

GENERATING AND IMPLEMENTING INNOVATIONS IN GOVERNMENT

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Innovation is becoming a critical facet of the government manager's role (Zegans, 1997, 107-10). Consumers can access a worldwide choice of online retailers, and an array of media outlets that serve ever-smaller and better-defined niches. As a result, government's customers are quick to lose patience with police departments, schools, and environmental programs that do not recognize the unique and shifting needs of their communities, and that continue to adhere to outmoded or ineffective routines (Hammer & Champy, 19__; Osborne & Gaebler, 1992). Media attention to social problems of long standing, such as declining test scores, has encouraged political leaders not only to find ways to introduce their own program improvements, but to seek systemic changes such as competition and decentralization in order to give customers greater voice in managing government programs (Elmore, 1997, pp. 260-66). This essay explores the ways in which agencies can generate and implement innovative projects that effectively further organizational mission and that respond flexibly to service recipients' needs.

We argue that managers who hope to oversee flexible and responsive innovations in government face three critical tasks within their organizations. The first is to **learn from ground-level expertise**. Top executives cannot hope to have the same understanding of customers' changing needs for government services, of the variation in individual concerns, as can front-line workers who must serve the public on a daily basis. Thus managing innovation is in part a task of learning to listen to feedback from all levels of the organization, and ensuring that employees know that their ideas are valued and relied upon in shaping the organization's programs.

Second, managers must **interpret and teach the organization's mission and goals**. Innovation can result in valuable new government services or improvements in efficiency, but when we lose sight of our aims, it can be wasteful or even counterproductive. When Massachusetts introduced a voluntary employment and training program designed to increase the self-sufficiency of welfare recipients, top officials had to act quickly to discourage at least one worker who was encouraging welfare-independent women to go on aid in order to participate in the program (Behn, 1991). Managers have at their disposal many tools to define and elaborate on mission and goals, including formal statements, symbols (e.g., office layout), success stories, and, perhaps most importantly, performance measures and evaluation tools (Schein, 1992).

Third, they should **plan for and coordinate the distribution of resources** among innovative projects. A thoughtful resource allocation strategy can ensure that money and staff time are predictably available for high-quality responses to unexpected opportunities and crises. Further, as agencies strive to develop a more holistic, client-oriented perspective, specialists in different fields and even workers within different agencies may need to communicate and structure services together. Even as managers begin to allow freer rein to front-line staff's creativity, they have a greater role than ever to play in ensuring that cross-functional communications are successful and productive.

In the discussion that follows, we analyze how each of these factors plays out in three stages of the innovation process: brainstorming, developing a new project, and implementing the innovation. Finally, we outline and describe methods for managing a fourth critical challenge for government managers—**gaining support and resources from the external environment**. This includes recognizing productive alliances,

appealing to political overseers, and creating a media strategy that states the program's benefits persuasively to stakeholders and the public.

1. Brainstorming: Unleashing Your Organization's Creativity

If government is to resolve emerging or lingering social problems, front-line workers must have the motivation and the means to develop new ideas. Though civil servants have often been stereotyped as locked into bureaucratic routine, their technical expertise and firsthand knowledge of customers and other stakeholders makes them perhaps government's strongest source of innovative programs and processes. Scholars studying the Ford Foundation/Kennedy School of Government Innovations in American Government awards program learned that about half of the highest-scoring projects originated with career civil servants, more than were generated by political leaders and agency heads combined (Borins, 1998, pp. 37-40). Thus top managers often play the role of facilitating staff creativity, and key tasks include::

- demonstrating to line staff and middle managers the value the organization attaches to new ideas;
- ensuring that important problems do not fall between the cracks of various subunits; and
- engaging in long-term planning to make resources available to pursue new ideas.

Principle 1: Recognize innovation and the practices that lead to innovation in your organization's reward structure.

Conveying an innovation-oriented mission to employees means, at a minimum, incorporating innovation into the organization's reward structure. In many organizations in which creativity has stagnated, managers' lip service to innovation is undercut by their lack of attention to it in formal evaluation criteria (Dougherty & Hardy, 1996; Craig, 1995). Evidence suggests that employees respond best to intrinsic rewards—those that elicit in their recipients feelings of accomplishment—such as peers' or supervisors' recognition and challenging new work opportunities, rather than salary increases or bonuses. One manager of a highly innovative biotech firm emphasizes the need to “figure out what motivates my workers and then creatively and flexibly develop an individualized reward system.” (Judge, Fryxell & Dooley, 1997).

Public sector executives have often expressed the fear that rewards to individual innovators are not possible, because there are few vacant positions of responsibility to

which to promote a successful innovator, or because union or other restrictions designed to promote equity limit recognition for merit (Behn, 1997). However, many forms of personal recognition do not run up against these obstacles. A Massachusetts employment and training program provided “performance recognition awards” to employees who had made great contributions towards program goals, and notified local newspapers when employees were honored (Behn, 1991). The director of a New Jersey state youth services program selected executives from outstanding local programs to travel to out-of-state speaking engagements (Levin & Sanger, 1994).

Innovative organizations may choose to reward employees not only for originating a new program or process, but also for the knowledge-building practices that tend to lead to innovation. New ideas rarely emerge out of whole cloth. Rather employees with a strong base of technical knowledge are often able to build on that knowledge incrementally, or combine old ideas in a unique way, in order to solve an organization’s new problems (Levin & Sanger, 1994). Among projects that received recognition in the Ford Foundation/Kennedy School of Government’s Innovations in American Government program, one quarter or more of both the educational and the human service programs originated from a theoretical model (Borins, 1998; Hatch & Mowery, 1998; Kim, 1997).

Private sector organizations have innovated successfully in part by rewarding employees who involve themselves assiduously in new developments in their field’s science or theory. Leaders in new product development in the pharmaceutical industry include firms that not only allow researchers to keep connected with peers in the scientific community, but actually make publications an important criterion for promotion. One particularly innovative firm had, when studied, recently sponsored a major scientific research conference (Henderson, 1994). Government employees, too, may be more likely to find cutting-edge solutions to emerging problems if they become familiar with new literature in their field, and form relationships within the relevant academic and research communities.

Principle 2: Develop your organization’s tolerance for the failure of creative, thoughtful projects.

Furthermore, organizations may be able to increase the incentives for innovation simply by demonstrating some tolerance for failure. Successful innovators are those who take repeated risks, some of which inevitably will not pan out (Levin & Singer, 1994; Peters & Waterman, 1982). Groups have a natural tendency to be less creative than individuals, in part because members fear rejection by, or failure in front of, a cohesive majority (Nemeth, 1997). Government agencies face particular barriers to tolerating the creative failure, because high visibility programs are often under great pressure from the media and political leaders to demonstrate unambiguously good early results or risk loosing support (Entman, 1997; Altshuler, 1997).

Within an organization, managers can ease the pressure to avoid failure by publicly and explicitly committing itself to tolerance, as when the State of Florida's management guide declares that if a "director does not have the opportunity to do things wrong, authority is lacking to do them right." The message can also be stated more symbolically, as when one California city government gave a tongue-in-cheek award to the employee responsible for the year's most spectacular failure (Osborne & Gaebler, 1992). For managing failure intolerance in the external environment, one experienced executive recommends starting new projects so small, so that the manager can identify design flaws before the project gains a great deal of public attention (Schall, 1997). Larger-scale programs may be able to sustain themselves by identifying and publicizing "small wins"—low-risk opportunities to present a series of modest but measurable positive results (Behn, 1991; Weick, 1984).

Principle 3: Front-line workers and middle managers are key assets in recognizing problems and opportunities for change, but there is no substitute for systematic performance measurement.

An important question facing innovators is what problem we should try to solve. The process of identifying problems and opportunities for service improvement calls for both substantial feedback from, and discretion for, front-line workers. Not surprisingly, civil servants, rather than agency heads or outside political leaders, are most likely to be the initiators of innovations that come as a result of a new opportunity, or in response to an internal problem (Borins, 1998). No other player has as much firsthand knowledge of

the difficulties that sub-optimal services create for clients, and no other has as realistic a picture of how a new technology could be applied to the day-to-day work of the agency. An encounter with a client whom they had had trouble locating led two Seattle community agency workers to develop a plan for a voicemail system to allow the homeless to receive job leads. Though no crisis or political pressure prompted such a program, state officials listened to the proposal and responded by finding funds for a successful, yearlong demonstration project (Borins, 1998).

As valuable as civil servant ideas and feedback can be in problem and opportunity identification, it is easy for pressing problems to fall between the cracks of various specialties (Hammer & Champy, 19__). Only by systematically measuring customer service and efficiency can top managers can foster a holistic understanding of the strengths and weaknesses of the agency's services. When firms in Japan's bureaucratically organized brewing industry began losing market share quickly, managers discovered that no part of the firms clearly understood the direction in which customer tastes were evolving. Rather than leaving the development of new projects up to the creative efforts of individuals or subunits, managers took advantage of the firms' hierarchical structure to create a systematic data collection process. They set up a formal process of data collections about consumer preferences, including a cross-subunit "market watching" process, and a set of specific procedures for testing and gaining approval for new products (Craig, 1995). Because developing an overall understanding of consumer tastes went to the heart of firm goals and cut across subunit specialties, top management could serve as a catalyst for a stronger process of problem identification.

Because government agencies are largely insulated from market pressures, top agency officials may want to focus particular attention on gathering input from customers. When Massachusetts wanted to attract participants to its voluntary ET Choices job-training program, upper management initiated a series of welfare recipient focus groups. Through customer input, they learned that few potential participants responded to marketing materials emphasizing former welfare recipients' pride in labor market success, but that many were interested in the benefits their own independence would have for their children (Behn, 1991). Moreover, to the extent that civil service protections limit front-line workers' accountability to organizational goals (and may

sometimes even motivate them to propose or preserve innovations that protect agency jobs but do not serve these goals), there is a clear need for management's or even politicians' initiative to improve problem identification by gathering and analyzing outcome data. In Youngstown, Ohio, mental health programs for displaced steelworkers were able to obtain millions of dollars until a state university study revealed that it could only find a few dozen workers ever used such services, while an urgent need for health insurance went unaddressed (Osborne & Gaebler, 1992). Thus central coordination is critical to developing a good understanding of the problems the agency faces both in attaining its own goals, and in meeting evolving customer needs.

Principle 4: Resource allocation processes should be consistent, competitive, and cross-functional.

Employees need not only motivation to innovate, but some reason to believe that resources will be available to them when they develop a compelling new idea emerges. Within organizations in which innovation has stagnated, it is not uncommon that employees are confused as to how resources are allocated, and feel that they must “beg, borrow or steal” in order to carry out even an outstanding project (Dougherty & Hardy, 1996; Judge, Fryxell & Dooley, 1997). For managers, then, the task is both to minimize the extent to which the organization is caught short of resources when a high-quality innovation opportunity arises, and to develop a coherent process for deciding which projects should take precedence.

Organizations often have some discretion over the amount of excess resources they leave available for experimentation with new products and processes. Recent research on functional departments in two multinational corporations revealed a U-shaped relationship between resource availability and innovation—organizations will likely maximize gains from innovation by keeping neither too few nor too many resources available (Nohria & Gulati, 1996). Too few resources can pose an obvious roadblock to innovation. When an exciting new idea arises, the would-be innovator will find that the necessary money and staff to pursue it are already committed to other projects (Moses, 1992; Damanpour, 1987). Less obvious are the potential problems associated with too many resources. A large excess may cause the organization to

become careless in allocating resources, because there will be little competitive pressure to justify denying aid to an expensive and dubious pet project (Jensen, 1993; Leibenstein, 1969).

[insert picture of U-shaped relationship]

Managers can increase the predictability of resource availability by engaging in long-term planning, scheduling resource-intensive projects far enough apart so that some staff time and money remains for responding to the unexpected opportunity or problem (Sharma, 1999). In recent years, some states and municipalities have begun to recognize the importance of balancing the long-term resource impacts of new projects and preparing for the unexpected by setting aside a small percentage of revenues as a contingency fund, and by preparing and analyzing multi-year rather than the traditional one-year budgets (Osborne & Gaebler, 1992). Within an individual agency, gaining enough discretion over funds to permit this kind of planning can obviously be politically difficult. One approach is to identify savings yielded by efficient service provision, and advocate for the savings to be placed in an “innovation fund” over which the agency would be granted very broad discretion to plan (Lynn, 1997).

How to decide which projects take precedence also presents a significant management problem. Innovation studies suggest that technical or other specialized information tends to be “sticky”—costly and difficult to move from department to department (von Hippel, 1994). Thus employees who deal directly with customers may struggle to communicate with those who do more theoretical work about the importance and feasibility of a particular project (Craig, 1995). To incorporate specialized perspectives coherently into the resource allocation process, organizations should place the decision in the hands of widely read, knowledgeable individuals who are especially adept at thinking across boundaries, or a high-conflict committee process in which competing interests will each receive an advocate’s voice (Henderson, 1994).

2. The Planning Stage: Turning an Idea into an Innovative Project

When an organization begins to turn a good idea into an implementable project, managers face several important decisions, among them the following: First, in how much detail should the project be specified in advance of implementation? Second, how

do we select and manage the personnel who will develop the new program? Managers should not attempt to foresee every contingency the new project might face, but they should plan large expenditures and performance measurement procedures carefully; and they should expect and help resolve difficulties in coordination across diverse departments, and between idea generators and implementers.

Principle 5: Set clear intermediate project goals, but allow substantial discretion for front-line workers and middle managers to determine how to achieve them.

Innovators are increasingly recognizing that it is a process of iteration. High-technology private firms have been urged to use flexible product development schedule, to expect that they will reevaluate their initial concept repeatedly as they learn more about the unpredictable new technologies the innovation requires (Iansiti, 1995). Similar concerns have become prominent in public management, as scholars and practitioners

[Insert feedback loop diagram]

have debated the virtues of realizing an innovation by “comprehensive planning” or by “groping along” (Behn, 1988; Borins, 2000; Golden, 1990). Under a comprehensive planning model, successful innovation depends on a thorough set of plans—clear and specific goals, tight controls on each key step, and a detailed timetable—designed to ensure that the product fulfills the innovation’s preconceived vision (Golden, 1997, Borins, 2000). Advocates of “groping along” argue that managers should not spend all their time plotting the perfect course of action—that they can never hope to foresee every turn of events. Rather they should take an “aim, fire, ready” approach—establish a broad policy target and a few very general intermediate goals, make an initial attempt at a project that will reach the target, and revise the project when you see how close the first effort gets you to your goals (Behn, 1991).

Many high-quality innovations illustrate the value of quick action and repeated readjustment. An award-winning computer system for Medicaid patient record keeping in Indianapolis started in a small diabetes clinic in 1972, and evolved over two decades to include the hospitals other clinics, laboratory and radiology records, and, finally, in the midst of an infant mortality crisis, community clinics in ten hospitals throughout the city (Borins, 2000, pp. 57-58). The program was able to provide some quality services very

quickly, long before administrators could have managed, or even foreseen, all of the community needs that it would be called upon to serve. Another example: When Greg Coler became director of Illinois' Department of Children and Family Services, he knew that he was facing a critical shortage of adoptive parents for black children, and that he would have to put in place some program to resolve the crisis, but he did not immediately know the best path. When an initial campaign of public service announcements failed, staff quickly reconceived of the program as "One Church, One Child," a project to be carried out with the aid of a network of black ministers, and put it into operation within a few months. Only after the project became operational, staff learned that screening procedures would have to be revised because they deterred many good adoptive parents (Golden, 1997). Coler and his staff recognized that, by trying something quickly, they could gain far more information about what works than by refining a detailed plan for development of a first-rate adoption-marketing program.

Principle 6: Comprehensive planning becomes increasingly important when programs require complex performance measurement, extensive coordination, or large expenditures.

While it may be a mistake to try to plan for all the complexities of the human interactions that government programs generate, the majority of Innovations in American Government high scorers emerged from some process of comprehensive planning (Borins, 1998). Sanford Borins' research on the Innovations in Government program suggests several circumstances in which a flexible, broadly outline plan is unlikely to be adequate to produce a high-quality innovation. These include:

- *Projects with large capital budgets*, such as transportation infrastructure. Legislators will be reluctant to authorize funding without strong evidence of the project's workability and cost-effectiveness, and may have important impacts on other projects in the community or region.
- *Projects designed to test a theoretical model*. If, for example, a state or city wants to analyze the impacts of reduced classroom size, developing an adequate test requires careful consideration of the target population, a process for random selection of students, and the rapid hiring and assignment of teachers.

- *Interorganizational collaborations.* Private sector partners in particular are likely to demand a clear statement of the project's expected outcomes and how it will achieve them. Whether partners are governmental or non-governmental organizations, coordination on a complex social problem requires clear definition of roles and some shared understanding of program goals and procedures (Borins, 1998, pp. 57-60).

Though recognition of the expertise of front-line workers should properly lead managers to allow them discretion in designing the details of innovative projects, the growing demand for customer-oriented, comprehensive services, and for documentation that services are working, will likely lead to many new planning challenges for innovative managers.

Principle 7: If the existing culture is slow to develop new ideas, look for creative dissent-generating mechanisms such as cross-functional teams.

Particularly in the private sector, organizations seeking to resolve problems and respond to new opportunities are reconsidering their subunit structures, turning to concepts such as the cross-functional team, wherein marketers, researchers, and customer service workers unite their diverse perspectives to develop a creative solution (Hammer & Champy, 19__; Craig, 1995). Cross-functional teams are just one manifestation of the effort to foster creative dissent within an organization, though one with the advantage of providing a holistic view of services. An innovation is by definition a new conception of the organization's programs or processes, and many leaders recognize that members of highly cohesive units who have similar backgrounds and interests, may fail to innovate because they fall into "groupthink," a shared and mutually reinforced attachment to the current way of doing things (Janis, 1972). In addition to cross-functional teams, recent examples of dissent-generating mechanisms include:

- A recent Motorola CEO who was known for orchestrating contentious or even profane confrontations among managers of business units.
- Hewlett Packard's offer to employees of a "medal of defiance" for employees who pursue successful programs over management opposition.
- Pfizer at one point relocated its R&D unit overseas, apparently to unleash its creativity from close management supervision (Nemeth, 1997).

In government, managers have an additional motivation to set up dissent-generating ad-hoc processes. Because civil service protections limit top management's ability to hire and fire front-line workers, new leaders often perceive that the agency is filled with "deadwood," whose values and work habits do not match the agency's goals, so that an informal committee of workers who accept the new goals is the best means to challenge the culture that flows upward from the line offices (Gilmore & Krantz, 1997).

Principle 8: Cultural conflicts and communication difficulties should be addressed during the planning process, not deferred until implementation.

Dissent-generating mechanisms can be important tools for generating new ideas, but, if not used carefully, they can also generate significant obstacles to the development of a usable innovation. First, the development of new ideas outside the functional structure of the office tends to disconnect innovation from the problems of implementation. When employees take part in an ad-hoc process, they often propose ideas which they will not be responsible for carrying out on an everyday basis, and demand resource sacrifices without considering the projects that will be lost or cut back due to the innovation. In a case study of a task force in one corrections agency, when task force members met with the chief executive to request approval for a new project, they proved vague and uncertain about the project's costs, and about where they could find excess resources to pursue it. When asked by the chief executive what resources the group wanted, one member responded flippantly, "Let's sit on Santa's lap." Mid-level executives often speak with frustration of highly innovative committee reports falling "into the circular file," or "gathering dust on shelves," perhaps because too many implementation problems remain unaddressed by the idea-generating process (Gilmore & Krantz, 1997, pp. 304-08). Indeed, when ad-hoc processes are used to work around deadwood, they may simply delay or even exacerbate the problem of cultural resistance. Ideas that do not emerge from the front lines are often viewed as "management fads," and the very act of circumvented workers come to believe that they are deadwood—that they are not expected to implement the agency's goals creatively (Gilmore & Krantz, 1997, pp. 313-16).

The key to success is to begin to deal with cultural conflict and implementation problems upfront. Effective team processes continuously seeking commentary on the developing idea from line and staff members not included in the committee, and gradually transfer decision-making authority over refinements in the project to the units that will carry it out (Gilmore & Krantz, 1997). They are also inclusive. Staffing decisions should not send the message that entire subunits or categories of workers are dysfunctional. When substantial cultural conflict exists within an organization, managers should ensure that all major perspectives are at least represented on the team, so that members can work through, or at least begin to foresee, conflict during the innovation planning process.

A second obstacle to the use of dissent-generating processes is that it can be costly and difficult to communicate technical or other complex information across functional subunits. Subunits made up of people of similar personal characteristics, training and interests may be prone to groupthink, but they can also exchange multi-layered information trustfully and with little need for cultural translation (Kanter, 1977; Zenger & Lawrence, 1989). As front-line workers attempt to absorb marketing or technical information, and staff with more technical, theoretical backgrounds internalize customer concerns, the risk is that specialists will limit the time they can put into understanding advances in their own fields without being able to convey their fields' concerns to individuals of complete different training and interests. Managers can help reduce communication costs by rewarding workgroups, particularly technical (e.g., accounting, scientific) workgroups, which develop effective simplifying methods such as user-friendly software systems for transmitting complex information to the rest of the organization (von Hippel, 1994).

3. Implementation: Changing Culture, Working Within Divided Culture

Senior managers of government organizations fairly consistently describe internal conflict as the greatest obstacle to the implementation of innovative projects. Professional groups within a bureaucracy are often reluctant to embrace a vision or project that requires them to do their jobs in different ways (Borins, 1998). In one focus group of senior managers, several spoke of “dysfunctional organizations,” which are

characterized by rigid, initiative-stifling hierarchy, “closed door” department heads, and line workers who are either cowed by the rules or forced to become outlaws if they wish to pursue a new project (Zegans, 1997). Changing a dysfunctional culture requires that top managers challenge existing values while creating a zone in which it appears safe and realistic to adopt new ones (Schein, 1992). However, because culture and values are often slow to change, executives must often manage within multiple cultures—use consultation and accommodation to gain acceptance for individual innovations (Borins, 1998). In this section, we explore both the process of long-term cultural change, and the political strategy required to make an innovation happen in a divided culture.

Principle 9: Managers possess many tools for changing an innovation-unfriendly culture, including new data, new work processes, new rewards, new performance measures, and even new symbols.

Organizational culture is the set of values and beliefs an organization’s or a subunit’s members bring to their work and their interactions with one another and with outsiders (Schein, 1992). For a manager who hopes to make an organization innovative, a first step to changing culture is to diagnose it—observe the processes and environment of the office, and listen to what people say about what they value. Only by understanding shared assumptions will a leader know where and when to look for support and resistance in an organization (Levin & Sanger, 1994). Changing culture to encourage acceptance of innovative projects is a problem similar to that of motivating employees to offer new ideas, but it is far broader. New projects require not just that a few workers be adept at seeing and advocating for new ideas, but that each subunit be interested in finding creative solutions to the pitfalls that develop during the program’s everyday operations. Among the key tools for creating a new culture over the long term are:

- *Disconfirming data.* Managers will likely have to create a certain degree of anxiety in order to “unfreeze” employees from a long-cherished set of values (Schein, 1992, pp. 299-300). If a police department has long believed that fraternizing with the community is unprofessional, management may need facts that tell a convincing story about why employees should believe that tenuous community contacts are hurting their ability to solve crimes.
- *Restructured work processes.* New team structures, a new physical layout, and many other changes in work processes can send a message about how values are changing. When customers of the New York Transit Authority complained that no one

had authority to solve the public's problems, it gave cross-functional authority to a single Station Manager, rather than dividing the whole staff by maintenance function (Borins, 1998).

- *Rewards for mission accomplishment.* Just as management can allocate status and resources to employees who generate a new idea, rewards—including allowing efficient subunits to retain savings, supervisors' recognition of the welfare worker who handles a difficult case smoothly—allow managers to continue to make strong statements about what the mission is, how employees can fulfill it, and why they should want to fulfill it.
- *Careful attention to hiring.* As the program's mission evolves, good managers analyze thoughtfully, and in consultation with stakeholders, what qualities are needed in an applicant. They check references carefully, striving to learn all they can about the candidate's determination and maturity, and how he or she has risked and learned from success and failure (Schall, 1997).
- *Redesigned performance measures.* Performance measures give employees a clear message about what goals they are supposed to accomplish. They may also provide a sound rationale for replacing old beliefs and practices with new ones (Osborne & Gaebler, 1992). Disconfirming data may show police officers that something was wrong with the old ways of policing, but unless managers can identify something that got better because the police increased their contact with the community, and prove it, officers may be reluctant to take the new mission to heart as a replacement for the old.

Principle 10: Transitions are difficult: To change a culture, managers must repeat their message, and make staff feel safe and respected in accepting new values.

Asking people to change the way they have done their jobs for many years threatens their sense of what it means to be a professional, their estimations of whether they have done good, worthwhile work over the course of their careers. For this reason, it may be psychologically easier to ignore the new message unless that message receives sustained reinforcement (Schein, 1992). There are many ways to make the mission known—sometimes changing a symbol can make a strong statement. When a new general manager arrived at the Massachusetts Bay Transit Authority, he observed that the walls of his suite were covered with photographs of trains and trolleys, all empty of passengers. The photographs proved just one indicator of a culture that strongly valued managing and maintaining equipment, and took far less notice of customers' experience. He quickly replaced them with customer service awards (Levin & Sanger, 1994).

Furthermore, because reevaluation of one's professional values can be such a wrenching step, good managers allow employees to feel "psychological safety"—they

ensure that employees do not feel a loss of identity or integrity in adapting to the new values (Schein, 1992). They may also be important in defusing bargaining unit opposition to new role definitions (Borins, 1998). Innovative government organizations have typically created safety in four ways. First, as discussed in Part I, they tolerate good-faith failures—when employees propose a new way to fulfill the new mission and the proposal fails or is not adopted, the employee does not lose status. Other components of a psychological safety strategy include:

- *Respect for the organization's prior mission and accomplishments.* New managers may choose to avoid directly criticizing the organization's previous goals, and use tools such as tenure awards to show that long service and experience are respected (Levin & Sanger, 1994), even as they articulate why new values were now appropriate.
- *Training.* Changing how a job is performed can be particularly worrisome to workers who do not know how to do some of the new tasks, or what exactly their supervisors expect of them. Managers of innovative programs often set up training sessions to give guidelines on how to do the new task well, and to give both sides an opportunity to clarify expectations (Borins, 1992).
- *Role modeling.* On-the-job examples of good performance can be a particularly valuable way of demonstrating that new work expectations are practicable, and that they help clients. Case management panels at Massachusetts' ET Choices not only allowed workers to hear successful case management efforts described step-by-step, but gave them opportunities to raise questions and concerns about the case, not only learning about the case but developing shared understanding of mission (Behn, 1991).

Programs may pose a special challenge to psychological safety when they appear to threaten jobs within the organizations. Restructuring within an organization, the introduction of competition or privatization, and the addition of challenging new tasks which some may be unable to perform are all instances in which employees may feel especially threatened. In some instances, organizations can offer workers a zone of safety by stating an explicit no-layoff policy—employees have often proved quite accepting even of innovations that eliminate their jobs when they know that another job is waiting for them elsewhere in the organization. Reductions in middle management can often be achieved through attrition, particularly with early retirement incentives (Osborne & Gaebler, 1992). When jobs must be eliminated, or employees prove unable to adapt to new expectations, managers of successful innovations take care to preserve the sense of

safety surrounding the transition, by compensating outgoing managers adequately and treating them respectfully (Borins, 1998).

Principle 11: Consultation and accommodation can reduce resistance to innovation even amid substantial cultural conflict.

Cultural change is never instantaneous. Given that top executives turn over quickly, that civil servants are to some degree insulated from reward and punishment, and that executives must answer to customers and politicians who may be nervous about entrepreneurial government, reshaping shared assumptions is especially challenging for government managers (Altshuler, 1997). The good news is that many high-quality innovations in government are implemented despite substantial internal conflict (Borins, 1998). A first step to managing amid conflicting values is to recall that conflict is often a tool for stimulating creativity, and to recognize the strengths that dissenters can offer. If a component of the police force retains allegiance to, and advocates for, professionalized, command-and-control policing even as the force as a whole moves to a community problem-solving model, proponents of the community model have stronger incentives to sharpen and justify their definitions of the public's role in policing.

High-scoring programs in the Innovations in American Government study used (in Sanford Borins' words) both persuasion and accommodation to prepare their organizations for implementing new projects. *Strategies of persuasion* include a successful demonstration project in one locality or subunit, narrow arguments about the benefits of a particular program, and finding private funding sources that do not cut into the organization's existing work. *Strategies of accommodation* recognize the organization's commitment to respect for the front line's judgment and autonomy by, for example, field-testing and revising program technologies, consultation with skeptics and incorporation of their concerns into program materials, or even co-opting them into the process that designs the new program (Borins, 1998). While care must be taken that the program continues in its essence to further organizational goals, it may be that (to return to the policing example), there are aspects of the new program that will require old-style professional policing to succeed, and that some compromise is desirable if co-opted critics can lead others to embrace the program and try to make it work.

4. Allies, Overseers, and the Media: Managing the External Environment

Innovation within a government organization often depends on external sources of support. An alliance with a public, private, or nonprofit partner can bring skills, resources, or political clout that the organization cannot draw from within. Political overseers, many times skeptical of the entrepreneurial civil servant, must often provide authorization or a budget for the new project. The media, with a strong set of values and biases of their own, can powerfully reshape the public's, allies' and overseers' opinions on the program's meaning and value. This section suggests strategy for forging productive relationships with allies, gaining political authorization for an innovative project, and defining and defending the project through the media.

Principle 12: Those who are willing to work cooperatively and share credit can often find public, private, or nonprofit partners to help provide comprehensive solutions to crosscutting problems, to build community trust, to provide essential resources, and to bring political credibility to a new project.

A strong alliance can serve many purposes for an innovative government organization. Problems that require innovative solutions rarely fall squarely within the purview of a single government agency. Particularly in the human services field, public agency collaborations have permitted specialists in different fields to *provide one-stop services for complex social problems*, allowing customers to secure essential and related services without having to negotiate multiple bureaucracies (Borins, 1998). Recognizing that at-risk youth often face multiple barriers to continuing their education and making the transition to employment, a New Jersey official brought schools and human service agencies together to create the School Based Youth Services program, which offered health, employment, and family counseling all within the school setting, and links them to teen recreational opportunities (Levin & Sanger, 1994).

Interagency collaboration has also proved important in *resolving problems with impacts in multiple jurisdictions*, as with environmental innovation that relies on ecosystem-based planning. For example, a multi-state initiative has brought ten

Midwestern state governments together to set recycling standards and create a market for 30 million pounds of recycled paper (Borins, 1998). When a problem requires *highly technical skills or economic solutions*, innovative agencies often seek private sector partners (Osborne & Gaebler, 1992). Public agencies requiring cutting-edge information technology systems in order to manage new projects have sometimes turned to a private partner who can design the system and absorb some of the costs in exchange for the rights to market it elsewhere (Borins, 1998).

When government undertakes a community revitalization or other neighborhood-based project, nonprofit partners can prove valuable. Nonprofit agencies and volunteers can provide skills unique to the third sector. When Philadelphia wanted to curb graffiti, it formed a network not only of law enforcement and human services agencies, but art museums and local professional artists who could help channel youth into more constructive artistic efforts (Levin & Sanger, 1994). More fundamentally, nonprofit and other voluntary groups can play a *bridging, trust-building role* among service recipients who are skeptical that government is serving their interests. In community policing, officers often form close working relationships with neighborhood groups which can watch for crime, aid in search-and-rescue, and pressure other agencies for graffiti and litter cleanup (Moore, Sparrow, & Spelman, 1997). When Illinois' Children and Family Services department faced a critical shortage of families to adopt minority children, it developed the widely acclaimed One Church, One Child program, which worked with black ministers to assist families in their congregations in adopting (Levin & Sanger, 1994). Just as government can build trusting relationships with neighborhoods through innovative partnerships, it can often increase the productivity of traditionally adversarial regulatory relationships by identifying points of "interest convergence" (Levin & Sanger, 1994) with private firms. Private firms in several localities have entered into voluntary environmental inspection programs in return for such benefits as government training in cleanup and self-inspection methods, or liability assurance (Borins, 1998).

Finally, well-chosen alliances can profoundly increase the *political viability* of an innovative project. Successful innovators find clients, community activist groups, and institutions that can give legislators a sustained positive message about the project's effects. (Altshuler & Zegans, 1997). Environmental activists, for example, have proved

strong allies for environmental programs, as their research and advocacy is often helpful in making a case against industry opposition, and their mobilization efforts valuable in showing politicians that strong grassroots support exists for many reform programs (Borins, 1998). The best choices for political allies, of course, will depend on the innovator's judgment about who has strong credibility with political overseers. However, regardless of the choice of ally, or the nature of the ally's involvement, winning the support of partners typically requires innovators to be both willing to share the credit for a successful program, and receptive to feedback that might reshape the program (Altshuler & Zegans, 1997).

Principle 13: Innovative managers respect political leaders' discretion, and emphasize low cost and low risk in new projects.

Not surprisingly, government managers report the most success in gaining political authorization and resources for programs that can be advertised as saving money, or that appear likely to yield quick positive outcomes. Political overseers will behave more favorably towards a program if they have some personal connection to it, or if they are consulted early in the process (Zegans, 1997). As mentioned in Part I, managers can minimize risk by such means as demonstration projects and goal setting to reach "small wins"—modest, yet clearly positive outcomes that the organization is confident it can achieve. Among many other strategies that have proved successful:

- *Prevention:* From prenatal care to fire department code enforcement programs (Osborne & Gaebler, 1992), innovative projects often find support when they can make a prevention claim. Preventive programs allow political leaders to claim credit both for sparing the target group from a greater harm, and often for saving taxpayers' money.
- *Competition:* One reason that politicians are apprehensive about innovative projects is that they take initiative that appears unaccountable to the public or any publicly elected official. Innovations such as school choice, public-private competition in bidding to provide services, and outcome-based budgeting (the agency competing with itself—retaining broad spending discretion, so long as it meets specific performance goals), are attractive because they increase discretion and opportunities for initiative while imposing clear incentives to make new projects work (Altshuler, 1997).
- *Self-regulation and community involvement:* Community policing, voluntary environmental monitoring and clean-up programs, and programs that train neighborhood residents to care and advocate for the disabled are all examples of instances in which

government transfers part of its regulatory or service-providing role to citizens. Community involvement programs allow politicians to argue to the public that it has more, rather than less, discretion over the new program as a result of the innovation (Altshuler, 1997).

Principle 14: Good media strategy requires appeal to simple, personal stories about why the program is succeeding, and quick response to individual errors and failures.

To put a positive public face on a new project, managers must first take into account how the media are likely to translate their story. Communications scholar Robert Entman argues that the media have three consistent biases in covering news stories: the tendencies to personalize—to look for personal explanations for the actions of public officials and others, to symbolize—to present actions in terms of culturally familiar themes, and to simplify stories to fit short new stories and sound bites (Entman, 1997). When managers keep these biases in mind, they can often create powerful stories to support their projects. Leaders of Massachusetts' ET choices job training program received favorable coverage by emphasizing the simple, familiar theme of women working hard to use their training to leave poverty, and by finding articulate women to describe the personal obstacles they faced. These leaders paid close attention to symbols—holding press conference at the production facilities where women worked, arranging photos that showed the women doing work, and choosing concise, memorable slogans for the program (Behn, 1991).

The media's attention to the personal and the symbolic also makes high-profile innovations particularly vulnerable to negative or scandal coverage. One popular Florida health services administrator suffered a devastating turnaround in media coverage when a child died of abuse inflicted by his parents after the agency recommended reunification. Reporters began to foster the stereotype of him as a free-spending, self-serving public official, detailing his cellular phone and travel expenses, and highlighting health services contracts that had gone to friends of his (Scott, 1992). Prompt acknowledgment and sensitivity to symbolic importance can sometimes help. When executives of a Seattle recycling program faced a spate of stories about individuals who were not receiving adequate collection service, they responded quickly and publicly, for example developing

an “account executive” program to manage individual problem cases aggressively (Husock, 1991).

It also helps to develop or hire top staff members who are accustomed to frequent, positive communication with the press, and who are creative in devising media events. Reporters tend to gather news stories habitually, by talking to the “usual suspects” (agency officials and interest group leaders who have a steady stream of stories) in the “usual places” (press conferences, public events, regular beats) (Bennett, 1997). Seattle’s recycling program received positive press attention in part because, as one top official observed, “If reporters call and tell me they need a story, I try to come up with something and call them right back.” For instance, among media events dramatizing the program’s success was a ceremony commemorating the 50th percentile household to sign up for recycling services—with each media event inspiring more sign-ups (Husock, 1991).

FOURTEEN PRINCIPLES FOR SUCCESSFUL INNOVATION

As we have seen, managers of innovative organizations must, at each stage of the process, learn from the substantive expertise and customer knowledge that front-line workers bring to their job, yet at the same time constantly communicate the organization’s mission and values, and coordinate resource allocation among tasks that require an increasingly holistic perspective. At the same time, they must keep their eye on the critical external players, foreseeing alliance opportunities in the public, private, and nonprofit sectors, and creating a message that will be received favorably by political overseers and the media. Key principles of successful innovation include:

Free staff to be creative by:

1. Recognizing innovation in your reward structure.
2. Developing an organizational tolerance for the failure of good ideas.
3. Seeking staff input about problems and opportunities that are emerging, but measuring performance and client satisfaction systematically.
4. Devising a resource allocation process for innovative projects that is consistent and competitive, and that examines projects from a cross-functional perspective.

Develop your innovation by:

5. Setting intermediate project goals, but allowing front-line workers and middle managers the discretion to revise the project, adapting it to the unforeseen.
6. Planning more comprehensively when the project requires large expenditures, rigorous performance measurement, or interorganizational collaboration.
7. Looking to dissent-generating mechanisms such as cross-functional teams to gain new creative insights. But
8. Foreseeing implementation, communication, and cultural problems, and beginning to address them in the innovation's planning stages.

Prepare the organization's culture to accept innovation by:

9. Fostering new values through tools such as new data, new work processes, new rewards, new performance measures, and new symbols.
10. Recognizing the psychological difficulty of values change by repeating the message and emphasizing respectful, supportive treatment of senior staff.
11. Consulting with staff and looking for ways to accommodate their concerns when substantial values conflict exists over the project.

Manage the external environment by:

12. Searching broadly for public, private, or nonprofit allies who can bring skills, trust, and resources to the project. Seek their feedback and share credit.
13. Consulting political overseers early, and finding ways to demonstrate early success, low risk, and cost savings.
14. Articulating a media message that is simple, personal, and attentive to familiar, popular themes and symbols.

