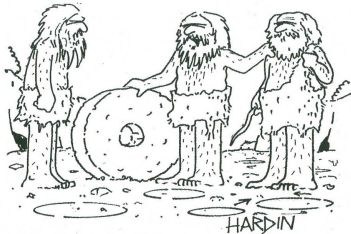# Advancing the Individual and Organizational Boundaries of Innovation

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PELA 2014

Theory and practice in innovation

"To be honest, I never would have invented the wheel if not for Urg's groundbreaking theoretical work with the circle."

HARDIN

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Definition of innovation

- Narrow definition: Idea, practice, or product that is new, original, cutting edge
- Broad definition: Introducing change with the intention of improving process or results
  - New to organization
  - Innovative compared to previous practice
  - Not necessarily original

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Other key definitions

- **Adoption**: incorporating practices developed in other organizations; usually includes adaptation to local conditions

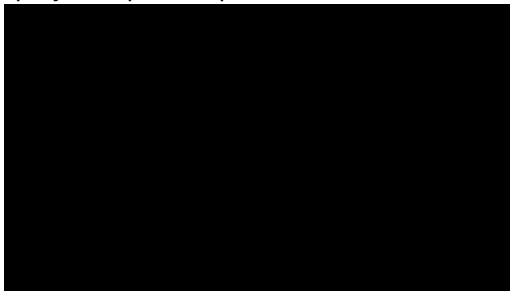---

Other key definitions

- **Invention**: new approaches or practices that are created by the organization; application of new technology

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Rancho Cordova: Innovation Academy project report – April, 2015


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Other key definitions

- **Diffusion**: the spread of new ideas and practices through the local government sector

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Inventers and Adopters (Everett Rogers, *Diffusion of Innovations)*

- Innovators: venturesome and cosmopolitan; boundary spanners and gatekeepers – 3%
- Early adopters: integrated and respected – 14%
- Early majority: deliberate – 34%
- Late majority: skeptical – 34%
- Laggards: traditional – 16%

Distribution of innovator types

Market share %

| Innovators 2.5 % | Early Adopters 13.5 % | Early Majority 34 % | Late Majority 34 % | Laggards 16 % |
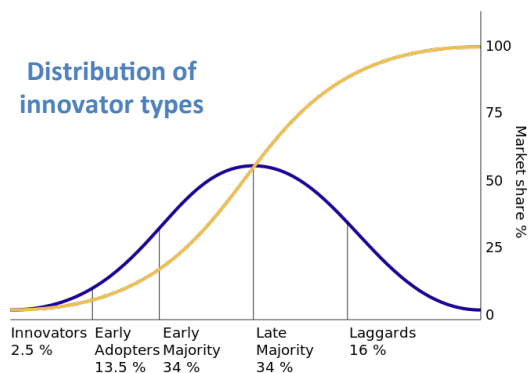
Individual characteristics

- Orientation to change and risk-taking
- Discovery skills
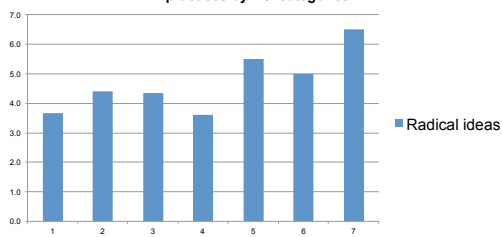- Intentions and vision

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Orientation to change and risk-taking

Review Change Style Indicator results:

- Moderate conserver (-22 to -18) – 3
- Slight conserver (-16 to -10) – 5
- Pragmatist w/conserver orientation (-8 to -6) – 6
- Pragmatist w/conserver tendencies (-4 to -2) – 5
- True pragmatist (0) – 2
- Slight originator (10 to 14) – 4
- Moderate originator (18 to 28) – 2

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CSI and Innovation Capacity Assessment

I have ideas that are radically different from prevailing practices by CSI categories

Legend: ■ Radical ideas

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CSI and Capacity Assessment - 2

Risky alternatives by CSI categories

Radical ideas Risky alternatives

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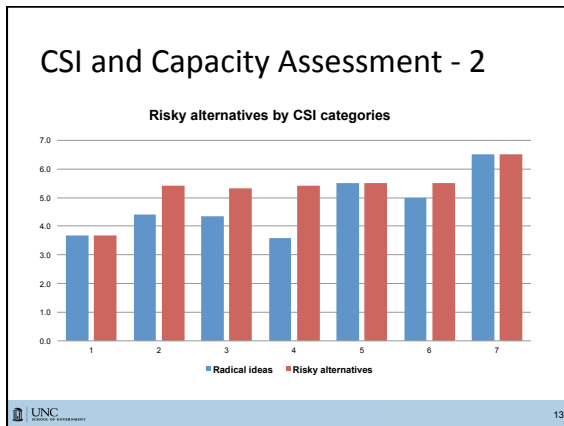
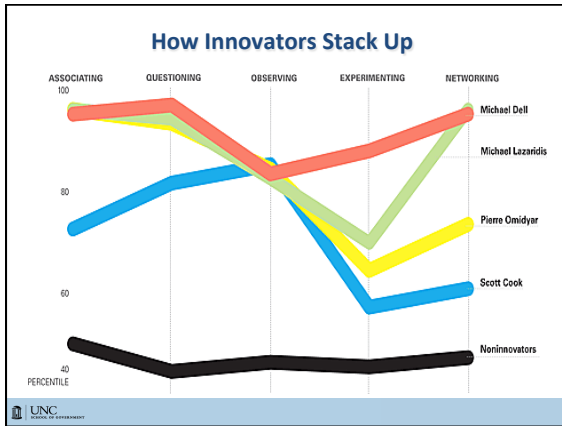Search behaviors of innovative leaders in private sector*

Senior executives of the most innovative companies—only 15% the total—don't delegate creative work.

They do it themselves.

*Jeffrey H. Dyer, Hal B. Gregersen, & Clayton M. Christensen, "The Innovator's DNA," *Harvard Business Review* (December, 2009). Study of the habits of 25 innovative entrepreneurs and survey of more than 3,000 executives and 500 individuals who had started innovative companies or invented new products.

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Five "discovery skills" that distinguish the most creative executives

- Associating
  - successfully connect seemingly unrelated ideas
- Questioning
  - constantly ask questions that challenge common wisdom. *Ask "Why?," "Why not?," "What if?"*
- Observing
  - scrutinize common phenomena, particularly the behavior of potential customers
- Experimenting
  - try out new ideas and approaches
- Networking
  - find and test ideas through a network of diverse individuals.

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How Innovators Stack Up

ASSOCIATING   QUESTIONING   OBSERVING   EXPERIMENTING   NETWORKING

100

Michael Dell

Michael Lazaridis

80

Pierre Omidyar

Scott Cook

60

Noninnovators

40
PERCENTILE

Your average scores

- Associating: **4.7**
  - successfully connect seemingly unrelated ideas
- Questioning: **6.2**
  - constantly ask questions that challenge common wisdom. *Ask "Why?," "Why not?," "What if?"*
- Observing: **6.0**
  - scrutinize common phenomena, particularly the behavior of potential customers
- Experimenting: **5.3**
  - try out new ideas and approaches
- Networking: **5.9**
  - find and test ideas through a network of diverse individuals.
  - *seek input from professionals outside my profession:* **5.4**

How do you stack up?

Consider your results of part 1 and compare your CSI Score.

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Special traits of creative entrepreneurs*

- Vision:
  Whereas "traditional" entrepreneurs focus on performance measures, the intentions (visions) of the creative entrepreneur are associated with a broader ideal: something that the entrepreneur feels deeply attached to.
- A creative (or a social) entrepreneur is "possessed" by a good cause. The creative entrepreneur generally deals with projects "full of soul" and intensity.
- Creation is turned into innovation

*Paulo C De Miranda, José Alberto S Aranha and Julia Zardo, Creativity: people, environment and culture, the key elements in its understanding and interpretation. *Science and Public Policy.* 2009.

Your assessment of change:
How much does your organization change now? Preference of future?

Change now	Change preferred				
	Less	Same	More	DK/NA	Total
Never change	0%	0%	0%	0%	0%
Rarely change	0%	0%	4%	0%	4%
Change occasionally	4%	8%	35%	0%	46%
Change often	12%	12%	12%	0%	35%
Change frequently	4%	4%	4%	4%	15%
Total	19%	23%	54%	4%	100%

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Organizational climate

Organizational capacity for innovation increases when—
- Elected officials work well together
- Council respects professionalism of staff
- Leadership is strong

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Organizational obstacles

	Agree
Insufficient HR	34%
Resistance to change among staff	22%
Insufficient financial support	22%
Difficulty providing incentives	22%
Lack of information about innovative practices	22%
Opposition of elected officials to change	22%
Resistance to change among managers/supervisors	15%
Lack of creativity and initiative among rank-and-file staff	7%
Lack of creativity among managers/supervisors	0%

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Organizational capacity—Elected Officials

- Elected officials are collaborative
- Consensus decision-making is the norm
- Satisfied with the way the group functions
- Trust each other
- No personal grudges

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Organizational capacity—Council & Staff

- Manager works well with the board
- Board members respect & trust management
- Board seeks staff recommendations & generally follows them
- Manager can discuss difficult subjects without fear of retribution from the board
- Board stays out of day-to-day operations

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Organizational capacity—Leadership Credibility

The manager/CAO—

- Uses participative leadership style
- Actively communicates vision, wins employee acceptance & support
- Delegates sufficient authority when assigning tasks/roles
- Follows through on promises
- Recognizes & rewards high performance

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Leadership Context

	Disagree
Elected board encourages creative problem solving	15%
Supervisors delegate sufficient power	11%
Elected board tolerant of suggestions that do not work well	11%
Supervisors are tolerant of suggestions that do not work well	7%
CAO tolerant of suggestions that do not work well	4%
CAO uses participative leadership style	4%
Supervisor follows through on promises	4%
Supervisors recognize & reward high performance	4%

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Promote innovation in yourself and your community

- Commit to being innovative
- Develop and practice discovery skills
- Encourage – create and sustain a positive and creative climate in the community
- Support – identify and reward staff members with innovative ideas and superiors who help get new ideas accepted
- Partner with individuals and organizations in the community
- Experiment – put new ideas into practice

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Innovation intention: *Which is your organization committed to—*

1. Encouraging inventions and being the first to adopt new approaches *[innovators].*
2. Supporting inventions and actively seeking out newly emerging ideas in other places *[early and extensive adopters].*
3. Monitoring new approaches and adopting them when other local governments have tested them *[early majority].*

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Innovation intention: *Which is your organization committed to—*

4. Following other governments in adopting approaches that are proven to be worthwhile or effective *[late majority].*
5. Maintaining current practices and considering change if the organization is clearly out of touch *[late and limited adopters].*
6. Preserving the status quo *[laggards].*

   WHICH WOULD YOU CHOOSE FOR YOUR ORGANIZATION?

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Small Groups

• What is your preferred intention for your organization and why? How does this match your change orientation?
• How big a change is this from the present?
• What steps would you take to move the organization in that direction?

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