

## The Innovation Cycle

### THE WHAT AND HOW OF TALENT 2025

Over 100 participating CEOs and ten working groups are part of Talent 2025. Working groups are led by one or more CEOs, and supported by four full-time staff, several interns, and outside subject matter experts who are hired as part-time project managers.

Working groups are accountable to the full membership body for their progress. They present updates at membership meetings held every six months. Regular meetings create incentives for CEOs, who are naturally competitive, to push for tangible outcomes to present to their peers.

Each Talent 2025 member contributes \$6,000 per year, with exceptions made for very small companies. This funding model ensures that no single firm can dominate the organization's activities and direction.

#### Talent 2025 Working Groups

- Early Childhood Development
- K-12 Education
- K-12 to Post-Secondary Education
- Workforce Development
- Returning Citizens
- Work Ready Communities
- Talent Demand
- Talent Attraction and Retention
- Workforce Diversity, Equity, and Inclusion

### A DIFFERENT KIND OF PROCESS – USING BUSINESS DISCIPLINE TO DRIVE COMMUNITY CHANGE

Talent 2025 CEOs do very little on-the-ground work outside their own companies. Mainly they enable other stakeholders in the community to work better together. How do they do this? Through the disciplined use of the Talent 2025 Community Change Innovation Cycle (Figure 1).

The Innovation Cycle is a modification of lean manufacturing processes (e.g., A3), and design thinking used by firms like IDEO. It uses a series of structured steps to help multi-stakeholder groups illuminate the issues, evaluate change options, and move toward convergence on solutions.

# THE INNOVATION CYCLE

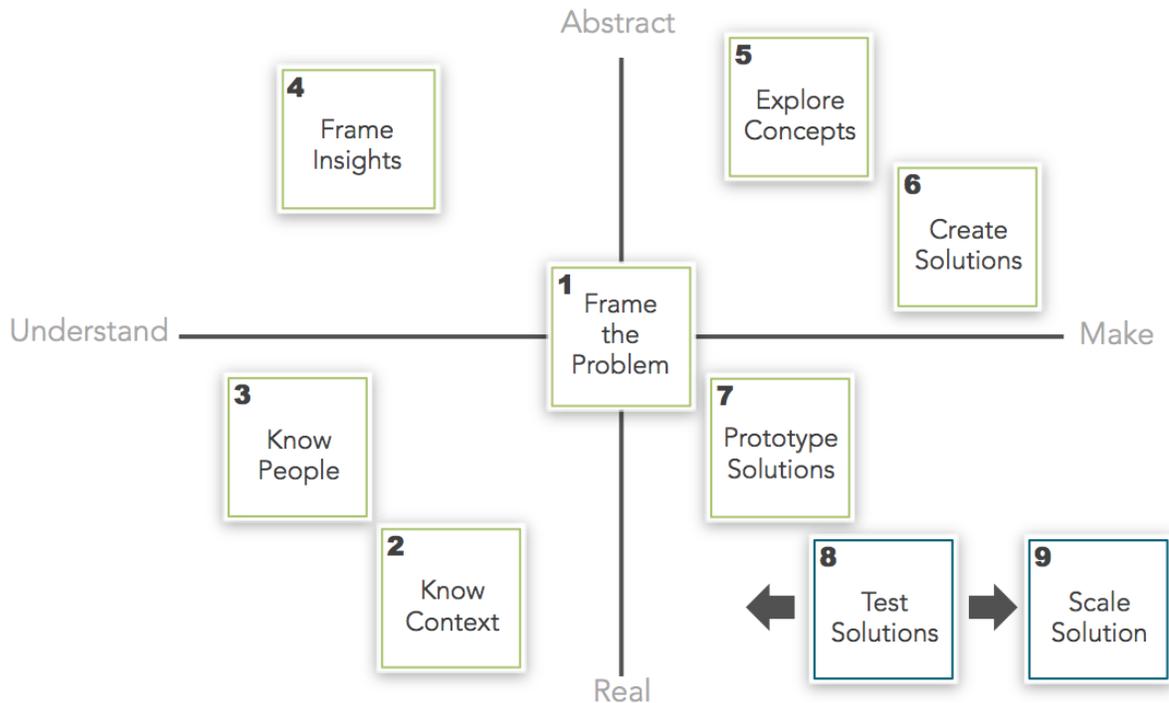


Figure 1

The process begins with Problem Framing. In West Michigan, the economic situation is challenging, with 38 percent of households operating below the household survival budget defined by the ALICE framework (**A**sset **L**imited, **I**ncome **C**onstrained, **E**mployed). Talent 2025 CEOs view this situation not as an intractable social ill but as a challenge to add hundreds of millions of dollars of new economic activity. Right from the beginning, CEOs infuse other leaders with a positive, inspiring vision of opportunity.

After Problem Framing, participants are guided to develop a deeper shared understanding of the issues, before they press for solutions. The lower left Understand/Real quadrant asks: who is doing what about the problem, what is working, and what are the barriers to change? Moving then to the upper left Understand/Abstract quadrant, participants reflect on their insights about the current situation, and what additional information and concepts may be needed.

These two steps encourage people to suspend ideologically or politically driven positions, focusing them instead on developing a data-driven, systemic picture of the problem and its root causes. During this phase, stakeholders usually move away from finger pointing and advocacy of predetermined solutions, and develop a shared appreciation for the magnitude and complexity of the issues. “Usually the closer people get to an issue, the more humble they become,” says Fred Keller, founder of Cascade Engineering and a co-founder of Talent 2025, “They realize: this is a tough one. We’re not going to solve it by pouring resources into the same buckets. The only way forward is to own problems together as a community and solve them together.”

The next steps of the Innovation Cycle are the upper right Make/Abstract quadrant, where the group begin to brainstorm potential solutions. Finally, in the lower right Make/Real quadrant they design, test, and scale solutions in an iterative process. CEOs bring business discipline to this phase, setting goals, expectations, and timelines that create an urgency to drive change and create impact. They are especially good at creating early momentum by tackling “low-hanging fruit,” and parlaying that energy into sustained effort on long-term strategic actions.

Because participants have studied the problem before jumping to answers, proposed solutions often go beyond short-term symptom relief to address the upstream, root causes of social ills. And the Innovation Cycle’s emphasis on collecting outcomes data means that people can quickly identify good ideas that can be scaled, and stop pursuing bad ideas that aren’t producing results. All this translates into a more efficient, rapid process of social change.

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### **About Talent 2025**

Talent 2025 is a catalyst for an aligned talent system for West Michigan. Composed of over 100 CEOs from the region’s 13 counties, the organization strives to be a driving force for an ongoing supply of world-class talent by convening leaders and organizations that will improve the region’s talent attraction, retention and development efforts.