn't mean they can't find a place to thrive.

2. Identify the Opportunity in Every Situation

Leaders have a choice each morning regarding what type of lens they wear to work. Some choose a pessimistic lens while others choose a skeptical lens, and few choose a highly optimistic lens. We all (Russ, Tom, Atul and FMI) agreed that leaders who choose to wear optimistic lenses each day see the business in a different light that often leads to positive disruptions in their businesses. It's much easier to focus on what is not working or what is wrong with a situation than it is to find the hidden opportunities. When we've observed innovation leaders in our industry, they are all consistently diligent (and sometimes emphatic) about balancing reality while finding the opportunity in every situation.

Tom explained how some of the most creative solutions in Thornton Tomasetti have emerged from leaders who are problem solvers versus problem identifiers. Rather than focusing on the challenge at hand, the most innovative leaders found the opportunity that solved the problem.

We also discussed how leaders find opportunities and innovative solutions during moments of crisis. Each of us has witnessed a moment of crisis where leaders were able to pause and see the situation differently than most. Russ stated, “Crisis is what drives people to change.” And we all agreed that some leaders change in a healthy, productive manner and others change in a damaging and nonproductive manner. Innovation leaders don’t waste moments of crisis; they see them as opportunities and act upon them accordingly.

3. Have the Courage to Take Risks and Face the Tough Questions

It’s not surprising to hear that innovative leaders demonstrate the courage to take risks. In fact, one of the quintessential elements of the innovation process is venturing into uncharted territory without certainty of success. Courageous leadership in those moments is not easy, so we asked the question, “How do you do that well as a leader?” We got the following responses:

- Listen to new ideas and assess them for validity, implications (good or bad) and the opportunity.
- Clearly identify the benefit of trying something new, and then communicate it as broadly as necessary.
- Lead others well so that they can create a plan for testing the idea, learning from the outcomes and trying again. Leaders shouldn’t be doing this in a vacuum.
- Clarify roles and responsibilities associated with the innovative risk so expectations are clear all around.
- After you’ve listened to others, ask yourself if you are willing to take the risk on behalf of the organization. At some point, you have to trust your knowledge, experience and intuition.

Innovative leaders also create a vision for innovation for their organizations. Clearly communicating why innovation is part of the organization—and what the future entails—helps clarify why risks are being taken in the first place. This communication acts as a guiding light for innovators across their organization and clarifies what risks the organization is (and isn’t) willing to take.

A clear vision also helps innovative leaders face the tough questions head-on and open the tough dialogue with others, even when they'd rather avoid those conversations. We discussed how avoiding those tough conversations often leads to anxiety, doubt, cynicism and other negative behavior within their cultures—none of which is worth the risk in the long run.

4. Encourage Idea Sharing as Much as Possible—Internally and Externally

When a new concept or thought emerges, oftentimes people try to keep it as close to the vest as possible in fear that someone may steal their ideas. Ironically, Russ, Tom and Atul agreed that talking about ideas, sharing insights and building on each other's creativity are the best ways to lead innovation. Leaders who create a culture in which ideas are not shared tend to see poor results from their innovative efforts. Conversations—both internal and external—can spark a brand-new thought that would have never entered their thought process in the first place.

Innovation leaders also dedicate time to teaching their peers and other future leaders about what they are seeing and learning in the marketplace. Spreading knowledge across the industry can ignite a disruptive change faster than trying to compete with one another for ideas. The group agreed that if the industry can figure out a way to build a sense of team rather than competition when it comes to innovation, the rate of positive disruption increases exponentially.

5. Continually Push Your Own Thinking

It's extremely rare for leaders of innovative organizations to be stagnant and complacent in their expertise, thinking and leadership. True disruptors in our industry are continually evolving as individuals and as leaders of their businesses. As we watched Russ, Tom and Atul discuss their insights and lessons learned about leading innovation in the industry, it was clear that all of them consistently pushed their own thinking in these ways:



- **They Read Extensively**—They are lifelong learners. Whether it's reading daily newspapers, industry trend reports, global economic articles, books (nonfiction and fiction) or innovation publications, these leaders constantly discussed new headlines and trends they were seeing in the marketplace. Industry disruptors are all extremely well-read, and they know how to apply that newfound knowledge to their own businesses and the industry.
- **They Listen for Understanding**—They listen to stories, insights and viewpoints (both internal and external to the industry) as often as possible. They slow down enough in order to deeply understand what is being said while applying the lessons learned to their businesses and/or thinking. Slowing down to listen has spurred many new, different and disruptive ideas that have been implemented in real time for these three leaders.
- **They Discuss Ideas With Everyone**—They love to push their own thinking by discussing lessons learned, new ideas and new concepts with other people. Like sharing ideas above, they know that different perspectives and points of view influence their own leadership style and approach to innovation every year.

Pushing your thinking as a leader helps you make better decisions related to innovation. A strong foundation of knowledge and expertise in the industry can influence how you assess risk and where you invest your time, energy and resources as an organization.

6. Understand Your Own Limitations

Humility and self-awareness were glaringly obvious traits among Russ, Tom and Atul. At one point, each of them said something along the lines of, “I don't think I'm personally a disruptor in this industry.” Those characteristics are not common across most industry disruptors, but we did agree that the best leaders of innovation understand their own limitations. They are willing to admit when they are out of their depth and they lean on others. They are also willing to admit when they are personally falling behind on trends in innovation or other relevant factors related to their business.

Understanding your own personal limitations creates positive boundaries around what individual leaders should or should not be focusing their energy on. They know that others around them are smart, capable individuals who can backfill where they are deficient. They also realize that their own strengths can backfill the deficiencies in others. Self-awareness, teamwork and support for one another are common traits we have all observed in innovation leaders.



Leaders tend to respond differently when given the opportunity to lead innovative processes. Some leaders feel an overwhelming sense of excitement for the challenge ahead and the chance to make a significant impact on their businesses. Others get a deep pit in their stomach full of doubt and fear for what lies ahead.

Interestingly, both types of leaders are venturing into unknown territory where their leadership skills will be tested in new ways. The journey of leading innovation can be exhilarating, exhausting and challenging for every leader regardless if you're a novice or a well-seasoned innovation leader. It's part of the beauty of leading innovation—you never know what to expect, and the outcomes are likely going to be different than your original intentions.

As we continue our series, “[Leading Innovation: Insights From Industry Executives](#),” we focus on the lessons learned in leading organizations through innovation and disruption, which Russ Becker (APi Group), Tom Scarangelo (Thornton Tomasetti) and Atul Khanzode (DPR Construction) shared with us during an intimate, one-day “think forum.” This article summarizes these executives’ insights and offers practical industry examples.

Lessons Learned in Leading Organizations Through Innovation and Disruption

One of the best benefits of being a successor to your business is the chance to learn from your predecessors. FMI’s Center for Strategic Leadership (CSL) notes that the most effective leaders glean wisdom from the various mentors and leaders in the industry by asking questions and learning from those experiences. Fortunately, Tom, Russ and Atul are all at perfect points in their careers to be able to share their knowledge and experiences in leading innovation with other future leaders in our industry.

Here are the key lessons learned from our think forum:

- Challenging assumptions with a curious mind can crack open the innovation egg.
- It’s easy to chase the wrong opportunities when your vision and innovation strategy are unclear.
- Understand each stakeholder deeply because each one values and invests in innovation differently.
- Technology is outpacing us, and how we organize ourselves as humans is either a limiter or an accelerator.

1. Challenging Assumptions With a Curious Mind Can Crack Open the Innovation Egg

It’s one thing to be interested in something, and it’s a completely different thing to be genuinely curious about it. These leaders demonstrated a sincere curiosity about the various trends they were witnessing in their businesses, the industry and in terms of innovation in general. This natural curiosity helped Russ, Tom and Atul see opportunities and trends before most of their peers did. To incentivize its leadership team and employees, and to encourage them to

challenge each other's thinking, Thornton Tomasetti regularly awards current and future engineers with innovation and technology awards. The awards are simply to evoke an innovative and idea-sharing culture across the organization while keeping each other curious about what's possible in the industry. The group's curiosity didn't turn on or off at specific times of the day either—it was a constant mindset and approach for all of their interactions and conversations. FMI witnessed this curiosity firsthand throughout our day together, and we noted that they were teaching each other as much as they



were learning from each other. By pausing to consider what others were saying, challenging each other's observations via questioning, and digging deeper into nuggets of thought-provoking data, the conversation spiraled into many unforeseen and fascinating areas. The natural intellectual curiosity, drive for constant improvement, unquenchable thirst for finding the edge in a highly competitive market, and the desire to build winning cultures are just a few of the behaviors and characteristics we witnessed in Atul, Russ and Tom. The curiosity simply does not stop.

We also discussed the fact that many assumptions emerge during the innovation process. Assumptions came in all shapes and sizes for these leaders, but the most common were related to the innovation itself, the process to test/implement it or the people who were involved in the process. They acknowledged that challenging assumptions with a curious mindset helped them see each perspective in a new light that oftentimes cracked open the innovation egg for their organizations. Russ, for example, knew that he wanted to build a culture of leaders who could change the way the industry grows and operates in the future. Rather than dictating what the “right” leadership approach would be for each company within the APi Group, Inc., Russ first got to know each company and each culture for who it is. He explored its nuances and collectively created an approach to leadership that would fit each company like a puzzle piece. This curious approach to building a leadership culture broke APi Group's

innovation egg in a way that has led to notable growth trajectories and strategic successes internally and externally. As we mentioned in the first article in the series, bringing together people with different experiences and business perspectives helps spur innovative ideas. As a leader, approaching those conversations with an inquisitive mind and a willingness to challenge one another's assumptions enriches the process tenfold.

The key lesson learned: Listen to your naysayers and your champions; don't discount them. Learn from them. Be curious about what they are saying. Every person brings a different and valuable perspective to the innovation process. Challenging them and yourself will surprise you.

2. It's Easy to Chase the Wrong Opportunities When Your Vision and Innovation Strategy Are Unclear

Opportunities can present themselves differently, depending on what type of day you're having as a leader. Emotional swings, internal company dynamics, industry shifts and numerous other factors have taught these leaders to lean on their organizational visions and strategies before chasing new, innovative opportunities. Building this foundation upfront serves as a guiding light through different scenarios of growth, innovation and transition across API Group, Thornton Tomasetti and DPR Construction. A common dilemma these leaders face is figuring out which ideas to invest in and implement versus which ones to decline. Through trial and error over the years, the consensus of the group is that you need to deeply understand your vision and be crystal clear on the innovation strategy you are aiming to achieve before considering new opportunities.

Clarity around company purpose and values helps these innovation leaders keep the bigger picture in perspective when striving to achieve their vision and innovation strategy. Oftentimes, a vision requires significant innovative shifts in an organization's operations, leadership, products and services, and market approach. So which shifts are the right ones? Without understanding what customers you want to work with and why, it's easy to pursue opportunities that seem wise at the time but that wind up missing the mark significantly. These are painful mistakes to make, but each leader has learned from them and adjusted his decision-making process moving forward.

The key lesson learned: Combining your company's purpose, values, vision and innovation strategy can act as a sieve that filters out the wrong opportunities and brings in the right opportunities for your company. Just because one opportunity is right for one com-

pany doesn't mean it's right for your company. For example, an E&C firm may identify a potential opportunity in a new vertical (say, the construction of health care facilities) one day, but upon further examination may realize that the resources, time and human capital needed to fully explore and leverage this opportunity may not pay off in the long run. On the other side of town, however, a similar firm may be both successfully identifying and leveraging a similar opportunity.

3. Understand Each Stakeholder Deeply Because Each One Values and Invests in Innovation Differently

In a surprising conversation shift, we discussed how differently stakeholders in the industry view innovation and invest in it accordingly. These leaders talked about how communicating the value of innovative ideas for projects requires a different approach with an owner than with a contractor or an insurance company. Tom mentioned that Thornton Tomasetti spends a lot of its time with owners, explaining its new tactics to engineering to help them understand why it is designing a project in a new way and the short- and long-term benefits for the owner. Atul commented on the fact that each stakeholder in an integrated project delivery (IPD) system values new, innovative ideas and approaches differently. Some viewpoints are complete opposites, but when leaders come together and discuss those viewpoints, the creative ideas begin to flow much more easily. The entire IPD team can begin to buy into new methods together rather than trying to catch up to each other in silos. It's a win-win-win for everyone involved.

This was a fun conversation for FMI to participate in since we work with all areas of the industry—owners, architects, engineers, contractors, insurance companies, building manufacturers, etc. And while we hear their differing perspectives on topics, we rarely get to hear their perspectives on each other related to innovation. Everyone agreed that if any stakeholder can see the risk of trying something new, but also understand the benefits, then he or she is usually willing to give it a try. How you approach those conversations is what matters the most.



The key lesson learned: Influencing and implementing innovation requires a customized, intentional and patient communication strategy. A one-size-fits-all with all stakeholders does not work. You have to understand where they are coming from in terms of risk and help them understand the benefits of the innovation before you can expect them to buy into your ideas. Listen to their feedback and make adjustments. Innovation is a give-and-take for all parties involved.

4. Technology Is Outpacing Us, and How We Organize Ourselves as Humans Is Either a Limiter or an Accelerator

There was a strong consensus in the room around this topic. Technological capability has surpassed our ability as humans to leverage it. It's outpacing us! Russ, Tom, Atul and FMI all shared stories of how technology had significantly shifted the way projects were being designed and built. We are all seeing it, and it's not going to turn backwards. Atul brought up the fact that the way we organize ourselves throughout a project life cycle is either a limiter or an accelerator—it's not just about technology any longer. As you can imagine, this sparked a lively conversation in the room. In the past, leading innovation meant finding the right talent to come up with great ideas and then implementing those ideas using technology. Now that technology has leapfrogged over the human side of the business, innovation leaders recognize that technology is determining the way we staff projects.

For example, smart buildings are in high demand right now, and industry leaders have seen this coming for some time. They've learned that the information about a building and what's happening inside of it has become more valuable than the building itself. The data we are getting from these buildings is being consumed by more people than just the building owners, so the design and project delivery methodology now involves many more stakeholders. Learning and understanding what we want the building to accomplish from a data standpoint significantly shifts the way we lead those projects and influence stakeholders. The chasm between the progressive technology adaptors and the traditional players is widening. Leaders who can align their organizations and cultures to keep up with the technologies and flex accordingly will win in this market.

The key lesson learned: Leading innovation today requires an appreciation for, and fluency in, new technologies. Building and leading cultures that embrace technology and recognize that it's something to keep up with, not be scared of, are flourishing in this new market.



Examining the influence of culture, talent and leadership on innovation.

A question we often get asked at FMI's Center for Strategic Leadership (CSL) is, "How do I lead in this market with all of the changes that are taking place?" Changes are coming at us faster than ever, and leaders are struggling to keep up. These shifts come in many forms, but innovative and disruptive changes can often be the hardest to lead through. Surprisingly, leaders who have figured this out are not focused on the change itself—or anything near it. Instead, they center on a much broader, longer-term area of the business related to developing their cultures, talent and leadership.

As we continue our series, "[Leading Innovation: Insights From Industry Executives](#)," we focus on how organizational culture, talent development and leadership influence the innovative process. During our intimate, one-day "think forum," Russ Becker (APi Group), Tom Scarangelo (Thornton Tomasetti) and Atul Khazode (DPR Construction) all agreed that these three key areas sustain their success in this ever-changing industry. This article summarizes these executives' insights and offers practical industry examples.

The Influence of Culture, Talent and Leadership on Innovation

Through various bouts of trial and error, Tom, Russ and Atul have learned just how powerful their organizations' culture is in implementing and sustaining innovation. Talent that is primed and ready to receive change, as well as leaders who are well-equipped to guide the changes, has proven to be a key driver for their success as industry leaders. Here are the three topics we discussed in our think forum:

- Your culture will determine if innovation succeeds or not—build it wisely.
- The right talent can drive and absorb innovation—invest in it.
- Your leadership team is your secret weapon for innovation—equip it appropriately.

Your Culture Will Determine If Innovation Succeeds or Not—Build It Wisely

Some of the most distinct organizational cultures in the world were built with purpose, intentionality and consistency. Without those three elements, leaders often struggle to make culture shifts stick long-term. Russ, Tom and Atul brought up the power of their internal organizational cultures multiple times during our day together. In summary, they noted:

- 1. Building a culture of innovation takes time and many real-time course adjustments.** Consistently reinforcing the value of innovation, testing disruptive ideas and rewarding people for successful implementation are great ways to build a common mindset across the company.
- 2. Internal collaboration influences external collaboration.** Cultures that are accustomed to collaboration in all areas of the business can lean on each other to build off each other's ideas and solve problems. It's not just an expectation for these companies; it's a natural way of working to get things done. When this happens inside the company, partners on the outside notice and are willing to collaborate on new or different methods for project delivery and/or addressing challenges when they arise.
- 3. Cultures that encourage trust and collaboration can generate innovative ideas and withstand disruptive changes much more easily.** Atul noted that, "Our work is really about bringing people together. When humans trust each other and feel connected, they are willing to take risks, be vulnerable with radical ideas and try new approaches." Demonstrating trustworthy behaviors from the bottom to the top is not only expected within DPR, but also rewarded.



Integrated Project Delivery (IPD) has driven the success of many of DPR Construction's innovative projects. Instilling the [principles of IPD](#) into the training, development and performance reviews for employees reinforces the value of collaboration and the influence it has on making innovation stick.

4. **Many innovative cultures, like the one at Thornton Tomasetti, recognize opportunities where others see risk.** Tom noted that, “Cultures that focus on the big ideas and simultaneously see challenges as opportunities are the ones that are keeping up in this market. We encourage all of our engineers to see a challenge and spend time finding the opportunity to innovate with each other on every project.” This doesn't happen in the occasional pocket; it's encouraged on all internal and external teams throughout the organization.
5. **Setting a vision for innovation and clarifying what innovation means within the context of a company is key.** When everyone knows where he or she can win in the marketplace (related to innovation) and how it applies internally, the culture is likely to rally behind the vision and help support it throughout the ebbs and flows.
6. **Cultures that can't see changes, or that don't know how to respond to them, frequently reject new, innovative ideas from their employees.** If people have witnessed how to handle change and know how to respond in their own context, they tend to thrive with disruption swirling around both internally and externally to their business.

The Right Talent Can Absorb and Drive Innovation—Invest in It

Talent development and talent retention have been common themes in our industry for years. While we often hear leaders discuss their labor shortage challenges, Atul, Russ and Tom seemed unfazed by this issue. They acknowledged that they have normal turnover, but their focus on hiring the

right talent has fueled innovation throughout their companies over the years. That is only one factor that leads to successful innovation, but they all noted that it works. Here are a few other key highlights they discussed:

1. **To be innovative, you have to be willing to invest in finding the right people, not the people you are comfortable with.** Russ Becker noted that, “It’s always a little bit of a risk to try something new, but APi knew that investing in our people and leadership first would bring huge successes in the long run.” All three leaders agreed that investing in talent with intention and purpose has helped them lead innovation well.
2. **Supporting your talent with time and monetary resources during times of rapid or disruptive changes enables employees to flourish (rather than flounder).** This is one form of investment that reduces stress, increases engagement and provides the best results for the masses of people impacted by change and innovation.
3. **Unleashing great talent can sometimes be easier said than done, but it can lead to incredible shifts in your business.** Atul said, “If you see people with huge potential that you really want to retain, give them the opportunity to spread their wings, leverage their brains and lead their own thinking. They will do powerful things!” Tom, Russ and FMI all agreed that reducing obstacles and allowing great talent to flourish have resulted in some of the industry’s greatest success stories.
4. **Some companies have several, if not dozens, of people who are wired to think differently about the business or project delivery.** The concept of innovation pods was discussed at length, since it’s another way to help people come together in a safe “incubator” to create ways of winning in the marketplace. Given the limited amount of time this group of leaders has on its hands, they would all encourage other organizations to consider this route if their organizations want to drive innovation in the industry.

Your Leadership Team Is Your Secret Weapon for Innovation— Equip It Appropriately

During times of change and innovation, people in the organization look to their leaders for guidance, direction, motivation and vision. They thrive on the leader’s ability to deal with ambiguity while creating clarity—a daily task for many leaders. How well you equip your leadership team will determine how well your company absorbs change and innovation. Get this right and your leadership could be your secret weapon to leading innovation. In fact, developing leaders who can lead and influence others during times of disruption and innovation was a hot topic during this session. Here are some highlights that we discussed:

1. **How your leadership team responds to change and innovation will likely dictate whether or not innovation sticks long-term.** Helping your leaders learn to pause, consider the opportunities and the risks, and listen before responding have helped employees at all levels across APi Group, Thornton Tomasetti and DPR Construction.
2. **Adaptability and agility are two common competencies to look for in leaders of innovative companies.** The ability to deeply understand the business—and then adapt to and maneuver around the changing dynamics of the industry—is essential to long-term success.
3. **Where leaders focus their time and energy matters more than most realize.** Russ said, “Leaders shouldn’t think in terms of innovation and disruption happening around them. They should think in terms of leading the right people so they can develop new ideas and leverage technology.” The rest of the group agreed that if leaders focus on the people, then the people themselves will be able to focus on the actual innovation.
4. **Give your leaders the freedom to lead their own way.** APi Group is known for its internal leadership development programs. Russ also commented on the firm’s approach to innovation—through its leadership. When APi’s leaders are laser-focused on giving people the freedom and permission to lead how they want, Russ says creative solutions naturally emerge. Getting out of the way and letting leaders find their own paths can also accelerate the innovative process.
5. **Leaders make mistakes when leading through innovative or disruptive shifts.** It’s a natural part of leadership that most people don’t like to talk about, but this group found it very helpful to acknowledge the fact and discuss it. Helping leaders learn from their mistakes (related to both innovation and non-innovative matters) is something that all participants perceived as critical in driving longevity for organizations in our industry.
6. **Leaders who can leverage the diverse mindsets, experiences, backgrounds and personality profiles on their teams achieve higher results** than those who tend to put people into general roles. Being able to identify and pull from each person’s unique gifts and talents takes time, patience and a lot of listening to do it well.

Thank You

This is the final article in our three-part series on how to lead innovation. FMI would like to send *a special thank you to Russ Becker, Tom Scarangelo and Atul Khanzode* for taking the time to meet with us in person and sharing their insights for an entire day. A common theme from the conversation was the limited amount of time these leaders have, so we are grateful they made the time for FMI!

For more information, please contact Kim Morton or Ron Magnus.



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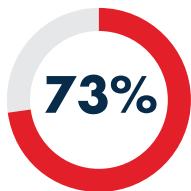
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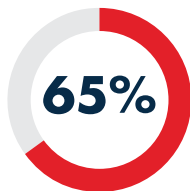
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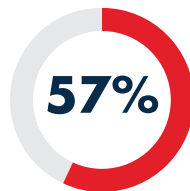
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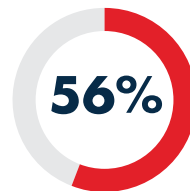
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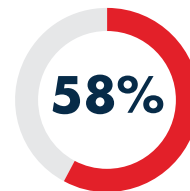
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