

Give us mavericks - just don't let them run anything

By Stefan Stern, The Financial Times

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It has been a very disappointing year so far for the cause of innovation and entrepreneurship.

Take the financial services industries. Doubtless it was innovative to lend billions of dollars to people who had no earthly prospect of ever paying the money back again. It was entrepreneurial to package up some of these loans into new securities, get them assigned a triple A rating and then sell them on to credulous investors.

But, sadly, the consequences of all this nifty financing have been grim. Alistair Darling, the chancellor of the exchequer, may have come across as a bit of a stick-in-the-mud when he called recently for a return to good old-fashioned banking - the opposite of an innovative or entrepreneurial approach - but he wasn't exactly wrong. The only innovation we want from financiers right now are soundly based products and responsible decision-making.

Business leaders wrestle constantly with this dilemma: how to encourage risk-taking and entrepreneurial flair without exposing the whole organisation to unquantifiable danger. It is one of the great paradoxes of leadership. The British writer Alan Bennett summed it up best in his play *Forty Years On* in which a well-meaning but bewildered headmaster describes the sort of regime he has in mind for pupils. "I am all in favour of free expression," he declares, "provided it is kept rigidly under control."

New research carried out by Kingston University's entrepreneurship centre confirms that employers still struggle to square this circle. **Together with the executive search firm Cripps Sears & Partners**, Kingston's team looked at 34 recent job descriptions and personal specifications for vacancies that had been filled by the search firm. Researchers also conducted focus groups with senior executives from client companies and with Cripps Sears headhunters themselves.

What emerged was a classic mismatch between what employers said they were looking for and what they were in fact comfortable with. The pressures of competition and the increasing commoditisation of goods and services, should encourage businesses to innovate and differentiate themselves. And yet, as the chief operating officer of a professional services firm observed: "A key challenge is reining in off-the-wall individuals."

How very British, you might say. But the challenge of working with mavericks is a familiar one around the world. Bill Taylor and Polly LaBarre, former editors of *Fast Company Magazine*, wrote about this in their 2006 book *Mavericks at Work*.

In it they urged leaders to be brave enough to give talented - if unconventional - people the space in which to operate. This means "overcoming the know-it-all style of leadership that seems to be the default mode in most companies". Hire people who are different from you, they say.

But difference can be scary. Kingston University's research highlighted that sense of otherness that employers often perceive in entrepreneurs. Their focus group of executives referred frequently to "these people", as in: "These people tend to have a lot of bad attributes but also some brilliant ones." There was also nervousness that entrepreneurs' drive and apparent fearlessness could conceal more worrying qualities. "You can easily confuse a bullshitter with an entrepreneur," said one.

So who are entrepreneurs and where do they come from? According to psychologist Adrian Atkinson, entrepreneurs are often edgy, marginalised people who are trying to right wrongs from their childhood. Perhaps they were dyslexic and were bullied at school. Perhaps they are the children of struggling immigrants, or grew up in poverty or had domineering parents.

Whatever the reason, entrepreneurs are driven by a deep inner purpose. No wonder they are hard to manage. No wonder they don't really care for the stultifying norms of corporate life. Make no mistake, if you hire entrepreneurs you are inviting the awkward squad to join you at your table.

Entrepreneurs are "very high maintenance people," one executive told Kingston's researchers. "They get angry and upset, so they go and step over the mark . . . life is actually easier if you get rid of them." And the punchline? "I'm not sure this is the right solution for the business."

Perhaps managers should be trying to encourage entrepreneurial behaviour, without necessarily hiring lots of hard-core entrepreneurs (if they would join them in the first place). Dr Atkinson labels this kind of more corporate-minded individual an "enterpriser": they take calculated risks but not reckless ones. The most successful business leaders have a certain appetite for risk but they are not greedy for it.

Without entrepreneurs, there would be no businesses. But if we always put entrepreneurs in charge, there wouldn't be so many businesses left either. In his 1986 book *Innovation and Entrepreneurship*, Peter Drucker described an entrepreneur as someone who "always searches for change, responds to it, and exploits it as an opportunity".

I am all in favour of that sort of thing, provided it is kept rigidly under control.