

Short text to be used when sharing the article on your LinkedIn feed

I'd like to tell you about why building successful innovation teams is a matter of getting the insider-outsider mix right. Insiders bring essential context. Outsiders challenge the status quo. Get the balance wrong, and your team will either cling to the past or lose all traction with the business. Get the balance right and your team can literally work wonders!

Illustration



Main article

The Key to Staffing Innovation Teams? It's All a Matter of Balancing These Two Things

Smart senior managers know that having a detailed understanding of each employee's skillset is a massive advantage when a new business unit needs to be set up or an existing one needs revitalizing. Yet....

...There's actually a quality that falls outside skillsets but is absolutely critical to the success of innovation teams. I'm talking about each potential team member's unique iteration of **organizational memory**.

You see, to succeed, innovation teams have to do two things at once. On the one hand, they need to **borrow** what's valuable from the core business—existing knowledge, systems, relationships. On the other hand, they need to **forget** what no longer applies—outdated mindsets, constraints, and conventions. Getting that balance right requires decision makers to be smart in choosing **who** they put on the team.

Insiders and Outsiders

The distinction between “insider” and “outsider” talents plays an important part in the advice I provide in *The Innovation Puzzle*. There's a continuum between complete “insiders”—these would be the people who have worked for the firm for their entire careers and know it inside and out—and complete “outsiders” who have just been hired or brought in as consultants and do not know a single thing about how the firm operates.

As I discuss in *The Innovation Puzzle*, the insider-outsider continuum is essential for making decisions about who to put on an innovation team so that it optimally borrows successful aspects of the firm's current practices and forgets the ones that impede serious innovation.

Why You Need Outsiders...

When companies staff innovation teams, they often look for individuals who have the most solid “insider” traits, the idea being that team will work best if it's run by people who are great at operating within the current system. That might be a good way of doing things if you only want small, incremental innovations, but when the goal is change of a more radical kind, it becomes a bit of a liability. That's because insiders bring baggage: organizational blind spots, [biases toward what has worked before](#), and [mental models shaped by the status quo](#). These invisible constraints often prevent teams from exploring truly new territory.

Outsiders, by contrast, bring fresh perspectives and fewer assumptions. They're less bound by “the way we do things here,” and that makes them powerful allies in breaking from the past. This in turn helps their insider colleagues to engage in the critical innovation function of **strategic forgetting**—that is, deliberately unlearning certain organizationally entrenched practices in order to make space for better ones.

...But Not Outsiders Alone

So you should just fill your innovation teams with outsiders, right? Well, let's not be so hasty! The insiders do in fact have an important role to play in the team. After all, the innovations the team produces must have at least some minimal compatibility with what the firm already does; integrating its innovation outputs will go much more smoothly if these have been shaped in part by people who understand how, for example, to present them to the existing business units; and the more the innovation team can leverage existing company knowhow and resources, the faster it will be able to produce a viable and commercializable product and/or service.

The best innovation teams, therefore, include **a mix of insiders and outsiders**. Insiders provide context, help navigate internal systems, and ensure the work is organizationally relevant. Outsiders

inject novelty, challenge ingrained habits, and stretch the team's thinking. This mix also fosters **cognitive diversity** and a strong **team identity**. With the right blend, the team transcends its basic task-force remit to become a new cultural unit with its own norms, rhythms, and sense of purpose.