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Upfront

All That Jazz: Managing innovation is more like leading a jazz band than conducting an orchestra. By Alana Conner Snibbe

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All That Jazz

Managing innovation is more like leading a jazz band than conducting an orchestra

New Orleans is not just the birthplace of jazz. It is also home to a public utility with a very jazzy management style, report Ann Majchrzak, Dave Logan, Ron McCurdy, and Mathias Kirchmer in the Winter 2006 *MIT Sloan Management Review*.

The authors – three professors or instructors of management, and one professor of jazz studies (McCurdy) – argue that organizations should look to jazz for ideas on how to manage emergence – the innovations that emerge in times of change and uncertainty.

In 2002, the New Orleans utility Entergy Corporation was responsible for laying the longest and largest cable system ever built under a major river (the Mississippi). “I knew what we were trying to do. I just didn’t know exactly how we were going to do it,” recalls Paul Zimmerman, manager of engineering for the project.

Instinctively, Zimmerman and his colleagues did what the authors’ survey and case study results suggest. Instead of preparing a static plan and enforcing its execution – as would a conductor leading an orchestra through a written piece of music – they entered into a long and unbroken conversation with all of the participants in the project – as would a jazz bandleader improvising on a theme with other musicians.

“When you want to try new things, or when you are going down a path you haven’t gone down before,

it’s going to unfold in a way that you won’t predict,” says Majchrzak, a professor at the University of Southern California’s Marshall School of Business. “You need information and opinions from all levels of the organization to come up with solutions for these unique events.” And so good management of emergence, like good jazz, requires “a continuous conversation,” she says.

Zimmerman had to wake up pretty early in the morning to keep the conversation flowing. “A lot of our construction crew started at 6 a.m.,” he recalls. “I brought the doughnuts. And then I’d head into the office and work with the engineering team. And then I’d have executive briefings in the afternoon.” Of the more than 1,000 people directly involved in the project, Zimmerman estimates that he met over 90 percent of them.

Zimmerman didn’t just show up, he also kept his mind open to what people had to say. “It’s as simple as asking people what are they doing. From the security guard sitting there on the fence to my top manager.” To loosen their tongues, Zimmerman worked hard to earn people’s trust and respect. “One [resident] got upset by the amount of dirt we were kicking up in the street. And so it was very important for us to sweep the street. I can tell you that many an afternoon I picked up a broom and swept the street, too.” Not only was the resident appreciative, the street cleaners in Zimmerman’s crew saw

that their boss valued their work and wasn’t above doing it himself.

“If I respect you and you respect me, we can do anything,” Zimmerman remarks.

Entergy’s contractors also had to talk among themselves. Because the project was so large, new, and complex, the public utility could not specify how contractors would interface with each other. And so Entergy mandated that in order to get paid, all contractors had to agree that the handoffs between them were satisfactory. This encouraged contractors to discuss the changing conditions at the site and to solve emergent problems together.

Entergy’s conversation spilled out into the community, where residents talked back in weekly talk shows, town hall meetings, exchanges in the local papers, and open houses hosted by the utility. “You want your client base to know that you are invested in emergence and get them engaged in the process,” says Majchrzak – especially because they often harbor sharp ideas and crucial information.

Overall, Majchrzak thinks that “managers are afraid of emergence. They take a command-and-control perspective: ‘I will plan for emergence. I will control emergence.’ When they do that, they can’t harness or leverage the innovation that unfolds.

“That is especially a shame in nonprofits,” continues Majchrzak, “where there is so little money, and so all you really have is people’s ideas. That’s your capital – the intellectual capital. To harness it, you have to allow people to think. And the minute you allow them to really think, your organization is going to change in ways you hadn’t planned.”

–Alana Conner Snibbe