

URL: <https://ecorner.stanford.edu/video/whats-the-sweet-spot-for-experts/>

Organizations must innovate to survive, but research out of Stanford shows that experts don't always drive breakthroughs. A medical-device startup that appoints the world's greatest heart surgeon as its CEO might be better off putting her in a more hands-on role, according to Stanford's Riitta Katila, a professor of management science and engineering. She shares evidence-based tips that organizations can implement today to boost innovation, instead of trusting gut instincts to decide what to build or who to hire.



Transcript

- [Woman] We're always seeking out expertise.. We spend time and money on recruiting firms.. We're seeking out talent.. And we spend years developing ourselves as experts, as trade physicians, lawyers, or scientists.. We wanted to understand that the expertise really drives innovation.. My coauthors and I looked at 231 early stage surgical instrument ventures and we looked at the relationship between firm performance and the organizational roles that experts do in these ventures.. Experts were practicing physicians who were also working in the venture.. We found that expertise drives innovation, that experts are placed in positions that rely heavily on customer experience and idea variation, like the inventor role.. And we found that expertise blocks innovation.. When experts are placed in roles that rely heavily on idea selection, such as the CEO role..

So what can you do to harness expertise effectively? Foster well-balanced teams.. The sweet spot for teams is when experts make up about 40% of the makeup of the team.. So any less, and your company will lose sight of what your customers actually need.. And any more, and your group will start converging on old ideas.. Know how your own role effects you, and how your own experience can be limiting.. If you are an expert CEO, your expertise will really predispose you to select safe ideas, and predispose you to be really impatient with the tool and (mumbles).. If you are not an expert, and you are a CEO, you being a novice, you can position yourself to make really clear headed decisions based on data and not past experiences.. It's important to finalize on your Board of Directors because they can provide you with domain knowledge to understand the customer and provide ideas for technologically and scientifically sound products.. Innovation makes or breaks organizations.. Often we tend to make decisions based on gut instinct or personal experience to shape our teams and shape our products..

But we don't have to be blind.. We can use evidence based insights for better performance for our teams and our organizations...