BUILDING AN INNOVATIVE ORGANIZATION
Strategies and Recommendations to Make Ideas Work in the BC Public Service

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Executive Summary

Innovation has and will continue to attract the attention of organizations searching for ways to survive and grow in an environment of constant change. Shifting demographics, a weakened global economy, and the continuous introduction of new technologies are some of the impending challenges that undermine stability in the 21st century.

While the pressure to innovate is felt by all organizations, those with an entrepreneurial spirit, which are organically structured and willing to take risks that will adapt and innovate. Unfortunately, this entrepreneurial orientation is less prominent in bureaucratic organizations where generating continuous innovation is often obstructed by mechanistic behaviors, formalized practices, and top-down control.

As a large, bureaucratic organization, the BC Public Service has barriers to change and innovation embedded deep within its culture and governance structures. However, today’s changing environment requires the organization to innovate and transform how it does business; this requires that barriers to innovation be identified and removed so the organization can respond to the changing needs of British Columbians.

This research project was designed to build upon previous research done by the Assistant Deputy Minister’s Committee on Service Network Innovation (ADMC:SNI) and support the strategic direction outline in the Corporate HR Plan ‘Being the Best’. As outlined in the plan, building an innovative organization entails a greater organizational commitment to innovation by encouraging and acting upon the ideas brought forward by public service employees. As such, the overarching objective of this research project was to provide a series of strategies and recommended actions to build an innovative organization where ideas work in the BC Public Service. This required that two key questions be answered:

What are the barriers to employee innovation in the BC Public Service?
What strategies can be implemented to remove these barriers and stimulate employee innovation?

Answering these questions involved the following research activities:

- Establishing a conceptual framework for understanding employee innovation, which included an overview of key concepts and ideas, a discussion of the barriers and drivers of employee innovation, and a review of the common strategies used to encourage employee innovation in bureaucratic organizations.
- Identifying the barriers to employee innovation and determine the strengths, weaknesses opportunities and threats to existing corporate strategies in the BC Public Service.
- Through analysis and critical appraisal of information, offering a set of recommendations for the Future of Work Initiative (FoW) to maximize the impact of existing corporate initiatives and offer additional strategies, which can be implemented to build a more innovative organization in the BC Public Service.

The concept of innovation has drawn many commentators who have provided a deeper and broader look at its definition and value for bureaucratic organizations. Although there are many terms and concepts used to understand innovation, there is a strong consensus that it is a process driven by human behaviour and if cultivated it can produce substantial returns in the organizational context.

A look at the literature on corporate culture and work environment provided a frame for understanding of the cultural and structural barriers to employee innovation embedded in bureaucratic life. However an extension of the literature to look at physiological climate revealed a third dimension for understanding the cognitive barriers to employee innovation. Unlike the cultural elements or structures, which tend to be complex (i.e. interpersonal structures), amorphous (i.e. value systems), or difficult to describe (i.e.
perceived instrumentality), the dimensions of physiological climate offer a series of concepts that are rooted in the feelings and perceptions that all employees will have as they navigate their experiences in the organization.

A review of commonly implemented strategies also revealed 9 practices typically used in bureaucratic organizations to encourage innovation. The strategies presented in this report were identified not just because they were common, but also because they aim to circumvent the barriers with bureaucratic organization. Each strategy has success factors and common pitfalls, which should be given consideration to ensure the effectiveness of corporate initiatives. Taken together, the concepts, barriers and strategies drawn from the academic literature were used to design the conceptual framework for employee innovation in bureaucratic organizations.

The findings and analysis of key informant interviews provided valuable insight to identify the barriers to employee innovation in the BC Public Service and help to determine how employees perceive existing corporate strategies. Critical analysis of the interview findings revealed that the culture of the BC Public Service tends to resistant change, promotes cynicism towards innovation, and encourages conformity and risk-averse behaviors amongst employees. Its work environment does not enable meaningful communication and collaboration, provides inadequate resources for employees to innovate at work, and contains structures that leave employees feeling disempowered and disengaged. Taken together, the culture and work environment of the organization create a climate where employees feel pressured to conform and perceive that there is little support for innovation. The Strengths, Weaknesses, Opportunities, and Threats analysis (SWOT) of existing strategies also highlighted a series of weakness and threats to the adoption of new corporate values, Spark, the Transformation Funds and the innovation champion community that requires a strategic response. This analysis also highlighted a series of strengths and opportunities that if leveraged, can be used to improve existing strategies.

The final phase of this research involved a synthesis and discussion of the findings and analysis from key informant interviews and the information contained in the conceptual framework, to offer a series of recommendations for building a more innovative organization. The recommended actions outlined below are grouped in seven categories. They are intended to provide FoW with ideas and strategies that build upon the steps already been taken to encourage employee innovation in the BC Public Service.

**Leadership:** Re-establish a new executive level committee to champion corporate innovation. This committee should be charged with taking a helicopter view of innovation in the BC Public Service, given a mandate to providing a coherent vision and direction for all corporate initiatives related to innovation, and act as a figurehead for the Innovation Champion community.

**Innovation Champion Community:** Actively fill gaps in Innovation Champion community through a more targeted recruitment strategy and engage Innovation Champions in a community-based strategic planning exercise to establish a clear mission, mandate and objectives for the community. Provide Innovation Champions with the time and resources to engage in related activities and strengthen communication channels into and across the Innovation Champion community. Action should also be taken to utilize the Innovation Champion community to sponsor new ideas.

**Spark:** Create an ‘idea development tunnel’ in the Future of Work Initiative (FoW) and employ a Kaizen approach to ideas management. Afford employees’ time and creative space to be innovative at work and reward and recognize their ideas with opportunity and responsibility. A strategy should be developed to streamline the approval process for new ideas along with a fund to support idea development and implementation. Steps should also be taken to produce a biannual Spark report.
Funding service transformation: Offer a clear definition of service transformation for past and future funding applicants. Conduct full review of past applications for future potential. Provide feedback or a response to all applications received. Improve corporate communication of funding opportunities. Develop a priority system for transformative projects and extended the Transformation Fund beyond 2010/11.

Project-based structures: Consideration should be given to developing a projectization strategy in the BC Public Service. Further research should be initiated to explore how a project-based work structure could be designed for the larger BC Public Service. This consideration should begin with an examination of how such a transition could be made, what ministries, functions or service areas would benefit most from this work redesign, and how it would affect existing work structures and processes.

Organizing for innovation: Optimize the existing structures and groups across the organization, by creating a network for innovation across the public service—this will require leadership, coordination, support, and integration. As recommended, a new Senior Executive Committee for Innovation would be charged with providing leadership. FoW should undertake the remaining functions of coordination, support and integration. As a first step to accomplish the above objectives, FoW should engage in a strategic planning exercise in order to chart a road map for how it will create and maintain Networks for Innovation in the BC Public Service.

Frontline engagement: Leverage the insight and experience of frontline employees across the BC Public service by designing a targeted strategy to encourage frontline employee innovation. This strategy should include a funding model designed to implement frontline innovation, a targeted approach for capturing and developing frontline ideas, strategic identification of frontline Innovation Champions, and a process to recognize frontline employees for their ideas and contributions.

The recommendations presented in this report are exhaustive; however, building an innovative organization and the networks to support it will require considerable effort and a long-term commitment to addressing the barriers to corporate transformation. Such an undertaking may have never been imaginable if left to individual ministries, but with the establishment of the new Workforce Planning and Leadership Secretariat (WPLS) and its subsidiaries, some level of credence has been restored. With this said, FoW is well positioned to advance the innovation agenda and through networks and people, it will be able to diffuse both the message and practices that will enable the BC Public Service to move forward with its transformation.
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List of Acronyms

ADMC:SNI: ASSISTANT DEPUTY MINISTER’S COMMITTEE ON SERVICE NETWORK INNOVATION
BCPS: BRITISH COLUMBIA PUBLIC SERVICE
CoPs: COMMUNITIES OF PRACTICE
CI: CONTINUOUS IMPROVEMENT
FCs: FUTURE CENTRES
FoW: FUTURE OF WORK INITIATIVE
NHS: NATIONAL HEALTH SERVICES (UK)
WPLS: WORKFORCE PLANNING AND LEADERSHIP SECRETARIAT
WES: WORK ENVIRONMENT SURVEY
EPDP: EMPLOYEE PERFORMANCE AND DEVELOPMENT PLAN

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Chapter One: Introduction

1.1 Overview

Innovation has and will continue to attract the attention of organizations searching for ways to survive and grow in an environment of constant change. Shifting demographics, a weakened global economy, and the continuous introduction of new technologies are some of the impending challenges that undermine stability in the 21st century (Knight & Cavusgil, 2004).

For many organizations, these challenges are magnified by the growing complexity of consumer expectations and the realities of a globalized, knowledge-based economy. Today and into the future, the main source of wealth in market economies will be drawn from the possession and effective use of intangible assets; notably the knowledge, intellectual capital, and information brought to life by people, consumers, and organizations (Dunning, 2002).

Theorists and practitioners have formed a consensus that innovation, or the introduction, implementation and/or creation of a new product, service, process, structure, policy or program to improve strategic or operational performance in an organization, will be key to responding to and in some cases overcoming 21st century challenges (Borins, 2008; Mumford, 2000; Palmer, 2005; Sheehan, 2006). The value of innovation has become so great that it has moved beyond organizational and industrial bounds, compelling every jurisdiction in the international community to create systems and strategies that promote the implementation of new ideas (Fagerberg & Srholec, 2008; Porter, 1990; Windrum, 2008). Building such systems requires that discovery and exploitation of new opportunities and a commitment to leveraging the intangible assets embodied in people to produce innovations (Hsieh, Nickerson & Zenger, 2007; Sarkar, Echambadi, Agarwal & Sen, 2006).

While the urgency to innovate is felt by all, organizations with a culture, work environment, and climate that supports entrepreneurship will be able to adapt and innovate (Arundel, Lorenz, Lundvall & Valeyre, 2007). Unfortunately, this entrepreneurial orientation is less common in bureaucratic organizations where generating new ideas and continuous innovation is obstructed by mechanistic behaviors, formalized practices, and top-down control (Amabile, 1988; McMillan, 2004).

Although there is shared sentiment that bureaucracy constrains change and innovation, bureaucratic governance is less a choice and more a consequence of organizational growth (Olsen, 2006). It emerges as a means for organizations to manage complexity through control, standardization and formalization. As such organizations that are highly bureaucratic face persistent challenges to change and innovation. This is especially true for large public organizations where bureaucracy is known to constrain responsiveness in a changing environment (Claver, Llopis, Gasco, Molina & Conca, 1999; Lam, 2004; Mintzberg, 1979).

As a large, bureaucratic organization, the BC Public Service has barriers to innovation embedded deep within its culture and governance structures. However, today’s changing environment requires that the organization identify and remove these barriers in order to meeting the changing needs of British Columbians.

This research study is designed to build upon previous research done by the Assistant Deputy Minister’s Committee on Service Network Innovation (ADMC:SNI) and support the strategic direction outline in the Corporate HR Plan ‘Being the Best’. As outlined in the plan, building an innovative organization entails a greater organizational commitment to innovation by encouraging and acting upon the ideas brought forward by public service employees (Province of BC, 2008a, p. 7). As such, the objective of this research project is to offer a series of recommended actions for building a more innovative organization in the BC Public Service. With this said, the primary research questions are as follows:
What are the barriers to employee innovation in the BC Public Service?
What strategies can be implemented to remove these barriers and stimulate employee innovation?

With the overarching goal of supporting the design and implementation of meaningful strategies to make ideas work in the BC Public Service, the objectives of this research are:

- Establishing a conceptual framework for understanding employee innovation, which included an overview of key concepts and ideas, a discussion of the barriers and drivers of employee innovation, and a review of the common strategies used to encourage employee innovation in bureaucratic organizations.
- Identifying the barriers to employee innovation and determine the strengths, weaknesses opportunities and threats to existing corporate strategies in the BC Public Service.
- Through analysis and critical appraisal of information, offering a set of recommendations for the Future of Work Initiative (FoW) to maximize the impact of existing corporate initiatives and offer additional strategies, which can be implemented to build a more innovative organization in the BC Public Service.

The remainder of this introductory chapter describes the research methodology employed to answer the primary research questions and provides a brief background to set the context for this report. It concludes with a discussion of the limitations and constraints of this research study.

1.2 Research methodology

This study used an exploratory research design involving a mix of data collection strategies to answer the primary research questions. The structure of this research consisted of four elemental phases:

- A review of the academic literature on employee innovation
- Critical analysis of interview data and key findings
- One-on-one interviews with key informants
- Discussion and recommendations

Review of the academic literature on employee innovation

Drawing from academic books, journals and empirical studies, this literature review presents a clearer understanding of employee innovation as a phenomenon in bureaucratic organizations; the information gathered was used to design a conceptual framework for this research.

This review was also conducted to identify the common strategies used to stimulate employee innovation in bureaucratic organizations. Although some of the strategies identified have already been implemented in the BC Public Service, the goal of this review was to take a deeper look at the empirical research to identify the common pitfalls and factors for success that could be used to improve the execution of existing strategies. A review of existing case studies also placed strategies in context, highlight best practices and lessons learned, as well as offering examples for how to design and implement new strategies. In total, 11 cases from 9 organizations were reviewed to develop a case study guide (see Appendix A).

Key Informant Interviews

The purpose of key informant interviews was to gather information and insight from employees involved in existing strategies. Their responses were used to frame the concepts drawn from the literature within the BC Public Service context. Interview participants were drawn from three groups:

- **Innovation Champions**: individuals selected by ADMC:SNI to act as agent for change
- **Spark ‘Super Users’**: individuals recognized for active participation in Spark community
- **Programs managers**: individuals responsible for managing key programs and strategies

Innovation Champions and Spark ‘Super Users’ were asked open ended questions about innovation in the BC Public Service, corporate strategies and initiatives, and their role in corporate transformation. These questions were formulated with guidance from the academic literature and input from program managers.
within the Workforce Planning and Leadership Secretariat (WPLS). The main topics explored through interviews included:

- **Barriers to employee innovation**: to gain further insight on the barriers to generating and implementing new ideas in the BC Public Service and how these barriers could be removed.

- **Existing strategies**: to gauge the general perception of recently implemented strategies and initiatives. These include the adoption of new corporate values, creation of the Innovation Champion community, Spark, and the Public Service Transformation Fund.

- **Roles and support structures for corporate innovation**: To gain insight on what roles and support structures were in place to encourage innovation, interviewees were asked about their present role in corporate innovation, the role and responsibilities of others key groups (i.e. senior executives, FoW), and what support was given for employee innovation in the BC Public Service.

Of the three groups, Innovation Champions were the asked the most questions. Because of their participation in corporate activities and events, opportunity to connect with a number of employees through their role, and insight as regular employees, it was anticipated that they would have a broad perspective on corporate initiatives and insight on the attitudes held by other employees in the organization. Spark Users were not formally asked to comment on the Public Service Transformation Fund or the Innovation Champion community, but were asks more questions about Spark. Program managers were asked questions about the initiatives they were responsible for managing to gain general insight on the challenges they were facing and what was being done to improve these strategies; This information was used to supplement and frame the information gathered from Champions and Super Users. This approach to questioning was used to draw out the most valuable information likely to be held by each group and to manage the length of interviews. Innovation Champions and Super User interviews were conducted by phone and audio recorded. Program managers were interviewed in person and notes were taken to capture responses and observations.

Twenty of 100 Innovation Champions were selected to participate in this study. Consideration was made to draw a sample representing the various ministries and levels of the organization, from frontline employees to executives. In total, 15 Innovation Champions interviewed, with representation from 12 ministries and agencies. Five interviews were conducted with Innovation Champions outside of the capital region. At the time that this study was conducted, approximately 44 employees were recognized as Spark ‘Super Users’. From this group, 10 were selected to participate in this study based on consistent participation across Spark activities (i.e. voting, commenting, and posting ideas). In total, 8 ‘Super Users’ were interviewed. Three programs managers were selected to participate in this study based upon their role in implementing existing strategies in the BC Public Service. All three programs managers were interviewed. In order to protect the anonymity of each study participant, interviewees referred to in this report are identified by the abbreviated group with which they belong and corresponding number (i.e. IC #1, SU#5). A copy of the introductory letters, consent forms, and interview questions are provided in Appendix B and C.

**Critical analysis of interview data and key findings**

The forth part of this methodological framework involved an analysis of the qualitative data collected through key informant interviews. The purpose of this analysis was to take a critical look at the attitudes, beliefs and perceptions offered by key informants to arrive at a set of observations, which culminated in a diagnosis of the perceived barriers to employee innovation and a strengths, weaknesses, opportunities, and threats analysis (SWOT) of existing corporate strategies.
Discussion and recommendations

The final phase of this research involved a synthesis of the academic literature and analysis of the interview data and key findings. This exercise ultimately informed the development of 22 recommended actions to help build a more innovative organization in the BC Public Service.

In sum, this section has provided an overview of the research methodology employed to answer the primary research questions for this study. Through the above methodology, this study uncovers the barriers to employee innovation and the common strategies used to encourage entrepreneurship in bureaucratic organizations. It determines how themes presented in the literature are reflected in the BC Public Service and what steps can be taken to improve the execution of existing and future strategies. The section to follow provides some background on the BC Public Service context, the innovation challenge within the organization, and the events that lead up to this research study.

1.3 Background: The BC Public Service context

This section provides a brief overview of the BC Public Service and includes a description of the key challenges driving the demand for transformation in corporation. It also highlights why innovation and the implementation of new ideas are considered the linchpin for renewal. This section concludes by setting the direction of this research project within the context of the BC Public Service.

With a workforce of 30,000 and more than 100 job streams, the BC Public Service is the largest employer in British Columbia. As the administrative arm of the provincial government, the role of the public service is to advise government on policy, implement government decisions, and carry out the general administration of government services across all regions of the province (Province of BC, 2006).

The BC Public Service has a vast scope of responsibility. Every day, its works to deliver services in more than two dozen lines of business; this includes the delivery of public healthcare and education, protecting public safety, expanding prospects for economic growth and trade with domestic and international partners, strengthening communities, and supporting citizens (Province of BC, 2006; Province of BC, 2007a). While a substantial portion of the organization is located in and around the capital region, the corporation has regional offices in almost every community across the province (Province of BC, 2007a).

In 2006, it was broadly recognized that the BC Public Service was undergoing a demographic shift, driven largely by an aging population that would increase rates of retirements and change the needs and expectations of the public (FoW, 2009). Furthermore, there was concern that the changing global economy, introduction of new technologies and growing diversity of provincial communities would encourage new policy challenges. All of these factors were expected to affect the public service workforce and if unresolved, the gap between the forecasted supply of employees and demand for services would create a shortfall in government’s ability to meet the needs of the public (Province of BC, 2006).

As a first response to these challenges, the BC Public Service introduced its first annual Corporate HR Plan entitled ‘Being the Best’. The plan was created to offer employees and the public a clear understanding of the trends that would affected the public service workforce and the values and objectives that would drive human resource decisions. It also highlighted the importance of innovation and the role that employee ideas would play in transforming public services (Province of BC, 2006).

Shortly after the first release of ‘Being the Best’, the ‘Where Ideas Work’ employer brand was launched in early 2007 to send a message that the BC Public Service was an employer who respected, encouraged, and implemented the innovative ideas presented by its employees (Province of BC, 2009a). In order to ensure that senior executives supported the generation of new ideas amongst employees, an innovation measure was
integrated into the executive compensation philosophy in 2007 (Province of BC, 2008a). Later this year, a new question was also added to the annual Work Environment Survey\(^1\) (WES) to gather data on whether the culture of the organization supported innovation (i.e. ‘Innovation is valued in my work’). An additional question was also added in the 2008 to learn more about the environment for new ideas in the BC Public Service (i.e. ‘I have the opportunities I need to implement new ideas’).

In addition to ‘Being the Best’, the new employer brand, and changes to WES, employees were asked to provide their input on the corporate values of the organization through consultations conducted in January and February of 2008. Formally adopted in June of 2008, new corporate values (courage, teamwork, passion, service, accountability, and curiosity [all with integrity]) were introduced to help transform corporate culture and inspire employees to generate, promote and implement new ideas. Since this time, the values have been integrated into employee recognition, orientation, learning and training, and Employee Performance and Development Planning (EPDP) (Province of BC, 2008b).

Although the initiatives described above stimulated some change in corporate culture, there was concern that employees were still facing challenges to innovation. The corporate brand and values indicated that ideas would be respected, but analysis done by BC Stats of the 2007 WES data suggested otherwise; their findings suggested that employees believed that the culture of the BC Public Service suppressed innovation (ADMC:SNI, 2008a). These concerns were magnified by the 2008 WES results which indicated that 50 percent of frontline employees did not feel encouraged to be innovation at work and 58 percent did not feel they had opportunities to implement new ideas\(^2\) (ADMC:SNI, 2008b).

As such, the Assistant Deputy Minister’s Committee on Service Network Innovation (ADMC:SNI) was established in the spring of 2008 to learn more about the barriers to innovation and what could be done to removed them. Through three innovation workshops involving focus groups with regional staff in Prince George, Cranbrook and Nanaimo, ADMC:SNI gained some insight on what employees felt were the key barriers to innovation. Table 1 provides a description of the six themes as presented in their first report.

### Table 1. Barrier themes from ADMC:SNI innovation workshops

<table>
<thead>
<tr>
<th>Barrier themes</th>
<th>ADMC:SNI report summary</th>
</tr>
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<tbody>
<tr>
<td>BCPS has a top-down, risk-averse culture</td>
<td>Participants expressed that supervisors often did not encourage innovation.</td>
</tr>
<tr>
<td>Bureaucracy and ‘red-tape’</td>
<td>Internal processes were identified as significant barriers to innovation. The layers of approval needed to implement ideas frustrated participants. A number of participants indicated they did not submit applications to award programs (i.e. Ideas Shine, Premiers Awards(^5)) because of the requirements involved, such as the need to demonstrate cost savings.</td>
</tr>
<tr>
<td>Inadequate tools &amp; workspace</td>
<td>Participants expressed that existing workspaces and tools did not inspire creativity and that many technologies available were out-of-date.</td>
</tr>
<tr>
<td>Lack of time</td>
<td>Participants felt they had insufficient time to brainstorm and think creatively. With heavy workloads, post-analysis of projects and initiatives was not a priority. The culture was such that taking time to reflect was not factored in.</td>
</tr>
<tr>
<td>Inadequate forums to foster innovation</td>
<td>While there are many ideas being generated at the individual level, participants indicated that they lack a means to share and develop ideas with colleagues.</td>
</tr>
<tr>
<td>Limited research on innovation in BCPS</td>
<td>There is a large body of available research that has identified factors that foster an environment for innovation. However, there is limited research on how these factors apply in the BC Public Service.</td>
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Several strategies were implemented in response to ADMC:SNI’s findings. In the fall of 2008, a group of about 100 Innovation Champions were identified across the corporation. With the leadership of ADMC:SNI, these Champions would act as a hub for innovation within their ministries and regions, spread the word about corporate initiatives, and create a network for ideas to flow and develop (Province of BC, 2008c). Later that fall, ‘Spark!’ was also launched as a virtual space for collaboration. Employees were encouraged to use the online forum to present new ideas and build a community of innovators (Province of BC, 2008c).

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\(^1\) WES is administered across the BC Public Service every spring to gather data on employee engagement. Each questionnaire includes a series of statements to which employees can agree with or disagree using a five-point likert scale (‘1’= strongly agree, ‘3’= neutral, ‘5’= strongly disagree) (Province of BC, 2007b)

\(^2\) In 2008, employees were asked if they felt they were encouraged to be innovative at work and if they had the opportunity to implement new ideas at work; these values indicate the proportion of employees who disagreed or strongly disagreed with these statements.

\(^5\) The Ideas Shine program exists to recognize improvements in operations, service, and the work environment through cash awards. The Premier’s Awards are an annually event to recognize employees who contribute to public service excellence (Province of BC, 2009b; 2009c).
In light of the changing demands for services and demographic shift occurring within the organization, the Minister of Finance announced the creation of a Public Service Transformation Fund in February of 2009. In addition to covering the costs associated with workforce adjustment, the fund was established, in part, to help fund transformation project where the approach to work could be re-tooled to deliver quality services to citizens with fewer employees (Province of BC, 2009d).

Although the work done by ADMC:SNI and the launch of new strategies were considered a success, there was concern within the Workforce Planning and Leadership Secretariat (WPLS) that more could be done to remove the barriers to innovation. In the spring of 2009, questions were raised about the efficacy of new strategies. There was also some concern that the key findings from ADMC:SNI’s investigation were too high level and unable to fully capture barriers that may be less obvious. In their first and final report, the committee also expressed that even with their investigation, more research was need to learn more from existing research and case study analyses (ADMC:SNI, 2008a; 2009). For these reasons, a request was posed for further analysis of the barriers to innovation in April of 2009.

Through the duration of this research, the BC Public service endured further challenges to transformation. After releasing their final report in June 2009 ADMC:SNI was dissolved and Innovation Champions were informed that the Change Team in WPLS would be responsible for providing leadership to the community (R. Carter, L. Fraser, & L. Kislock, personal communication, June 10, 2009). The downturn in the global economy also impacted the operations of government in all jurisdictions. For the government of BC, this meant taking a sizable deficit, reducing the Transformation Fund by $25 million, and the deferring the second intake of fund applications (Province of BC, 2009d). In addition to restricting discretionary spending, the global economic crisis placed added pressure on the public service workforce. In August it was confirmed that 203 employees would be impacted by workforce adjustments. Jessica McDonald also announced her intentions to leave the BC Public Service after serving as Deputy Minister to the Premier and Head of the public service. On October 6, Deputy Attorney General Allan Seckel assumed his new role as Jessica’s successor (J. McDonald, personal communication, September 16, 2009; October 5, 2009).

Figure 1. BC Public Service strategic evolution and context for research study (2006-present)

<table>
<thead>
<tr>
<th>2006</th>
<th>2007</th>
<th>2008</th>
<th>2009</th>
<th>Present</th>
</tr>
</thead>
<tbody>
<tr>
<td>October</td>
<td>February</td>
<td>April</td>
<td>June</td>
<td>August</td>
</tr>
<tr>
<td>Introduction of first HR plan ‘Being the Best’</td>
<td>Innovation integrated into executive salary holdbacks</td>
<td>ADMC:SNI established</td>
<td>Launch of ‘Spark’</td>
<td>ADMC:SNI Dissolved</td>
</tr>
<tr>
<td>Launch of ‘Where ideas work’ brand</td>
<td>Consultation for new corporate values</td>
<td>Formal adoption of new corporate values</td>
<td>Identification of Innovation Champions</td>
<td>Workforce adjustments</td>
</tr>
<tr>
<td>Question on innovative culture added to WES</td>
<td>Question on environment for new ideas added to WES</td>
<td>Barriers to innovation identified by ADMC:SNI</td>
<td>Introduction of Transformation Fund</td>
<td>Transformation Fund reduction</td>
</tr>
<tr>
<td>J. McDonald announces departure</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

As illustrated in Figure 1, a look at the BC Public Service over the last three years reveals a theme of accelerated change; this has been most evident in the last 12 months in which the global recession and demographic shift were made more apparent. Although the challenges presented by the external environment increased the level of pressure on the corporation, it was this pressure that revealed opportunities for change. The BC Public is in a unique position—it has earned recognition for its forward-thinking human resource strategies and has drawn the eye of academics and practitioners around the world (MacMillian, 2008).
However, it is not exempt from the many of challenges faced by organizations in every sector. As an organization that is known for its responsiveness to external pressures, it has raised the bar for its own performance and must transform its approach to being the best and making ideas work to earn continued success (WPLS, 2009). Accomplishing this requires a renewed commitment to change, service transformation, and the lifeblood for corporate innovation—employee ideas (Province of BC, 2008a). The recommendations made by ADMC:SNI and concerns expressed in WPLS indicated that further analysis was needed to fill a gap in collective wisdom and respond to the barriers to innovation in the BC Public Service; this research project offers such analysis. Building on the work done by ADMC:SNI, this report presents further insight on the barriers to innovation and what actions can be taken to remove them.

1.4 Study limitations

The exploratory research design and data collection strategy used in this research were invaluable for drawing out key concepts and issues for critical analysis. However, this approach has limitations that should be considered in conjunction with the findings and recommendations presented. In light of these limitations, substantial efforts were made to preserve the integrity of this research.

Research design - The exploratory research design used for this research may have impacted the validity of findings drawn from key informant interviews. As stated, only 26 interviews were conducted and with such a small sample, it cannot be guaranteed that the views presented by those interviewed are a reflection of their aggregate groups or all employees and some points of view may have been missed.

Scope of research - Full emersion in the academic literature reveals opportunities to extend the research and explore the innovation challenge from new angles. However, the scope set by the primary research questions restricted this extension to provide in depth analysis of new concepts and practices.

Time and resources - Full emersion in the topic of innovation and related concepts via an exploratory research approach revealed a breadth of information and potential sources for further explorations that could have been done to answer the primary research questions. For example, it may have been advantageous to interview a more diverse array of employee groups, analyze more data, and include more case study examples. Unfortunately, time, resources, and the scope of this research constrained further exploration.

1.5 Summary

This introductory chapter has sought to provide the general context required to begin a more in depth look at employee innovation in the BC Public Service. Again, the research undertaken was exploratory and designed to identify the barriers to employee innovation and what strategies can be implemented to remove them and stimulate employee innovation in the BC Public Service. It is also important to consider the global climate, public service context, and the many events and trials, which have taken place in BC and the provincial government over the last three years; these realities set the context of this research.

The remainder of this report is divided into three chapters. The next chapter presents the findings from a review of the academic literature to uncover the barriers and drivers of employee innovation and what strategies are commonly implemented in response; this information was used to design a conceptual framework for this research. Chapter 3 presents the findings from key informant interviews and engages the interview data in critical analysis to identify salient connections and attribute meaning to the information obtained. The final chapter of this report synthesizes the academic literature and the findings from key informant interviews. With supporting discussion, this chapter also offers a series of recommended actions for building a more innovative organization in the BC Public Service.
2. Chapter Two: Conceptual Framework for Employee Innovation

2.1 Introduction

A comprehensive review of the academic literature and case studies reveals that there is a substantial amount of theory and empirical research on employee innovation. Even with common themes embedded within this body of knowledge, conversations in the literature continue to grow. What follows is a fervent attempt to synthesize the literature and offer a conceptual framework for this research.

This chapter continues by defining employee innovation and the underlying concepts that inform its use in this research. This is followed by an examination of the factors most likely to constrain and drive employee innovation within bureaucratic organizations. This chapter concludes with a discussion of the strategies commonly used to stimulate employee innovation and how they of a means for bridging the divide between bureaucracy and entrepreneurship in large organizations.

2.2 Defining Employee Innovation

The discourse on innovation is broad as academics and practitioners from a variety of backgrounds (i.e. economic, technological, psychological, managerial) have attempted to summarize the literature on the topic. Although the involvement of a diverse audience has expanded dialogue on innovation, research at the empirical level are often non-comparable and in some cases contradictory because of the inconsistent use of key concepts (Kimberly & Evanisko, 1981). For this reason, an overview of key concepts is presented to define the conceptual bounds for this research and validate the interpretation of key findings.

For the BC Public Service, innovation is an “[idea] new to the organization that contributes to more efficient or effective delivery of public administration, programs or services”. (ADMC:SNI, 2008b, p. 3). The literature complements this definition and suggests that innovation is the introduction, implementation and/or creation of a new product, service, process, structure, policy or program to improve the strategic or operational performance of an organization (Blake & Mouton, 1969; Chesbrough, 2003; Lam, 2004).

2.2.1 Innovation process and behaviors

Although there are diverse views what the outcomes of innovation should be (i.e. commercial vs. societal good), there is a consensus in the literature that innovation is a process that involves four phases:

Figure 2. Innovation process

![Innovation process diagram]

Note: Modified from Dorenbosch, van Engen and Verhagen (2005)

Van de Ven adds a new dimension to this process, highlighting that it is people who ‘develop, carry, react to, and modify’ new ideas (1986, p. 592); this illuminates that innovation is a human phenomenon driven by human behaviors rather than the amorphous concepts that it is often made out to be (Palmer, 2005). Through a series of interconnected actions, termed as innovative or entrepreneurial behaviors, individuals and groups drive this process forward, bringing innovation to life (de Jong & Hartog, 2007).

According to the literature, innovative behavior involves the complex actions and activities that emerge through the innovation process; while the first two phases require ‘creative-oriented behaviors’, the last two require ‘implementation-oriented behaviors’ involving initiative and deliberate action (Dorenbosch, et al., 2005). Creative oriented behaviors involve thinking openly, brainstorm, and create new knowledge using existing information; this requires that individuals have the time, information, and motivation to
recognize problems and design solutions (Amabile, 1998; Thompson, 1965). Implementation-oriented behaviors require more tangible resources like finances, people and technology to develop and implement new ideas (Christiansen, 2000; Thompson, 1965). The persistence of the process and behaviors in Figure 3 are directly linked to the number of innovations generated by people or groups (Scott & Bruce, 1994).

**Figure 3. Innovation process and associated behaviours**

![Figure 3](image)

2.2.2 Innovation in bureaucratic organizations

Innovation is important for all organizations, but as organizations mature, they often submit their entrepreneurial spirit for bureaucracy to cope with growth (Glamholtz & Randie, 1999; Kwestel, Preston, & Plaster, 1998). Unfortunately, bureaucratic organizations are habitually ‘non-innovative’. The facts of bureaucratic life tend to resist variability by ‘producing more of the same’ and compete directly with the creativity, risk taking and change orientation needed to generate innovations (Miller & Friesen, 1982, p. 3; Schumann, 1999; Sorensen, 2005, p. 1). In contrast, entrepreneurial firms see innovation as good in itself and as a central part of their strategy (Miller & Friesen, 1982). These organizations encourage employees to think differently and pursue new opportunities. Table 2 provides more insight on the differences thought to influence employee innovation in bureaucratic and entrepreneurial firms.

**Table 2. Characteristics of bureaucratic vs. entrepreneurial firms**

<table>
<thead>
<tr>
<th>Bureaucratic organizations</th>
<th>Entrepreneurial firms</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Cultural emphasis:</strong> conservative, committed to producing fixed results, preventing risks and technical rationality, differentiation/ specialization, focused on process, emphasis on stability</td>
<td><strong>Cultural emphasis:</strong> forward-thinking, committed to seeking/exploiting new opportunities, differentiation with integration, change oriented, risk taking and ‘proactiveness’, focused on results, emphasis on flexibility</td>
</tr>
<tr>
<td><strong>Attitudinal climate:</strong> sense of pressure to adhere to specific norms/values, change/difference of opinion are not expected or legitimate</td>
<td><strong>Attitudinal climate:</strong> willingness to take risks and accept the possibility of failure, sense that change and innovation are encouraged</td>
</tr>
<tr>
<td><strong>Work environment:</strong> top-down decision-making, formalized structures/ routines, standardized/ rule based, hierarchical, impersonal, mechanistic systems, stratified into functional units, tight restrain on resources</td>
<td><strong>Work environment:</strong> collective/participative decision-making, decentralized authority/ control, structures/ routines are flexible, responsive, and organic, adaptable team based structures, resource slack</td>
</tr>
</tbody>
</table>

2.2.3 Employee innovation

Employee innovation is the eventual outcome of the innovation process and behaviors among an organization’s paid workforce (Janssen, 2000; Unsworth, 2004). Because they have an inherent ability to recognize problems and incongruities that often go unaddressed in large firm, employees are well positioned to ignite innovation processes (Staw, 1990; Thornberry, 2002). In the same way entrepreneurs are a driving force in the economy, the literature suggests that employees are to innovative performance in large organizations (Lumpkin & Dess, 1996; Miles & Coven, 2002; Naman & Slevin, 1993).

In sum, this section has outlined some of the key concepts needed to understand employee innovation as a human phenomenon within bureaucratic organizations. It demonstrates first that the source of innovation is ideas that must move through a multistage process to produce innovative outputs. Second, it reveals that it

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4 The sources for this table include Adams & Ingersoll, 1990; Ban, 1995; Chelinsky, 2009; Deal & Kennedy, 1982; Olsen, 2006; Kozmetsky, 1999; Kernaghan, 2000; Zahra, 1993; Sorensen, 2007; Phan, Wright, Ucbasaran, & Tan, 2009; Morris, 2009; Miller & Friesen, 1982.

5 Other terms and concepts for employee innovation include corporate entrepreneurship (Hornsby, Kuratko & Zahra, 2000), innovative work behaviour (Janssen, 2000), employee driven innovation (Hellmann, 2002) workforce innovation (Morgan, 1993), and bottom up innovation (Osborne & Brown, 2005).
is people who develop, carry, react to, and modify ideas and drive the innovation process. Although innovation is important for all firms, bureaucratic organizations face distinct challenges to innovation, embedded deep within their culture, work environment and climate. Unfortunately the realities of bureaucratic governance compete with the entrepreneurial spirit needed to turn ideas into innovations.

2.3 Barriers and drivers of employee innovation

The previous section presented the beginnings of a framework for this research by clarifying key ideas and concepts. This section builds on these concepts by presenting the barriers and drivers of employee innovation as discussed in existing research and case analyses. The academic literature provides valuable insight on the variables that constrain employee innovation in bureaucratic organizations and drive employee innovation in entrepreneurial firms. A review of this literature suggests that these barriers and drivers are embedded in the culture, work environment, and psychological climate of an organization.

Organizational culture consists of the values, assumptions and beliefs about the internal and external environment, and prescribed orientations that guide the behaviors and activities of organizational members (Denison, 1996; Siehl & Martin, 1981; Tichy, 1982). At its core, culture emerges to ensure corporate stability and continued existence (Miron, Erez & Naveh, 2004). Work environment is the structure of policies, practices, and routines within an organization. These structures (i.e. interpersonal, personnel, task, and incentive) are indicative of the way a work unit runs day-to-day operations and as a manifestation of culture, they encapsulate an organization’s priorities, beliefs, and values (Ahmed, 1998; Klein & Sorra, 1996; Schneider, Brief & Guzzo 1996). Finally, psychological climate is the summary perceptions meaning that employees develop regarding their organization and their perception of events and the kinds of behaviors that are rewarded, supported, and expected (Choi, 2007; Joyce & Slocum, 1984; Schneider, 1990). From their experiences employees sense the presence or absence of eight elements: autonomy, cohesion, trust, pressure, support, recognition, fairness, and innovation (Koys & DeCotiis, 1991).

As illustrated in figure 4, these dimensions are interconnected (Ahmed, 1998). Through a dynamic socialization process, employees are offered prescriptions for how to think and behave and these cultural cues are reinforced by the design of structures in the work environment (Schein, 1996). Through the sense making process, employees attribute meaning to their experiences, like if the organization is fair or whether change is encouraged. By informing employees of their role, limits, and the likely outcome of their behavior, these dynamics also influence an employee’s willingness to be innovative (Scott & Bruce, 1994).

These dynamics can also be described dichotomously as generating bureaucratic barriers and entrepreneurial drivers of employee innovation (Kearney, Hisrich, & Roche, 2008; Drucker, 2007). As discussed in Section 2.2.2, the factors that constrain innovation stem from bureaucratic imperatives that stifle key processes and erect real and perceived barriers that prevent employees from engaging in
innovative behaviors. Conversely, the factors that stimulate innovation reflect entrepreneurial characteristics, which drive the innovation process and behaviors (Schein, 1996; West & Richter, 2008). The remainder of this section provides a summary of these barriers and drivers and describes how the characteristics of bureaucratic and entrepreneurial governance influence employee innovation.

2.3.1 Cultural barriers and drivers

As noted above and illustrated in figure 4, culture is a system of tangible and intangible values, prescribed orientations that guide behaviors and activities, and assumptions and beliefs about the internal and external environment (Denison, 1996; Siehl & Martin, 1981; Tichy, 1982). As such, the cultural variables that constrain and drive of employee innovation are byproducts of these systems.

Values

A value is an enduring belief that a mode of conduct or state of existence is preferable to an opposing mode of conduct or state of existence; within the organizational context they play a large role in shaping the design of goals and strategies (Kernaghan, 2000; Rokeach, 1973, p. 5). As such, identifying the values embedded within an organization’s culture can help in understanding what motivates employee behavior and corporate innovation (Lyons, Duxbury, & Higgins, 2006).

The development of a bureaucratic value system relates heavily to an allegiance to control systems and behaviors in complex organizations; this imperative has been criticized for creating real and perceived barriers to innovation (Ferner, 2000; Lynn, 1996; Osborne & Gaebler, 1992). Differentiation emerges as a way for bureaucratic organizations to create divisions between units, functions, and positional levels. Unfortunately, this is often accompanied by a rigid separation of responsibilities, influence and authority and creates boundaries that restrict information sharing, provokes status-striving behavior, and undermines the concerted action needed for innovation (Anderson & Kilduff, 2009; Dougherty, 2001).

Bureaucratic organizations also exhibit an attachment to administrative control and long-established processes. By designing complex systems to control people, resources, and outcomes, they slow approval processes, restrict the implementation of new ideas, and shifts attitudes away from innovation towards conservatism (Lynn, 2001). The desire for control also generates a preference for compliant, conformist employees who repress differences of thought and ‘out of the box’ ideas and are willing to align their thinking and behaviors with high status individuals; this preference restricts the flow of ideas and constrains organizational transformation (Kanter, 1988; Sorensen, 2007; West & Richter, 2008).

Conversely, entrepreneurial firms value collaboration, view people and information as shared resources and exhibit a genuine willingness to bring knowledge, ideas, and employees together to produce innovations (Kanter, 1988). They believe in the value of administrative freedom and by relinquishing some control and resisting the urge to design arduous processes, they create systems with slack (Osborne & Gaebler, 1992). This permits employees to thinking differently to design solutions capable of producing results in a changing environment (Jain, 2004; Valle, 1999). These firms also encourage entrepreneurship and value employees who take initiative to pursue new opportunities and challenge existing systems (Ahmed, 1998; Drucker, 2007). In doing so, they legitimize creative dissonance, which promotes open and constructive dialogue and drives the innovation process (Jehn, Northcraft & Neale, 1999; Kanter, 1988).

Orientations

Orientation refers to the strategic stance held by an organization to achieve its goals; it becomes a tendency or inclination for how to think or behave (Herranz, 2007; Kohli & Jaworski, 1990). The orientation held by an organization relates heavily to what it values (i.e. market oriented firms value profit) and encourages the behavior needed to achieve its goals (i.e. market oriented firms are competitive) (Kernaghan, 2000).
A substantial amount of research confirms that bureaucratic organizations and their employees are fixated on maintaining the status quo to prevent risk, instability, and possible failure (Kanter, 1988; Kernaghan, 2000). Evidence suggests that even when the external environment merits significant adjustments, these organizations are not universally open to change (Detert, Schroeder, & Mauriel, 2000). The short-term orientation often found in bureaucratic organizations (usually 1 or 2 year fiscal years) prompts rigid budgetary control and stimulates a resistance to providing the slack and commitment needed for continuous innovation (Morris, Kuratko, & Covin, 2008; Van der Stede, 2000). A focus on short-term objectives also obscures an organization’s vision and stifles its ability to strategize for the future (Hammer & Champy, 1993; Senge, 1998). A tendency to resist change and focus on short-term outcomes also impairs the ability to respond to emerging issues. This leads many bureaucratic organizations to take a reactive stance when faced with new demands and pressures (West, 1995).

Conversely, entrepreneurial firms are highly change oriented and driven to make continuous improvements (Leitão & Baptista, 2009). This orientation shrouds them with an alertness to new opportunities and the ability to respond quickly in a changing environment (Zahra, 2008). Dynamism and a future orientation are also characteristic of the entrepreneurial firm; they are forward thinking and have a positive attitude towards change (Ahmed, 1998). They also embrace a proactive stance, are more willing to take the initiative needed to improve their current circumstances by challenging the status quo rather than passively adapting to present conditions (Crant, 2000). Taken together, the orientations that guide strategy and action in entrepreneurial firms support the generation and implementation of new ideas.

Assumptions and Beliefs
The beliefs that employees hold about the demand and promise of innovation and their ability to engage in innovative activities have a strong influence on their behavior (Kimberly, 1981; Pierce & Delbecq, 1977). In bureaucratic organizations, employees tend to perceive innovative behaviors to be obstructive and seen less as a way of being or working and more often viewed as a ‘Buzzword’ or intangible concept; this disposition ignites skepticism and resistance towards strategies intended to promote innovation (Owusu-Ansah, Cooney & Urquhart, 2003). Innovative behaviors tend to depart from their common conduct or contend with their professional identity (Sorensen, 2007). In organizations where taking direction from superiors is the norm, the ideas of taking personal initiative or behaving like an entrepreneur within the bounds of a large firm may be viewed as incongruent with the needs of the organization (Doyle & Ponder, 1977). In bureaucratic organizations, change and innovation are also viewed to have a personal cost. Employees often develop a sense of security under old routines and practices and promoting new ideas that challenge the status quo are a risk likely to be met with opposition or judgment (West & Richter, 2008; Loewe & Dominiquini, 2006). As such, employees will suppress their ideas and resisting change to protect their job security, personal achievements, and professional reputation (Barzelay & Armajani, 1992).

In entrepreneurial firms, employees view innovation as instrumental to organizational performance (Borins, 2000; Kandampully, 2002). Their emersion to an entrepreneurial environment stimulates optimism towards pursuing new opportunities and a willingness to present and implement new ideas that depart from the status quo (Sorensen, 2007; Thompson, 1965). This level of instrumentality also ignites a sense of urgency to innovate as a means to grow, change, and respond to the external environment. Innovative behaviors are congruent with work philosophy of employees and participation in the innovation process is considered a part of an employee’s formal contribution to the organization (Ahmed, 1998). In such organizations, those who present new ideas and encourage changes are likely to receive praise and recognition As such employees see that their engagement in innovative behaviors has professional benefits, which can open doors for future opportunities (Brown, Davidsson, & Wiklund, 2001; Sorensen, 2007).
A look at culture reveals how the values, beliefs, and orientations of an organization can influence employee innovation. While the values and strategic orientation of an organization play a large role in shaping the design of goals and strategies, the beliefs that employees hold about innovation strongly influence their ability and willingness to participate in the innovation process (Kernaghan, 2000; Kimberly, 1981). Taken together, the elements of an organization’s culture provide cues for how people should think or behave in the workplace (Herranz, 2007; Kohli & Jaworski, 1990). The subsection to follow extends this discussion of organizational dynamics and explains how the work environment of bureaucratic and entrepreneurial firms can erect structural barriers and drivers of employee innovation.

2.3.2 Structural barriers and drivers

As illustrated in Figure 4, the work environment includes the interpersonal, personnel, task, and incentive structures and practices designed to support and organizations corporate culture; as a manifestation of culture, they encapsulate an organization’s priorities, beliefs and values (Ahmed, 1998).

**Interpersonal structures and practices**

Interpersonal structures reflect the way that employees within an organization interface and interact to meet organizational objectives. To produce innovation, organizations need relationships, access to diverse sources of information, fresh perspectives on new and emerging issues, and ways to bring people together (Kanter, 1988, p.176; West & Richter, 2008). Unfortunately, the interpersonal structures typically found in bureaucratic organizations stifle communication and the flow of knowledge and information, undercut the collaboration needed for innovation (McHugh & Bennett, 1999).

The segmentation of work permits employees to work independently on narrowly defined tasks with little incentive to collaborate (McHugh & Bennett, 1999). Unfortunately when employees work in isolation, they become less attuned to problems, alternative approaches, and opportunities that exist outside the bounds of their immediate tasks and fail to produce innovations on their own (Kanter, 1988; West & Richter, 2008). Bureaucratic organizations also permit homogenous, functional groups to remain static over time; this encourages ‘group think’ and limits knowledge creation and ability to address old problems in new ways (Amabile, 1998; Stasser & Titus, 1987). These units are often disconnected and operate in functional silos where information or knowledge is protected rather than shared (Deiser, 2009).

The team-based structures often found in entrepreneurial firms encourage cross-functional communication, force integration, and create an environment where creative-oriented behaviours can thrive (Amabile, 1994; Kanter, 1988; Ruppel & Harrington, 2000). These structures also facilitate structural complexity and diversity. By uniting people with diverse experiences and different perspectives team-based structures promote ‘kaleidoscopic thinking’ and enable the deconstruction of complex information to design novel solutions (Kanter, 1988; Parnes & Noller, 1972). Integration also facilitates the ‘cross-fertilization of ideas’ and enables work units to unite the information from those around them (Kanter, 1983; 1988).

**Personnel structures and practices**

Personnel structures reflect the way in which power and influence are operationally structured within a work unit. Traditionally speaking, the hierarchical structures found in bureaucratic organizations are designed to support internal functionality and differentiation. However, the ‘status hierarchies’ that often emerge create inequalities of respect and opportunity based on the ascribed status given to employees (Ravlin & Thomas, 2005). This form of stratification undermines motivation by limiting ‘low-status’ employees from decision making and prompts others to disregard, patronizing, or micro-managing their work (Gould, 2002; Ridgeway & Walker, 1995). This results in a feeling of powerlessness amongst employees who cannot gain access to the resources they need to be innovative at work (Kanter, 1988).
In order to drive innovation, entrepreneurial firms place an emphasis on **empowering** their employees with the resources, support, and autonomy needed to take initiative and calculated risks (Knol & Linge, 2009). Employees are given freedom in developing solutions, the ability to meet with clients and customers, and the opportunity to participate in decision making on key projects and initiatives. By doing so, they enhance their flexibility and ability to respond to change and encourage employees (Burpitt & Bigoness, 1997).

**Task structures and practices**

Task structures reflect **the way in which jobs and tasks are designed**. Several studies have found that when employee are given *segmented, undemanding work* and were *micro managed* they were less likely to generate novel ideas (Hackman & Oldham, 1980; Kanter, 1988; Ekvall et al., 1983). When work is designed with rigid structures and process, employees tend to focus their energy on performing rule-bound activities and are less willing to explore new ways of working. An employee’s ability to innovate is also dependent upon having access to tools, time, information and funds (Kanter, 1988). Unfortunately, the resources that employees need to innovate are often tightly controlled by those with formal authority in bureaucratic organizations (Wright & Snell, 1998). When access to **resources is limited or controlled** by hierarchical structures, individuals are left to feel powerless (Amabile & Gryskiewicz, 1989).

Contrary to conventional thought, individuals tend to respond positively when given difficult work as long as they are provided with the means (i.e. information, resources) to design innovative solutions (Amabile, 1998). As such, entrepreneurial firms provide their employees with *challenging stretch assignments* that are interesting and inspiring, stimulate professional growth, and give employees a sense of ownership over workplace problem; this inspires them to seek creative solutions for new and emerging issues (Axtell et al., 2000; Dorenbosch et al., 2005). Entrepreneurial firms also give employees some *functional flexibility or freedom* in how they accomplish tasks provides them with control and ownership needed to be creative and supply employees with the **resources slack** needed for innovation; in doing so, they demonstrates that innovation is supported and valued (Amabile & Gryskiewicz, 1987; Scott & Bruce, 1994).

**Incentive structures and practices**

Incentive structures consist of the *practices and strategies used to encourage or (discourage) certain behaviours* amongst employees. These structures provide employees with cues for what actions to take in order to meet expectations and earn recognition. Because of their size and complexity, bureaucratic organizations typically have several stakeholders with different demands and expectations. Internally, this prompts the creation of vague and conflicting objectives which creates stress, undermines group cohesion, and sends mixed messages about where employees should focus their energy (Morris, Kuratko, & Covin, 2008). When **key objectives are unclear or poorly communicated**, employees are less willing to take risks, and new ventures are more likely to fail (Bozeman & Kingsley, 1998; West, 2002). Evaluating employee performance and providing feedback are also ways to guide employee behaviour, but when feedback involves **critical evaluation** of an employees thoughts and ideas, it provides an disincentive for employees to present new ideas and incentive for them to align their behaviour in support of the status quo (Amabile, 1998; Janssen, Van de Vliert & West, 2006). The incentive structures found in bureaucratic organizations are designed to **reward and recognized employees who adhere to the status quo** and aligning their thinking with the right people (Wood & Waterman, 1991). As such, compliance becomes a strategy that employees use to gain approval and increase chances for promotion (Ravlin & Thomas, 2005).

In order to drive innovation, entrepreneurial firms provide employees with **clear goals** to guide behaviour and performance. By clearly articulating a bottom line and where employees should direct their efforts, they encourage risk taking and the pursuit of tangible results (Bozeman & Kingsley, 1998; Nanda & Singh, 2009). By providing employees with **supportive feedback**, entrepreneurial firms encourage organizational learning, employee motivation, and the further development of new ideas (Greve, 2003). They also take
active steps to reward and recognize employees by showing appreciation for their contributions and using *rewards strategically to reinforce and encourage innovative behaviours* (Luthans, 2002).

2.3.3 Cognitive barriers and drivers
A look at culture and work environment offered insight on the variables, structures, and practices that constrain and drive innovation in bureaucratic and entrepreneurial organizations. However, many have also drawn attention to how cognitive processes influence innovative behaviour in organizations (Scott & Bruce, 1994; Ruppel & Harrington, 2000). As illustrated in figure 5, employees develop perceptions and attitudes about their organization, which are thought to moderate the relationship between organizational

![Figure 5. Relationship between organizational stimulus, psychological climate, and employee behaviour](image)

stimulus (i.e. cultural beliefs, structural practices) and their selection of behaviours (James et al., 2008). Like culture and work environment, this third dimension, which is referred to as psychological climate, is composed of variables, which can be used to describe the cognitive interpretation that employees attach to their experience within an organization (Joyce & Slocum, 1984; Scott & Bruce, 1994). Koys and DeCotiis (1991) identified more than 80 variables in their literary review and through structured analysis and empirical testing, they refined this list to the eight summary variables presented in Table 3; it is the perceived absence or presence of these variables that influences or undermines employee innovation.

<table>
<thead>
<tr>
<th>Autonomy</th>
<th>The perception of self-determination, discretion, and control with respect to procedures, goals, and priorities. This also includes the degree to which individuals feel they are given latitude in defining and executing their own work (Ahmed, 1998).</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cohesion</td>
<td>The perception of togetherness or sharing within the organization setting, including the willingness of members to provide material aid, knowledge and information.</td>
</tr>
<tr>
<td>Trust</td>
<td>The perception that employees can communicate openly and discuss issues with members at differing levels or locations without fear of disapproval or punishment. This includes the perceptions that employees have about the competence, reliability and benevolence of their colleagues and the organization (Ellonen, Blomqvist &amp; Puumalainen, 2008).</td>
</tr>
<tr>
<td>Pressure</td>
<td>The perception of demands on time, abilities and behavior with respect to formal/informal expectations and performance standards.</td>
</tr>
<tr>
<td>Support</td>
<td>The perception of tolerance and support for an employee’s behavior, thoughts, and ideas by superiors; this includes a willingness to let members learn from their mistakes without fear of reprisal. Support is both vertical (supervisory-employee) and lateral (co-workers-employee).</td>
</tr>
<tr>
<td>Recognition</td>
<td>The perception that an employee’s contributions to the organization are acknowledged.</td>
</tr>
<tr>
<td>Fairness</td>
<td>The perception that organizational practices are equitable, non-arbitrary and non-capricious.</td>
</tr>
<tr>
<td>Innovation</td>
<td>The perception that change and creativity are encouraged, including risk-taking in new areas or areas where an employee has little or no prior experience.</td>
</tr>
</tbody>
</table>

Table 3. Elements of psychological climate

In bureaucratic organizations, employees have limited discretion and their behaviors are governed by strict rules and guidelines; unfortunately this creates a climate where employees feel they are controlled and restricted from thinking ‘outside of the box’ to promote new ideas (Lynn, 2001). The tension between units and hierarchical levels makes employees feel disconnected from those outside of their immediate work group and generates a belief that information and ideas cannot be shared across functional silos and promotes a climate of mistrust (Jain, 2004). The rigid adherence to systematic, cautious and rule-governed action molds a climate that is unsupportive of creativity and risk-taking and pressures employees to comply with existing norms and practices (Ahmed, 1998; Nee & Oppen, 2009; Scott & Bruce, 1994). The commitment to administrative traditions is viewed as arbitrary and unfair and incentive practices communicate to employees that they will be recognized and rewarded for behaviors that protect the status (Ahmed, 1998; Lipsky, 1980; Ravlin & Thomas, 2005). Taken together, the cues that employees receive within bureaucratic organizations discourage creativity and undermine innovation (Sorensen, 2007).
Conversely, employees in entrepreneurial firms are made to feel that they have the autonomy and creative freedom to design innovative responses to new and emerging issues (Pfeffer, 1995). Communication is open and there is a sense of togetherness, which prompts collaboration and cohesion across employee groups (Kanter, 1988). Employees feel urgency to lead change, challenge the status quo and that adequate support is given for innovation (Kirzner, 1973). They perceive a tolerance of ambiguity, failure, risk taking, and exploration of solutions that depart from tried and tested methods; this creates a climate of where employees feel they are trusted and can trust those around them (Greve, 2003). Ideas that stray from the norm are respected and evaluated fairly and employees who engage in innovative behaviours receive personalized rewards and recognition (Ahmed, 1998). In sum, entrepreneurial firms mould a climate of psychological safety to encourage employees to direct their attention and activities towards change and innovation (Baer & Frese, 2003).

This section has discussed the barriers and drivers of employee innovation as they are presented in the literature. It demonstrates first that the culture and work environment of an organization play a significant role in influencing employee innovation; through a dynamic sense making process, employees form perceptions that influence their selection of behavior (Sorensen, 2007). Second, it highlights that organizations that allow a bureaucratic spirit to shape their culture, work environment, and climate will face challenges to encouraging employee innovation.

**Figure 6. Characteristic framework of barriers and drivers of employee innovation**

Conversely, organizations that ignite an entrepreneurial spirit will be able to stimulate employee innovation (de Jong & Hartog, 2007; Glamholtz & Randie, 1999). Figure 6 provides an illustration of the dichotomy between bureaucracy and entrepreneurship and a conceptual framework for understanding the characteristic variables that stifle and stimulate the employee innovation in organizations. While this framework offers an illustration of the dichotomous theme embedded in the contents of this section, it is not meant to imply that organizations fit neatly into one of two categories. The polarity discussed in this section and presented in figure 6 represent hypothetical extremes which are intended to be illustrative; no organizations will possess
a governance philosophy that is wholly bureaucratic or entrepreneurial (Kernaghan, 2000; Ouchi, 1980). At a high level of generality, this framework offers a continuum for assessing where an organization stands in relation to other organizations, what practices and structures may require adjustment to achieve corporate objectives, and ultimately what factors of an organization’s culture, work environment and climate influence employee innovation.

Although it cannot be said that public organizations embody all of the bureaucratic features discussed above, there is a consensus that they display a tendency towards the left of this continuum; unfortunately an adherence to the bureaucratic typology undermines innovations (Denhardt & Denhardt, 2000; Lynn, 2000). In light of this, the literature suggests that public organizations take steps to towards a post-bureaucratic form of governance, which embraces elements found towards to the right of the continuum to encourage innovation (Kernaghan, 2000). This requires that they design and implement strategies that subvert the bureaucratic barriers and leverage the entrepreneurial drivers to build more innovative organizations (de Jong & Hartog, 2007). The section to follow builds upon this assertion by presenting the common strategies used by bureaucratic organizations to galvanize entrepreneurial drivers and encourage employee innovation.

### 2.4 Common Strategies for Employee Innovation

The information presented in the previous sections offer a frame for understanding employee innovation and the factors that influence this phenomenon within organizations. However the primary research questions require further exploration of the measures that can be taken to overcome the constraints of bureaucracy. For this reason a literary review was conducted to uncover the strategies used by bureaucratic organizations to encourage employee innovation; the findings of this review are presenting in this section.

#### Table 4. Summary of common strategies

<table>
<thead>
<tr>
<th>Strategy</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Time and creative space</strong></td>
<td>Provides employees with the resources, freedom, and inspiration to be creative</td>
</tr>
<tr>
<td><strong>Communities of practice</strong></td>
<td>Facilitates corporate learning, knowledge creation/management &amp; the informed development of new ideas</td>
</tr>
<tr>
<td><strong>Kaizen continuous improvement strategies</strong></td>
<td>Engages employee creativity through a ‘kaizen’ approach to innovation</td>
</tr>
<tr>
<td><strong>Idea management strategies</strong></td>
<td>Transforms creativity into innovation through idea extraction, idea landing, and idea follow-up</td>
</tr>
<tr>
<td><strong>Internal venturing strategies</strong></td>
<td>Provides funding new projects and ventures</td>
</tr>
<tr>
<td><strong>Project-based work structures</strong></td>
<td>Promotes functional diversity, knowledge creation, cross pollination of ideas, &amp; efficient use of resources</td>
</tr>
<tr>
<td><strong>Recognition/ reward programs</strong></td>
<td>Motivates and reinforces innovative behaviors</td>
</tr>
<tr>
<td><strong>Culture change strategies</strong></td>
<td>Shifts core values, symbols, beliefs and behaviors</td>
</tr>
<tr>
<td><strong>Semi-autonomous structures for continuous innovation</strong></td>
<td>Provides the structure needed to encourage entrepreneurial behaviors &amp; accelerate the innovation processes</td>
</tr>
</tbody>
</table>

Each of the strategies summarized in table 4 offer a response to the constraints of bureaucracy by introducing and infusing entrepreneurial drivers into the culture, work environment and climate of organizations and in doing so, shifting their governance model away from bureaucracy towards entrepreneurship and innovation.

Although the execution of strategy may differ from organization to organization, the literature reveals that within each there are key factors of success and common pitfalls. A review of existing case studies was also conducted to help frame the above mentioned strategies in context, present best practices and lessons learned, and offer examples of how to design and implement new strategies. In total 11 cases from 9 organizations were reviewed and a case study guide developed (See Appendix A). The remainder of this section discusses each strategy and highlights what steps should be taken to maximize their influence.
2.4.1 Time and creative space
In order for employees to identify new and emerging issues and design innovative solutions, they need the time and mental space to think creatively, organize and integrate complex information, and develop new ideas (West & Ritcher, 2008; Kanter, 1988). For this reason, several organizations have formally set aside time for their employees to engage in creative activities to encourage innovation.

The ‘20 % Time’ policy at Google allows engineers to spend 20 percent of their time to think creatively and generate new business ideas through non-core projects (Iyler & Davenport, 2008). Managers in the British Civil Service also support creative oriented behaviors by offering staff ‘off-line time’ to develop ideas and new practices to remove the time constraints that may undermine creativity at work (UK National School of Government, 2008). A similar strategy is used at 3M where the ‘Fifteen Percent Rule’ enables employees to participate in the innovation process (Dobni, 2008). According to Bill Coyne, Head of 3M Research & Development, the 15 percent part of the rule is not as important as the message, which is that the organization offers some time to think differently and experiment with new ideas. If employees have an idea, the willingness to work on it, and the raw nerve to tell their manager’s about their ideas, they should be free to go for it (Gundling & Porras, 2000).

Designing creative spaces for employees to innovate is another strategy used by top organizations like Google, IBM, and Denmark’s Ministry of Economic & Business Affairs. Physical space can increase productivity, employee engagement, and job satisfaction, while inspiring creativity (Kjerulf, 2006; Kanter, 1988). Studies have shown that having a physical environment with facilities and tools for creativity is critical to employee innovation (Amabile, 1988). However, some organizations have implemented strategies to eliminate physical space altogether, placing a stronger focus on providing employees with flexibility and autonomy. Through an endeavor called ROWE, for "results-only work environment", organizations have challenged the traditional belief that physical presence drives productivity (Kelly & Moen, 2007). By eliminating schedule control and giving employees freedom to determine where, when, and how they complete work, organizations like Best Buy, IBM, and Sun Microsystems have redefined what it means to provide employees with creative space (Conlin, 2006). Although there is little evidence to show that these arrangements will make employees more creative or innovative at work, ROWE encourages employees to think differently about their work and can help to focus their energy on producing results rather than demonstrating their allegiance to bureaucratic processes (Grimshaw, 2008).

2.4.2 Communities of practice
Sharing information across large organizations requires both coordination and integration (Jones et al.1997). Unfortunately, the structures within most bureaucracies are ill equipped to manage complex knowledge, facilitate information sharing across time and space, and create new knowledge through learning and the cross-pollination of ideas (Wenger, McDermott & Snyder, 2007). It is for this reason that many organizations have formed Communities of Practice (CoPs) to manage the knowledge of their workforce (van Baalen, Bloemhof-Ruwaard, & van Heck, 2005). Microsoft, P&G, IBM, Xerox, and National Health Service in the UK (NHS) are just a few of many organizations that have made these structures an explicit part of their operations (Bate & Robert, 2002; Brown, 1998; Wenger et al., 2007).
CoPs offer a practical way to manage complex information and facilitate cross-boundary knowledge transactions; both of which are key for stimulating creative oriented behaviors (Wenger et al., 2007). They also provide a means for stimulating incremental, bottom-up improvements using a community-based approach to change, quality improvement and corporate modernization (Bate & Robert, 2002). Although CoPs are informal and loosely structured, they offer a way to retain and grow knowledge, leverage it in operations, and diffuse it through large organizations (Wenger et al., 2007). Accomplishing this requires that organizations take active steps to cultivate CoPs. The key practices are used by top organizations include:

- Communicating a vision of a knowledge organization
- Setting knowledge-related priorities that are supported through funding
- Facilitating greater investments in communities that cross business unit/functional boundaries
- Encouraging employees to participate in communities
- Ensuring systems and policies support participation in CoPs
- Identifying executives that can sponsor the initiative as active community members.

For detailed case study and other examples see Appendix A

### Case summary- Aligning Knowledge for Innovation: Community Collaboratives in UK National Health Services

In 2000, the UK National Department of Health in England and Wales took its first steps towards transformation, change, and a revolution in health care when they tabled the National Health Service (NHS) Plan. The document explicitly committed NHS to service redesign and a private sector oriented change management strategy. Corporate knowledge management and the creation of ‘Breakthrough Collaboratives’ were highlighted as foundational features in the ten-year plan and a key means by which the organization would improve the quality of care (Bate & Robert, 2002).

The NHS collaborative methodology was designed to close the gap between the best available knowledge and empirical evidence in public healthcare and the practices used everyday to deliver services. It relies upon the adaptation of existing knowledge in new contexts to create new knowledge that can be used to improve services.

For NHS, the real power of the Collaborative methodology was rooted in its ability to create horizontal networks that cut across hierarchical structures and organizational silos. These communities allow for a diverse group of professionals to come together, share their experiences and best practices, and use them to make specific improvements to services. These open forums allowed for less senior employees (i.e. new hires, frontline staff) to play an active role in service improvement, take real ownership for addressing local problems, and learn form a community of seasoned practitioners. Through both face-to-face and virtual collaboration, they have also sparked the implementation of incremental, bottom-up improvements.

2.4.3 Kaizen continuous improvement strategies

Continuous improvement (CI) is a corporate strategy used to engage employees in the production of continuous innovation (Bessant et al., 1994). It involves actively seeking a high level of workforce participation in incremental problem solving to make small changes that eliminate waste and improve processes (Bessant & Caffyn, 1997; Bhuiyan & Baghel, 2005). Although the literature describes many concepts and methods for implementing a CI strategy (i.e. Total Quality Management, Six Sigma, Balanced scorecard), embedding Kaizen principles (see Table 5) in the implementation of any CI program has been cited as key to stimulating employee innovation because these principles are focused wholly on creating a culture of improvement (Berger, 1997; Brunet & New, 2003; Imai, 1986; Juergensen, 2000; Kossoff, 1993). For organizations like Toyota, this approach was their solution to the boredom and stress often found at the frontlines of large bureaucracies. By downplaying the distinction between thinking and doing while still not introducing disruptive change, they were able managed the inherit paradox between controlling employee behavior while freeing them to think creatively about their work. This tight-loose structure allowed for Toyota to manage the work of people orientation: A belief that people have an inherent desire to improve quality & performance. Involvement of all employees is sought through permanent or temporary problem solving groups. These activities are supported by the active involvement of management. Effort is encouraged & recognized while results are rewarded.

(Berger, 1997; Bhuiyan & Baghel, 2005; Kaye & Anderson, 1998)

| Focus on making improvements to critical processes: Before results can be improved, processes must be improved. As such, those with a detailed view of processes (i.e. employees) must be supported to improve processes. This requires that the workforce receive training, development, and experience needed to effectively evaluate processes and identify opportunities for improvement. |
| Focus on Incremental improvements: A clear distinction is made between maintaining standards (i.e. status quo) and making improvements to standards (i.e. innovation). With the goal of improvement, employees are given the authority and responsibility to proactively test and challenge standards for small improvements. Every effort is made to implement these improvements, no matter how small. |
| People orientation: A belief that people have an inherent desire to improve quality & performance. Involvement of all employees is sought through permanent or temporary problem solving groups. These activities are supported by the active involvement of management. Effort is encouraged & recognized while results are rewarded. |

(Berger, 1997; Bhuiyan & Baghel, 2005; Kaye & Anderson, 1998)
its employees while still allowing them to participate in change through Quality Circles\(^6\), study groups, and quality audits (McMillan, 1984; Sandberg, 2007). In tandem with a Kaizen approach, these team structures promoted corporate learning and the emergence of social networks (Bhuiyan & Baghel, 2005).

Among the many employee groups found within an organization, the literature is clear in stating that frontline employees are in a unique position to identity opportunities for improvement. Because they are often directly responsible for the delivery of programs and services, they possess firsthand experience that most corporate managers lack and can gain insights on new and emerging issues. Through their contact with client groups, frontline employees can observe and respond to changing customer needs and offer ideas to remove factors that impede service delivery and organizational effectiveness (Raub, 2008). Unfortunately, frontline employees lack the authority to set priorities or commit organizational resources, are disconnected from key decision makers, and are often made to feel powerless because of their structure location within a large organization (Howitt, 1997; Kanter, 1977; Lashley, 2000; Mulgan, & Albury, 2003). In light of the mounting evidence, which suggest that the driver of corporate innovation will reside in the autonomous strategic initiatives of employees at the frontlines (Borins, 2001; Burgelman, 1983; Nonaka, 1991), public organizations like National Health Services in the UK (NHS) and the government of Singapore have also embraced a kaizen philosophy and implemented strategies designed specifically to engage frontline employees and seek their participating in continuous improvement (Hamel, 2006; Khandwalla, 2006).

These strategies that provide frontline employees with the opportunity and incentive to present their insights and ideas, the autonomy and funds to implement new ideas funds, and most importantly a clear mandate embrace frontline innovation as key driver of corporate transformation.

2.4.4 Idea management strategies

The implementation of an idea system or ‘suggestion scheme’ is one of the most common strategies utilized by large bureaucracies to harness workforce creativity and capture new ideas from employees (van Dijk & van den Ende, 2002). This strategy has become a means for drawing out incremental improvement and stimulating an entrepreneurial spirit in organizations (Hamel, 1999). Organizations that have used this strategy include Shell, Toyota, and the Ontario Public Service (Hamal, 1999; Government of Ontario, 2009; Robinson & Schroeder, 2006).

Generally speaking, these systems are an administrative method for collecting, assessing, and processing employee ideas through three distinct functions: idea extraction, idea landing, and idea follow-up (Ekvall, 1976). First and foremost, ideas must be ‘extracted’ or drawn from employees; this can only occur when employees are actively encouraged to think differently about workplace issues to generate ideas (Van Dijk & Van den Ende, 2002). Unfortunately, encouraging employees to present their ideas is not sufficient;
there must be an avenues or ‘landing’ forum available for ideas to be presented. This forum must be responsive, accessible, and open to a broad range of ideas. Finally, ideas must be ‘followed-up’ and evaluated through what Wheelwright and Clark (1992) call a ‘development funnel’. Ideas must be given feedback for revision in order to be made into a formal proposal. If a decision is made not to accept an idea, employees should be ‘given accurate and complete reasons why the [idea] is not being used and if possible some advice on how to improve it’ (Carnevale & Sharp, 1993, p. 84). This final phase is critical not only for ideas with high potential, but also for those ideas that still need further development. The practice of giving feedback on all ideas is also important for corporate learning and encourages future participation in the innovation process. Ideally, an idea system should function to sponsor the full development of an idea in order to improve its chances of success at the implementation stages. Developing systems that accomplish this goal tends to be the greatest challenges for organizations (Robinson & Schroeder, 2006). In addition to the above-mentioned functions, top organizations also take the time to evaluate and measure the effectiveness of their idea system. Any idea system, no matter how well conceived, works only if people are held accountable for their role in running it. Successful organizations also make the generation of ideas a central part of employees’ work, keep track of employee who generates idea and the managers who sponsor them, and ensure that the appropriate resources are available to process ideas quickly and fairly. These organization also ensure that managers are given training and support and then held accountable for their roles in the idea process and that senior executives put themselves in direct contact with employees and their ideas (Robinson & Schroeder, 2006, p. 20-21).

### Case summary - The GameChanger Program: Making ideas work at Shell

In 1996, Shell’s Exploration and Production unit developed the ‘GameChanger’ program as a supplement to their idea box system in 1996. With a special budget of $40 million a year, the program has been structured to finance and support the development of ideas and pilot projects that may stimulate businesses across the organization (Hansen & Birkinshaw, 2007).

In order to harness the creative potential of their workforce, GameChanger’s executive panel enlisted the support of a team of external consultants who designed and ran a three-day “Innovation Lab” to help 72 employees develop ideas for radical innovation. Half a million dollars in funding were also provided to support experimental activities during the Lab. The Lab itself wasn’t a training session or developmental workshop; instead, it provided employees with the time, creative space and funding to experiment and take risks. The Innovation Lab also provided a work environment that provided incubation for their ideas to be tried and testing in a safe space.

In addition to the Innovation Lab, new ideas are also obtained through Shell’s employee idea system and within a week after an idea is obtained, the GameChanger executive panel contacts the employee(s) for clarity. If they see potential in the idea but want more elaboration and analysis done, funds are provided to further develop the proposed idea. Once a formal proposal is drawn, an extended panel assesses the feasibility of a pilot project. If accepted by the extended panel, a formal plan is developed with a series of milestones to measure progress and the project is implemented.

Shell’s program does not only offer a timely response to idea generators, its helps employees to strengthen their ideas through partnership, feedback and developmental funding. The success of this program can also be attributed to is role in supporting ideas through all three stages of the innovation process (generation, promotion, implementation) and the emphasis that it places on the fuzzy front end of innovation, idea generation. This approach enable Shell and its employees to ‘get ideas right’ before the move forward to full implementation (van Dijk & Van den Ende, 2002).

*For detailed case study and other examples see Appendix A*

### 2.4.5 Funding and corporate venturing strategies

The ability for an organization to innovate is heavily related to whether or not the necessary resources are available or explicitly earmarked to develop new projects and turn ideas into innovation. Unfortunately, investing in new venture projects can be a challenge for many organizations, especially if discretionary spending is limited. In order to overcome this obstacle, many organizations have effectively made innovation a line item in their budgetary processes through *internal corporate venturing*.

These ventures involve activities new to the organization that involve greater uncertainty and a higher risk of failure or losses than existing operations. They are typically managed separately and differently from existing operations to increase revenues or the quality of a product or service (Thornberry, 2002; Block & MacMillan, 1995). As such, internal corporate venturing is an attempt to reinvigorate an entrepreneurial spirit by encouraging employees to be entrepreneurs within the bounds an organization. This practice also
allows large organizations to leverage internal capacity and retain innovative employees by offering an entrepreneurial outlet. Regardless of the organizational type or sector, the literature suggests that the ability for corporate venturing strategies to stimulate employee innovation rests on the following factors:

**Access to funds and people:** employees must perceive that they have access to the resources, both human and financial, for new initiatives. However, if an organization has a complex or segmented budgetary allocation process or systems that restrict the flexible utilization of resources, it will be more difficult to find the funds and people needed to realize new business concepts (Hornsby, Kuratko & Zahra, 2002). When funds are earmarked for new ventures and flexible human resource strategies are in place to allow employees to participate in the innovation process, project sponsors can focus more on managing risks and achieving desired outcomes (Kuratko, Montagno, & Hornsby, 1990).

**Clearly stated objectives:** In order to align new ventures with corporate strategy, senior executive must set clear goals and outline key deliverables for those teams responsible for managing new projects. Failure to articulate clear objectives leads employees to guess their direction and creates challenges to measuring progress and success (Chesbrough, 2002).

**Balance of autonomy and control:** Although organizations use internal venturing to develop projects that depart from existing business, executives may feel an unprecedented need to monitor and control ventures because of their newness. However, an increased level of executive control over processes is among the most common characteristics of failed ventures (Block & MacMillan, 2005; Simon, Houghton & Gurney, 1999). Venture managers need autonomy and flexibility to develop an execution strategy, build a team, and mold a culture around the venture; these factors are important to long-term success (Block & MacMillan, 2005). New ventures should not be subject to traditional control systems and should be assessed primarily for learning, to share practices, and track progress (Simon et al., 1999).

**A stable, long-term commitment to new venture programming:** Although new ventures are important for corporate renewal, corporate venturing programs often fade in and out of an organization’s corporate strategy. Burgelman and Valikangas (2005) founds that many organizations exploit internal venturing in cycles, beginning with periods of high activity followed by periods when programs are shut down, only to be followed by new initiatives a few years later. This unstable commitment stems from the expectation that measurable returns will be produced in the short-run and when new ventures fail to produce an immediate return, executives seize control or pulled the plug on new projects (Simon et al., 1999; Block & MacMillan, 2005). However, new ventures require long-term support as it often takes two to three years to produce measurable outcomes. Results also vary from one organization to another, with outcomes ranging from outstanding to disastrous, even among top organizations (Ginsberg & Hay, 1994).

### 2.4.6 Project-based work structures

The classic functional organization is hierarchically structured and employees are grouped based on their specialization. Although these structures are designed to enhance functionality, they often fail to provide the incubation and support needed for new projects to thrive and make it difficult to prioritize activities
across a corporation (Patanakul, Chen & Lynn, 2008). These structures also cause functional groups to place greater emphasis on their own specialty rather than the goals of new initiatives and the larger organization. These structures also respond slowly to change, are less creative, and permit organization inertia (Youker, 1977).

In order for organizations to earn success in today’s environment, they must create new products and services, provide personalized solutions, and keep pace with the globalization of new technologies. Meeting these objectives requires a flexible, responsive workforce with a broad range of skills (Malone, Laubacher, & Morton, 2003). As an alternative to the functional structures found in most bureaucracies, organizations like Hewlett-Packard, AT&T, GE and Ericsson have shifted towards project based structures to circumvent barriers to change and innovation (Nahod & Radujković, 2007). These structures reflect an arrangement in which projects and cross-functional teams are the primary vehicles for managing work. Projects are temporary non-repetitive initiatives undertaken to create, test, or deliver a unique process, products or services and are managed at an accelerated pace to produce timely results (PMI, 1996).

Project based structures have been recognized as a way for organizations to build flat work structures that enable change, respond to the changing needs of their clients, and support renewal initiatives (Peters & Waterman 1982; Sydow, Lindkvist & Defillippi, 2004). Others have also suggested that these structures can stimulate greater productivity and enable resources (i.e. human and financial) to be allocated more efficiently (Hughes, 1998; Collin & Young, 2000). With regards to employee innovation, project based structures create an environment that supports creativity and allow team dynamics take form naturally (Defillippi, 2002). These structures also provide employees with an avenue to develop their ideas and test them in the market through low-cost low risk experimental projects. Thus, organizations can initiate a variety of new ventures through project-based organizations and easily terminate those that are unsuccessful at low cost and little disturbance to the organization (DeFillippi 2002).

Organizations operating in a changing environment ‘will require flexible, decentralized, and informal work practices with little hierarchy in order to respond effectively through innovation’ (West & Richter, 2008, p. 229) As such, project based structures offer a way for organizations to transform their ways of work while creating an environment for innovation (Patanakul, et al., 2008).

2.4.7 Reward and recognition programs
While there is no consensus on whether extrinsic rewards are 100 percent necessary, the literature is clear in stating that intrinsic rewards (i.e. greater autonomy, unique work experiences, developmental opportunities, feedback) play a key role in stimulating motivation and continuous employee innovation. Nonetheless, Amabile (1998) and Mumford (2000) encourage organizations to design reward and recognition programs that provide a mix of both intrinsic and extrinsic rewards to motivate and sustain creativity and innovation.

Research shows that organizations that made an investment in employee recognition programming or created a ‘culture of recognition’ saw higher levels of employee engagement, a 50 percent increase in productivity, 13 percent improvement in employee retention, 44 percent higher profits, and 50 percent higher rates of client satisfaction (Human Capital Institute, 2009). In consideration of the mounting evidence and case examples, most organizations have implemented recognition programs to stimulate intrinsic motivation and employee engagement, but only a few have designed total rewards systems that produce returns. Empirical evidence and case examples highlight five key factors to consider when designing recognitions programs:

- Recognition should be in a form that is of actual value to the employee, not what the recognition committee thinks the worker should value.
- Provide employees with some choice for what is received to further increase its value to the individual
- Present the recognition in a way that increases the value to the individual employee; whether that is through the person presenting the recognition, the audience witnessing the recognition, or other factors.
- Present the recognition in a way that demonstrates to others what kinds of behavior is expected in order to receive recognition and reward (Nelson, 2008).

2.4.8 Culture change strategies

The role that corporate culture plays in encouraging innovation is discussed heavily in the academic literature. In fact, recent research suggests that among the many factors thought to drive innovation, corporate culture is considered the strongest driver of radical innovation (Tellis, Prabhu, & Chandy, 2009). As such, many organizations have implemented culture change strategies to help shape, communicate and shift the values, attitudes and behaviors of their workforce (Ogbonna, & Harris, 2002).

Such initiatives often begin with defining an organization’s core values. This involves identifying and explicitly stating the strategic values that mould and direct corporate strategy and the cultural values that offer cues for how employees should behave (McAleese & Hargie, 2004). These values should act as a unifying force across employee groups, forming the bedrock of an organization’s change strategy (Dess, Lumpkin & Eisner, 2006). A second intervention often implemented by organizations involves transforming the key symbols such as the corporate brand or Employment Value Proposition (EVP). Martin (2009) explains that shifting culture from the client and employee perspective is key to cultural excellence. These marketing strategies provide an image of the organization to external stakeholders and

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Note: The text contains references which are not visible in the image.
encourage the formation of a common identity amongst employees (CLC, 2008). They can promote a
collective answer to the ‘who we are’ question, and help to unify beliefs, language and behavior as well as
mobilize the workforce in a new direction (Rumpel & Medcof, 2006). In order to encourage and reinforce
new behaviors, these new values and symbols are integrated into an organization’s incentive structures,
training and development and recruitment strategies. Finally most organizations will design a
comprehensive communication strategy to reinforce desired changes through plans, posters, newsletters,
and presentations and other documentation (CLC, 2003).

While the above strategies are commonly used by organizations, there are many critics of planned culture
change initiatives who raised questions about the efficacy of such interventions (Ogbonna, & Harris, 2003).
Although many managers believe culture change is feasible, contemporary theorists argue that this view is
misguided (Legge, 1994). The design and execution of these strategies require a tailored approach in order to
transform the corporate culture. Unfortunately most organizations fail to tailor their methods, opting to
simply replicate the symbols, values and approaches used by top organizations. This has led to a broad
proliferation of value statements, corporate slogans, and programs for change viewed as disingenuous
attempts to change employee behaviors (Block & MacMillan, 1995). Even if such strategies change
behaviors in the short term, they fail to change people’s minds into the long term (Sathe & Davidson,
2000). As such, the literature suggests that for the above-mentioned strategies to produce substantive
change, they should include the following elements:

**Employee involvement**: it is important that all employees have active involvement in the design and
delivery of change processes through consultation and participation. If involvement is sought only from
certain groups or levels, those without input will demonstrate less commitment processes, leading to
resistance of proposed changes (Cartwright & Cooper, 1993).

**Open communication**: in order for strategies to earn success communication on the change and all
associated activities must be transparent and timely. Not only is this important for quashing rumors and
presenting a clear message, but also to prevent that the practices and behaviors of the past from re-
emerging (Teng, Grover, Fiedler & Jeong, 2000). Creating a ‘boundaryless’ environment where employees
can challenge the status quo in open forums can also help to erode status hierarchies in large organizations
(Beer & Nohria, 2000).

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**Case summary - The crux of corporate culture: General Motors and the creation of the Saturn corporation**

General Motors (GM), one of the world’s largest automakers, is known for its high performance and commitment to innovation in the delivery of products and services, but in the late 1970’s and early 1980’s the multinational corporation faced a series of fiscal challenges. In response, GM initiated a search for new ways to manage their diverse factories and logistical operations in early 1984.

It was made clear to GM that any corporate change or new initiatives would be met with resistance from an entrenched bureaucratic value system and an assembly line mentality. Employees believed that top management cared more about product throughput than about people and the delivery quality services; it was this belief that set the tone for GM’s organizational culture. In order to overcome cultural barriers and resistance to change, GM decided to create a completely new division, the Saturn corporation, as a way to ‘start from scratch’ and utilize the new managerial practices, strategies and structures needed to lead innovation in their industry (O’Dell & Grayson, 1998). This required not only the creation of new structures and technologies, but also new relationships across the organization and between management and employees (Schneider, Brief & Guzzo, 1996). Overall, Saturn’s corporate structure represented a departure from the traditional hierarchy. Both employee and customers can sense that Saturn had a different look and feel than its parent organization (Schneider, Brief & Guzzo, 1996). The corporation has produced a competitive, reliable, high quality product at a reasonable price and offers courteous service to customers (Rehder, 1994).

Although the Saturn model represents a significant departure from GM’s traditional system, the corporation still faces challenges to productivity, cost, and profits. It has been said that the Saturn leadership team (drawn from GM’s best and brightest executives) did insufficient ‘unlearning’, failed to change peoples minds about change and innovation, and may have transferred almost a century of traditional values, norms and culture to their parent organization. The 2001 decision to reduced Saturn’s autonomy and bring the corporation closer to other division in GM has also led many observers to question whether or not Saturn had departed far enough from the original GM culture to produce the innovation needed to be self sufficient (Georgsdottir, Lubart, & Getz, 2003).

For detailed case study and other examples see Appendix A
Alignment between stated values and actions: according to the research done by Corporate Leadership Council (2006), when the EVP or brand promise is not delivered, engagement and trust across the workforce decline. For new hires that experience a misalignment between stated values and demonstrated behaviors, it takes only 12 months for commitment and performance levels to drop. This decline also undermines their intent to stay with the organization. Failure to protect brand integrity can damage its credibility and diminish its ability to attract, retain, and engage employees (CLC, 2004).

Active engagement of CEO and executive team: in order for effective culture change to occur, top management must play an active and continuous role is communicating an unambiguous message, managing the change processes, modeling the new attitude and demonstrating the behaviors they wish to see in a highly visible manner (Nadler, Thies & Nadler, 2001).

2.4.9 Semi-autonomous structures for continuous innovation

Corporate innovation requires systematic support to flourish; unfortunately the culture found within most bureaucratic organizations fail to provide the flexibility, adaptability, speed or incentives to drive continuous innovation (Borins, 2001; Morris & Jones, 1999). As discussed in the above subsection, transforming an organization’s culture can be a very difficult undertaking, especially in large bureaucratic organizations (Daft, 2007). As such, many large bureaucracies have not only taken steps to implement culture change strategies, they have also opted to created secondary unit or new venture division to evade the cultural barriers to employee innovation, facilitate the development of new ideas, and accelerate the innovation process. Galbraith (2004) calls this structure the ‘innovating organization’, a parallel structure which functions alongside an existing bureaucracy for the sole purpose of generating innovation. Because this unit or division is differentiated from the bureaucratic systems that constrain creativity and chance, it offers a means for producing continuous innovation (Birkinshaw, 19979).

Although key players in the innovating organization may emerge informally to develop and implement ideas, organizations which recognize, formalize, and purposely design a subsidiary structure will be more likely to generate innovations than those who rely on happenstance (Galbraith, 2004; Kanter, 1988; Birkinshaw, 1997). It is composed of individuals falling into three groups: orchestrators, sponsors and idea generators. Together these groups function to generate, blend and develop ideas, manage and invest funds earmarked for new ventures, lead new projects, and, diffuse innovations into the existing organization.

Figure 7. The innovating organization: purpose, roles, and needs

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*Birkinshaw defines this structure as a ‘new venture division’, which functions to identify and nurture new business opportunities for the corporation (p. 208). Rice et al, (2000) describes this structure as the ‘incubation organization’ and alongside funding programs, it can encourage innovation.*
'Idea generators': Identifying problems and generating solutions

Every innovation requires that an employee, team, or work units generate ideas or potential solutions to perceived work-related problems, incongruities or emerging trends. While individual employees or work teams are often the source for ideas, idea may also originate from more formalized structures like Research and Development units (R&D), Quality Circles (QC) or other groups with a focus on continuous improvement. Described by Galbraith (2004) as reservations, these units form ‘havens for safe learning’ or a ‘garage-like atmosphere’ where new ideas can be incubated and tested rapidly.

'Sponsors': promoting, developing and seeking the implementation of ideas

Because novel ideas and fresh perspectives are likely to originate with an employee or group having little power or influence (i.e. new hires, frontline employees [Mulgan & Albury, 2003]), ideas will need sponsors to appraise their business value and facilitate their full development (Galbraith, 2004). Empirical evidence also suggest that implementing innovation requires the active involvement of key sponsors who were willing to take calculated risks and initiative to realize new ideas (Djella & Gallouj, 2008; Staronova & Malikova, 2008). Galbraith explains that sponsors who manage the ideas development process must be recruited, selected and developed (2004, p. 222). As corporate entrepreneurs, they effectively drive the innovation process by engaging in implementation-oriented behaviors in order to realize new ideas. These include: opportunity identification, concept development, assessment of required resources, acquisition of resources, and harvesting the new ventures (Morris & Jones, 1999, p. 75; Windrum, 2008).

'Orchestrators': Leading and supporting the innovation process

In most organizations, innovation is a socio political process. It involves challenging existing structures and practices that are often biased towards those who have authority and control of resources (Glamholtz & Randie, 1999). For this reason the innovating organization requires orchestrators, a high status individual or group to actively balance power between meeting short-term operational demands and pursuing a long-term vision for organizational innovation. By virtue of their role, senior executives are best suited to act as orchestrators. Their tenured experience equips them with the expertise and influence necessary to set the corporate direction and the pace of change (Elenkov, Judge & Wright, 2005; Galbraith, 2004).

In partnership with sponsors, Orchestrators encourage innovation, legitimize key processes and structures, and initiate a departure from established routines or systems (Kanter, 1988). They play a key role in creating a culture in which innovative work is encouraged and collaboration is the norm (Avolio, 1999). Innovation will not occur unless individuals are selected and developed to fill these roles and that activities across each group are aligned (Galbraith, 2004). As illustrated in figure 7, when their actions are aligned, the innovation process comes to life.

Future Centres: A work environment for knowledge sharing, collaboration and radical innovation

Although bureaucratic organizations have traditionally designing autonomous division to circumvent the bureaucratic barriers to employee innovation, many organizations like Denmark’s Ministry of Economic and Business Affairs and UK’s Department for Business Innovation and Skills have created Future Centres (FCs) to drive corporate innovation. “Future Centres are collaborative workspaces for creating, developing and applying knowledge, practicing innovation and working with an orientation to the future. They enable organizations to prepare for the future in a proactive, collaborative, and systematic way. One standard “Future Centre” does not exist: the term is a catchphrase to describe this kind of foresight-enabling workspace. They are user centric, people-centered working environments purposely designed to enable users to collaborate in thinking about, questioning, designing and prototyping the future. They facilitate organizations to prototype new policy, products, services and working relationships, providing dedicated working environments, methods, tools, facilitation and the appropriate context for further service, technological and social innovation. They deal with major public challenges in diverse domains: economic/
Dvir et al. (2009) argue that future centres can be the engine from service transformation in public organizations and can be used to nurture radical innovation act as a catalyst for change, and complement other functions of the larger organization through the following activities:

- Providing employees and other stakeholders an "Ecology for innovation" – a climate that encourage innovation, wild ideas, and co-creation.
- Providing the method, facilitation and expertise needed to analyze long term threats, trends and opportunities: a ‘future image’.
- Providing a space for focused continuous dialogue between stakeholders.
- Providing a space where scenarios, radical policies and alternative futures are envisioned and developed in order for the basic assumptions of the organization to be refreshed.
- Facilitates the meeting of ideas and resources (i.e. financial, organizational, political and human resources).
- Offers a place for the rapid development of new products, services, business concepts, and ways of working.

2.4.10 A guide for selecting innovation strategies

Figure 8 offers a summation of the information presented in this chapter and a framework for selecting strategies that encourage employee innovation. The first column presents the bureaucratic barriers to employee innovation discussed in the previous section. The second highlights which strategies can offer the best response to each bureaucratic barrier.

The final column depicts the entrepreneurial drivers discussed in the previous section, but in the context of this illustration, these drivers are presented as the governance outcomes produced from the implementation of strategy. For example an organization that is status quo oriented, short-term focused and reactive can shift their strategic orientation by implementing a continuous improvement program; the outcome is a more entrepreneurial orientation that is long-term focused, proactive and committed to change; it is this outcome that drives employee innovation and stimulates transformation of an organization’s governance model. However not every organization will, for example, be short term focused or value administrative control. The governance model and barriers felt by organizations will vary and for this reason the selection of strategies should reflect the specific needs of each organizations and respond to those factors that emerge as their greatest barriers to employee innovation. This framework provides a guide that can help organizations to select strategies that offer the most appropriate response to their specific bureaucratic challenges. By taking steps to select implement these strategies in this way, bureaucratic organizations can develop a governance model that encourages and supports entrepreneurship and innovation.
2.5 Chapter Summary

The concept of innovation has drawn many commentators who have provided a deeper and broader look at what it is and its value to bureaucratic organizations. Although there are a variety of terms and concepts used to understand innovation, there is a strong consensus that it is a process driven by human behaviour and if cultivated, employee innovation can produce substantial returns in the organizational context. A look at culture and work environment provided a frame for understanding of the cultural and structural barriers to employee innovation embedded in bureaucratic life. However an extension of the literature to look at physiological climate revealed a third dimension for understanding the cognitive barriers to employee innovation. Unlike the cultural elements or structures, which tend to be complex, amorphous, or difficult to describe, the dimensions of physiological climate offer a series of concepts that are rooted in the feeling and perception that all employees will have as they navigate their experiences in the organization.

The strategies presented in this chapter were identified not just because they were common, but also because they offer a means through which organizations can transform their governance model to bridge the gap between bureaucracy and entrepreneurship. The framework presented offers a guide that can help in the selection of strategies that offer the best response to their greatest bureaucratic challenges. With this said, the key challenge associated with each of these strategies is that their execution requires time, capacity and commitment to encourage continuous innovation and organizational transformation; each strategy has success factors and common pitfalls, which should be given ample consideration (Borins, 2001). Taken together, the information in this chapter offer a conceptual framework for employee innovation in bureaucratic organizations. The next chapter presents the findings from key informant interviews and engages the data in critical analysis identify salient connections and attribute meaning to the information obtained.
3 Chapter Three: Findings and analysis from key informant interviews

3.1 Introduction

The aim of this chapter is to provide a summary of the key findings and critical analysis of the barriers and issues discussed by interviewees. As stated in chapter 1, 26 individuals drawn from the following groups were interviewed for this research:

- **Innovation Champions**: individuals selected by ADMC: SNI to act as agent for change
- **Spark ‘Super Users’**: individuals recognized for active participation in Spark community
- **Programs managers**: individuals responsible for managing key programs and strategies

In total, 15 Innovation Champions, 8 Super Users, and 3 program managers were interviewed. In order to protect confidentiality and anonymity, Table 6 provides a high level description of the participant groups. Although demographic information was not requested (i.e. age, tenure) some interviewees offered this information in their responses. As stated in chapter 1, interviews explored the following topics:

- **Barriers to employee innovation**: to gain further insight on the barriers to employee innovation in the BC Public Service and how these barriers could be removed.
- **Existing strategies**: to gauge the general perception of recently implemented strategies. These include new corporate values, the Innovation Champion community, Spark, and the Public Service Transformation Fund.
- **Roles and support structures for corporate innovation**: To gain insight on what roles and support structures were in place and needed to encourage innovation.

The literature used to construct a conceptual framework for this research informed the design of each interview questionnaire. First, the literature revealed that the barriers to employee innovation exist within one of three dimensions of an organization: corporate culture, work environment and psychological climate. As such, questions were asked to explore whether interviewees believed that elements of the BC Public Service culture, work environment and climate created barriers to innovation. Second, the literature revealed that innovation is a process driven by a complex set of human behaviours and actions. For this reason, interviewees were also asked about the presence of barriers to certain behaviours or stages of the innovation process (i.e. generating new ideas vs. promoting new ideas).

The interview questions precipitated a variety of responses regarding innovation in the BC Public Service. All participants felt that innovation was important and believed that employees would have an important role to play in generating and implementing the ideas needed for service transformation. However, they felt that there were still many barriers to innovation in the organization. Most also thought that the implementation of new strategies demonstrated that the organization was moving in a positive direction, but raised concern about how these strategies were designed and executed. The remainder of this chapter describes the interview findings and analysis in two sections:

### Table 6. Summary of ‘Champion’, ‘Spark User’, and ‘Program Manager’ interviewees

<table>
<thead>
<tr>
<th>Innovation Champions</th>
<th>Spark Super Users</th>
<th>WPLS Program Managers</th>
</tr>
</thead>
<tbody>
<tr>
<td>IC#1 Supervisory manager Victoria</td>
<td>IC#9 Nonsupervisory manager Victoria</td>
<td>SU#1 Nonsupervisory employee Victoria</td>
</tr>
<tr>
<td>IC#2 Nonsupervisory frontline Regions</td>
<td>IC#10 Nonsupervisory employee Victoria</td>
<td>SU#2 Supervisory manager Victoria</td>
</tr>
<tr>
<td>IC#3 Nonsupervisory manager Victoria</td>
<td>IC#11 Supervisory manager Regions</td>
<td>SU#3 Nonsupervisory employee Victoria</td>
</tr>
<tr>
<td>IC#4 Supervisory manager Victoria</td>
<td>IC#12 Nonsupervisory employee Victoria</td>
<td>SU#4 Nonsupervisory employee Regions</td>
</tr>
<tr>
<td>IC#5 Supervisor manager Regions</td>
<td>IC#13 Supervisory manager Victoria</td>
<td>SU#5 Nonsupervisory frontline Regions</td>
</tr>
<tr>
<td>IC#6 Nonsupervisory frontline Victoria</td>
<td>IC#14 Supervisory manager Regions</td>
<td>SU#6 Supervisory manager Victoria</td>
</tr>
<tr>
<td>IC#7 Supervisory manager Regions</td>
<td>IC#15 Nonsupervisory employee Victoria</td>
<td>SU#7 Supervisory manager Victoria</td>
</tr>
<tr>
<td>IC#8 Nonsupervisory manager Victoria</td>
<td></td>
<td>SU#8 Nonsupervisory employee Victoria</td>
</tr>
<tr>
<td>PM#1 Non supervisory manager Victoria</td>
<td>PM#2 Non supervisory manager Victoria</td>
<td>PM#3 Non supervisory manager Victoria</td>
</tr>
</tbody>
</table>

In total, 15 Innovation Champions, 8 Super Users, and 3 program managers were interviewed.
• **Findings and diagnosis of the perceived barriers to employee innovation**: this section presents an examination of the common themes and issues that emerged as barriers to employee innovation in the BC Public Service.

• **Findings and SWOT Analysis of existing corporate strategies**: this section describes the key findings on existing corporate strategies and presents an examination of the strengths, weaknesses, opportunities and threats that impact their efficacy.

Although the attitudes, beliefs and perceptions and expressed by participants are summarized in this section, a more detailed account of the qualitative interview findings is contained in Appendix D.

### 3.2 Perceived Barriers to employee innovation

Identifying the barriers to employee innovation was the first topic explored in interviews with Innovation Champions and Super Users. In addition to be asked questions about the culture, work environment and climate of the BC Public Service, each interviewee was explicitly asked what they felt were the greatest barriers to employee innovation. Although many issues were discussed, seven barrier themes emerged from across the responses presented by interviewees:

1. **Pressure to conform**
2. **Resistance to change**
3. **Focus on administrative processes**
4. **Cynicism towards innovation**
5. **Disempowering work structures**
6. **Inadequate resources for innovation**
7. **Insufficient support for new ideas and innovation**

The attitudes and perceptions expressed were fairly consistent across participant groups and regardless of regional location. While it cannot be said with certainty why this consensus existed, it was apparent that participants were inclined to speak as members of the larger organization and only made reference to their status as a ‘Spark User’ or ‘Innovation Champion’ when discussing activities related directly to that role (i.e. Spark User posting ideas on Spark, Innovation Champion attending an event). As such, it is likely that membership in these groups did not influence their views on the barriers to employee innovation; this suggests that the findings can be generalized to the larger public service. What follows is a description of each barrier themes that emerged across the interview findings.

**Pressure to conform**: Among the barriers discussed, participants consistently stated that employees feel pressure to align their thinking and behavior with the status quo; they also felt that this pressure diluted efforts to stimulate employee innovation.

- Employees sense that there are disincentives in place, which restrict them from being innovative at work. Interviewees explained that the decision to promote new ideas was seen as a career-limiting move in the public service. Even for those who do present new ideas, some level of self-censorship is exercised to protect their reputation and job security.

- Interviewees suggested that employees don’t want to be seen as rocking the boat or labeled a ‘problem employee’ and as an act of self preservation, will resist questioning the status quo to avoid unintended consequences.
In the present climate, there is a lot of anxiety and nervousness and employees feel pressured to conform and align their behaviors with existing ways of working. Interviewees felt that most employees were not willing to risk their reputation and status to champion new ideas.

Resistance to change: The Innovation Champions and Super Users interviewed felt that there was a strong tendency towards the status quo and although the organization was starting to do new things (i.e. Spark, new ACCS tools10), there is still an inherent resistant to change and risk taking in the organization.

Interviewees explained that this resistance impacted the motivation and commitment to change and that some employees have given up on thinking differently and challenging the status quo.

While many interviewees believed that some of the resistance to change was related to the present economic climate, they were concerned that the short-term focus on budget restraint prevented the implementation of ideas that could save costs in the long run.

In general, there is a perception that the organization is caught in a state of inertia and unwilling to make sacrifices to exploit new and future opportunities.

Focus on administrative processes: Interviewees were concerned that administrative processes and ‘red tape’ were still too much of a challenge to innovation.

Almost all respondents expressed that the BC Public Service was short-term focused, reactive to new and emerging issues, and process oriented.

Interviewees explained that attempts to navigate through complex approval processes and earn the attention of the right people was frustrating and time consuming for employees.

Although many employees want to direct attention to producing results and long-term outcomes, they feel bound by processes that are difficult to change.

Cynicism towards innovation initiatives: Although employees are glad to see that steps are being taken to encourage employee innovation, they have seen many of these corporate strategies come and go in the past, are cynical about the idea of being innovative at work, and expect that the focus on innovation would simply ‘blow over’.

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10 The Microsoft Advance Communication and Collaboration tools (ACCS) were recently acquired by the BC Public Service to improve information sharing and collaboration within the organization. These tools include MS Office Communicator, MS Office Groove, MS Live Meeting, and MS Office OneNote 2007 (Province of BC, 2009f)
Interviewees felt that innovation has become a ‘buzzword’ within the organization. It is expected that when the momentum, support and commitment to this change died out, a replacement catch phrase will emerge to reignite energy and engagement.

Several interviewees sensed that employees are unmoved by corporate innovation initiatives. Many see them as disingenuous and hypocritical, especially with the present focus on cost cutting.

Interviewees also believed that many employees feel they are not truly permitted to think differently or suggest new ways of working. Many felt that they were not allowed to take the time away from work-related activities to participate in corporate strategies like Spark.

**Disempowering work structures:** The hierarchical structures embedded within the organization leave many employees feeling as though their ability to contribute to change is limited.

- The majority of interviewees believed hierarchical structures restricted the implementation of new ideas. Many felt that these structures were difficult to navigate, involved too many levels of approval to gain direction and support, and slowed the decision making process at every step.

- Some interviewees felt that being at the end of a long approval process and at the bottom of the chain in command was disempowering; this perception has causes many employees to question whether their participation in the organization is meaningful.

- Interviewees also sensed that the organization was quite homogeneous and not effectively structured for employees across the corporation to collaborate and link unique ideas together. Many felt that without fresh perspectives, more diversity of thought, and opportunities to bring unique experiences together, the organization would struggle to integrate valuable information and produce innovation.

- The attitudes expressed suggest that employees are looking for more opportunities to play an active role in building an innovative organization. Employees in the BC Public Service are passionate about serving the public, but wanted engaging work that allowed them to use a broader range of their skills to implement new ideas.

**Inadequate resources for innovation:** Employees within the BC Public Service do not feel they are given adequate time and resources to think creatively and implement new ideas. Even though it has been stated that innovation is valued, employees do not feel that there is the structure, direction or even approval for them to truly be innovative at work.

- Among all of the barriers discussed by interviewees, not having the time to reflect and think creatively was a concern raised by all interviewees. For most, having a heavy workload was also seen as a barrier to participating in innovation related activities.
For those able to participate in communities of practice, innovation groups, or other initiatives, it is done off the ‘corner of their desk’ and often without support or recognition.

Access to financial resources was also cited as a key barrier. Although interviewees were aware that the economic climate created challenges to financing new projects, they were concerned that the short-term focus on budgets would impede the implementation of ideas for service transformation.

The attitudes expressed suggest that there are mix messages about whether or not participation in innovation related activities is important to the organization and worth the time and effort.

Insufficient support for innovation and new ideas: Interviewees felt that employees needed their senior executive, supervisor and colleagues to provide meaningful support and act as a sounding board for new ideas. However must felt that this support and encouragement may be missing in the organization.

Some interviewees felt that there was little encouragement to participate in innovation related activities and for those who have there was little recognition.

The majority of interviewees were cognizant of the challenges that senior executives face to encouraging innovation. Short-term demands, public scrutiny, and resource constraints were some of the challenges cited. However, interviewees felt that employees needed to see the senior executives were committed to corporate innovation. Unfortunately they believed that the support for innovation was fading.

While interviewees felt see that some senior executives did support innovation, there was a consensus that as a community, executives in the BC Public Service did not support innovation.

For many, ADMC:SNI demonstrated that innovation was truly important for the organization and the committee was stimulating a cultural shift in the BC Public Service. Unfortunately, the dissolution of ADMC:SNI signaled to many that innovation was not longer a priority.

3.3 Beliefs & perceptions of corporate innovation strategies

In addition to being asked about the barriers to employee innovation, interviewees were asked to provide their thoughts on recently implemented initiatives; these include the adoption of new corporate values, Spark, the Public Service Transformation Fund, and the Innovation Champion community. The goal of this inquiry was to obtain interviewees’ general thoughts on the strengths and weakness of corporate strategies. As the findings in this section reveal, most interviewees saw more weakness than strengths and raised concerns about the design and execution each strategy. Again, Super Users were not formally asked to comment on the Transformation Fund or the Innovation Champion community.
3.3.1 Corporate Values

In order to gauge the perceived impact of the new corporate values on employee innovation, Innovation Champions and Super Users were asked two key questions. First, interviewees were asked whether they believed the new corporate values were helping the BC Public Service move in a new direction—toward a post-bureaucratic value system. Second, interviewees were asked whether the new values inspired employees to generate new ideas. Although these questions were framed to receive a simple yes/no response and were not asked to draw out perceived strengths and weaknesses, interviewees did offer a series of pointed responses, which suggest that there was some discontent with the introduction of new corporate values amongst employees. All interviewees expressed that the BC Public Service was moving in a new direction with the adoption of new corporate values, but most did not believe that the new values inspired employees to generate, promote and implement new ideas. What follows is a summary of the key issues that were raised by interviewees.

Consultation process: The development of the corporate values was the first issue of contention. There was a general feeling that most employees were not given the opportunity to contribute to the selection of new values. Some were skeptical about the consultation process and felt that the values were imposed rather than encouraged. However, those who were given the opportunity to participate in the consultation had more favorable views and felt that the process was open, transparent and inclusive.

Integration into EPDP: Interviewees shared concern about how the new values were integrated into the EPDP process\textsuperscript{11}. Because many employees were not a part of the consultation process, they felt threatened by the introduction of corporate values and how they were going to be used in measuring employee performance. Many interviewees (both supervisors and non-supervisors) also raised concern about how the values should be and would be measured in the EPDP process. There was a level of cynicism expressed about the new values and many raised questions on how it would be determined which employees embodied them.

Timing of integration: Another issue raised about the new values related to when they were integrated into the EPDP process. Rather than being introduced at the beginning of the EPDP cycle, the new values were adopted and integrated in the fall, 6 months after employees had completed their planning phase (Province of BC, 2008b; 2009e). One Champion explained that this was a tactical error that prompted resistance to the proposed change. This interviewee suggested that the outcome could have been improved if the roll out of new values were aligned more closely with the existing EPDP cycle.

\textsuperscript{11} Employee Performance and Development Plans (EPDP) are developed annually by employees to track work goals, record successes and allows supervisors to evaluate employee performance; the first phase of the cycle (planning) requires sign-off on May 31\textsuperscript{st} of each year. In June 2008, the values were adopted and formally integrated into the EPDP process in the fall (Province of BC, 2008b; 2009g)
Disconnect between words and experience: Interviewees also felt that there was still a misalignment between the stated values and their experiences in the organization; this disconnect has generated some cynicism and dissatisfaction and lead many to question what the organization truly values. They were concerned that if employees continued to see this disconnect, they would be less willing to demonstrate the new values and more likely to question whether innovation is truly a priority for the organization.

More time, communication, and support: Interviewees felt that more communication and support was needed to reinforce the new values. There was some concern that the new values were not fleshed out and that employees needed concrete examples for how to demonstrate them. Many also felt that it was going to take more time for employees to feel that they could adopt the values, identify with them, and put them into practice.

3.3.2 Spark

In order to learn more about the perception and experience of Spark, Innovation Champions and Spark Super Users were asked to provide their general thoughts on the new tool and its key strengths and weaknesses. Spark Users were also asked questions about their personal experience with the tool and ways to improve it. In general, all interviewees seemed quite impressed with Spark. They felt that it provided employees with an opportunity to promote innovation in the BC Public Service, offered a direct response to some of the barriers to innovation (i.e. Inadequate forums to foster innovation), and a means through which employees could demonstrate the new values.

While most interviewees acknowledged the value of Spark as a means to engaging employees and providing them with a forum to present ideas, they also touched upon a series of issues related to the ability for Spark to capture new ideas across the organization, the functionality of the web-based application, and how new ideas were being managed. Presented below are the common issues that emerged from the interview data.

Few demonstrations of success: The issue cited most frequently by all interviewees was that Spark had not demonstrated that it could encourage the implementation of new ideas. Several interviewees suggested that without clear demonstrations of success, employees would question whether it was worth investing their time to participate in the Spark community.

Super Users explained that they wanted to know what was being done with all the ideas posted and whether their contribution to the Spark community was generating improvements for the organization. They were also concerned that if employees did not see concrete outputs from Spark, they may become cynical and support for the initiative would decline.

Unclear purpose of forum: Many of the interviewees indicated that there was confusion about whether Spark was designed to capture all ideas or just those that had corporate or cross-ministry relevance. Some suggested that it should be made clearer what Spark wanted and that it may be helpful to provide employees with direction to guide their thinking as they generate new ideas. Interviewees felt that it was
great that Spark seemed open to all types of ideas but were also concern that a lack of focus made it difficult for some employees to benefit from its content. For example, one interviewee explained that much of the ideas on Spark did not apply to frontline workers because their experience of the organization was so different from others employees.

**Inadequate protection, incubation, and support for new ideas:** Several interviewees questioned whether Spark was capable of providing the incubation and support needed to give new ideas a fair shot at implementation. As such, many employees may opt to develop their ideas externally, try them out and then share lessons and best practices with others. Some suggested that generating and developing ideas in smaller units was invaluable to protecting new ideas and that employees may simply prefer to present their ideas at internal forums where they could be developed and moved to implementation.

The interview data suggests that this practice of developing ideas in smaller communities, semi-structured groups or cross-ministry units outside of Spark is quite common. Several interviewees expressed that this was in fact better for the ideas development process and preferred to see some ideas remain closer to their founder and supporters in order to increase its chances for implementation. However, many felt that employees didn’t have the time and resources to fully develop their ideas and may not feel comfortable posting ideas that are underdeveloped.

**Not enough time:** All interviewees felt that time was a prerequisite for participating in the Spark community, but were concerned that many employees did not have the time to regularly view new ideas, leave meaningful comments and present their own ideas on Spark. The amount of information being added each day made it difficult to keep current with new ideas, comments and posts.

**Small user base:** Several interviewees were concerned about the future of Spark, and even though it was a great tool, it still had not attracted a broad enough audience and was losing its momentum. There was a general sentiment that Spark was not a default resource for finding, promoting and presenting new ideas.

**Fear and discomfort:** Several interviewees also suggested that some employees may still not feel comfortable enough to post their ideas and comments on Spark. Some interviewees also suggested that there might be some discomfort using Spark because it was viewed as top down initiative.

**Little or no response or feedback to ideas:** Some interviewees suggested that one of the weaknesses of Spark was a lack of feedback in terms of why an idea may or may not be practical to implement.

**Growth and density of Spark content:** Most interviewee noted that the amount of information on Spark had grown significant since the tool was first introduced and felt that the size and structure of data made
it both difficult, time consuming and intimidating to navigate. Several interviewees were concerned that some of the best ideas may be lost, overlooked or ignored in the system.

**Functionality of application:** When asked how spark could be improved, interviewees offered a series of ideas to make the application more ‘user friendly’. Some of the suggestions offered by interviewees included the following:

- Receiving notifications of changes
- Ability to create workflows from ideas
- Ability to tag ideas as researched
- Regular video casts of successes
- Ability to subscribe to tags
- Being able to vote yes or no on idea
- Grouping ideas
- Ministry based moderator/champions to help manage ideas and discussions on Spark
- Ability to edit or change comments, ideas or votes
- Linking Spark participation into EPDPs
- Ability to create forums/launch implementation groups

**Rewards and recognition:** When asked what should be done to encourage employee innovation and reward and recognize employees who participate in the Spark community, interviewees offered a variety of responses. Some felt that rewarding employees could be harder in the public service, but not impossible. However, most interviewees suggested that rewarding and recognizing employees did not require funds but that simple forms of acknowledgement would be sufficient. All Super Users stated that the ability to play a role in implementing their ideas was all they wanted in return for their active participation. Many of them indicated that they posted their ideas with this outcome in mind. For others, a key source of their motivation was knowing that their initiative and participation in new projects was legitimate and something that they could stand back from and be proud of. Many explained that all they hope for was some recognition that their involvement on Spark and in other activities was contributing to the business of government.

**Insight from program managers**

Many of the concerns raised about Spark were not new to program managers. They had suspected that the culture of the organization creates a climate where employees didn’t feel completely comfortable posting their ideas and comments. They were also aware of the concerns with Sparks functionally and sensed that the web-based content was becoming difficult to manage. They also explained that they were facing the same bureaucracy and red tape that employees face when trying to make ideas work.

They expressed some concern that the ideas being posted weren’t particularly novel or ‘out of the box’. Most of the posts were ideas for how to improve the work environment and HR practices rather than ideas for service and policy transformation. Work was being done to encourage employees to think differently through the ‘Spark Blog’ and policy challenges, but participation in these activities seemed relatively low. There was also some concern that Spark Users weren’t always posting ideas, but instead posting comments and thoughts to highlight popular issues and problems at work but without offering potential solutions. This was frustrating for program managers, who saw Spark as forum for ideas and that the @Work Blog was a better place for employees to express their concerns.
Program managers also explained that even though many of the ideas being posted were not transformative, several showed potential for implementation. However, program managers faced significant challenges to finding sponsorship for new ideas that they did not have the expertise to manage, confronted lengthy approval processes to implementing ideas, and felt limited without the funds needed to improve the functionality of the web-based tool and implement ideas.

3.3.3 Public Service Transformation Fund

The availability of resources and the design of funding structures for new projects and initiatives can be a difficult undertaking for any organization wanting to encourage innovation. In order to learn more about this challenge within the BC Public Service, Innovation Champions were asked to provide their general thoughts on the Public Service Transformation Fund and comment its key strengths and weaknesses. Generally speaking, all interviewees thought that the Fund was a great idea and believed, in principle, that it offered a unique opportunity for employees to generate ideas and proposals for transformative projects. However, all Innovation Champions recognized that there were issues related to that management of the Fund. Presented below are the common themes that emerged from the interview data:

**Inadequate communication:** The issue cited most frequently by interviewees was that there was insufficient information communicated to employees on the Fund. Although a few interviewees knew about the Fund and were part of teams who had submitted an application, the majority of interviewees knew little about the fund and some had never heard of it. For those who were curious about the initiative and sought more information from senior managers and executives, no details were given and there were no forums or sources available for them to learn more.

All Innovation Champions interviewed felt that they could have been involved in providing information and support to employees who may wish to apply for funding. They were concerned that there wasn’t enough marketing of the initiative and important employees groups, such as those on the frontline, received no information about the fund. Many felt that as Champions it was part of his/her role to have this type of information and make others aware of unique opportunities like the Transformation Fund.

**Difficulty of application process:** Another issue cited frequently among interviewees was that the application process created new challenges for employees to present their ideas and proposals for service transformation. Many suggested that requiring employees to develop a business case, with inputs, outputs and measures would be a difficult and in some cases, a costly undertaking for employees trying to propose new ways of working. Most interviewees believed that the complexity of the application process and request for a strong business case created a barrier to drawing ideas from the frontlines, where many believe the best ideas for service transformation can be found. Interviewees suggested that large initiatives like the transformation fund should seek and enable the involvement of employees at all levels of the organization and the difficulty of the application process precluded many employees from participating.

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**I’m not sure if there was enough marketing of this initiative. I mean even as an Innovation Champion, I sort of only learned about this a little while ago and I don’t think that a lot of people know about it...well maybe they do, but my director didn’t know about it till I told [him/her]. And its part of the Innovation Champions’ role to make people aware of things like this—I think that there’s probably still people out there who don’t know about this (IC#10).**

**I don’t think many people know about it to be honest, like staff on the frontlines. It came out, it probably went to the top supervisors and managers—it didn’t go down really...I don’t think every staff member within our organization felt part of that transformation fund application process which is important when we are embarking on such an initiative and that there be some discussion that we involve staff in all these kinds of collective decisions (IC#11).**

**I think that a lot of people have ideas but they’re not sure how to write them out, how to follow through on them, how to create measurable outcomes to be demonstrated in two years—unless people are trained in project management or something like that, it’s not really how they come up with ideas...and it’s hard to have people take you seriously with your ideas if you don’t know how to follow them up or how to make a proposal. (IC#6)**
Delayed approval process: While many of the interviewees knew little about the fund, some were part of teams who had submitted an application. Those who were involved raised concern about the time it was taking for a final decision to be made and that there was not enough communication on the status of applications. Because applicants were told that final decisions would be made by July, many developed timelines and milestones thinking that funds would be dispersed shortly after a decision were made. A few interviewees also raised suspicion that the fund never existed to begin with and that the future of the fund was in question.

Unclear purpose, focus, and target audience: Several interviewees expressed that there was a lot of confusion about the funds’ purpose and what employee groups it was intended to draw ideas from. Many also felt that the application criteria for the fund communicated a rather restrictive understanding of service transformation, was focused on short-term objectives and precluded some ministries and work units from submitting applications. Questions were raised as to whether the initiative was set up only to attract proposals for larger projects and excluded smaller projects. There was also some concern the fund being a top-down initiative over which employees had little ownership.

Funding into the future: As noted earlier, most interviewees believed the fund represented a unique opportunity for employees to play an active role in the transformation of services in the BC Public Service. Interviewees expressed that the fund was one way to demonstrate that there was a commitment to innovation and the new corporate values and hoped that the program would continue into the future.

Insight from program managers
With regards to the transformation fund, program managers were able to offered further information to provide context around some of the issues drawn from the interview data. Since the fund was announce in mid-February of 2009, the government moved through a lengthy election period, a Deputy Minister shuffle, a series of workforce adjustments and a fall budget update, which revealed an increase to the projected deficit. Outlining these events provided some explanation for why communication was delays, the Deputy Ministers Committee on the Public Service was unable to provide a timely response to applicants, and why the status of the Fund was unclear to employees.

Of the 79 applications that were received, four were approved. Further, a decision was made to cancel the second intake of applications. Although this decision to defer the next intake related heavily to fiscal constraints outlined in the September Budget Update, programs managers also explained that many applications did not meet the criteria outlined in the application package or did not present a clear business case. They also felt that there was some applicant groups submitted similar project ideas that would have been more successful in the decision making process if jointed together in a single, cross-ministry application. Program managers also outlined that some applications just could not be funding in the first intake because of fiscal restraints, but believed they could be resubmitted for future funding; these were referred to as ‘the pile of possibilities’. At the time interviews were conducted program
managers were working with the four applicants who were approved for funding, but were unsure how the remaining applications with potential would be managed moving forward.

3.3.4 Creation of an Innovation Champion community

The creation of an Innovation Champion community was a strategy initiated by ADMC:SNI to help build a culture of innovation in the BC Public Service. In order to learn more about this strategy and the individuals behind it, Champions were asked a series of questions about what they perceive their role to be, the activities they were engaged, and the barriers they have faced to meeting their objectives. They were also asked what they needed in order to meet their objectives and how FoW could support them. Below are the common themes that emerged from the interview data.

Role of innovation champions: When asked about their role and objectives as Innovation Champions, interviewees offered a variety of responses, which tended to fall into one of three categories; these roles are summarized below.  

First, all interviewees saw that part of their role was to raise awareness of key strategies and initiatives being implemented to build an innovative organization. Several interviewees made reference to initiatives like Spark, the new ACCS tools, and the Public Service Transformation Fund, and suggested that their role was to act as a conduit for existing and future strategies. Most interviewees also expressed that this role involved acting as a ‘myth buster’ who could provide information and insight on challenging issues or questions around public service transformation (i.e. social media in government). Several interviewees also expressed that they could play a large role in supporting FoW’s business objectives by spreading the message about collaboration, innovation, and transformation. Second, interviewees expressed that a key part of their role was to help remove the barriers to innovation. Many suggested that a larger part of this required that they reveal opportunities for their colleagues to be innovative and implement their ideas. Several added that they wanted to support people in thinking differently about work. One interviewee also felt that this involved coaching other through how to deal with resistance and barriers they may face to changing how things are done. Finally, the majority of interviewees expressed that their primary role within the organization was to model behaviors. Some described this as ‘walking the talk’ while others expressed that they should be a leader where they stand. Many interviewees also suggested that this behavior included challenging the status quo and demonstrating to others that they could too.

Taken all together, interviewees felt that Innovations Champions could play a significant role in shifting the organizational culture of the BC Public Service and building the momentum necessary for the organization to carry itself through transformation.

Present activities: The projects and activities that Innovation Champions have been involved in since their tenure began in the fall of 2008 varied. While some focused their attention on changing the culture within the bounds of their own work units, others extended their efforts and actively joined up with Champions in their ministry. Some groups have created more formalized structures with their own terms of reference, processes, and internal networks to turn ideas into innovation, while others consider the role as something that they do when they have a spare moment or when asked. A few have even extended their activities and are actively collaborating with other Innovation Champions across the corporation and across regions through working groups and Communities of Practice to develop ideas. Unfortunately, some have yet to really get involved in any specific projects or initiatives.

12 The roles discussed are not mutually exclusive; each interviewee offered a series of actions and activities that they felt were a part of their role.
Barriers and challenges

In spite of the range of activities undertaken in the Innovation Champion community, all interviewees expressed that they faced challenges to meeting their objectives. Presented below are the key issues that emerged from the interview data.

Unclear mandate: The barrier cited most frequently by interviewees was that when they came into their new roles, it was unclear exactly what they should be doing and what was expected of them. Interviewees expressed that there was little direction provided on what types of activities they should engage in and there was little structure around their role. For most, this lack of direction was confusing and frustrating.

Insufficient information: Some interviewees explained that it was difficult to champion corporate initiatives when they were given little information and not updated on the progress of new strategies. One interviewee explained that this ambiguity put him/her in an awkward position when discussing the direction of new initiatives with others. Interviewees wanted to know more about what was going on in FoW in order to communicate a unified message and to ensure that Innovation Champions could structure their activities around what was already being done.

Limited influence: Some interviewees expressed that they had little influence in their roles as a Innovation Champions. When asked if they could play a role in promoting the corporate values, implementing new ideas, and even supporting managers and supervisors to create innovative environments some interviewees felt that their ability to engage in these activities was limited. Some interviewees feel they have not earned the respect needed to influence change in some parts of the organization and have received resistance when presenting themselves as Innovation Champions.

Lack of time: Most interviewees expressed that it was extremely difficult to dedicating time to new projects and put time aside to be an Innovation Champion when there was little support and permission to step outside of their existing role.

Support from the Future of Work Initiative

As outlined in the background section of Chapter 1 (1.3), when ADMC:SNI was dissolved in June 2009, leadership for the Innovation Champion community was transferred to the Change Team in WPLS. Program managers indicated that this new responsibility would be a challenge and building a meaningful relationship with Champions would require some exploration of the community’s needs. As such, program managers formally requested to extend the scope of interviews with Innovation Champions to ask questions about what FoW could do to support the Innovation Champion Community. Although this inquiry was supplementary, the participants offered valuable insight in support of the primary research questions; five key themes emerged from the interview data.
Strengthening and sustaining a network: Almost all interviewees expressed that there hadn’t been enough opportunities for Champions to come together, get to know one another and share their stories, successes, and lessons learned. Although most highlighted that the initial launch was both empowering and inspiring, it didn’t offer them the opportunity to build meaningful relationships across the organization. Many thought that tools like the Innovation Champion SharePoint site were great, but that FoW should take steps to organize more opportunities for face to face contact through the year. Interviewees explained that part of creating a meaningful network should include the opportunity for Innovation Champions to collectively design a strategy to meet their common goals.

Growing the community: When asked whether it would be beneficial to identify more Innovation Champions, most interviews felt that it was a good idea, but expressed that any attempt to identify more should be calculated and to meet strategic objectives. While some interviewees expressed some discontent with how Innovation Champions were selected through ADMC:SNI, others saw the Innovation Champion designation as a key way to recognize individual employees for their performance and commitment to change and if used strategically, the designation could be used to balance capacity in regions or ministries. However most interviewees expressed that before more individuals are given the designation, FoW should focus on establishing more structure and support around the existing community and to ensure future Innovation Champions have a strong base to guide their activities.

Some interviewees also expressed that they would like to see more managers and supervisors as Innovation Champions and that it would be better to rotate new people in on regular basis, but that more would not necessarily be better. They felt that the many members of the community were still under utilized and more needed to be done to clarify the mandate and responsibilities of the community before more were selected. One interviewee also explains that using existing employee groups and forums was a better strategy for building a critical mass within their ministry.

Alignment and synchronization: Some interviewees felt that the FoW should play a larger role as a synchronizing function to ensure that Innovation Champion and their activities are aligned with corporate initiatives. Several interviewees also suggested that the Future of Work Initiative should act as a bridge for sharing information and allow Champions to be more involved in FoW strategies and initiatives.

Interviewees also suggested that this function should include providing some structure around the activities of the Champion community. Most expressed that they wanted ‘structured flexibility’, in that Champions and groups would be given a clear direction on where their efforts should focus and the means to meet their objectives (i.e. resources, information), but with the flexibility and autonomy in how they wished accomplish their goals.

Executive leadership: In terms of leadership, several interviewees expressed that in order to be effective they needed to be connected to a legitimate entity with both authority and decision making power. Some
interviewees felt that FoW needed to be viewed upon in the same way as ADMC:SNI was; as a legitimate entity with both authority and visibility. For some Innovation Champions, having an established connection to a ‘figurehead’ with some power was integral to the legitimizing and communicating the importance of the Champion Community and other innovative work being done across the corporation.

**Partnership and recognition:** As noted earlier, the interview data suggested that many Champions have been quite active, able to exploit new opportunities, and have effectively brought individuals from differing ministries together in ways that have never been seen before in government. Some groups that were discussed by interviewees included the Business Innovation Community of Practice and the Learning Organization Community of Practice. Interviewees expressed that many of ideas and activities led by these groups are flying underneath the radar and much of their work has yet to be recognized at a corporate level. In light of this, some interviewees expressed that FoW should not only provide support and leadership to the Innovation Champion community but should also partner with and recognize the work being done by other communities, teams and working groups who, by their own initiative, have dedicated themselves to generating new ideas and turning them into innovation.

**Insights from program managers**
Since leadership of the Innovation Champion community was transferred to FoW, the design of strategy has been a challenge. In addition, program managers highlighted that many of the issues and barriers experienced within the community were present before the transition occurred. At the time that interviews were conducted program managers were working to determine new priorities, rebuild trust, and establish cohesion through the community. This included drafting a Terms of Reference with the input of the community, asking individual Champions to initiate conversations with their supervisors to determine whether they would like to continue in the role. When this process was completed in the fall, almost half of the original 100 decided not to continue forward in their roles with inadequate time being the most frequently cited reason. Further efforts are being made to grow the community and to bring Champions together to strategize and chart a path forward.

### 3.3.5 SWOT analysis of existing strategies
The preceding section sought to provide a description of the key findings on existing strategies and how employees perceive their efficacy of these initiatives. Closer examination of the attitudes and perceptions expressed reveals that across these strategies there were common issues and challenges, as well as common positive feature that denote their impact on employee innovation in the BC Public Service. The analysis contain in this section builds upon the previous to discussed the strength and weaknesses of these strategies and highlights a series of opportunities and threats that emerged from the key findings. A summary of the common strengths, weaknesses, opportunities and threats are presented in Figure 9.

**Strengths**
In terms of key strengths, the findings indicate that there was broad support for the vision and intent behind each strategy and employees feel they each could play a key role in transforming the organization. The adoption of new corporate values signaled to employees that the organization was indeed moving in a new direction and potentially away from a bureaucratic value system. The launch of Spark was seen as having an even larger influence that the new values and employees were quite impressed that such an open forum was create for employees to share their ideas. Innovation Champions felt they were given a unique opportunity to support change and each felt passionate about supporting corporate innovation. The creation of the Transformation Fund was also described as a ‘fantastic idea’, especially at a time of
budgetary constraint. As expressed in the key findings, the implementation of these strategies has demonstrated to employees within the organization that the BC Public Service is transforming. The implementation of these strategies has also help the organization to amass a strong reputation in other jurisdictions and among future public service employees; when onlookers read ‘Being the Best’, and hear more about these initiatives they are likely to see the BC Public Service as an employer of choice.

**Figure 9. SWOT analysis of existing strategies to stimulate employee innovation**

<table>
<thead>
<tr>
<th>Strengths</th>
<th>Weaknesses</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Vision and intention of each strategy is generally supported</td>
<td>• Unclear goals, objectives, and purpose</td>
</tr>
<tr>
<td>• Each signals to employees that organization is changing</td>
<td>• Poor communication/alignment across strategies</td>
</tr>
<tr>
<td>• Contribute to building strong corporate reputation</td>
<td>• Arduous processes/poor execution</td>
</tr>
<tr>
<td></td>
<td>• Perceived as ‘ivory tower’ initiatives</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Opportunities</th>
<th>Threats</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Decentralize responsibilities/leverage employee passion</td>
<td>• Insufficient capacity</td>
</tr>
<tr>
<td>• Build networks for collaboration/innovation</td>
<td>• Change in corporate direction/short-term focus</td>
</tr>
<tr>
<td></td>
<td>• Decline in momentum, commitment and support</td>
</tr>
</tbody>
</table>

**Weaknesses**

However, a number of critical issues emerged from the findings, which should be address in order to maximize the efficacy of existing strategies. Employees expressed that the purpose, goals, and objectives of the Innovation Champion community, Spark, and the Transformation Fund were unclear. Although there is ample support for what these strategies represent, individuals are unsure of where to direct their efforts and what exactly they should be doing through these initiatives to support corporate innovation.

With regards to the corporate values, employees weren’t entirely sure how the values should be used in evaluating employee performance in EPDPs; this unanswered question has created tension between employees and supervisors across the organization.

While it was unclear whether or not information about new initiatives was intentionally withheld, there was a strong perception that information is tightly controlled and often reserved for the eyes of a select few. The short notice given to applying to the Transformation Fund in conjunction with a delay in the decision-making process frustrated many employees and led many to questions the integrity of the initiative. Champions felt that not being in the loop on new strategies made it difficult for them to support change. There was also concern that whole ministries still have yet to hear about the new values and that more communication was needed to reinforce the message.

Although many of these strategies have been implemented to encourage employee innovation, there was a perception that further barriers were embedded in the design and execution of new initiatives. Even though Spark offers employees a forum for their ideas, program managers indicate that they have inherited the bureaucracy and red tape that employees once faced to making ideas work. Gaining access to the Transformation Fund required employees to complete a complex application that is perceived have created more bureaucratic processes and ‘red tape’, especially for employees at the frontline. Although it was hoped that the new values would help to inspire employee innovation, the way the values were rolled out and integration into employee performance generated frustration resistance.

There is a strong perception amongst employees that these initiatives are owned and controlled out of ‘Jessica’s office’ or from corporate headquarters in Victoria. Employees sense that the restricted flow of information and inability to participate more actively in the execution of new strategies represents an
attempt to maintain central control. This perception of an ‘ivory tower’ has aroused apprehension and
cynicism amongst employees. Employees feel that they have little ownership over these strategies and
this perception has influenced commitment and participation in new initiatives. There also appeared to be
a lack of alignment across existing corporate strategies. Program managers indicated that across the
different teams responsible for corporate strategies in FoW, a necessary synergy was missing. Program
managers could sense that there was an opportunity to better link their activities and offer each other
mutual support, but information silos, little collaboration, and miscommunications had already emerged
within the unit. It cannot be said that this internal tension is the reason for poor communication and
collaboration across key strategies, but this dilemma does reflect the perceptions expressed by Innovation
Champions and Super Users.

**Opportunities**

In spite of these barriers, the findings suggest that employees wanted to play a more active role in
supporting corporate strategies and making ideas work, but need the mandate and some structure to guide
their continued involvement and to prevent duplication and misalignment. Both Innovation Champions
and Super Users hoped for explicitly responsibility over the management of ideas; in fact many Super
Users hoped that an opportunity would emerge for them to participate in implementing their ideas.
Innovation Champions also felt that if kept in the loop on the progress of corporate strategies, they could
play a more active role to facilitate information sharing across the organization, sponsor Spark ideas, and
support employees through the Transformation Fund application process. With this said, a huge
opportunity exists to synchronize and align information and action, but this alignment requires
facilitation, management and the creation of networks to support collaboration across the organization.

**Threats**

Moving forward, there are a series of trends that are likely to have an impact on the success of existing
strategies. The issue of capacity is broadly recognized as a key barrier to employee innovation and the
execution of strategies, but committing the time and finances to new projects and programs at a time of
fiscal restraint will continue to be a challenge. A change in corporate strategy may also have an
unintended impact on the direction of existing strategies. The attitudes and experiences presented in the
findings suggest that existing strategies will require patience and endurance. If the corporation is unable
to make a long-term commitment or continues to focus on short-term objectives, these initiatives may not
have an opportunity to produce results and stimulate the innovation needed to transform the organization.
Taken together, insufficient resources and a change in the corporate direction may signal a decline in
momentum, commitment and support for these initiatives at the executive level. If executive commitment
and support for innovation are unclear, employees will continue to question whether being involved in
innovation related activities is worth their time and effort.

**3.4 Additional Observations**

Closer examination of the interview data and findings revealed that the attitudes, beliefs and experiences
presented by interviewee in each participant group were very much alike. Although interviewees were in
different roles, and from different ministries and regions within the province, their insights on the
innovation challenge in the BC Public Service were united. Even the insights provided by program
managers revealed that they too experienced similar frustrations as other participant groups. This
suggests that the characteristic factors of the BC Public Service that constrain employee innovation are
felt in all parts of the corporation. However, there were observable differences in the attitudes and
experiences expressed by participants in the Innovation Champion sample. Although interviewees shared
beliefs about the objectives of the community, the interview data contained diverging perceptions about
their contribution to corporate transformation and their personal challenges to accomplishing key
objectives. The statements below offer an illustration of this dichotomy.
I’ve been doing some work that was fairly innovative as far as government goes. I think I was sort of a natural fit because I’d been doing stuff that people saw as innovative...There are some Innovation Champions that are isolated and don’t have the support of their immediate supervisors and can’t do anything. I’ve been fairly fortunate in the fact that I don’t have too many barriers and I’m able to get around them pretty good....I’ve been able to do a lot of things and I think that we’ve been very successful in what we’ve tried to do around innovation, so basically I just need to be able to continue doing what I was doing— We were doing this stuff before ICs started. Honestly there are some IC’s out there doing some great work and just let them do it— just get out of their way (IC#4).

I don’t really feel that Innovation Champions have really any kind of power so...maybe we need more structure to what we’re doing, knowing more what our role is and having more support in that people are aware of who we are and maybe having some kind of visibility because right now its kind, well [IC#6] is an IC but that doesn’t really matter anyways...its been really difficult this year as an IC because their hasn’t been a lot of structure, and a lot of people do well with that, but depending on your position and where you are. As a frontline worker how do I change the world without taking time out from my job? (IC#6)

What the above statements suggest is that challenges presented by interviewees are not felt equally across the Community. In order to explore these perceptions further, the activities and challenges discussed by each interviewee were examined more closely. What this examination revealed was that that the most active and the least active Innovation Champions had a series of opposing characteristics; these characteristics are outlined in Table 7.

Table 7. Association between innovation champion activities and experience of barriers

<table>
<thead>
<tr>
<th>Most active Innovation Champions</th>
<th>Least active Innovation Champions</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Already doing work related to innovation/ transformation prior to being an Innovation Champion; that is, Innovation Champion work did not conflict with the work within their existing job description</td>
<td>• Innovation Champion work was considered peripheral to their existing role</td>
</tr>
<tr>
<td>• Worked in ministries or work units where they had a stronger or direct relationship with a member of their senior management team, who was often the champion for their initiatives</td>
<td>• Had no direct contact with senior executives or didn’t think the senior executive team knew who they were</td>
</tr>
<tr>
<td>• In a supervisory or managerial role with relatively strong support from those within their work unit</td>
<td>• As an Innovation Champion, did not feel supported by those within their work unit</td>
</tr>
<tr>
<td>• Had a track record of successes and reputation within their organization</td>
<td>• In more junior positions within the organizations</td>
</tr>
<tr>
<td>• Member of an employee groups, community of practice or other professional network outside of their immediate work unit</td>
<td>• Were known for their positive attitude and desire for change</td>
</tr>
<tr>
<td>• Not just Innovation Champions but idea generators or idea sponsors; that is they were actively working on new projects and designing proposals for innovative projects</td>
<td>• Felt ‘silied’ or disconnected from other Innovation Champions and not active in other groups</td>
</tr>
<tr>
<td>• Well positioned to catalyze change and building the connections to turn ideas into innovation</td>
<td>• Positioned to advocate for change and spread the message</td>
</tr>
</tbody>
</table>

Even though all Innovation Champions felt they could support change and spread the message about innovation, some faced more barriers than others. Some have being able to influence the direction of groundbreaking projects and promote tangible change at a more accelerated pace within their ministries. Through their networks, they have lobbied support and organized critical mass around key issues. These Champions also raised less concern about the community challenges presented in subsection 3.3.4 (i.e. Unclear mandate, insufficient information, limited influence, and lack of time).

However, some Champions have had little opportunity to participate in activities outside of their regular position and were concerned that having little authority, tenure, and fewer networks to draw support limited their ability to influence change. When discussing their personal experience with the challenges presented subsection 3.3.4, they also gave the impression that they were somewhat disconnected from the larger community and expressed feelings of disempowerment and disengagement.
Although the Innovation Champion community was created to support culture change and establish a network for ideas to flow and develop, the apparent lack of structure around this strategy has affected the motivation and commitment of individual Champions and has not encouraged enough collaboration across the community. As explained by program managers, in the fall of 2009 almost half of the original 100 Champions decided not to continue forward in their roles. Although most expressed that time was their primary reason, it is likely that feelings of disempowerment and disengagement also influenced this outcome.

3.5 **Summary**

In summary, this chapter has described the findings from interviews with Innovation Champions, Spark Super Users, and program managers responsible for managing key programs and strategies. Although the responses gathered through interviews were diverse, full emersion and familiarization with the data contained in audio recordings and observational notes revealed a series of issues and themes which provided valuable insight on the perceived barriers to employee innovation and perceived efficacy of existing strategies and initiatives.

The analysis contained in this chapter has demonstrated that much needs to be done to build a more innovative organization in the BC Public Service. The culture of the BC Public Service encourages conformity and risk-averse behaviors, values administrative processes, resists change, and promotes cynicism towards innovation initiatives. Its work environment provides inadequate resources for employees to innovate at work, and contains work structures that leave employees feeling disempowered and disengaged. Taken together, the culture and work environment of the organization create a climate where employees perceive that there isn’t support for new ideas and innovation.

Although steps have been taken to remove the barriers to employee innovation, interviewees suggested that more could still be done to improve the design and execution of existing strategies and initiatives. Insight gained from program managers provided further elaboration on these strategies and what has been done to improve them. The SWOT analysis contained in this chapter highlighted a series of weakness and threats to the adoption of new corporate values, Spark, the Transformation Fund and the Innovation Champion community. This analysis also highlighted a series of strengths and opportunities that if leveraged, can be used to improve existing strategies.

The chapter to follow offers a discussion of this analysis and the information drawn from the literature and case studies to offer a series of recommendations for building a more innovative organization. These recommendations are intended to provide FoW with ideas and strategies that build upon the steps already taken to encourage employee innovation and stimulate corporate renewal in the BC Public Service.
4.1 **INTRODUCTION**

The primary purpose of this research study was to identify the barriers to employee innovation in the BC Public Service. The literature on organizational creativity and innovation offered a comprehensive looks at what factors can create barriers within the context of large, bureaucratic organizations. This information was used to create a conceptual framework that offered a backdrop for answering the primary research questions. The secondary purpose of this research was to identify strategies should be implemented to remove these barriers and stimulate employee innovation. Case study analyses and the literature reviewed offered insight on some best practices and lessons learned as well as a series of strategies that have been used by innovative organizations in the public and private sector. The attitudes, beliefs, experiences drawn from key informant interviews provided further elaboration to answer these questions and assess the innovation challenge. This final chapter offers a series of recommendations for building an innovative organization in the BC Public Service. It provides a synthesis of the academic literature, empirical research, existing case studies, and the findings from key informant interviews. Through this synthesis, it presents a framework of strategies that together offer a comprehensive approach for what could be done build a more innovative organization and make ideas work.

4.2 **NEW INSIGHT ON THE BARRIERS TO EMPLOYEE INNOVATION**

The interviews conducted with Innovation Champions and Spark ‘Super Users’ offered valuable insight on the perceived barrier to employee innovation. As summarized in Table 8, some of the barrier themes identified through ADMC:SNI’s innovation workshops and presented in their first report (see Section 1.3, Table 1) also emerged in this research. Workshop participants felt that supervisors often did not encourage innovation, were frustrated by bureaucratic processes and ‘red-tape’, and felt that employees had insufficient time to reflect, brainstorm and think creatively. The persistent of these issues suggest that they are perhaps the greatest barriers to innovation in the BC Public Service and have not been resolved through current corporate strategies.

<table>
<thead>
<tr>
<th>Table 8. Barrier themes identified by ADMC:SNI vs. barriers indentified in this research study</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Barrier themes identified by ADMC:SNI</strong></td>
</tr>
<tr>
<td>Reemerging barrier themes</td>
</tr>
</tbody>
</table>
| • A top-down, risk-averse culture | → Resistance to change  
| • Bureaucracy and ‘red-tape’ | → Insufficient support for new ideas & innovation  
| • Lack of time | → Focus on administrative processes  
| Previously identified barrier themes | → Inadequate resources for innovation (Time)  
| • Inadequate tools and workspace |  
| • Inadequate forums to foster innovation |  
| • Limited research on innovation in BCPS |  
| Newly identified barrier themes |  
| • Pressure to conform |  
| • Cynicism towards innovation |  
| • Disempowering work structures |  
| • Inadequate resources for innovation (Funds) |  

Although interviewees made no mention of the remaining issues indentified by ADMC:SNI (i.e. Inadequate tools and workspace, inadequate forums to foster innovation, and limited research on innovation in BCPS), this research study did shed light on four additional barrier themes, which provide further elaboration of the innovation challenge in the BC Public Service. The issue of conformity was both interesting and disconcerting. The attitudes and perceptions expressed indicate that employees believe challenging the status quo and presenting new ideas are in direct conflict with some of their
personal values; namely their reputation, opportunities for career advancement and job security. Many feel the organization is not effectively structured to encourage integration and collaboration or to provide employees with professional opportunities that allow them to use their skills in new and interesting ways. Although employees understand that the present economic climate restricts discretionary spending, they were concerned that without an investment in new ideas, the organization will not generate the innovation needed for service transformation and future cost saving. As a result, many carry a cynicism towards new corporate initiatives and question the organization’s commitment to innovation. Although it cannot be said with certainty why some of the barrier themes identified through this research study differed from those identified by ADMC SNI, closer examination of the research methodology reveals three factors that may provide an explanation of this discrepancy.

The timing of this research study may have influenced the attitudes and beliefs expressed by participants. Because this research was conducted 18 months after ADMC:SNI’s first report, interviewees may have developed stronger points of view and gained more perspective on the barrier to innovation in the BC Public Service. Over these 18 months the organization has also endured a global recession, changes in political and administrative leadership and workforce adjustments. As expressed by one interviewee, “With the current climate, there’s a lot of anxiety and lot of nervousness, which tends to take you more to the status quo (IC#13)”. As such, it is likely that the complexities of the organization’s transformation may have influenced the attitudes expressed by interviewees.

The selection of participant groups may have also influenced the attitudes and beliefs expressed by interviewees. While ADMC:SNI’s research involved regional staff who provided a high-level summary of the barriers to innovation through innovation workshops, the interviewees selected for this research were drawn from key groups involved directly with initiatives put in place to encourage innovation. Because of their knowledge and participation in corporate activities and events, opportunity to connect with other employees through their role, and insight as regular employees, it is likely that Innovation Champions had a broader perspective on corporate initiatives and the attitudes of others employees in the organization. As active members in the Spark Community, it is also likely that Super Users had stronger views on the barriers that they and others may faced when generating, promoting and implementing new ideas. They were also in a position to share their concerns about Spark and its efficacy.

Finally, the selection of qualitative research methods may have influenced the attitudes and experiences expressed by interviewees. While ADMC:SNI’s used innovation workshops and a focus group methodology involving senior executives, this research study utilized one on one phone interviews gather data on the perceived barriers to innovation. The key advantages of this approach were that Innovation Champions and Super Users had no professional relationship with the primary researcher and knew that their confidentiality and anonymity would be protected. As such, it is likely that interviewees were more forthcoming and able to speak more candidly about some less favorable experiences in the organization.

It can also be argued that the main reason why some of the barrier themes identified by ADMC:SNI did not reemerge in this research study is because interviewees felt that they had already been responded to. The BC Public Service recently acquired The Microsoft Advance Communication and Collaboration tools (ACCS) to improve information sharing and collaboration across the organization and to provide employees with the tools and technology to be innovative at work (Province of BC, 2009f). When Spark was launched in fall of 2008, employees were given a formal avenue to express their ideas of Spark and collaborate with others (Province of BC, 2008c). In addition to these actions, steps were also taken to add a new question to the annual Work Environment Survey (WES) in order to gather data on whether the culture of the organization supported innovation. As such it is likely that many employees simply did not
see that the previously identified issues were barriers and felt that other factors posed a greater challenge to employee innovation.

4.3 Using the conceptual framework to select strategies

Drawing from the academic literature, empirical research, and case study analyses, the conceptual framework for this research can be used to understand the seven barrier themes that emerged from the interview data and the steps that can be taken to overcome them. As anticipated, the barriers discussed by interviewees were a reflection of the characteristic factors most likely to constrain employee innovation in bureaucratic organizations. The first and second column of Table 9 provides an illustration of this relationship and how each barrier theme is reflected in the characteristic barriers found in the culture, work environment and physiological climate of the BC Public Service.

<table>
<thead>
<tr>
<th>Table 9. Barriers and recommended strategies</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Barrier themes drawn from interview data</strong></td>
</tr>
<tr>
<td><strong>Barriers as described in conceptual framework</strong></td>
</tr>
<tr>
<td><strong>Strategies from conceptual framework</strong></td>
</tr>
<tr>
<td><strong>Cultural factors</strong></td>
</tr>
<tr>
<td>----------------------------</td>
</tr>
<tr>
<td>1. Pressure to conform</td>
</tr>
<tr>
<td>2. Resistant to change</td>
</tr>
<tr>
<td>3. Focus on administrative processes</td>
</tr>
<tr>
<td>4. Cynicism towards innovation</td>
</tr>
<tr>
<td>5. Disempowering work structures</td>
</tr>
<tr>
<td>6. Inadequate resources for innovation</td>
</tr>
<tr>
<td>7. Insufficient support for ideas &amp; innovation</td>
</tr>
</tbody>
</table>

Using the guide for selecting innovation strategies developed in Section 2.4.10. The final column of this table reveals which strategies should be implemented to overcome these barriers and encourage employee innovation. As discussed earlier, each strategy leverages the entrepreneurial drivers to transform the governance model of an organization. This table suggests is that the BC Public Service would benefit from implementing all of the strategies discussed in the conceptual framework and in fact, many of these strategies can offer a response to more than one of the barriers identified.

Providing employees with the time and mental space to think creatively would allow them to identify new and emerging issues, organize and integrate complex information and design innovative solutions (West & Ritcher, 2008; Kanter, 1988). Leveraging communities of practice for corporate innovation would offer a practical way to manage complex information, unite creative individuals across the organization, and stimulate creative oriented behaviors amongst employees (Wenger et al., 2007). A comprehensive idea management strategy can draw out incremental improvements and stimulate an
entrepreneurial spirit (Hamel, 1999). By integrating a kaizen CI philosophy into the management of new ideas would ensure that employees receive supportive feedback on their ideas and communicate to them that new ideas are respected and evaluated fairly (Bhuiyan & Baghel, 2005; Kaye & Anderson, 1998). A corporate venturing strategy will ensure that the funds are available to implement projects and initiatives that depart from the status quo (Kuratko, Montagno, & Hornsby, 1990). Designing a project-based work structure as an alternative to the functional structures found in most bureaucracies can help to circumvent the structural barriers to change and innovation (Nahod & Radujković, 2007). Recognizing employees for their courage, curiosity and commitment to change will reinforce the value of innovative behaviors amongst employees make change and innovation a norm within the organization (Nelson, 2008). Although there are many critics of planned culture change initiatives, a tailored approach that is steered by the organizations top executives, seeks employee involvement and emphasizes open communication can help to transform the beliefs that employees hold about change and innovation (Ogbonna, & Harris, 2002). Conversely, creating a semi-autonomous unit with the sole purpose of generating and implementing new ideas can also help to overcome the barriers to change and innovation. Because such a structure is designed to operate at an arms-length from the original organization, this strategy can help to evade the cultural barriers to employee innovation, facilitate the development of new ideas, and accelerate the innovation process (Galbraith, 2004). Together all of these strategies create a climate where employees feel that change, creativity and entrepreneurship are encouraged and valued.

Fortunately the BC Public Service has already taken steps to implement strategies which are comparable to those commonly implemented to encourage employee innovation. However, the findings and analysis presented in Chapter 3 revealed a series of weaknesses and threats to these strategies. The literature also provides a frame for understanding these issues and reveals further gaps, pitfalls, and barriers that can undermine their efficacy. There are also some strategies that have not been implemented in the BC Public Service, which may deserve further exploration; Table 10 provides a summary of how the strategies already implemented compare to the more commonly implemented strategies presented in Section 2.4 and where opportunities exist to implement further strategies.

Table 10. Summary of common strategies vs. strategies implemented in BC Public Service

<table>
<thead>
<tr>
<th>Commonly implemented strategies</th>
<th>Strategies implemented in BCPS</th>
<th>Key strategic gaps</th>
</tr>
</thead>
<tbody>
<tr>
<td>Time and creative space</td>
<td>Acquisition of ACCS tools</td>
<td>No formally strategy offering employees time to innovate</td>
</tr>
<tr>
<td>Communities of practice</td>
<td>Communities of practice</td>
<td>Not formally integrated into/ leveraged in corporate strategies</td>
</tr>
<tr>
<td>Kaizen continuous improvement strategy</td>
<td>N/A</td>
<td>No formal strategy</td>
</tr>
<tr>
<td>Idea management strategies</td>
<td>Spark</td>
<td>No formal strategy for idea development/implementation</td>
</tr>
<tr>
<td>Internal venturing strategies</td>
<td>Public Service Transformation Fund</td>
<td>No long-term funding strategy</td>
</tr>
<tr>
<td>Project-based work structures</td>
<td>N/A</td>
<td>No formal strategy</td>
</tr>
<tr>
<td>Recognition and reward programs</td>
<td>Improvements awards programs (extrinsic rewards) Premieres innovation awards (extrinsic rewards)</td>
<td>No formal strategy for intrinsic rewards</td>
</tr>
<tr>
<td>Culture change strategies</td>
<td>New corporate values ‘Where ideas Work’ employer brand</td>
<td>No formal strategy seeking active involvement of senior executives</td>
</tr>
<tr>
<td>Semi-autonomous structures for continuous innovation (Orchestrators, sponsors, idea generators)</td>
<td>Innovation Champion community (Sponsors) Spark user community (Idea generators)</td>
<td>No formally defined Orchestrator group to lead corporate innovation No mechanism in place to unite structure</td>
</tr>
</tbody>
</table>

What follows is a brief discussion of these strategies, the associated issues and suggestions raised by key informants, and how the information in the conceptual framework can offer insight for making improvements to corporate strategies.
4.3.1 New corporate values and culture change

The introduction of new corporate values was a key strategy implemented to help transform the culture of the BC Public Service and inspire employees to generate, promote, and implement new ideas. When this research study was initiated, it was not anticipated that asking interviewees questions about the impact of the new values would uncover so many deep concerns. Although employees were aware that some consultation was done, a large proportion believed that they had no involvement in the selection of new values. The decision to integrate the new values into the EPDP process half ways into the annual cycle also raised concern especially with the way that they would be used to assess employee performance. Interviewees also felt that there was still a disconnect between the stated values and the experiences they were having in the organization. As it stands, there is still some resistance towards this initiative and that more communication and support was needed to reinforce the new values and provide concrete examples for how employees could demonstrate them.

Unsurprisingly, this cynicism is echoed in the academic literature where many have criticized planned culture change initiatives and raised questions about the efficacy of such interventions (Ogbonna, & Harris, 2003). Adopting new corporate values is now just something that all organizations do. This trend has led to a broad proliferation of value statements and programs for change, which are viewed as disingenuous attempts to change employee behaviors and often fail to change people's minds over the long-term (Block & MacMillan, 1995). Nonetheless, the literature does offer four common pitfalls and success factors that if given consideration, can maximize their ability to in change attitudes towards conformity and cynicism towards innovation initiatives. These include employee involvement, open communication, ensuring there is alignment between stated values and the behaviors expected of employees, and that top executives are actively engaged in the initiative.

As expected, the pitfalls discussed in the literature did emerge as issues discussed by interviewees. Although the objective of this research was not to evaluate the values consultation process, the belief that many employees were not involved in the selection of these values diluted the success of this initiative. The perceived disconnect between the stated values and the experiences employee were having in the organization has generated cynicism and dissatisfaction. Interviewees also felt that more needed to be done to communicate and flesh out the new values.

The final success factor, active engagement of CEO and executive team, has the most important role to place in the success of any culture change initiative which aims to challenge the status quo. In most organizations, innovation itself is a socio-political process which involves challenging existing structures and practices that are often bias towards those who have authority and control of resources (Glamholtz & Randie, 1999). For this reason it is important that high status individuals play an active role in balancing power between meeting short-term operational demands and pursuing a long-term vision for change and innovation. Senior executives are best suited to take on this role and their tenured experience equips them with the expertise and influence necessary to set the corporate direction and the pace of change (Elenkov, Judge & Wright, 2005; Galbraith, 2004). Strong leadership is also needed to convince dispirited employees that change is possible and that their efforts to do better will be supported (Borins, 2008).

In order to formalize the role of senior executives in encouraging change, many organizations have established executive groups or committees to provide corporate leadership for innovation. As a key element of creating a new venture division or semi-autonomous structure for continuous innovation, such a group plays a pivotal role in legitimizing key processes and initiates a departure from established routines or systems (Kanter, 1988). As orchestrators, they also play a key role in providing a vision and creating a culture in which creativity and collaboration are the norm (Avolio, 1999; Galbraith, 2004).
When ADMC:SNI was established in 2008, a similar form of collective leadership was created to build a culture of innovation in the BC Public Service. Unfortunately, the executive body was dissolved in June of 2009. For many interviewees, having the visible, active, and longstanding support of an executive figurehead was considered integral to the success of all corporate strategies. The interview data also suggests that since ADMC:SNI was dissolved, there has been greater apprehension about the direction, support and commitment to innovation. While interviewees express that some senior executives support innovation, collectively, there was not a network of executives committed to innovation in the BC Public Service.

As it stands, the culture of the BC Public Service tends to resistant change, prompts cynicism, and encourages conformity and risk-averse behaviors amongst employees. Unfortunately, the adoption of new corporate values does not offer a sufficient response to these barriers; employees are looking for a demonstrated commitment to innovation from top executives. In order for the organization to transform its culture, it will need a strong leadership community in place to communicate a coherent vision for change, champion all corporate initiatives, inspire employees to live the new corporate values, and send a strong message that innovation and new ideas are integral to service transformation.

4.3.2 Innovation Champion community and culture change

The creation of the Innovation Champion community was another strategy implemented to support culture change in the BC Public Service. The Innovation Champions interviewed believed that they were well positioned to play a significant role in shifting corporate culture and building the momentum necessary for the organization to carry itself through transformation. In fact, some Innovation Champions have taken substantial initiative to extend their activities and are actively collaborating with other Innovation Champions across the corporation and across regions through working groups and Communities of Practice. Although the fundamental principle behind the community of change agents was well crafted, the common themes that emerged from the interview data suggest that as a community, Innovation Champions were facing challenges to meeting their stated objectives. For all interviewees, it was unclear exactly what they should be doing, what was expected of them and there was little direction provided on what types of activities they should engage in. Some explained that it was difficult to champion corporate initiatives with little information and were not kept in the loop on how new strategies were progressing. There was also some concern that most Innovation Champions have little influence to effect change in their role; this concern was magnified when ADMC:SNI was dissolve and the community lost its executive leadership. Many sensed that without the direct support of the organizations top executives, the legitimacy of the community would be undermined and many hoped to see this level of leadership return. Finally, several interviewees explained that it was difficult to put time aside to be an Innovation Champion when there was little support and permission to step outside of their existing role.

Closer examination of the interview data also reveals that not all members of the Innovation Champion community faced these challenges in the same way. Even though all Innovation Champions felt they could help to advocate for change and spread the message about innovation, experiencing the above-mentioned barriers affected their motivation and commitment and those who had less authority, time, tenure, and fewer networks to draw support from, were left feeling disempowered, unengaged and disconnected from the community. As such, steps should be taken to empower all Innovation Champions regardless of their role, tenure and existing activities and ensure that each is connected supported within the larger community; such an undertaking would contribute to strengthening the entire community and allow them to be more successful in their role.

Since leadership of the Innovation Champion community was transferred to FoW in June of 2009, the design of strategy has been a challenge. FoW does not have the same level of influence and visibility than
ADMC:SN had and program managers highlighted that many of the above issues within the community were present before the transition occurred. Although the transition wasn’t straightforward and the roles on both sides of this new alliance are still unclear, the newness of this arrangement offers an opportunity to create genuine relationships.

In light of this new arrangement, interviewees were able to provide valuable insight on what FoW could do to assist Innovation Champions in being more effective and successful in their role. All interviewees expressed that there hadn’t been enough opportunities for them to come together, get to know one another and share their stories, successes, and lessons learned and felt that FoW could play an active role in facilitating these activities. Some felt that the Innovation Champion designation could be used to recognize individual employees for their performance and commitment to change and if used strategically, the designation could be used to balance capacity and representation from the regions and ministries. However, most expressed that before more individuals were given the designation, FoW should focus on building more structure and support around the existing community. Some interviewees suggested that the FoW should play a larger role as a synchronizing function, ensuring that Innovation Champions and their activities are in alignment with corporate initiatives and recognizing the work that they are doing through other communities, teams and working groups on their own initiative.

Although the academic literature does not make explicit reference to the creation of an Innovation Champion community as a common strategy used by bureaucratic organizations, the identification and utilization of change agents or corporate entrepreneurs is an integral part of creating a new venture division or semi-autonomous structure for continuous innovation. These individuals are recruited and developed to promote, develop and seek the implementation of new ideas and with the support of an organization’s with high profile leaders to legitimize key processes, and initiate a departure from established systems, these entrepreneurs can driving the innovation process (Kanter, 1988; Galbraith, 2004; Morris & Jones, 1999). The attitudes and beliefs offered by interviewees suggest that this is also something that all Innovation Champions feel that they are well positioned to do. They wanted to play a larger role in the implementation of new ideas as sponsors and hoped that FoW could formalize their role in the ideas management process.

With this all said, FoW is perhaps best positioned to offer partnership, recognition, and support to the community, rather then lead Innovation Champions. To date some effort has been made to determine new priorities, rebuild trust, and establish cohesion through the community, but more needs to be done to respond the above-mentioned issues, coordinate new activities and strengthen the community. If the potential of this community is maximized, Innovation champions can play a key role in transforming attitudes about corporate initiatives, encouraging change and creative dissonance, and ensuring that new ideas receive the support needed for corporate innovation.

4.3.3 Spark and new ideas

Launch of Spark was considered to be one of the most dynamic and innovative strategies implemented to encourage employees to generate and promote new ideas. Interviewees felt that Spark represented a huge opportunity to promote innovation in the BC Public Service, provided a direct response to some of the key barriers to innovation, and offered a means through which employees could demonstrate the new values. However, interviewees felt that there were still some issues that limited the efficacy of initiative and that more could still be done to improve the power of the application and the management of ideas across the corporation. Many indicated that there was some confusion about what Spark was designed to capture and wanted more guidance and feedback on what kind of ideas were needed and could be implemented. There was concern that the web-based application does not provided the incubation and support to further development of the most vulnerable ideas; this is especially an issue for employees
who are unsure how to express their ideas without getting shot down. As such, many employees opted to develop their ideas in smaller communities and work groups outside of Spark.

Interviewees also noted that the amount of information on Spark had grown significant since the tool was first introduced and felt that the size and structure of data made it both difficult, time consuming and intimidating to navigate. Many felt that Spark as a tool for sharing ideas, is not considered a default resource for many employees and there was still some fear and discomfort associated with posting ideas in such an open forum. Super Users also provided insight on how the functionality of the application could be improved to engage a larger audience and encouraged greater collaboration in the virtual space.

Many of the issues raised by interviewees were discussed in the academic literature as key pitfalls that undermine employee involvement in idea management and continuous improvement programs. Spark was implemented to offer employees a forum to present their ideas for improvement. The tool leverages web 2.0 technologies in ways that the organization has never done before and offers a way for employees to connect with others across the public service. Unfortunately, capturing or ‘extracting’ employee ideas and keeping record of them in a virtual space like Spark does not constitute an idea management strategy. Such a strategy also requires that organizations take active steps to follow up on the ideas captured, evaluate them and move them through what Wheelwright and Clark (1992) call a ‘development funnel’. Through this tunnel, ideas are given support and feedback for revision in order to be made into concrete proposals and if a decision is made not to accept an idea, employees are ‘given accurate and complete reasons why the [idea] is not being used and if possible some advice on how to improve it’ (Carnevale & Sharp, 1993, p. 84). This final phase is critical not only for ideas with high potential, but also for those ideas that still need further development. The practice of giving feedback on all ideas is also key for corporate learning, motivating employee performance, encourages future participation in the innovation process. Ideally, an idea system should function to sponsor the full development of an idea in order to improve its chances of success at the implementation stages. Embedded in this practice are Kaizen principles for continuous improvement, which suggest that any strategy that seek ideas for change and improvement should be wholly people oriented because it is people who ‘develop, carry, react to, and modify’ ideas and drive the innovation process forward (Van de Ven, 1986, p. 592). Without winning the hearts and minds of their employees, organizations will struggle to obtain the ideas needed to improve key process and structures (Raub, 2008).

The literature also explains that organizations should take the time to evaluate and measure the effectiveness of their idea system; any idea system, no matter how well conceived, works only if people are held accountable for their role in running it. Organizations should also aim to make the generation of ideas a key part of employees’ work, keep track of employee who generates idea and the managers who sponsor them, and ensure that the appropriate resources are available to process ideas quickly and fairly (Robinson & Schroeder, 2006).

Interviewees also explained that although many employees weren’t posting their ideas on Spark, new ideas were in fact being generated in ministry innovation teams and other employee groups who have already established their own collaborative forums. What this suggests is that the source for new ideas is broader than previously conceived and that a much larger idea generator community exist within the BC Public Service.

As a key element of creating a new venture division or semi-autonomous structure for continuous innovation, such idea generators play a key role in fueling the innovation process with a constant stream of new ideas. Described by Galbraith (2004) as reservations, these units form ‘havens for safe learning’
or a ‘garage-like atmosphere’ where new ideas can be incubated, developed, and evaluated. However these groups are also in need of support and recognition to help legitimize their activities. Steps should also taken to provide them with support to generate and promote and integrate new ideas, draw upon their knowledge and expertise, and make them active participants in driving corporate innovation. In particular steps should be taken to better support and leverage the Communities of Practice within the BC Public Service. These communities can play a key role in manage complex information and facilitating the kind of cross-boundary knowledge transactions needed for innovation. They can also provide a means for stimulating incremental, bottom-up improvements using a community-based approach to change, quality improvement and corporate modernization (Bate & Robert, 2002).

In addition to provided insight on the functionality of Spark and the way new ideas are managed in the organization, interviewees also provided valuable insight on how employees should be rewards and recognized for their contributions to corporate innovation. Programs like the Premiers Innovation Award and the Improvements Awards Program have been in place for many years to provide cash rewards and formal awards and interviewees did feel that these were great ways to recognize employee innovation. However, an overwhelming majority felt that rewarding and recognizing employees did not require funds but that simple forms of acknowledgement would be sufficient. Many also explained that the ability to play a role in implementing new ideas would be the ultimate reward for their effort and initiative. In fact, most of the Super Users interviewed indicated that they posted their ideas with the hope that they would be given both the opportunity and responsibility to implement their ideas.

These attitudes are consistent with the literature, which indicates that organizations should design reward and recognition programs that provide a mix of both intrinsic and extrinsic rewards to stimulate and sustain creativity and innovation (Amabile, 1998; Mumford, 2000). The literature also explains that recognition should be in a form that is of actual value to the employee, not what the organization thinks the employees should value and present the recognition in a way that demonstrates to others what kinds of behavior is expected in order to receive recognition and reward (Nelson, 2008). What this suggests is that more should be done to design a formal strategy, which provides employees with the intrinsic rewards like greater autonomy, unique work experiences, developmental opportunities, and trust; each of these can play a key role in stimulating motivation and reinforcing the behaviors which drive corporate innovation (Kanter, 1988).

Again, Spark offers a unique way for employees to connect with others across the public service and does so by leverages web 2.0 technologies in ways that the organization has never done before, but more needs to be done to develop a comprehensive idea management strategy to ensure that a constant stream of new ideas for service transformation. This will require deeper engagement of the larger ideas generator community beyond Spark and that steps need to be taken to improve the process through which new ideas are developed and how employees are recognized for their participation in the innovation process.

4.3.4 Semi-autonomous structures for continuous innovation

As suggested by the academic literature and interviews with key informants, the bureaucratic model found in the BC Public Service is quite strong. The organization was designed to perform activities and tasks and deliver programs and services on a continued basis and to do this, strong systems were built to effectively institutionalize behaviors and standardize practices. As a result, the intensity and crystallization of norms, beliefs and behaviors are quite pervasive and the structures build upon these elements are rooted deep within the everyday policies, practices, and routines of the organization. Overcoming these systems in order to innovate in the BC Public Service, or any organization for that matter, will be a challenge. The literature and case studies suggest that creating a second organization or
Conceptually speaking, Galbraith (2004) popularized the notion of the ‘innovating organization’. His conceptual model (discussed in the section 2.4.9), offers insight on how to ‘organize for innovation’ by drawing together key elements and structures to cultivate and incubate entrepreneurial activities. As Galbraith explains, the innovating organization functions through the activities of three key groups: idea generators, sponsors, and orchestrators. Together as a loosely structured entity, these groups work to generate, blend and develop ideas, manage and invest funds earmarked for new ventures, lead new projects or programs, and diffuse or transition innovations into the operating organization. Galbraith argues that adoption of his model offers organizations a means by which to stimulate both incremental and radical innovation.

Interestingly enough the model drawn from literature is comprised of groups that have already been discussed in this section.

- **Orchestrators** – Executive level committee (If reestablished)
- **Sponsors** – Innovation Champion community
- **Idea generators** – Spark users, Transformation Funds applicants, other employee groups

This account suggests that the BC Public Service already has many of the ingredients needed to drive corporate innovation through a semi-autonomous body. However, the interview data suggests that these key groups are misaligned and disconnected. Galbraith also adds that innovation will not occur unless all three groups are active and connected through some type of structure. A closer examination of the interview data also provided some evidence for his assertion. In circumstances where interviewees described that idea generators, Innovation Champions and senior executives were aligned in their ministry organically or deliberately, ideas were being implemented, and at an accelerated rate.

While organizations like General Motors and 3M have created new organizations or separate divisions to produce innovation through the activities of these three groups, it may not be feasible for the public service to create a new organization to fill these three roles (Gundling & Porras, 2000; O’Dell & Grayson, 1998). In fact, the experience drawn from the GM case suggests that creating a new organization may simply replicate rather than circumvent the traditional culture of the larger organization (Georgsdottir, Lubart, & Getz, 2003). However, an opportunity does exist to connect these groups through a network in order to turn ideas into innovation.

The use of the term “network” deserves both emphasis and explanation in order to convey its value for this discussion. The term is used here as a relational concept to describe the formation of a series of tangible relationships between key groups within the organization. Instead of looking at an organization’s activities in terms of structures and bodies, a network perspective frames these activities in terms of linkages among units and people. These relational ties or ‘linkages’ between people or groups act as channels for the transfer or flow of resources, either material or non-material (i.e. information, influence, support, new ideas) (Wasserman & Faust, 1994). As such, FoW should focus its energy on strengthening relational ties or linkages through key groups and across the corporation.

### 4.3.5 Funding ideas for public service transformation

The ability for organizations to innovate is heavily related to whether resources are made available to develop new projects and turn ideas into innovation. For many organizations and especially those in the public sector, earmarking funding for new projects is considered a luxury. Like many of the strategies implement to encourage innovation, the Public Service Transformation Fund offered employees a unique
opportunity to generate ideas and proposals for transformative projects. Several interviewees also expressed that the creation of such a fund during a time of fiscal restraint was truly an anomaly and felt that it demonstrated that there was an organizational commitment to innovation.

Although interviewees were thrilled that such a fund was developed and hoped that the program would continue into the future, they did raise some concerns. The issue cited most frequently by interviewees was that there was insufficient information communicated out on the Fund; the majority of interviewees knew very little or had never heard of it. It is very likely that this foggy understanding of the initiative influenced the attitudes and perceptions expressed and led many to question whether it was managed in a transparent and accountable manner.

For example, the Fund itself was not designed exclusively to finance innovative projects. A much larger portion of the Fund was earmarked to strategically invest in priority job streams and to cover the workforce adjustment costs during a time of budgetary restraint (Province of BC, 2009d); this was something that interviewees made no mention of when discussing the key strengths and weaknesses of the initiative. With this said, there was confusion about what the Fund’s purpose, its intended audience and the type of projects its was intended to fund. Many felt that the application criteria for funding communicated a rather restrictive understanding of service transformation and that the application process created new challenges for employees trying to express their idea. Requiring employees to develop a business case, with input and output measures was perceived to be a difficult and in some cases a costly undertaking for employees trying to propose new ways of working. Concern was also raised about the length of time it was taking for a final decision to be made without sufficient communication on the status of applications.

Program managers offered insight on why many of these concerns were expressed. A lengthy election period, a Deputy Minister shuffle, a series of workforce adjustments and a fall budget update, which revealed that the projected deficit would increase from $495 million to $2.8 billion, were some of the reasons why the Fund remained so amorphous to the larger public service. While there were many applications that just did not meet the Fund’s criteria or and did not present a clear business case, some had real potential and could be resubmitted for future funding. They also explained that there was some duplication across ministry submissions that would have been more successful in the decision making process if jointed together in a single, cross government application.

Like many of the strategies discussed in this section, the academic literature provides valuable insight on why some issues emerged and what can be done to improve corporate funding initiatives into the future. The literature explains that employees must perceive that they have access to the resources in order to draw new ideas that truly depart from the status quo. If an organization create complex or segmented budgetary allocation process or systems that restricts the flexible utilization of resources, it will be more difficult realize new business concepts (Hornsby, Kuratko & Zahra, 2002). Steps should also be taken to clearly state the objectives of the initiatives and communicate an unambiguous and transparent message about how proposals are evaluated (Chesbrough, 2002). Although creating an innovation fund is common, bureaucratic organizations are often too focused on short-term losses and terminate these initiatives before reaping the long-term benefits (Block & MacMillan, 2005). For this reason, organization should make a stable, long-term commitment to new venture programming and be willing to assume some risk with new ventures (Ginsberg & Hay, 1994).

It is also important to note that at their core, each of the applications submitted for funding was a proposed idea, just like those submitted to Spark or developed in ministry innovation teams and other employee groups across the organization and therefore should be given the same respect, fair evaluation
and timely response that other ideas generators deserve. As such, Transformation Funds applicants should also received support to develop their ideas and proposals and have the opportunity to move through the same development tunnel discussed earlier. This should include aligning the ideas generators who have similar proposal and supporting their collaborative efforts and ensuring that those who submitted underdeveloped proposals received the feedback and support needed to improve their ideas.

Funding new projects and initiatives in the present economic climate will be a challenge for many organization and especially those in the public sector who must place stringent limitations on discretionary spending in order to deliver core services to the public. Much like other jurisdictions in Canada and around the world, the BC Public Service has moved through a series of workforce adjustments, reviewed their programs and services and accepted deficits in order to manage through this difficult time. However, transforming public services to reduce costs and streamline practices will require that employees play an active role in the innovation process and that new ideas for transformation are developed, promoted and implemented. As expressed by interviewees, having a funding strategy in place communicates to employees and onlookers that the organizations is committed to innovation and believes that their workforce will play a key role in driving service transformation and with these funds, strategic investments can be made to improve key aspects of governance. As such, strong consideration should be given to how new projects and initiatives will be funding in the future and what kind of commitment can be made for service transformation.

4.3.6 Project-based work structures
The academic literature and case studies suggest that the implementation of a project-based work structure is an innovative strategy, which could be used to stimulate both corporate performance and employee innovation in the BC Public Service. As a corporate strategy, projectization has been recognized as a way for organizations to create work structures that are more responsive to the external environment, more responsive to the changing needs of their clients, and better able to support corporate renewal (Peters & Waterman, 1982; Graham & Englund, 1997; Sydow, Lindkvist & Defillippi, 2004).

This new organizational form is believed to help corporations cope with the increasing complexity of production, service delivery, communications and technology (Hedlund, 1994; Miles et al., 1997; Hughes, 1998; Rycroft & Kash, 1999). Others have also suggested that these structures can stimulate greater productivity and enable resources (i.e. human and financial) to be allocated or re-allocated more efficiently for complex and innovative initiatives (Miles et al., 1997; Hughes, 1998; Collin & Young, 2000). This capability is key for organizations facing demographic challenges. As such, implementing a work redesign strategy that promotes the strategic use of people and budgetary dollars will be invaluable for organizations required to deliver more complex services with a smaller workforce.

With regards to employee innovation, project-based structures can help to create an environment where creativity and innovation can thrive. Because autonomy, freedom and flexibility are built into the projectized organization, team dynamics and the benefits of a team-based structure tend to form more organically. However the literature explains that decentralized team based structure on their own may not promote the kind of information sharing needed to generate novel ideas and solutions. The use of teams can help to improve group dynamics but if these work structures remain static team members may shift towards an inward-looking orientation, create information is ‘siload’ and give little consideration to the external environment (West & Richter, 2007).

The key difference between a team-based and a project-based structure is that people aren’t given the opportunity to establish fixed norms, behaviors and practices—each project team is empowered to create their own incentive structures and behavioral norms which can be dissolved when a project comes to an
end. Each member of a project team is also regarded as valuable to project success because they are able to offer unique insight based on their functional area. This level of diversity and insight on new initiatives will be critical to success (Mulgan & Albury, 2003).

With this said, a project-based structure can promote greater information processing capacity, communication between functional communities, and collaboration across an organization (Tatikonda & Rosenthal, 2000). In contrast to functionally structured organizations, project-based structures are better able to empower employees and support organizational learning (Hammuda & Dulaimi, 1997; Pinto & Kharbanda, 1996). The case example of Denmark’s Ministry of Trade and Industry illustrates not only how work structure redesign can influence productivity and the cross-pollination of creative solutions, it also provides an illustration that such a structure can be implemented within a public organization.

The findings drawn from the interview data also suggest that a project-based structure could offer a response to some of the key barriers to employee innovation, which include a lack of diversity, stratified, hierarchical structures, and lengthy approval processes. Interviewees highlighted that a flatter team-based structure could help to stimulate innovation and improve responsiveness to new and emerging issues.

Although the literature, case studies, and insight drawn from key informant interviews suggest that making a transition to a project-based structure could influence productivity, engagement, and employee innovation, it is unclear exactly how such a structure should be designed to fit within the BC Public Service context. Assessment would have to be done on how such a redesign would affect existing structures, and how existing systems would have to be altered to align with project-based work. West and Richter (2007) add that the key is to design an organization that strikes a balance between centralized and distributed decision-making structures that enable successful innovation. Discovering what this balance should be in the BC Public Service merits further exploration.

4.3.7 Innovation from the frontlines

Frontline employees are in a truly unique position to both understand and respond to the need for innovation in public organizations (Wise, 1996). Because of their location and ability to interface directly with the public, they often possess firsthand experience that most public managers lack and are well positioned to gain insights on what the public expects from government. Through their contact with client groups they are also more likely to be aware of the factors that impede service delivery and undermine the effectiveness of public services (Palmer, 2005).

A growing body of empirical research has also revealed that even through the complexity of public organization, frontline employees have been a consistent source of innovation (Borins, 2001). However, frontline employees often lack the authority to set priorities or commit organizational resources even though their participation in the innovation process is vital (Howitt, 1997).

Although initiatives like Spark and the Public Service Transformation Fund were created to draw upon the creativity of the Public Service workforce, they have not effectively engaged frontline employees in a conversation about innovation. In fact, the interview data indicates that barriers to frontline involvement were built into these initiatives and that little consideration was given to the frontline worker and the circumstances that limit their participation in corporate innovation.

While only a few organizations have designed comprehensive strategies that truly embody a Kaizen philosophy, the BC Public Service can learn much from the work being done by NHS in the UK to include frontline employees in service transformation. The Department of Health has introduced a fund to implement frontline idea, a new legislative duty to encourage innovative thinking at all levels,
collaborative opportunities for employees and the kind of transformational leadership needed to communicate both the value and commitment that the organization has to employee innovation. For organizations looking to transform service delivery it will be it is important to have robust processes and a targeted approach for exploring and listening to what frontline employees have to say about ways of working and what steps can be taken to make improvements (Mulgan & Albury, 2003).

4.4 Strategic framework for building an innovative organization

Table 11 offers a summary of 22 recommendations to respond to the barriers outlined in Table 9 and improve the design and execution of existing strategies. The recommendations have been mapped along two axes. The first highlights eight key areas for action. The second is based on an adaptable timeframe to implement each recommendation. Although this time scale is semi-structured, some flexibility is necessary as many of the recommended actions are dependent on internal capacity and access to resources. Actions plotted in the short term can be undertaken by FoW more directly, those in the mid-term will require greater co-ordination and action by groups beyond FoW, and those plotted in the long term are all contingent upon resource availability. This time scale also offers FoW with a clear set of priorities for leading transformation. The findings drawn from the academic literature review, case studies and key informant interviews informed both the structure and content of these actions. Although many will require the support and capacity of groups outside of FoW, this unit is well positioned to lead new activities, advocate for changes, and stimulate the buy-in needed to transform the corporation.

<table>
<thead>
<tr>
<th>Table 11. Summary of recommended actions</th>
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<tr>
<td><strong>Short-term</strong> (April- Sept new fiscal year 10/11)</td>
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<td>Leadership</td>
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<td>Innovation Champion Community</td>
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<td>Designing an Idea Management Strategy</td>
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<td>Organizing for Innovation</td>
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<td>Further exploration of project-based work structures</td>
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4.4.1 Leadership: Culture, vision, and strategic direction

The importance of executive level leadership to organizational innovation cannot be over-emphasized. As such, encouraging flexibility, responsiveness and the collaborative spirit needed for innovation requires the leadership and commitment of top management.

➢ Re-establish a new executive level committee to champion corporate innovation

To fulfill this leadership role, a new Senior Executive Committee for Innovation is proposed. The committee should be charged with taking a helicopter view of innovation in the BC Public Service, given a mandate to providing a coherent vision and direction for all corporate initiatives related to innovation, and act as a figurehead for the Innovation Champion community. This would require that such a committee be visible, active and longstanding.

- **Visible**: employees at all levels and in all regions should see that this committee exists to champion innovation across the BC Public Service, not innovation in one ministry or sector. In their oversight roles, senior executives should put themselves in direct contact with employees and their ideas.

- **Active**: playing a key role in the execution of corporate strategies. This should include active participation in the Spark community, endorsement of Communities of Practice, and continued leadership on future strategies to stimulate employee innovation.

- **Longstanding**: not formed to meet short-term objectives but established to provide long-term leadership and a clear vision for innovation.

The reestablishment of an executive level committee to serve as corporate champions for innovation would communicate a powerful message to employees and onlookers that the BC Public Service is serious about innovation. It would also be key to deconstructing a heavily entrenched corporate value system in which compliance and conformity are the norm and innovation is viewed as incongruent with existing work structures. In order for innovation to thrive, this committee should communicate to employees that they have a license to question the status quo, to put the corporate values into practice, and generate innovative solutions for some of the biggest challenges facing the BC Public Service.

The committee should also be charged with supporting the co-ordination of strategy (without centralizing) and promoting robust linkages across the senior executive community, especially with regards to issues that cut across ministerial bounds and capabilities—this will require serious engagement and outreach. It should also take a proactive approach to transformation by continuously scanning the environment for emerging issues and opportunities. This action should be pursued in the short-term, ideally within the first two months of the 10/11 fiscal to set the stage for future corporate strategy.

4.4.2 Strengthening the Innovation Champion community

Responding the issues and needs that emerged from key informant interviews should be the first action taken to strengthen the Innovation Champion community. Although the community was established more than one year ago many of the formative steps take when a new organization or community is established have not been taken. Unfortunately, the delay in these formative actions will require FoW to work doubly as hard to address the gaps presented in the interview data. This will involve both rigor and patience in the application of new strategies.
Active fill gaps in Innovation Champion community

As noted by program managers, steps are being taken to identify more Champions. It has also been acknowledged that consideration should be given to the existing gaps in membership across ministries and regions. However, the existing approach still remains quite passive and focuses on attraction rather than targeted recruitment. In order to take more active steps to grow the community, FoW should, in partnership with existing Champions and ministry executives, make strategic decisions about where new Champions should be identified. For example, if gaps exist in a particular region or ministry, regional or ministry executives should be contacted to help identify employees who would deserve the recognition and opportunity to join the community. The involvement of executives in the recruitment process will help to stimulate the intrinsic motivation, passion, and commitment that Champions need to take their first steps; their involvement would also help to raise the profile and legitimacy of the Innovation Champion designation. Although, existing Champions should have ownership over this process, FoW should support them in growing the community.

FoW should also take steps to determine the number of champions needed for a critical mass and to establish clear targets and timelines to achieve these goals. Every network or community will have a tipping point and determining what this is and how it can be managed will be crucial to the building a strong community. As new Innovation Champions emerge, active steps should also be made to immediately link them with an existing champion to facilitate the creation of new relationships. It is also important that such a community does not develop a ‘life of its own’, with entrenched roles and bureaucratic processes; this is a pitfall highlighted in literature. As such, some degree of turnover should be planned in order to maintain freshness and energy in the community. This recommendation requires continuous action, but in the short-term steps should be taken to determine the number of champions needed for a critical mass, fill gaps (if any) and develop a sustainability plan for the community.

Engage Innovation Champions in a community-based strategic planning exercise

The interview data highlights that champions want to come together, share their stories and design strategies to chart a path forward. FoW should take active steps to facilitate and manage such an exercise and draw upon the insight and experience of Champions to design a plan for the future. The intent of this plan should not be to define specific steps that champions should take to fulfill their roles. Instead it should seek to establish a clear mission, mandate, and objectives for the community, what strategies can be implemented to achieve key goals, present the collaborative opportunities that exist across the community. Such a document should also outline how Champions can connect and collaborate with other key stakeholders across the larger organization (i.e. Communities of Practice, employee forums, green teams). This action should be pursued in the short-term to ensure a plan is in place to guide the activities of existing and future Champions and identify opportunities for collaboration. However, steps should be taken to implement this plan in the mid-term.

Strengthen communication channels into and across the Innovation Champion community

In order for Champions to play an active role in supporting corporate initiatives, they need to have a strong understanding of what activities FoW is engaged it, insight on corporate initiatives, and even some high level information the more ambiguous topics about which they may be asked questions (i.e. social media in government). Although there are many informal ways to keep Innovation Champions informed, a monthly communication that provides an overview of the activities in which FoW is engaged and what Champions can do to support these activities should be considered. Furthermore, communication with the Innovation Champion community should be two-way. FoW should conduct some internal benchmarking to draw out lessons learned and best practices from existing champions. The information gathered should be used to both recognize the work that has been done and to share stories across the community. This
exercise would also support the coordination of activities and identification of opportunities for collaboration across the community. Actions to strengthen communication in and across the community should be pursued in the short-term and a plan developed for how these channels will be maintained into the long-term.

- **Utilize the Innovation Champion community to provide sponsorship for new ideas**
  Champions are well positioned to offer sponsorship for new ideas and making critical connection between champions and ideas will be core to making ideas work in the BC Public Service. The literature suggests that such a group can play a key role as corporate entrepreneurs who drive the innovation process by sponsoring, promoting, and facilitating the full development of ideas that they discovered or generate. The insights drawn from the interview data offers a similar depiction and suggests that Champions believe that removing barriers to innovation is a key part of their role. The Innovation Champion community can also offer a pathway to other idea generation communities across the organization whose creativity has yet to be leveraged. In this regard, the Innovation Champion community should be treated as an extension of FoW and utilized to support the management and implementation of new ideas, as well as other activities. This action should be pursued in the short term and a plan developed for how Innovation Champions will be utilized as sponsors into the long-term.

- **Empower Innovation Champions with the time and resources to engage in related activities**
  The need for all employees to have more time to engage in activities that promote innovation is an organizational barrier that needs to be resolved. The interview data, literature, and case studies all illustrate that when employees are given time to generate new business ideas through non-core projects, productivity, engagement and employee innovation increases. As an advocate for the Innovation Champion community, FoW should take active steps to ensure that Champions are given the time and resources to play an active role in stimulating corporate innovation. The EPDP process offers a platform for Champions to initiate critical conversations with their supervisors about the use of time, but FoW should legitimize such a process by engaging ministry executives in a critical conversation about corporate innovation and the role that their Champions will play. This will require greater communication on the nature of the Innovation Champion community and the work that it can do in the corporation. This type of message would also fit nicely into the communication and outreach activities led by the Change Team in FoW.

Providing Champions with time and resources to be active participants in corporate transformation will require that those in positions of authority believe that there is reason to invest in this community and understand how it will have an impact. As such, these actions should be pursued in the short term with hopes of gaining the buy in and full support of supervisors and ministry executives in the mid-term.

4.4.3 Spark: From web 2.0 tool to idea management strategy
The findings drawn from the interview data offered strong insight on how Spark is both perceived and utilized by employees in the BC Public Service. Although Spark provides employees with a forum to present and comment on ideas, more can still be done to improve the power of the application and the management of ideas across the corporation. Program managers also revealed that they too face challenges to implementing Spark ideas. Responding to these issues will require that FoW make changes to how ideas are managed and shift focus away from simply capturing ideas to facilitating their full development for implementation through a comprehensive idea management strategy. The purpose of these recommendations is not to displace existing strategies for capturing new ideas; Spark is and should continue to be a key avenue for employees to present ideas for continuous improvement. However, there
is scope to refocus current strategies to stimulate higher participation on Spark, increase and demonstrate its value, and offer incubation and support for new ideas.

- **Create and maintain an idea development tunnel in the Future of Work Initiative**

  The concept of a ‘development tunnel’ for employee innovation in not an exhortation, but an actual practice used to optimize creative outputs in Shell’s GameChanger program and MindLab in Denmark (Hansen & Birkinshaw, 2007; Kjolby, 2004). Both organizations, have designed strategies that take ideas (and their generators) out of their existing environment, provide them with developmental funding, and offer them the incubation and support needed to transform their ideas into concrete proposals. Galbraith (2004) describes these environments as reservations because they offer a ‘haven for safe learning’ or ‘a garage-like atmosphere’ to develop ideas. These are also described as “Future Centres” established to effectively warehouse, incubate and diffuse employee innovations (Dvir et al., 2009). Implementing such a strategy and creating what should be the most ‘innovation friendly environment in the public service’ would enable FoW to play a more active role in supporting ideas generators across the organization. This should include helping them more directly to strengthen their ideas, conducting the necessary research and analysis, and supporting them to develop concrete proposals that can be submitted for corporate funding or incorporated into existing operational spending. This will require FoW to align and coordinate idea generators and groups with similar proposals and play an active role in facilitating cross ministry initiatives. Creating this development tunnel will likely require supplementary resources, both financial and human, be made available to support the idea development process. Unfortunately, the present economic climate creates a limitation on the investment of resources. As such, this action should be pursued in the short-term with plans for full implementation in the mid-term.

- **Employ a Kaizen approach to ideas management**

  At Toyota, a Kaizen approach is central to their management philosophy and has been credited for stimulating the generation of more than 20 ideas from each employee annually with a 99 percent adoption rate (McMillan, 1984). Embedded in this approach is a belief that continual improvement and the generation of new ideas requires the involvement all employees. It also encapsulates an appreciation for every idea that is received, no matter how small or parochial. Such an approach will require that FoW embrace a “bias to implement” or a “why not?” approach to managing ideas and operate under the principle of “making all ideas work”. As such, FoW’s effort to implement Spark ideas should be exhaustive, but if it is determined that an idea cannot be implemented, steps should be take to provide a meaningful response to idea generators and solicit their future involvement in the Spark community. This action should be pursued in the short-term and a plan developed for how Kaizen principles will be employed into the long-term.

- **Reward and recognize with opportunity and responsibility**

  The literature, case studies and interview data suggest that idea generators and Spark Super Users should be recognized for both their participation. However, a focus should be place on stimulating intrinsic motivation and providing employees with developmental opportunities. This should be accomplished by offering active Spark users both the opportunity to act as moderators on Spark and help to manage its content. This will require that some administrative responsibility be handed over employees outside of FoW and that clear guidelines be developed to aid Super Users. Spark Super Users should also be consulted on a regular bases to gain insight on how well the application is performing and discuss new ideas to improve its functionality. For those employees who post ideas with potential, they should not only be contacted to seek clarity, but actively brought into the ‘development tunnel’ to support the implementation of their ideas. This action should be pursued in the short-term and a plan developed for how innovative employees can be rewarded with developmental opportunities into the long-term.

- **Establish a fund to develop and implement new ideas**
To date, no corporate funding has been made available to help with the implementation of Spark ideas. Both the Ontario Public Service and NHS in the UK have established funds specifically to implement the ideas of their employees and both organizations are drawing a measurable return from their investment (Government of Ontario, 2009; UK Department of Health, 2009). Such a fund should be established in the BC Public Service to ensure ideas posted on the Spark have a greater chance of being implemented. Creating such a fund (a ‘Spark fund’) would demonstrate to employees that Spark ideas can be implemented without the subjugation of bureaucratic processes and red tape. This can also help to encourage more participation in the Spark community. In light of the present economic climate and limitations on discretionary spending, this action should be pursued in the long term.

- **Afford employees time and creative space to be innovative at work**
  Employees should be encouraged to use Spark, but also to participate in other idea generation communities across the corporation (Communities of Practice, green teams, innovation groups etc.). The interview data and academic literature suggests that engagement in such activities can help to enrich the work experience of employees, enable them to build networks across the organization and promote the kind of knowledge sharing needs to generate new ideas. However, time and space to explore these opportunities and find new ways to contribute to the organization are still a constraint. As such, employees should be given time to generate ideas, work on non-projects and participate in cross-government communities or activities that are not core to their job description. If employees elect to participate in extramural activities, the use of this time and its link to corporate and ministry goals should be considered in the EPDP process. This action should be pursued in the mid-term.

- **Produce biannual Spark report**
  Robinson and Schroeder (2006) posit that any ideas system, no matter how well conceived and designed, works only if people are held accountable for the role they have to play in running it. They argue that organizations should establish ways to evaluate or measure the effectiveness of their idea system. This requires that assessment be done of which employees are generating ideas, who is sponsoring processes and how rapidly ideas are implemented. As such, a biannual report should be produced to provide an account of how Spark is performing, and more importantly who is playing an active role in making Spark ideas work in the BC Public Service. Such a report should include but are not limited to the following:

  - Clearly articulates what kind of ideas Spark is looking for (i.e. corporate, ministry specific) and provides an explanation for how ideas are managed and moved towards implementation
  - Recognizes ‘Super Users’ for their active participation in the Spark community
  - Highlights the level of participation by ministry
  - Provides an account of what levels of the organization ideas are being generated from (i.e. management vs. frontline)
  - Identify and recognize those who have played active role in sponsoring Spark processes
  - Demonstrates what ideas have been implemented, are in progress and recognizes those that were involved
  - Highlights future functionalities and any changes on the horizon for Spark.

  Consideration should also be given to creating service standards to ensure a timely response to ideas. A similar strategy is used in Shell’s Gamechanger programs. In order to ensure responsiveness, the Gamechanger panel works diligently to responding to new ideas and proposals within seven days (Hamal, 1999). This action should be pursued in the short-term with plans to release a report on Spark in the mid-term.

- **Develop a strategy to streamline approval process for new ideas**
  Interviews with Innovation Champions, Spark Super Users and programs managers suggest that even with tools like Spark, bureaucracy and red-tape continue to persist against the implementation of ideas in the BC Public Service. Not only do individual employees face barriers to making their ideas work, both
Innovation Champions and Spark administrators face challenges to gaining sponsorship for new ideas and navigating the many layers of approval required for implementation. Having access to a ‘Spark fund’ as noted earlier will help, but more could be done to streamline existing processes. To date some steps have been taken to initiate a conversation on streamlining the decision making process in government; however the findings drawn from the interview data and case studies suggest that a more aggressive strategy needs to be designed to resolve this issue. Not only should FoW take steps to develop such a strategy, it should be a top priority lead by the Change Team. Such a strategy will also require that an executive champion work with the change team, offer full sponsorship and support the implementation of this strategy across the corporation. This action should be pursued in the short-term.

4.4.4 Funding service transformation in the BC Public Service

Although, there have been several challenges to administering funds for transformative projects, the experience over the last year has produced a series of lessons learned and revealed opportunities for how to improve processes into the future and offer much need support to idea generators across the organization. Offering high levels of support will be key to changing attitude towards corporate government and the belief that initiatives like the Transformation Fund are wholly top down. The purpose of these recommendations is to provide some order around these lessons, offer ways to exploit opportunities that still exist and outline strategic options for the future.

- **Offer a clear definition of service transformation for past and future applicants**
  Most would agree that service transformation is something that the BC Public Service should strive to enable, but the idea of what service transformation is remains unclear. The fact that 79 applications were received and only 4 were funded suggests that further elaboration may be needed to stimulate the kind of ideas that can transform government services draw strong proposals in the future. The literature also explains that the direction of new projects won’t be focused unless an organization, and more specifically its leadership, articulates unambiguous objectives and expectations (Markham et al., 2005). Although the criteria provided in the application offers some insight on what service transformation should involve (i.e. fewer FTEs, ‘lean infrastructure’) it is likely that having a clearer definition would be beneficial for past and future applicants. This action should be pursued in the short-term.

- **Conduct full review of past applications for future potential**
  As noted by project managers, many of the application submitting for funding showed potential but that some ideas were underdeveloped or the timing wasn’t right for implementation. It was also noted that there was some duplication across applications, which could have been consolidated. In light of this potential, FoW should take active steps to support past applicants and facilitate collaboration across applicant groups. These steps should be taking in order for past applicant to design proposals for future funding. Again, FoW should offer ample support to idea generators and funding applicant to improve the design of project proposals and plans. This action should be pursued in the short-term.

- **Provide feedback or a response to all applications received**
  It’s also important to note that behind every application to the fund was a group of idea generators who have identified problems, incongruities or emerging trends that may require some resolve. In the same way that ideas on Spark deserve some level of feedback from Spark administrators, a formal response should be given to all Transformation fund applicants. This final phase is considered to be critical not only for ideas with high potential, but also for those ideas that still need further development. If the decision is not to accept an idea, the generator(s) should be ‘given accurate and complete reasons why the [idea] is not being used and if possible some advice on how to improve it’ (Carnevale and Sharp, 1993, p. 84). The practice of giving feedback on all ideas is considered to be key for organizational learning and encourage participation into the future. Interviewees also felt that this would be very beneficial.
This response should include an explanation of why an application was not approved and insight on how it could be improved. FoW should also offer support in the design of proposals and plans for future funding rounds by offering access the same ‘development tunnel’ discussed earlier. This action should be pursued in the short term and a plan developed for the long term.

- **Improve corporate communication of funding opportunities**
  One of the key concerns drawn from the interview data was that the availability of Transformation Fund was poorly communicated. Many employees have never heard of the Fund and those who had were not given enough time to submit a proposal. In future iterations, FoW should take active steps to ensure that the availability of funds well communicated and in a timely manner. This action should be pursued in the short term and a plan developed for the long-term.

- **Develop a priority system for transformative projects**
  It is likely that at any given time there will inadequate funds to implement all ideas or projects that show potential. In order to ensure that the best projects rise to the top and are given priority for implementation a strategy should be designed to provide coherence around the selection of new projects. This system should include a series of criteria used to order projects and determine which should be implemented at an accelerated pace. This will not only ensure that projects with the strongest return on investment be implemented in a timely manner, such a system would also enable a more strategic allocation of funds and people. This system would be similar to 3M’s Pacing Plus designation, which is used to prioritize projects and programs that may require a considerable amount of incubation and support to accelerate the innovation process for commercialization (Gundling & Porras, 2000). This system should include a clear set of criteria to assess which projects or programs should be given priority and how those with future potential will be managed. This action should be pursued in the short to mid-term.

- **Extended Public Service Transformation Fund beyond 2010/11**
  The 2009 budget indicated that the Transformation Fund was set up to provide funding over two fiscal years but after 2010/11, there is no commitment to continue the initiative. Access to special funding for new projects will be key for public service innovation into the future. The interview data suggest that having a fund available to implement transformative projects demonstrates to employees and the public that innovation is valued by the organization. The literature also adds that organization must embrace a stable long-term commitment in order to achieve continuous innovation. With this said, strong consideration should be given to continuing forward with this funding strategy into the future. In order to encourage the success the future funding initiative the design of such a strategy should include clearly states funding objectives, clear communication on how employee can access or apply for funds, a balance of autonomy and control in the management of projects, and a stable, long-term commitment to funding new projects into the future. Clear guidelines should also be set for whether non-financial resources (i.e. people) should be drawn from the existing workforce or recruited to manage new projects using funding. This action should be pursued in the long term.

4.4.5 Building networks for innovation

In order to optimize the existing structures and groups across the organization, FoW should create a network for innovation across the public service. Building meaningful networks capable of producing continuous innovation will require leadership, coordination, support, and integration. As recommended, a new Senior Executive Committee for Innovation would be charged with providing leadership, a coherent vision and direction for corporate initiatives, acting as a figurehead for the Innovation Champion community, and putting themselves in direct contact with employees and their ideas. The remaining functions (coordination, support and integration) should be undertaken by FoW. As a first step to
accomplish the above objectives, FoW should take steps to design a plan for the creation and maintenance of networks for innovation across the BC Public Service. This plan should include the following:

- Clearly state FoW’s role within the network, including important functions such as coordination, support and advocacy
- How FoW will coordinate and integrate activities within and across each group (idea generators, Innovation Champions, senior executives)
- How the Future of Work team will absorb, manage and communicate information through the network
- How the Future of Work team will offer support to idea generators and Innovation Champions to generate, develop and implement ideas
- How the future of work will engage with and leverage Communities of Practice as a sub-group of idea generators

The goal of such an exercise will be to assess present activities and refocus effort toward creating a ‘Future Centre’ similar to Mindlab in Denmark and functioning as a ‘super connector’ much like the Whitehall Innovation Hub in the UK (DIUS, 2009; Kjolby, 2004). This exercise should offer a means through which FoW can shift not only its thinking, but its orientation towards driving change in the BC Public Service. Designing a meaningful approach to change will be integral to building an innovative organization in the BC Public Service. This action should be pursued in the short term and a plan developed for the long term.

4.4.6 Further exploration of project-based work structures

Although a comprehensive examination of how a project-based work structure could be design in the BC Public Service context would be an interesting research question to explore, the scope of this research is limited. The academic literature on project management is broad and deep and could not be fully captured in the report. However, more should be done understand how such a strategy could be implementing in the BC Public Service.

- **Initiate further research to explore how a project-based work structure could be designed for the larger BC Public Service**

Strong consideration should be given to developing a projectization strategy in the BC Public Service. However this consideration should begin with a comprehensive examination of how such a transition could be made, what ministries, functions or service areas would benefit most from this work redesign, and how it would affect existing work structures and processes. This research should also explore what type of transformation would have to be made to existing financial systems (i.e. accounting, tracking and reporting for multiple projects) and talent management strategies (i.e. competence management, training, recruitment, performance management, workforce planning). This action should be pursued in the short term and a plan/strategy developed for the long term.

4.4.7 Frontline engagement

Greater consideration should be given to the unique position of the frontline worker and the valuable insight that they can provide for service transformation. In light of the mounting evidence that suggests the source for public service innovation will be frontline employees, steps should be taken to design a targeted approach to drawing from their knowledge and experience.

- **Design a frontline engagement strategy for the BC Public Service**

In order to leverage the insight and experience of frontline employees across the BC Public service a strategy should be designed to stimulate frontline employee innovation. This strategy should include but is not limited to the following:
A funding model designed to implement frontline innovation (as the final piece of a three-tier funding strategy which includes a ‘Spark Fund’ and Transformation Fund). The accessibility and proximity of funding is key and should be earmarked to turn frontline ideas into innovation. Frontline employees need to feel some level of ownership and that the organization is committed to drawing upon their ideas and experience. This action of the strategy should be pursued in the

- A targeted approach to capturing their ideas and involving them in the development and implementation of service innovations.
- A mean by which to identify more frontline employees who can serve as Innovation Champions (a strong focus should be placed on identifying champions at the managerial level)
- A mean by which to engage and draw upon the ideas of frontline employees working in the six Provincial Health Authorities.
- A process to recognize frontline employees for their ideas and contributions to service transformation.
- Reflect the diversity of work conducted at the frontlines

This strategy should be developed through direct consultation with frontline managers and employees to ensure that it reflects their context and diverse experiences within the organization. The development of this strategy should also involve more extensive research on practices used in other jurisdictions to engage frontline employees, with a strong focus on the model used by NHS in the UK. These actions should be pursued in the mid-term.

4.5 Summary

As stated at the onset of this report, the overarching goal of this research was to present a series of recommendations to maximize the impact of existing corporate initiatives and identifies additional strategies, which could be implemented to build a more innovative organization. The recommendations described in this chapter are intended improve upon existing strategies and offer new ways help make ideas work in the BC Public Service.

Although it is suggested that 19 of the 22 recommended actions be addressed in the short term (April to September of 2010), the success of all the actions outlined in this chapter will depends on the reestablishment of new executive level committee for innovation. As suggested by the literature, the success of corporate transformation in bureaucratic organizations is linked directly to the behaviour of top management who play a key role in balancing power between short-term operational demands and pursuing a long-term vision for change (Borins, 2008; Elenkov, Judge & Wright, 2005). With strong leadership in place to orchestrate and champion corporate innovation, FoW will be in a better position to implement the recommended changes to initiatives like Spark and take steps to resolve the issues raised about the Public Service Transformation Fund. The Change Team in the Workforce Planning and Leadership Secretariat will also have the executive support needed to act with courage in strengthening the Innovation Champion community and lead the exploration of project-based work structures. This level of executive support will also be needed to refocus efforts towards engaging frontline employees in continuous conversations about service transformation and validate their role in the innovation process. Frontline employees are in fact armed with the kind knowledge, and experience needed to identify issues and opportunities and generate creative solutions, but it is up to corporate executives to recognize this expertise and ensure strategies are in place to translate the ideas generated at the frontlines into service innovations.

In summary, this research calls for concrete actions, funding for new ideas and transformative projects, and further research to explore strategic opportunities for new action. As such, strong consideration should be given to the substance of this analysis and the many ideas offered to build a more innovative organization. Although today’s challenges have made the environment instable and the momentum of transformation have slowed, the pressures and constraints have effectively shifted how the corporation thinks about innovation and the role that employees will have to play in corporate renewal.
The research presented in this report has sought to explore the concept of employee innovation in the BC Public Service. It was designed to support the strategies and corporate direction presented in ‘Being the Best’, and build on the work of ADMC:SNI by exploring the barrier and constraints to employee innovation in the BC Public Service.

Using existing research and case study analyses as a guide, it has uncovered the constraints and barriers to employee innovation and presented an overview of common strategies for motivating employee behavior and building a culture of innovation. Through interviews with key informants within the organization it determines how key themes presented in the literature are reflected in the BC Public Service. Situating this research in the BC Public Service offers context and allowed for a richer, more relevant analysis to builds on the research conducted by ADMC:SNI.

This research has also provided some important findings, which have necessary implications for existing and future strategies. It calls for alternation to existing strategies, a three tier funding structure, and further research to explore opportunities for new strategies. Taken together, the recommendations discussed in Chapter four present 22 actions to implement.

Viewed through the lens developed in this research, each recommended action on its own is an idea, a potential innovation, that if deemed valuable will require further development, sponsorship and leadership to implement. However, each will be subject to the same barriers and constraints that any idea or employee faces to being innovative at work. The cultural norms and behaviors as well as existing practices and structures will persist against change; people will persist against change. To that end, is it worthwhile to shine attention on the deficiencies of existing strategies or to recommend new ways of working—especially in an organization were such proposals are likely to be met with sheer insolence?

The short answer to both questions is yes. Building an innovative organization requires that disruptive ideas emerge through dissonance and as a commitment to the kinds of behaviors and values requested from employees, this research offer disruption, but as a means to exposing opportunity.

The overarching goal of this report was to provide FoW with ideas and options for building a more innovative organization and making ideas work in the BC Public Service. First and foremost, FoW needs to recognize that building an innovative organization and the networks to support it will require considerable effort and a long-term commitment to addressing the barriers to corporate transformation. Such an undertaking may have never been imaginable if left to individual ministries, but with the establishment of the new Workforce Planning and Leadership Secretariat and its subsidiaries, some level of credence is restored. With this said, FoW is well positioned to provide leadership to advance the innovation agenda and through networks and people, it will be able to diffuse both the message and practices that will enable the BC Public Service to move from retrenchment to renewal.
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**6.1 Building an innovating organization: General Motors and the creation of the Saturn Corporation**

General Motors (GM), one of the world’s largest automakers, is known for its high performance and commitment to innovation in the delivery of products and services, but in the late 1970’s and early 1980’s the multinational corporation faced a series of fiscal challenges. In response, GM initiated a search for new ways to manage their diverse factories and logistical operations in early 1984. To lead this effort, GM identified, appointed, and empowered an inter-organizational team to explore and champion new ways of working and build a competitive world-class automobile (Rubinstein & Koachan, 2004; Rehder, 1994).

Known as the ‘Group of 99’, this team was composed of members from the United Auto Worker Association (UAW), GM managers, and employees representing 55 GM plants and 14 of the 16 UAW regions. In addition to benchmarking new manufacturing technologies and work processes, the Group of 99 also explored different organizational cultures and ways of working. In one joint venture with Toyota, GM conducted a study of the NUMMI assembly plant (the first Toyota plant in the US) to examine the success of its strategies. It was GM’s intention to take newly learned approaches and transfer them to other locations in the corporation; unfortunately the new practices did not transfer as well as anticipated (Wall & White, 1997).

It was made clear to GM that any corporate change or new initiatives would be met with resistance from an entrenched bureaucratic value system and an assembly line mentality. Employees believed that top management cared more about product throughput than about people and the delivery quality services; it was this belief that set the tone for GM’s organizational culture.

In order to overcome cultural barriers and resistance to change, GM decided to create a completely new division, the Saturn corporation, as a way to ‘start from scratch’ and utilize the new managerial practices, strategies and structures needed to lead innovation in their industry (O’Dell & Grayson, 1998). This required not only the creation of new structures and technologies, but also new relationships across the organization and between management and employees (Schneider, Brief & Guzzo, 1996). Originally conceived of as an experimental project to learn how small cars could be manufactured using non-traditional approaches, the Saturn was created to utilize both people and technology to drive innovation, increase product quality and ultimately to transfer knowledge, technology, and experiences back to GM (Wall & White, 1997). It also bared an unmistakable resemblance to the lean system used by Toyota and other organization in Japan (Rehder, 1994). In particular, the Japanese concepts of ‘Kaizen’ (i.e. the search for opportunity to make continual improvements) and ‘Jidoka’ (i.e. the continued support for superior quality) were embedded within the Saturn model.

Within this new structure, employees were recognized and rewarded for identifying problems, taking initiative, halting processes to identify opportunities for improvement, and producing high quality outputs for customers (Schneider, Brief & Guzzo, 1996). Saturn also sought to develop employees’ potential, build mutual trust and develop performance through a team-based structure. The compensation and incentive system is also unique for union employees. When jointly set goals were achieved, both Saturn and the UAW shared in the rewards of corporate performance. Alternately, if quality standards, productivity standards, or other performance measures were not met, 20 percent of employees’ compensation would be placed at risk. This shared system of risk and reward was designed to both encouraged teamwork and continual improvement ‘by providing common overall goals rather than facilitating conflict through individual or group performance goals’ (Rehder, 1994, p.23).
Another key feature that sets Saturn apart from its parent organization was its utilization of training and development as a key strategy for sustaining an innovative culture. Each year the corporation spent more than $10 million to train and develop a workforce of 9,000 (Wall & White, 1997). Their training strategy was both measurable and competency-based with an overarching goal of having every employee trained as a trainer. In addition, forty-two percent of training time was spent solely on equipping employees with ‘soft skills’ like communication and conflict management (Rehder, 1994).

Has Saturn achieved innovation success?
Overall, Saturn’s corporate structure represented a departure from the traditional hierarchy. Employees are viewed as creative, innovative individuals capable of taking calculated risks and able to participate in decision-making process (Georgsdottir, Lubart, & Getz, 2003). Both employee and customers can sense that Saturn had a different look and feel than its parent organization (Schneider, Brief & Guzzo, 1996). The corporation has produced a competitive, reliable, high quality product at a reasonable price and offers courteous service to customers (Rehder, 1994).

The crux of culture
Although the Saturn model represents a significant departure from GM’s traditional system, the corporation still faces challenges to productivity, cost, and profits. Even though it has integrated elements of Japanese lean system, retrospective analysis indicates that Saturn was hardly lean when its first plant was built in the 1980’s. It has also been said that the Saturn team or the ‘Group of 99’ (composes of GM’s best and brightest) did insufficient ‘unlearning’ and may have transferred almost a century of traditional values, norms and tried and true practices from its parent organization. The 2001 decision to reduced Saturn’s autonomy and bring the corporation closer to other division in GM has also led many observers to question whether or not Saturn had departed far enough from the original GM culture to produce the innovation needed to be self sufficient (Georgsdottir, Lubart, & Getz, 2003).

In June of 2007, the Department for Innovation, Universities & Skills (DIUS) was created to provide national leadership in the areas of higher education, science and technology, intellectual property, and support evidence-based policy making across government. The department was also made responsible for leading the national innovation agenda by supporting scientific research and encouraging innovation in all sectors. In March of 2008, DIUS tabled its new plans to make the UK the best place in the world to run an innovative business or public service.’ (DIUS, 2008, p. 2)

Entitled ‘Innovation Nation’, this plan highlighted the department’s strategy to transform business in the UK by investing in people to unlock talent at all levels and investing in research by using regulation, public procurement and public services to shape the market for innovative solutions. DIUS knew the important role that government would play in fostering innovation and that next phase of public sector reform would require a focus on frontline innovation to generate innovations in healthcare, creative local transportation, and education and training. For these reasons, DIUS’s plan included strategies to transform their parent organization from the inside out. Two key aspects of their plan were to establish a Whitehall Innovation Hub and convene a network of senior Whitehall innovators.

Whitehall Innovation Hub

Shortly after DIUS announced its plans in ‘Innovation Nation’, the Whitehall Innovation Hub was created. Under the direction of the National School of Government’s Sunningdale Institute, the Hub works to build bridges between policy-making, transformative initiatives, and the National School of Government.

The Hub was established with a full understanding that social and public service innovation was growing, but that the diffusion of innovation across the public system was slow. For this reason, the Hub sought to tackle the cultural and institutional barriers to innovation across government. Four key principles were used to guide the design of the Hub’s strategy:

- Leadership and intermediaries (i.e. knowledge networks, innovation councils) play a critical role in the early adoption of innovation
- Creating space for innovation and for working offline is critical.
- Incentives are needed to support innovators and their work.
- The elimination of disincentives and systemic change are urgently required if the behavior and processes that inhibit innovation are to be removed.

With these guiding principles in mind, the Hub was able to identify four key objectives focused on supporting intermediaries and creating connections between those in government wanting to align their practices with the demand and flow of innovation.

1) Build connection and capacity for innovation across Whitehall

The Hub works to cultivate a landscape for innovation flow by connecting innovation champions through networks across government and the wider public sector, helping to build the government capacity to stimulate and recognize innovation, and support the transforming government agenda.

The Hub puts a strong emphasis on connecting:

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13 “Whitehall” is frequently used as a metonym for the overall UK governmental administration system.
- Public leaders at all levels who want to support systemic innovation and generate channels for the diffusion of innovation
- Individuals and groups involved in innovative practices across government
- Members across the Senior Civil Service to explore systemic innovation, forms of leadership that support innovation, and develop new strategies to support transformation

2) Make innovation integral to the National School of Government’s work
The Hub works closely with the National School to determine what skills and experiences are needed to stimulate employee innovation. Through this partnership they help to build the capacity of National School staff, test new learning strategies that may stimulate greater openness to innovation, and run activities that create an awareness of the strategic value of innovation in government.

3) Develop innovation ‘know how’ and thought leadership across government
The Hub commissions research to help define ‘what more innovative government means’ and what factors are critical for public service transformation. These strategies try to capture and define effective models of leadership for public innovation, promote knowledge co-creation, and facilitate knowledge transfer between partners in intermediaries.

4) Define and develop effective approaches to public service innovation diffusion
The Hub stimulates and publishes working briefs, research reports, and case studies on the forms of governance for transformational public services, local ecosystems for innovation (i.e. NHS innovation Hubs14), and structures that can be used to connect policy-making to the frontline.
The Hub’s network activity works to forge relationships between innovators to lay the foundations for a new landscape for innovation. These networks inform policy formulation and innovation strategies.

According to the National School of Government, creating the conditions for innovation requires new models for innovation flow. By creating a more open system, the Whitehall Innovation Hub has effectively creating an organizational network focused on transformation and helps to put innovation at the heart of central government in the UK.

The Whitehall Innovators Group
In May of 2008, the Whitehall Innovation Group was established to demonstrate a commitment to innovation in the Whitehall. The group is composed of 25 senior officials from central and local government with both an interest in and responsibility for public service innovation (National Audit Office, 2009; DIUS, 2008). As representatives from their respective departments, this group supports the diffusion of innovation and policies developed by DIUS, works with the Office of Government Commerce to increase innovativeness in the public sector and provides strategic leadership across Whitehall (National Audit Office, 2009). The Group also shares best practice, reviews case studies, advises DIUS officials on how to implement the recommendations presented in ‘Innovation Nation’, and refines the vision for a public sector innovation strategy. Most recently the Whitehall Innovation Group was tasked with analyzing how the self-assessment of departmental innovation published in DIUS’s Annual report should be developed.

14 The NHS Innovation Hubs were established in 2004/2005 to champion the cause for healthcare innovation and identify, develop and commercialized innovations and Intellectual Property created by NHS staff. For more information see www.innovations.nhs.uk
MindLab was first set up as an incubator for innovation in Denmark’s Ministry of Economic and Business Affairs. Dvir, Garcia, Ozores, and Shwartzberg (2007) describe Mindlab as a ‘future centre’, or a facilitated organizational space dedicated to supporting and preparing for the future and addressing it in a proactive way. These centres are typically used to nourishing radical innovation, act as a catalyst for change, and complement other functions of the organization through the following activities:

- Providing employees and other stakeholders an "Ecology for innovation" – a climate and environment that encourage innovation, wild ideas, and co-creation.
- Providing the method, facilitation and expertise needed to analyze long term threats, trends and opportunities: a ‘future image’.
- Providing a space for focused continuous dialogue between stakeholders.
- Providing a space where scenarios, radical policies and alternative futures are envisioned and developed in order for the basic assumptions of the organization to be refreshed.
- Facilitates the meeting of ideas and resources (i.e. financial, organizational, political and human resources).
- Offers a place for the rapid development of new products, services, business concepts, and ways of working (Dvir, 2009).

In January of 2007, MindLab adopted a new structure and vision focused on user-centered innovation inspired by direct consultation with citizens and businesses. In an effort to facilitate more joint-up government, MindLab’s Ministerial sponsors expanded to include the Ministry of Taxation and the Ministry of Employment. Under the strategic direction of a board of management and cross-ministerial Secretariat, Mindlab works to achieve five strategic goals:

**Innovation.** Development of new and qualified solutions via user analysis and user involvement that lead to improved service and desired outcomes

**Efficiency.** Better use of public resources through new solutions that hit their mark

**Culture.** Transformation of the ministries’ mode of operations through more user involvement and though activities that cut across the public sector

**Knowledge.** Development and sharing of up-to-date knowledge that promotes user-centered innovation in both the public and private sectors

**Branding.** Visibility demonstrating that Mindlab’s three parent ministries are involved in original thinking and the testing of new modes and methods of cooperation (Mindlab, 2009)

As a Future Centre designed to stimulate and maintain a creative spirit in the organization, Mindlab also engages the following:

**Constructive dissonance**- As stated by the Permanent Secretary of Economic and Business Affairs, ‘MindLab has license to be the loyal opposition. It has been tasked with being constructive critics within the system and to work from a citizen-centered framework’ (Munro, 2009, p. 22)

**Knowledge creation and diffusion**- Through dialogue and cooperation in national and international networks, MindLab is actively involved in the design of new methods and approaches concerning user-centered innovation in the public sector. They conduct and disseminate research highlighting best practices on how to involve users in the development of organizational solutions. Through their work, they have influenced the way the Ministry allocates funding for innovative projects and encourage senior staff to look at the idea first and resource implications second (National Audit Office, 2009).
Creative space and support for innovation - Taking its inspiration from the many knowledge-based organizations in the Danish private sector that have develop internal laboratories to incubate creativity and innovation, MindLab created its own ‘greenhouse for new ideas’. Before starting projects, groups and teams have access to the MindLab team who is dedicated to helping teams maximize their innovation. They support project groups through coaching brainstorming, and teambuilding processes to develop and strengthen ideas. They also offer projects groups the opportunity to work in a creative space and a climate outside of their everyday offices that promotes relaxation, thoughtfulness, and supports them in thinking outside of the box (Kjolby, 2004).
6.4 ‘Toyotaism: A philosophy and strategy for continual improvement and employee innovation’

At Toyota, their idea system is a central part of their ‘Kaizen’ management philosophy, a belief that continual improvement requires the involvement of everyone within an organization—top management, middle managers, and employees. In their company, the generation of ideas is not passively requested; it is headed and managed by the entire top management team and integrated into human resource practices. This level of commitment has inspired Toyota’s employees to produce more one million ideas every year over the last decade (Robinson & Schroeder, 2006).

Implemented in August of 1993, the suggestion system draws more than 20 ideas each year per employee, most of which are considered ‘simple ideas’ (Shimizu, 1998). Ideas are generated primarily through Quality Circles. Formally launched in 1994 as a key structure with the work environment, these groups allow employees to discuss opportunities for improvement and design ways to improve operations within the organization. Every six months, each group sets its own Kaizen goals (often based on a specific problem), which are either approved or modified by a section leader. At the end of this six-month period, the section leader evaluates whether or not goals have been achieved.

The key to Toyota’s ideas generation strategy is that it embeds innovation or continual improvement in the job descriptions of their employees and these improvement activities are treated as tasks (Sandberg, 2007). Generating new ideas is also integrated into their employee performance management system. The Job Ability Rank System is a central approach used by Toyota to motivate employees to continuously formulate ideas for improvement. In addition to being assessed on skills, techniques, ability to lead and cooperate, employees are assessed on their ability to contributing to continuous improvement and periodically on their ability to show the ‘concrete results’ of their work and activities (Sandberg, 2007). The Kaizen philosophy is also integrated into Toyota’s wage and promotion system, which encourages employees to participate actively in the suggestion system program and Quality Circles (Shimizu, 1998).

The execution of Kaizen principle within Toyota have been credited as a key factor in their ability to earn a greater share in the automotive industry, and at the expense of many US companies. Even though General Motors introduced a similar suggestion scheme in their organization, they have received less than one suggestion per employee per year and adopt less than 25 percent of the suggestions received. Conversely, Toyota received about 20 suggestions per employee with a 99 percent adoption rate (McMillan, 1984).

The application of Kaizen principles has been Toyota’s solution to the boredom and stress often associated with the mass production culture found in automotive companies. By downplaying the Taylorist distinction between thinking and doing and not pushing for radical changes, Toyota has effectively managed the inherent paradox found in most human organizations between control and freedom. This tight-loose structure allows for Toyota to manage the work of its employees while still allowing them to actively participate in change through arrangements like Quality Circles, study groups, quality audits and the suggestion system program (Sandberg, 2007). These team-based structures in tandem with a Kaizen philosophy also promote organizational learning and the generation of meaningful networks across the company. It should also be noted that since 1950, Toyota has not laid off a single employee worldwide (Robinson & Schroeder, 2006).
6.5 **The GameChanger: Making Ideas Work at Shell**

In many ways Shell, a multinational organization, is considered to be the exception rather than the rule among top organizations. They do not issue awards for new ideas, nor do they attempt to kill underdeveloped ideas. Conversely, Shell is considered to be an exemplar in the processing of ideas. Not only have they earmarked special funding to develop and strengthen individual ideas, they also ensure that idea generators are active participants in managing an implementing their ideas.

In 1996, Shell’s Exploration and Production unit developed the ‘GameChanger’ program as a supplement to their idea box system in 1996. With a special budget of $40 million a year, the program has been structured to finance and support the development of ideas and pilot projects that may stimulate businesses across the organization (Hansen & Birkinshaw, 2007).

Initially the availability of venture funding did not draw a substantial number of ideas. Shell found that many of their best and brightest had grown accustomed to working on clearly defined technical problems and found it difficult to think in terms of radical innovation. In order to harness the creative potential of their workforce, GameChanger’s executive panel enlisted the support of a team of external consultants who designed and ran a three-day “Innovation Lab” to help 72 employees develop ideas for radical innovation. Half a million dollars in funding were also provided to support experimental activities during the Lab. The Lab itself wasn’t a training session or developmental workshop; instead, it provided employees with the time, creative space and funding to experiment and take risks. The Innovation Lab also provided a work environment that provided incubation for their ideas to be tried and tested in a safe space.

By the end of day two, more than 240 ideas had been generated. The employees were also able to design a screening process for their own ideas and at the end of day three, 12 ideas were nominated for funding. Shell still continues to use periodic Innovation labs to engage and draw upon the ideas of their employees and follows with Action Labs to support employees in turning new ideas into concrete proposals (Hamal, 1999; Anthony, Johnson, & Sinfield, 2008).

In addition to the Innovation Lab, new ideas are also obtained through Shell’s employee idea system and within a week after an idea is obtained, the GameChanger executive panel contacts the employee(s) for clarity. If they see potential in the idea but want more elaboration and analysis done, funds are provided to further develop the proposed idea. Once a formal proposal is drawn, an extended panel assesses the feasibility of a pilot project. If accepted by the extended panel, a formal plan is developed with a series of milestones to measure progress and the project is implemented (Hamal, 1999).

Shell’s program does not only offer a timely response to idea generators, its committee actively supports employees to strengthen their ideas through partnership, feedback and developmental funding. Each year the program implements about 150 ideas from the larger idea box system with some projects producing revenues in excess of $18 million (van Dijk & Van den Ende, 2002). Shell recently estimated that every dollar invested in GameChanger program produced an average of $35 in wealth-creation potential (Belkhir, Valikangas, & Merlyn, 2003).

The success of this program can be attributed to its role in supporting ideas through all three stages of the innovation process (generation, promotion, implementation) and the emphasis that it places on the fuzzy
front end of innovation, idea generation. This approach enable shell and its employees to ‘get ideas right’ before the move forward to full implementation (van Dijk & Van den Ende, 2002).

6.6 **Making the Transition: The Projectized Work Structures at Hewlett Packard**

In 2000, the Infrastructure Strategic Engineering unit (ISE) was formed as part of a major reorganization of Hewlett Packard’s (HP) Information Technology (IT) group. As a research and development unit within the IT group, ISE worked to identify and assess emerging trends in the IT market that could be used to improve the organization’s corporate infrastructure.

Prior to this reorganization, HP’s IT group was functionally structured with each unit defined by its technical expertise (i.e. network security unit, PC operating systems unit). Each unit was in charge of all activities within their technical area (i.e. network security ‘upgrades’, network security ‘operations and maintenance’) and located in a single geographic location with global responsibility.

While the former functional organization was successful in conducting incremental upgrades and meeting short-term demands, it was less successful in identifying and implementing technologies that represented a significant break from the past. ISE was formed in response to this shortcoming and tasked with identifying and drawing in disruptive technological innovations that would transform HP’s corporate infrastructure.

**Culture and organizational design**

When forming ISE, the senior management team placed an emphasis first on culture and values before formally designing an organizational structure. They select people from all technical areas to create a diverse work environment. As a guiding principle in the selection process, they chose employees not just for their technical competence but also for their track record in developing strategy and their creative eye for identifying, championing, and installing next generation technologies.

The senior management team developed what they described as the ‘Picasso Model’ organizational chart, which was composed of three ‘blobs’ (also referred to as ‘competencies) representing the major technical/competency areas. The intent of this model was to create a work structure that allowed for employees to be shared across the organization. Employees could be drawn from each of the competency blobs to form temporary project teams when needed. Unlike most functional organizations these technical groups were not fixed entities but were created and modified in response to the changing demand for expertise and certain technological priorities. As stated in the ISE charter,

‘The competencies will be fluid and flexible; they will grow, shrink, emerge, disappear, or merge as we follow the natural path of our scanning research, prototyping, and design of IT infrastructure strategies and architecture.’

The goal of this free-form organizational approach was to promote cross-disciplinary work, break down silos and stimulate creativity and innovation via the cross-pollination of ideas. ISE’s senior management team believed strongly that identifying next-generation innovations would require a work structure that promoted ‘kaleidoscope thinking’, the development of strategies that crossed many areas, and allowed different technical employee to learn from their colleagues through project experience. The work structure was also in direct alignment with the new CEO’s corporate vision, which represented a shift from developing stand-alone products towards a focus on providing customer solutions through temporary projects.
**Internal marketplace for ideas and talent**

Initially ISE assigned employees to short-term research projects and formed teams in an ad hoc way, but in the fall of 2000, ISE initiated the launch of its first formal slate of research projects. The ideas for new projects were developed at what HP called ‘VC Cafés’, virtual meetings where the senior management team served as ‘Venture Capitalists’ and allowed anyone in the organization to present ideas for new projects to obtain funding. The senior management team viewed these forums as reminiscent of an internal marketplace for ideas. Meetings were held every three to four months and with the support of competencies managers, the ideas with the most potential were presented. Because these meetings were conducted virtually, an online idea forum and a peer review process were also put in place to support the development of new project ideas. Project ideas could also be brought directly to the senior management team through other avenues to receive funding. Other projects arose out of research requests sent to ISE by the executive leaders of the IT group.

In order to match talent to projects, senior management also established an internal marketplace for talent. They envisioned that employees within ISE would first be able to express what projects they would be interested in working on and in consideration of these preferences and other factors, project staffing decisions would be made. This vision was put into practice through a web-based system that allowed ISE employees to ‘bid’ on projects that sparked their interest. When an idea for a project was approved for funding, project leaders would send a notice to all staff in ISE describing the project and the kind of expertise needed. Employees were then able to bid by sending a response expressing interest. Once a pool of talent was identified, project leaders would work with first line managers to negotiate for talent.

By early 2001, the VC Café process was well in place and running a full slate of projects. Most project teams were composed of two to four employees often working on more than one project simultaneously. Projects were anywhere from one to six months long. Periodic reviews (open to all staff) were held for each project to draw insight from colleagues and track progress. Each competency group would also hold peer review sessions to draw in expert advice and highlight any technical issue that needed to be addressed.

**Assessing, retrenching, and realigning strategy**

In the spring of 2001, ISE’s senior management team conducted an evaluation of the VC Café process and identified a series of concerns.

- **Medium as the message**- some employees felt that the VC Café process favored those who had strong presentation skills. It was also felt that the process placed too much attention and recognition to ideas presented at VC Cafés and not enough on ideas presented informally within competencies or requested by IT group executives. These factors teams with the periodic nature of the VC Cafés led some to believe that employees would reserve ideas for the next high-profile forum rather than presenting ideas on a continual basis.

- **Alignment with corporate strategy**- because the VC Café process was rooted in a bottom-up approach to idea-generation, there was some fear that the project coming out of VC Cafés may not align with the priorities articulated by IT group executives.

- **Hierarchy of authority**- some first-line managers felt that the bidding process undermined their authority, because it allowed employees to contact project leaders directly instead of conferring with their managers first.
Assessing employee performance- ISE’s senior management team also noticed a variation in the kind of employee contributions that first-line managers valued when assessing their employees. In response the senior management team developed a document entitled ‘What’s important' outlining what managers were expected to recognize in employee performance evaluations.

Shortly after this assessment, a slowdown in the technology industry initiated its toll on operations at HP. The corporation announced that it would cut 4 percent of its workforce through mid-2001 and by the fall HP announced its plans to merge with Compaq. All of these events had an effect on ISE and led their senior management team to reassess overall strategy. Many face-to-face meetings for virtual project teams and senior management were cancelled, emphasis shifted away from bottom-up idea generation toward more top-down requests for projects by the executive leaders of the IT group. Top executives also shifted timelines from a focus on innovative technologies that would have an impact in three to five years, to identifying those that would have an impact in twelve to eighteen months. There was also a conscious effort to initiate fewer, projects that may pose a risk to stability. This shift in orientation was exemplified by the renaming of the VC Café being renamed the ‘Theme Café’.

Once the merger was closed in mid-2002, corporate executives and IT group executives decided that the IT groups from both companies should be combined. A newly-constituted IT research group was created to continue the kind of work done by ISE, but with a somewhat shorter-term focus and a broader mandate which included research on technologies that might also be of interest to external customers. The group’s new executive team hoped to find ways to incorporate and improve upon the project-based practices tried out by ISE and used them in the new setting.

**Creating an enhanced project-based staffing process**

Using information gathered from ISE’s assessment of VC Café and the support of an external design team from MIT, the new IT research unit worked to enhance the existing practices of their project-based structure. Their ultimate goal was to create a staffing process that would meet the needs of employees and management, effectively match talent to projects, and achieve the initial goal of sparking creative research through cross-disciplinary work. The new research unit wished to use a web-based repository with individual profiles of every employee working in ISE and details about new and active projects. To meet these objectives and design a virtual project management system, the joint MIT-ISE design team worked to addressed three key questions;

- Who would have the official authority to make staffing assignments?
- What mechanisms would be used to manage employee’s preferences for new projects?
- What features would be included in the individual skills profiles posted on ISE’s intranet?

Although there were many options for managing authority, the eventual design allowed for project leaders to have visibility into the organization's talent pool when staffing new projects, first-line managers to have sign off approval for any actual assignment that their employees were to take, and any disputes in this process would be elevated to a member of the ISE senior management team. With regards to how employees and project leaders could express interest in a project or talented individual, the eventual design focused on informal mechanisms like phone calls or the exchange of emails. A more contentious issue was over the characteristics of employee profiles and what information would be relevant for project leaders trying to create teams. Most were in agreement that technical skills and past experience should be included, but many weren’t sure of the value in including information on project experience in ISE, availability, performance on past projects or information on interpersonal skills and work style. Another discussion was had about whether or not ISE employee profiles should be open to other units in HP with which ISE often worked with. In the end ISE used Connex, a skill-profiling tool developed by
HP Labs that displayed a mix of structured and unstructured information. This included some selective information about performance on past projects.

**Strategy in action**

Although many of ISE employees had had a taste of what project-based work was like before the HP-Compaq merger, there were still innate tensions within the organization when the enhanced staffing process were put into place. Moving from operationally based work in the IT group to project-based work was challenging for many employees. This change required employees to reassess their roles and the nature of their contribution to the organization. Because ISE’s mandate and work structure were focused on identifying radical, disruptive innovations, many employees had to cope with the reality that even well executed research projects could result in failure. In fact the senior management team estimated that at most, 2-3 out of 10 projects were destined for and could be adopted at HP. Interestingly enough, a sense of relentless pride often led project teams to reframe losses as wins. When technologies weren’t adopted and teams confronted dead ends, they felt more inclined to demonstrate that their efforts produced some returns. Rather than reporting that a particular technology wasn’t promising and that the project should shut down, teams focused their attention on presenting lessons learned and suggesting next steps.

Initially, the informal networks and functional/regional silos described by the senior management team as corporate ‘muscle memory’, also placed some moderate strain on the vision of creative research though cross-disciplinary work. Those who were new to the organization often felt out of touch for not being plugged into these well-established networks. With regards to project staffing, some employees assumed that groups within the competencies had a territorial claim on ‘their people’ when staffing projects. Technical groups were still inclined to work on projects exclusively in their technical realm and staff by internal people. First-line managers often blocked their direct reports from being staffed on cross-disciplinary projects because their already had a full slate of work within their area.

The senior management team observed these practices within technical groups as a continuation of how things were done in the old functional organization. They knew that they could not just flash an attractive mandate in the face of such behavior. Instead they focused on practices that would demonstrate to employees how their functions and interests overlapped, allow employees to become more acquainted with one another, and show them that success could come out of cross-disciplinary work. Rather than implementing a new strategy to restate their vision and mandate or outlawing project work inside of groups, the senior management simply encouraged cross-disciplinary work gradually and persistently. They would actively merge new teams to work in joint projects. The y promoted the launch of several cross-disciplinary projects, many of which produced innovative findings and earned the attention of top executives in the organization. Employees who were a part of these projects credited the diverse work environment for the success of their projects and that they were able to experience how valuable the new staffing process was for creative research. Overtime, these projects helped to stimulate the kind of buy-in needed to validate the new staffing process in ISE. Anecdotal evidence also suggested that the new process resulted in a better fit between people’s interest and the work they were doing. It was experiences like this that had a huge impact on intrinsic motivation, employee engagement and created a newfound buzz that many employees couldn’t resist being a part of.

Over time the VC Cafe and the new staffing process also led project leaders and employees to interact in a virtual forum. Even when these interactions did not result in matching people to projects these simple technologies enabled employees to identify common interests, consider opportunities for future collaboration, and develop networks across the organization.
Conclusions: Transferability of ISE model

According to the MIT design team, ISE was in a unique situation. It was a relatively small research and development group that was not subject to the same time pressures often faced by operational organizations. Any attempt to use the ISE framework in a larger more complex environment would require a shift in form, structure, process and tools. These may include but are not limited to a more structured and standardized skills profile, differing ways to assess an employees past performance, and more sophisticated search methods. It is also likely that the direct conversation between employees and project leaders seeking staff could not be as extensive. Larger organizations may benefit more from a system that matches talent to projects using an automatic matching algorithm and other enterprise-wide staffing tools and processes. With this said, the best approach in large organizations may be to start with a smaller units like ISE with the intent to extend project-based staffing practices to other internal units.

(Laubacher & Malone, 2002)
6.7 Denmark’s Ministry of Trade and Industry: From functional structure to project based organization

The Ministry of Trade and Industry (MTI) has had an evolving role in the Government of Denmark since it was formed at the beginning of the 20th century, but since the 1980’s it was responsible for managing regulations and policies related to manufacturing, trades, exports, consumers, and other elements within the financial sector.

In 1994, MTI, composed of 1750 employees, was merged with the Ministry of Business Policy and Coordination (BPC), a new ministry composed of 40 employees. By virtue of the size and maturity of MTI, BPC was immediately absorbed into the hierarchy of the large, 90 year old ministry whose culture and structures set the tone for the new ministry; It was segmented, inflexible and lacked innovative ability. The new ministry also extended its mandate and was made responsible for coordinating all government polices with an impact on trade and industry.

It wasn’t long before the new senior management teams felt the structural constraints of the deeply embedded bureaucratic culture and its impact on operational efficiencies. In order to change the culture and create a more flexible, proactive organization, they formulated a new vision for the Ministry, which included a new working method, a new attitude, new objectives, and a new organizational structure that would enable the organization to better manage operations and strategic development.

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**THE VISION FOR THE MINISTRY OF TRADE AND INDUSTRY (1995)**

The overall goal of the Ministry is to contribute to the development of the Danish society by building up a framework for business activities that is able to contribute to wealth and welfare both in the short and in the long run. In practical terms this means

1. The Ministry has to deliver first class service to its customers within its jurisdiction. Therefore, the Ministry has to be
   a) a service minded organization, where citizens and enterprises get quick, fair, and friendly service and
   b) an organization that has a thorough knowledge of its own legislation and regulation and is able to administer it in a simple and consistent way respected by ordinary people/enterprises, by professionals and experts, as well as by politicians and the parliament.

2. The Ministry’s legislation, regulation, and services must be up to date and meet the enterprises’ needs for good working conditions constituting an optimal framework for the enterprises to develop within the era of globalization.

3. The Ministry has the responsibility to take care that the Government’s policy in all respects takes into consideration the needs of enterprises for working conditions that make them competitive (the coordination function).

4. The Ministry shall foresee and respond to new trends in the development of society, irrespectively of whether the changes are of technological, political, social, or economic nature. The Ministry shall be an active participant in the debate of the development of society (strategy formulation function) by delivering analyses of high professional quality to the politicians and the public.

(Kjolby, 2004, p. 4)

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Addendum: New government and reorganization in Denmark (2001)

The Danish Parliamentary Election of 2001 saw a dramatic change in the political composition of the Danish parliament. For the first time since the 1924, the Social Democrats did not earn a majority and in November of that year the new Liberal government (Venstre) took office in Denmark. The new governing party reorganized tasks among ministries and resulting in some tasks were transferred from the Ministry of Trade and Industry to other ministries and new tasks being absorbed by the Ministry of Trade and Industry. The Ministry’s name was also changed to the Ministry of Economic and Business Affairs. The Ministry doubled is size and the number of agencies increased from 6 to 10.

Although the people and tasks have changed, but the new Ministry of Economic and Business Affairs still uses the project and team based management model. So for the time being the model seems to have survived the merger two years ago of four different organizations and cultures.
The goal was to create a more responsive, productive organization that was capable of attracting talent from a pool of highly educated people, who wanted challenging work that afforded them autonomy and freedom.

In order to fulfill this vision, a new work structure was gradually introduced into the ministry over an 18-month period to transform the organization from a traditional hierarchy into a project-based organization. The goal of this change was to increase the ministry’s capacity to design innovative policy strategies, increase flexibility in allocation of resources (both human and financial), and to create a more attractive, engaging work environment for the next generation of public service employees.

The Ministry initiated its change in the fall of 1995 by creating a pilot unit to test out the new methodology and immerse themselves in a projectized work environment. The pilot structure itself was inspired by a private organization named Oticon. The senior management team had developed a strong rapport with Oticon during the transformation and after one year, the pilot was considered a success. At this time other units across the ministry sought permission to create project-based work structures within their offices.

By early 1997, the Ministry initiated a formal change away from the traditional hierarchy to a project-based and team-oriented structure. As part of this transformation, nine separate divisions were dissolved, and three “competence centres” were created based on the skill set within the organization: Centre for Commercial Law, Centre for Industrial Policy and Center for Business Economics. Each centre was responsible for managing the talent of its employees (i.e., training and development) and managers undertook new roles as coaches for project groups and teams. Figure 1 presents an illustration of the Ministry’s structure before and after transformation.

In the project-based organization, work was structured into three categories: large development projects were managed by project groups who worked on a full-time basis, while small development projects and day-to-day operations were managed by teams made up of employees who worked on multiple projects. Each project group or team was autonomous from management, had no formal project manager or leader and was made up of 3-5 employees. Managers played a supportive role and coordinated activities across the different groups.

For each project a contract was created between the project team and the project owner (i.e., senior manager from executive team with authority over funds). The contract outlined key objectives and goals, the time horizon, roles for the project teams and managerial coaches, and the financial budget for the project. The contract was signed by each member of the project team and by the project-owner. This
contractual agreement was structured much like a third-part consulting agreement but with the project owner acting as a customer to the project on behalf of the minister. The role of the senior executive team was to decide collectively which project should be initiated and how each project should be staffed. Projects were selected and introduced biannually.

**Successes and lessons learned**

When the concept of a project-based organization was first introduced, many employees thought that quality of the daily services would decrease. The new strategy offered such a streamlined approach to resource allocation that employees could not imagine how core operations would be effectively managed. To the surprise of many onlookers, the efficiency and effectiveness of services improved.

The project-based structure in Denmark’s Ministry of Trade and Industry demonstrated success on many fronts. Once thwarted by a culture that clung to the status quo, the new structures and practices allowed the organizations reallocate more of its resource towards growth and development activities while decreasing its budgetary resources used to deliver day-to-day services from 50 percent to 30 percent over a 4 year period. The new work structures have increase productivity and the number of innovative policy solutions generated through developmental projects has increased considerably.

Since a project-based structure was introduced, employees’ satisfaction with working conditions also improved. In fact, measures of employee satisfaction indicate that that about 90 percent of employees in the Ministry felt that they were operating in stimulating working conditions that offered them professional development opportunities.

Even with success, the Ministry of Trade also learned some valuable lessons through their transformation. One of the most difficult challenges was how to redefine roles within the organization. In particular, there was some internal confusion on the role of management in the new project based organization and the degree of autonomy afforded to project groups and teams. Questions were raised as to whether or not project groups and teams should be managed differently than employees were in the past structure and what key roles managers should perform to add value.

The Ministry learned that the only way to resolve these tensions was through consultation and opening up forums to discuss roles and relationships in the new work structure. The eventual structure required managers to play a key role in appraising the functioning of teams and only interfering to resolve conflict, low performance, or incongruence between skills and the needs of a given project. The managers also were expected to create a culture and environment where people were able and willing to help each other. In the Ministry, managers focused more on managing people as a coach rather than managing work and operations. Having managers who were able to accomplish these tasks was key to stimulating a truly cross-disciplinary approach in the Ministry.

A second challenged faced with the Ministry was how to train employees and build social networks across the organization to facilitate collaborative work and knowledge sharing. In a functional organization, small communities are well established and provide new employees with a stronger sense of identity. The creation of functional groups can support learning, professional development and a general feeling of security in a large corporation; even the hierarchy within a division can create a sense of safety. In a project-based structure these structures were often absent. For the Ministry the primary response to this challenge was awareness and orientation.

According to Kjolby (2004), the successful transition from a traditional organization to a project-based organization in the Ministry of Trade and Industry was contingent on the key factors. First, the senior
management team presented a clear vision of where they wanted the organization to go and why it was necessary to make changes within the organization. They delivered a consistent message of purpose to employees which they maintained through continual communication and emphasizing their commitment to the change.

Second, the senior management teams identified a group of dedicated employees to function as change agents within the organization, effectively forming a bridge between the corporate vision and the hearts and minds of employees. These change agents made it possible for the senior management team to communicate with employees, spread a consistent message and engage in open dialogue about the change initiative.

Third, before the new structures and practices were introduced to the larger organization, they were tested for a full year within a pilot unit. This first step demonstrated to employees that the proposed change was not only advantageous for top-managers within the organization, but also for individual employees. The acceptance of the new work structures was only possible because employees believed that the new organization would give them a more interesting working life and improve the operation within their work environment.

In summary, the goals of introducing a project-based structure in Denmark’s Ministry of Trade and Industry were fulfilled, but even their approach reveals that no organizational model is perfect. Organizations who choose to replicate and introduce similar model will need to ensure that their approach fits the organization, the vision that senior have for the organization, the input from employees at all levels and a thorough understanding of the needs of clients. In order to be a successful in the knowledge society, organization need to focus on flexibility, the needs of clients, innovation and harnessing the creativity of employees. With this said, organizational structure should be designed with the factors of success in mind.

(Kjolby, 2004)
6.8 Employee Recognition in the Ontario Public Service: Strategy and Funding

In today’s labour market, recruiting and retaining top talent is no longer just about financial compensation. Employee satisfaction, engagement and innovation require organizations to think more broadly about incentive structures and the strategic use of rewards. It is for this reason that the Ontario Public Service embraced a new recognition strategy to attract, retain, engage and motivate employees in their organization. Although the organization encourages managers to show their appreciation and encouragement for everyday demonstrations of excellence, verbally, through a letter of appreciation, or by other means the organization also has as a more formal structure for employee recognition.

**Formal recognition**

In the Ontario Public Service, the formal recognition program entitled the Amethyst Awards, recognizes individuals, groups or partnerships that make exceptional contributions to public service in the areas of client service, innovation, valuing people, professional achievement and life-time achievement.

Several ministries also have their own formal recognition programs. The Ministry of Natural Resources’ PRIDE program (People Recognizing Innovation, Dedication and Enthusiasm) has been in place since 1998. PRIDE is a peer-to-peer recognition programs that awards achievement in seven categories. The success of the program has been attributed to the extensive involvement of employees in its design and implementation. The Management Board Secretariat’s VOICE awards have been recognizing employee excellence since 1999 and the Ministries of Citizenship and Tourism and Recreation’s Discovery Award recognizes best practices, teamwork, excellence in customer service, outstanding leadership, spirit, and innovative risk-taking.

**Enhancing the formal recognition structure**

Although the Ontario Public Service earned great success through their existing recognition programs, in 2003 (formally approved by cabinet in 2004), the organization began to rethink how and what they could provide for talented and highly skilled employees in order to keep them engaged and focused on meeting new objectives in the corporation. The focus here was on ‘strategic rewards’ that encompassed everything an employee values that may motivate high performance, creativity and innovation.

In order to accomplish this goal and create a culture of recognition the Ontario Public Service established a Recognition Fund. The fund operates to complement existing formal and informal recognition initiatives across the corporation, create a permanent recognition culture based on OPS values and principles; and encourage and financially support managers in taking a leadership role in creating recognition culture.

For managers, access to the Fund sends both a message that recognition is core to what they do and enable them to think of creative ways to praise, honor, and encourage certain behaviors, achievements and actions amongst individuals and team. Funds have been used to provide cash rewards and to run events recognizing the work done by employees in the organizations.

Like past reward programs the key to the success of the Recognition Fund has been active employee involvement in the program’s design. Several design and consultation meeting were held with key stakeholders including managers, employees, recognition coordinators and members of the Ontario Public Service Employee Union. Managers have also been trained on the importance of recognition in the work environment and its impact on key business outcomes. Managers have also been taught the guiding principles and practical skills of everyday employee recognition, how to identify behavioral strategies, and to increase supports for a recognition culture. *(Civil Service Commission Annual Report, 2003)*
6.9 Aligning Knowledge for Innovation: Community Collaboratives in UK National Health Services

In 2000, the UK National Department of Health in England and Wales took its first steps towards transformation, change, and a revolution in health care when they tabled the National Health Service (NHS) Plan. The document explicitly committed NHS to service redesign and a private sector oriented change management strategy. Corporate knowledge management and the creation of ‘Breakthrough Collaboratives’ were highlighted as foundational features in the ten-year plan and a key means by which the organization would improve the quality of care (Bate & Robert, 2002).

The NHS collaborative methodology was a strategy modeled after the Institute for Healthcare Improvement’s (IHI) ‘Breakthrough Series’. It was designed to close the gap between the best available knowledge and empirical evidence in public healthcare and the practices used every day to deliver healthcare services. It relies upon the adaptation of existing knowledge in new contexts to create new knowledge that can be used to improve services.

For the NHS, the real power of the Collaborative methodology was rooted in its ability to create horizontal networks that cut across hierarchical structures and organizational silos. These communities allow for a diverse group of professionals to come together, share their experiences and best practices, and use them to make specific improvements to services. Through both face-to-face and virtual collaboration over pre-determined time period (6 to 15 months), they engaged in cross-boundary knowledge transactions to accomplish a clear objective. For example, the Orthopaedic Service Collaborative’s main objective during its nine-month tenure was to reduce the average length of stay for clients receiving total hip replacement surgery. The following was expressed in their founding documents:

We will work together for nine months to achieve the collaborative goals by sharing ideas and knowledge, setting specific goals, measuring progress, sharing methodology for organizational change, and implementing iterative tests for change . . . continual mutual support is the lifeblood of the Collaborative in creating an environment for mutual self-improvement in the quality of local services (Bate & Robert, 2002).

These open forums allowed for less senior employees (i.e. new hires, frontline staff) to play an active role in service improvement, take real ownership for addressing local problems, and learn form a community of seasoned practitioners. They have also sparked the implementation of incremental, bottom-up improvements.

One of the key characteristics of the NHS collaborative methodology was a focus on transferring implicit or tactical knowledge. The NHS method uses a social constructivist KM model, which views knowledge as being intrinsically linked to the social and learning processes within an organization (McAdam & Reid, 2001). The value of tactical knowledge has also been recognized in the private sector for some time (Hauschild, Licht, & Stein, 2001). Hence their strategy was less about capturing and documenting knowledge and more about generation, transfer and use. As stated in the NHS Plan, ‘Breakthrough Collaboratives would provide a new system of devolved responsibility and help local clinicians and managers redesign local services around the needs and convenience of patients’ (Bate & Robert, 2002).

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In principle, the establishment of collaborative communities to smooth the progress of the NHS modernization agenda was well received and the success of the IHI Breakthrough Series offered a strong business case for pursuing a similar model. Evidence now suggests that the model have stimulated service improvements\textsuperscript{17}.

Unfortunately, the NHS Collaboratives have achieved less than was anticipated. For example £750,000 was invested in the Orthopedic Service Collaborative and the mean length of stay (LOS) in hospitals was reduced by only 12.2 percent. Results ranged from a reduction in LOS of 36 percent to an increase of 12 percent across the 28 NHS Trusts (Ovretveit et al., 2002). Bate and Robert (2002) highlight four reasons for this apparent shortfall:

- This initiative required a substantial shift in culture in order to create and sustain horizontal networks across the organizations and the magnitude of this challenge was severely underestimated.
- Each collaborative required strong local leadership and support to produce results and maintaining the motivation and commitment of hard-pressed employees (i.e. clinicians and managers) through the duration of the initiative was a challenge.
- Identifying and empowering the appropriately skilled frontline staff to lead and participate in what may appear to be a daunting change initiative
- Making collaborative tools and technologies available and overcoming deficiencies in IT skills and systems may have hampered progress.

One of the key successes was achieved through the Orthopaedic Service Collaborative. The main objective for this community during its nine-month tenure was to reduce the average length of stay for clients receiving total hip replacement surgery. The following was expressed in their founding documents:

> We will work together for nine months to achieve the collaborative goals by sharing ideas and knowledge, setting specific goals, measuring progress, sharing methodology for organizational change, and implementing iterative tests for change . . . continual mutual support is the lifeblood of the Collaborative in creating an environment for mutual self-improvement in the quality of local services (Bate & Robert, 2002).

For this community, shifting the culture towards information sharing was cited as key for meeting this objective. The Collaborative structure was able to create a horizontal network across the organization, stimulate the motivation, commitment leadership and support of hard-pressed clinicians and managers, and strategically identify the appropriate frontline employee to lead and participate in a transformative change initiative.

\textsuperscript{17} One of the first was of a neonatal intensive care collaborative which achieved a fall in infection rates of 5% from 22% over a 2-year period compared with a control group. In a US collaborative on caesarean section in 1995 sponsored by IHI and involving 28 organizations, 15% of teams reduced caesarean section rates by 30% or more in 12 months and 50% achieved a reduction of 10–30%. Another IHI collaborative reported that 20% of hospitals participating in an adverse drug events (ADEs) collaborative made one successful change—“an improvement of 20% or more in the target measure (a decrease in the rate of ADEs or errors, or an increase in compliance or another process indicator)”, 50% of hospitals made 2–4 successful changes, 20% made five changes, and 10% dropped out or only collected data.\textsuperscript{12} The UK cancer collaborative was reported to “save 400 years of cancer waiting times since it was begun in June 2000”.\textsuperscript{5} A UK primary healthcare collaborative on improving access and reducing delays between primary and secondary care was reported to have reduced the risk of coronary heart disease by 34% in the practices involved.\textsuperscript{13} Similar results were also reported for “spread practices”—that is, those to which the ideas were spread beyond the collaboratives.
On April 27th, 2009, the Health Minister in England announced its funding strategy to stimulate employee innovation across National Health Services (NHS). The Strategic Health Authorities Innovation Fund, (a total of £220 million over 5 years), was created to encourage the spread of innovation. Building on the Department’s firm commitment to public sector innovation and transformation in healthcare, England's ten Strategic Health Authorities (SHAs) were each given access to £2 million in 2009/10 and £5 million for the subsequent four years (Department of Health, 2009).

The purpose of this fund was to support staff at all levels of the NHS to generate and develop ideas, reduce the time it takes for innovative solutions to move from design to implementation and enable each SHA to invest directly in a combination of projects on the ground and at regional level. The ultimate goal of this funding program was to empower and inspire almost 1.3 million NHS staff and their colleagues in the social sector to produce meaningful improvements for patients directly and increase the quality of the care they receive (Department of Health, 2009).

The funding provided to each SHA is offered with no strings attached. Each was given autonomy in how they wished to allocate the funds and design ways to stimulate healthcare innovation amongst employees. For example, the East Midlands SHA has used its funds to support Innovation Fellows, present bursaries, provide awards and recognition for employee innovation, and build leadership capacity for innovation. Conversely, the North West SHA created an ‘Enabling Change Fund’, a ‘Prize Fund’ and dedicates a portion of the Funds toward establishing and supporting knowledge management systems, facilitator training for innovation and mentorship schemes for successful entrepreneurs and innovators development. Non-NHS organization such as industry, academia and non-NHS providers can submit applications but only if they are in a developed partnership with an NHS commissioner SHA, or Primary Health trust.

The Application Process

In order to ensure that the fund draws out innovative solutions and opportunities for improvement, each SHA has created an open, accessible, and transparent application process. Information on the fund, its annual priorities and the application process is publicly available. Each SHA has developed an Innovation Fund Application guide that explains:

- What the fund is, who can apply, how the apply, what type of funding is available
- The SHA’s focus and priorities for funding and what information applicants will be required to provide to demonstrate that the funds have been successfully used.
- How applications are assessed
- Examples of projects that have been funded
- A contact list of Innovation Leads in the region

To manage the two biannual application rounds and prioritize requests for funding, an independent expert panel was also established in each SHA to manage and assess local funding applications and make awards (Darzi, 2008).

Introducing paradox

In order to temper this level of freedom and incentivize the commitment to stimulating employee innovation, the Health Minister tabled a report entitled ‘High Quality Care For All’ which outlined the
proposal for a NHS Constitution containing each SHA’s legal duty to promote innovation. The Health Bill that contains the NHS Constitution is currently being passing through Parliament and is likely to receive Royal Assent in the fall of 2009 (Cambridgeshire SHA, 2009).

Although this duty will not be heavily prescribed or performance managed by the Department of Health, each SHA board member is expected to stimulate, support, and promote innovation in their region. In order to demonstrate progress each SHA is required to produce an Annual Innovation Report setting out how the SHA has applied NHS’s change principles and the progress that has been made towards improving service quality, productivity, innovation, and prevention. They are also required to outline the resource used, and the impact of this on clients, staff and organizations (Yorkshire and Humber SHA, 2009; East England SHA, 2009). The idea behind the duty will be to harness the creativity and best practices that are found at the frontlines of patient care and ensure that innovative solutions are able to benefit as many patients as possible (South Central SHA, 2009).
6.11 3M: AN ORGANIZATION BUILT TO INNOVATE

The continuous generation of new product concepts and ideas is embedded within 3M’s corporate strategy and culture. By setting stretch goals for corporate innovation, designing structures that support innovation and providing employees with the resources to innovate, 3M encourages the creation of new ventures and communicates to employees that innovation is highly valued. A look at the elements of these strategies reveals their willingness to drawing upon the entrepreneurial spirit and internal capacity of their workforce and ensuring the successful implementation of as many new ideas as possible. Unlike many of the other organization present in this research, 3M has effectively designed strategies which cross all key areas (organizational design, idea management, new venture funding, work structure/work environment).

Stretch goals
A key force behind 3M’s intrapreneurship is the corporate-wide requirement that each of its business units (regardless of function) actively generate new lines of business. When this challenge was first issued to employees, business units were expected to draw 25 percent of their annual revenues from products introduced within the last 5 years (Gundling & Porras, 2000). When this target was met corporately for the first time in 1997, the company’s CEO stretched this goal even further, requiring business units to ‘produce 30 percent of its annual sales form products that have been introduced in the preceding four years’. (Rice, O’Conner, Leifer, McDermott & Kuon, 2000, p. 3). Just two years later, business units were also expected to earn an additional 10 percent of their sales from products from products that were in the marketplace for just one year. Because these performance benchmarks are so heavily embedded within the operational structure of the organization, employees and management are forced to view every idea as a potential business opportunity. At 3M, employee innovation is a matter of corporate success (Block & MacMillan, 2005; Appelbaum & Kamal, 2000).

Developing and supporting new ideas
In support of these objectives, 3M invests more than 1$ billion in research and development (roughly 6 to 7 percent of their annual budget) and provides employees with the creative space needed to generate new ideas. The ‘Fifteen Percent Rule’ is a policy that earmarks time for employees to work on unassigned projects and initiatives. Although a literal understanding of this policy suggests that each employee has exactly 72 minutes per day to be creative, management within 3M indicate that the ’Fifteen percent’ part of the rule is essentially meaningless; some employees use much more time, some use less, and other spend no time working on side projects.

“The whole idea of the 15-percent concept is to encourage innovative people to talk about their ideas and to experiment. This is important, because one of the key characteristics of innovators is that they will try something first and explain it later.” (Nicholson, 1998, p. 37)

According to Bill Coyne, Head of 3M Research & Development, ‘the number is not so important as the message, which is [that] the system has some slack. If you have a good idea, and the commitment to squirrel away time to work on it, and the raw nerve to skirt your lab manager’s expressed desires, then go for it’ (Gundling & Porras, 2000, p. 45)
Corporate Networks
Communication plays a key role in employee innovation and has been an essential part of 3M successes. To facilitate communication between differing functional groups, 3M uses both formal and informal networking activities.

Technical forums - Communities where technical employees can share technology, best practices, policies and procedures and host events to present their work to other employees.

Inter-organizational exchanges - It is common for 3M employees to spend time working in other divisions or labs overseas to help introducing new products or technologies.

Collaboration and communication tools - 3M makes use of the latest tools and technologies to promote communication and interactivity across the organization. 3M also has its own internal TV to broadcast corporate information, values and messages.

Work Structures
3M is known for its well-developed venture-based work structure. Most business units within the organization were established through the consolidation of a new product team. When an employee generates an idea for a new product, he or she recruits a team of employees from each technical area. As a representative unit, the team designs the product and plans how to manufacture, market and sell it. For each member this experience is a professional growth opportunity and as the project grows, the roles and responsibilities of each player can grow. Some projects spawn new departments or divisions, while their project leaders become department managers or division managers.

Intrinsic reward system
Although 3M uses common tools like salary increase and promotions to keep its employees happy, it does not provide special compensation for venture managers and teams who achieve commercial success. This approach differs greatly from many organizations that offer managers’ incentives and financial rewards for establishing profitable lines of business (e.g. providing a portion of returns for new ventures). Instead, the reward for success at 3M comes in the form of personal achievement, venture development experience, publicized recognition (i.e. Golden Step Award, Technical Circle of Excellence) and a track record for strong performance (Conceição, Hamill & Pinheiro, 2002). Through their relentless commitment to entrepreneurship, 3M is able to provide its employees with opportunity for growth and development. In fact, many former venture managers have moved into top executives positions (Block & MacMillan, 2005).

Funding and implementing new ventures
At 3M, innovation and intrapreneurship have been a key part of its corporate strategy and culture since the company was founded in 1902. Although 3M uses all forms of venturing to stimulate innovation, they are most well known as an exemplar in the execution of their internal venturing strategies (both direct and indirect).

The Corporate Enterprise Development Group (CED) was formed in 1997 to facilitate direct-internal venturing activities within 3M. The unit was tasked with recognizing and nurturing new ideas and opportunities from within business units that could not receive the time and attention needed to be moved into the marketplace. CED works to accelerate and invest in the development of new ideas without any financial or managerial intermediation. Although every division within the company contributes to a central fund used to provide seed money for these new ideas, it is CED who selects, invests funds, and manages these new ventures (Gundling & Porras, 2000; Rice et al., 2000).
The Alpha and Genesis grant program was designed to encourage indirect-internal venturing. The Genesis Grant program allows technical employees and groups to apply for funds to support the development of new ideas (often developed in the time earmarked for employees to innovate). These grants can be used to pay for a variety of things from equipment to temporary labor. Alpha grants also serve the same purpose but allow employees to develop ideas outside of their technical area.

Through the above-mentioned programs and the ‘skunk-work’ of intrapreneurial employees, 3M has demonstrated that it is in the business of continual innovation, but with so many ideas for new products and technologies being developed, it can be easy to spread resource to thin and miss opportunities to get breakthrough innovations to the marketplace. In light of this challenge, 3M developed Pacing Plus, a designation used to prioritize innovative projects and programs. In order to be given this designation, a new project or program must use one or more proprietary 3M technologies, provide new unit growth, meet corporate financial targets, be fully resourced, have global application, demonstrate that they have large sales and profit potential and be so innovative that they have the potential to change the basis of competition in the marketplace (Nicholson, 1998; Conceição et al., 2002). These projects (roughly 25 to 30 at any given time) receive priority access to 3M resources, operate in an accelerated timeframe and employ the best available product commercialization processes. Today, the Pacing Plus initiative is the most powerful management tool used by 3M to support ideas with strong potential (Gundling & Porras, 2000; Kassam, 2005).
Bibliography


Dear Innovation Champion,

From time to time, the BC Public Service sponsors students in the completion of research projects for their Master’s Thesis. Currently, we are working with Tania Betiku, a University of Victoria Master of Public Administration student.

Tania is exploring strategies to build an innovating culture in the BC Public Service. As part of her research, she is examining organizational culture, employee behaviour, and what approaches and initiatives are being used by other organizations to build a culture of innovation. Her research will provide the BC Public Service with valuable intelligence on how to design future strategies to support our corporate transformation.

In support of this research project, I am inviting you to participate in an interview. Tania wishes to learn more about your experience as an innovation champion and is seeking your insight on the culture in of your Ministry/Unit and the BC Public Service. In particular, she is interested in learning about the activities occurring within your organizations to generate ideas and what strategies can be used to remove barriers to innovation.

Interview participation is voluntary and will take approximately 30 to 45 minutes. Only aggregated data will be reported in the final report to the Secretariat and individual participants will be anonymous in the dissemination of results. All data obtained will remain with the Secretariat who may wish to conduct further analysis. A copy of the final report will also be published and housed at the University of Victoria. All data will be kept strictly confidential and safeguarded using appropriate security measures.

In the next couple of weeks, Ms. Betiku will contact you formally to request your participation and if you are interested she will select an interview time that fits your schedule. You may also wish to contact her first to confirm your interest. She can be reach by email at Tania.betiku@gov.bc.ca or at 250-508-4677.

If you have any questions, please feel free to call me. Ms. Betiku’s credentials with the University of Victoria can also be established by calling Dr. Lynne Siemens, Assistant Professor, Faculty of Business/School of Public Administration, at (250) 721-8069 or by email at siemensl@uvic.ca.

Thank you for your time and consideration.

CJ Ritchie
Executive Lead
Future of Work Initiative
Ministry of Citizens Service
CJ.Ritchie@gov.bc.ca
250-953-3470
Dear Spark User,

From time to time, the BC Public Service sponsors students in the completion of research projects for their Master’s Thesis. Currently, we are working with Tania Betiku, a University of Victoria Master of Public Administration student.

Tania is exploring strategies to build a culture of innovation in the BC Public Service. As part of her research, she is examining organizational culture, employee behaviour, and what approaches and initiatives are being used by other organizations to build a culture of innovation. Her research will provide the BC Public Service with valuable intelligence on how to design future strategies to support our corporate transformation.

In support of this research project, I am inviting you to participate in a phone interview. Tania wishes to learn more about your experience as a ‘Super User’ on Spark and is seeking your insight on the work environment in your Ministry/Unit. In particular, she is interested in learning about what has inspired you to be an active participant on Spark.

**Interview participation is voluntary and will take approximately 30 minutes. Only aggregated data will be reported in the final report to the Secretariat and individual participants will be anonymous in the dissemination of results.** All data obtained will remain with the Secretariat who may wish to conduct further analysis. A copy of the final report will also be published and housed at the University of Victoria. All data will be kept strictly confidential and safeguarded using appropriate security measures.

In the next couple of weeks, Ms. Betiku will contact you formally to request your participation and if you are interested she will select an interview time that fits your schedule. You may also wish to contact her first to confirm your interest. She can be reach by email at Tania.betiku@gov.bc.ca or at 250-508-4677.

If you have any questions, please feel free to call me. Ms. Betiku’s credentials with the University of Victoria can also be established by calling Dr. Lynne Siemens, Assistant Professor, Faculty of Business/School of Public Administration, at (250) 721-8069 or by email at siemensl@uvic.ca.

Thank you for your time and consideration.

CJ Ritchie  
Executive Lead  
Future of Work Initiative  
Ministry of Citizens Service  
CJ.Ritchie@gov.bc.ca  
250-953-3470
Dear [Managers],

From time to time, the BC Public Service sponsors students by supporting research projects for their Master's Thesis. Currently, we are working with Tania Betiku, a University of Victoria Master of Public Administration student.

Tania is exploring strategies to build an innovating culture in the BC Public Service. As part of her research, she is examining organizational culture, employee behaviour, and what approaches and initiatives are being used by other organizations, both public and private sector, to build a culture of innovation. Her research will provide the BC Public Service with valuable intelligence on how to design future initiatives to support our transformation.

In support of this research project, I am inviting you [and your work unit] to participate in an interview [focus group]. Tania is seeking your input on the work climate and culture in your unit. In particular, she is interested in learning what activities you are currently undertaking to generate ideas, and what strategies can be used to remove barriers to innovation.

**Participation in this study is voluntary. Only aggregated data will be reported in the final report to the Secretariat and individual participants will be anonymous in the dissemination of results.** All data obtained will remain with the client who may wish to conduct further analysis. A copy of the final report will [may...TBD] also be published and housed at the University of Victoria. All data will be kept strictly confidential and safeguarded using appropriate security measures.

In the next week, Ms. Betiku will be contacting you to formally request your participation and select a time for an interview that fits your schedule.

If you have any questions, please feel free to call me. Ms. Betiku’s credentials with the University of Victoria can also be established by calling Dr. Lynne Siemens, Assistant Professor, Faculty of Business/School of Public Administration, at (250) 721-8069 or by email at siemensl@uvic.ca.

Thank you for your time and consideration.

CJ Ritchie  
Executive Lead  
Future of Work Initiative  
Ministry of Citizens Service  
CJ.Ritchie@gov.bc.ca  
250-953-3470
Hi [Name],

My name is Tania Betiku and I’m emailing you about participating in a study entitled ‘Building an Innovative Organization’ being sponsored by the Workforce Planning and Leadership Secretariat. CJ Ritchie recently sent out an email informing Innovation Champions that they may be contacted about taking part. Have you had a chance to read the message she sent?

The study itself will explore the organizational innovation challenge to learn more about the barriers that Innovation Champions and employees face to making ideas work in the BC Public Service.

You are being asked to participate in this study because you hold a unique position within the BC Public Service. I believe that your experience and feedback will be crucial to understanding the organizational innovation challenge and the efficacy of our present strategies. You will have the opportunity to present your thoughts, opinions, and insights on our corporate transformation. I hope to gain as much of your insight as possible to deliver meaningful recommendations to the Secretariat.

If you decided to take part in this study, your participation would involve attending a 30 to 45 minute phone interview scheduled at your convenience. Only aggregated data will be presented in the final report and individual participants will be anonymous in the presentation of results.

Would you be interested in participating?

I look forward to hearing from you,

**Tania Betiku**  
*Ministry of Citizens’ Services*

*Future of Work | Workforce Planning and Leadership Secretariat*

*421 Menzies Street*  
*Victoria BC, V8V 2H2*

*(BB) 250.508.4677*  
*Tania.Betiku@gov.bc.ca*

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Please consider the environment before printing.
Building an Innovative Organization: Recommendations and Strategies for Making Ideas Work in the BC Public Service

You are invited to participate in a study entitled ‘Building an Innovative Organization’ that is being conducted by Tania Betiku. Ms. Betiku is an employee in the Workforce Planning and Leadership Secretariat and Master of Public Administration student in the School of Public Administration at the University of Victoria. You may contact her if you have further questions by phone at 250-508-4677 or email at Tania.Betiku@gov.bc.ca.

As a graduate student, Ms. Betiku is required to complete this research as part of the requirements for a Master degree in Public Administration. It is being conducted under the direction of CJ Ritchie, Executive Lead, Innovation, Workforce Planning and Leadership Secretariat and academic supervision of Dr. Lynne Siemens, Assistant Professor in the Faculty of Business/School of Public Administration. You may contact her supervisor at (250) 721-8069 or by email siemensl@uvic.ca.

The purpose of this research project is to explore the organizational innovation challenge and learn more about the barriers employees face to generating, promoting and implementing ideas in the BC Public Service.

In the coming years, the BC Public Service will face significant challenges to achieving corporate human resource goals and shifting the organization’s culture. These challenges are rooted in a demographic shift being experienced in BC and other jurisdictions around the world. As our population continues to age at an increasing rate, the shift in our labour market, workforce, and the expectations of the public will alter the demand and supply for public services. For the BC Public Service generating new ideas and building an innovative culture will improve the ability to both respond to and in some cases overcome the organizational challenges of the 21st century.

Data obtained through this study will be used to designing meaningful strategies to drive innovation at all levels of the Public Service. This research project will present recommendations for reducing the constraints on creativity and collaboration, leveraging the drivers of employee innovation, and identify strategies to maximize the impact of present corporate initiatives.

Innovation Champions are being asked to participate in this study because their input is invaluable to understanding the organizational innovation challenge. In order to increase representativeness in qualitative analysis, members of your work unit have been selected through random stratified sampling techniques to participate in an interview. During this interview, you will be asked questions regarding your organizations culture, values, and the challenges to innovation.

If you agree to voluntarily take part in this research, participation will include attending an interview. This interview will be 30-45 minutes long and located in a reserved meeting space in your ministry or over the phone. The interview will be audio recorded with all records of participation kept strictly confidential. It will be stored electronically with the Workforce Planning and Leadership Secretariat and once it is transcribed, the audio recording will be destroyed and all personal identifiers removed. There may be a possibility of follow up contact to review information gathered. Your ongoing consent to participate in the project will be implied from your continuing participation.

Participation in this study may cause some inconvenience to you, including the time commitment noted above during business hours.
As a voluntary participant you have the right to withdraw your participation at any time without any consequences or any explanation, decline to answer any question in part or fully or end the interview. If you do wish to end the interview, all information gathered to this point will not be used in the analysis and be destroyed upon your request.

In addition to providing valuable information that can be used to improve your experience in the workplace, the potential benefits of your participation in this research include the ability to discuss openly about your work experiences, identify design strategies for your work unit and reflect on your role within the work unit. The research will further our understanding of employee innovation and ways to create work environments where it can thrive. The results of this study will be summarized in a report for the Workforce Planning and Leadership Secretariat in the Office of the Premier and contribute to the design of corporate strategies.

In terms of protecting your anonymity in this research, transcripts, notes and the final report will include no personal or general information that may be used to identify participants and all responses will be kept anonymous. Although your supervisor will be aware of your participation, only the researcher will hear your responses and know your identity when information is being gathered during the interview.

The results of this analysis will be for research and development purposes only. It will not be used to appraise work unit performance or to evaluate employees. Information gathered will be used to uncover common challenges and design corporate strategies to improve the work environment for employees.

Data obtained for this research may be used for further analysis or to support the work being done on to develop new corporate strategies. All data will be housed with the Workforce Planning and Leadership Secretariat in the Office of the Premier.

In addition, you may verify the ethical approval of this study, or raise any concerns you might have, by contacting the Human Research Ethics Office at the University of Victoria (250-472-4545 or ethics@uvic.ca).

By responding to this message stating that your willingness to take part indicates that you understand the above conditions of participation in this study and that you have had the opportunity to have your questions answered by the researcher.

Please include your signature block in your response.
Building an Innovative Organization: Recommendations and Strategies for Making Ideas Work in the BC Public Service

You are invited to participate in a study entitled ‘Building an Innovative Organization’ that is being conducted by Tania Betiku. Ms. Betiku is an employee in the Workforce Planning and Leadership Secretariat and Master of Public Administration student in the School of Public Administration at the University of Victoria. You may contact her if you have further questions by phone at 250-508-4677 or email at Tania.Betiku@gov.bc.ca.

As a graduate student, Ms. Betiku is required to complete this research as part of the requirements for a Master degree in Public Administration. It is being conducted under the direction of CJ Ritchie, Executive Lead, Innovation, Workforce Planning and Leadership Secretariat and academic supervision of Dr. Lynne Siemens, Assistant Professor in the Faculty of Business/School of Public Administration. You may contact her supervisor at (250) 721-8069 or by email siemensl@uvic.ca.

The purpose of this research project is to explore the organizational innovation challenge and learn more about the barriers employees face to generating, promoting and implementing ideas in the BC Public Service.

In the coming years, the BC Public Service will face significant challenges to achieving corporate human resource goals and shifting the organization’s culture. These challenges are rooted in a demographic shift being experienced in BC and other jurisdictions around the world. As our population continues to ages at an increasing rate, the shift in our labour market, workforce, and the expectations of the public will alters the demand and supply for public services. For the BC Public Service generating new ideas and building an innovative culture will improve the ability to both respond to and in some cases overcome the organizational challenges of the 21st century.

Data obtained through this study will be used to designing meaningful strategies to drive innovation at all levels of the Public Service. This research project will present recommendations for reducing the constraints on creativity and collaboration, leveraging the drivers of employee innovation, and identify strategies to maximize the impact of present corporate initiatives.

Spark Users are being asked to participate in this study because their input is invaluable to understanding the organizational innovation challenge. During this interview, you will be asked questions regarding your organizations culture, work environment, and your participation on Spark.

If you agree to voluntarily take part in this research, participation will include attending a 30 minute phone interview. The interview will be audio recorded with all records of participation kept strictly confidential. It will be stored electronically with the Workforce Planning and Leadership Secretariat and once it is transcribed, the audio recording will be destroyed and all personal identifiers removed. There may be a possibility of follow up contact to review information gathered. Your ongoing consent to participate in the project will be implied from your continuing participation.

Participation in this study may cause some inconvenience to you, including the time commitment noted above during business hours.

As a voluntary participant you have the right to withdraw your participation at any time without any consequences or any explanation, decline to answer any question in part or fully or end the interview. If you do wish to end the interview, all information gathered to this point will not be used in the analysis and be destroyed upon your request.
In addition to providing valuable information that can be used to improve your experience in the workplace, the potential benefits of your participation in this research include the ability to discuss openly about your work experiences, identify design strategies for your work unit and reflect on your role within the work unit. The research will further our understanding of employee innovation and ways to create work environments where it can thrive. The results of this study will be summarized in a report for the Workforce Planning and Leadership Secretariat in the Office of the Premier and contribute to the design of corporate strategies.

In terms of protecting your anonymity in this research, transcripts, notes and the final report will include no personal or general information that may be used to identify participants and all responses will be kept anonymous. Although your supervisor will be aware of your participation, only the researcher will hear your responses and know your identity when information is being gathered during the interview.

The results of this analysis will be for research and development purposes only. It will not be used to appraise work unit performance or to evaluate employees. Information gathered will be used to uncover common challenges and design corporate strategies to improve the work environment for employees.

Data obtained for this research may be used for further analysis or to support the work being done on to develop new corporate strategies. All data will be housed with the Workforce Planning and Leadership Secretariat in the Office of the Premier.

In addition, you may verify the ethical approval of this study, or raise any concerns you might have, by contacting the Human Research Ethics Office at the University of Victoria (250-472-4545 or ethics@uvic.ca).

By responding to this message stating that your willingness to take part indicates that you understand the above conditions of participation in this study and that you have had the opportunity to have your questions answered by the researcher.

Please include your signature block in your response.
Building an Innovative Organization: Recommendation and Strategies for Driving Innovative Behaviour in the BC Public Service

You are invited to participate in a study entitled ‘Building an Innovative Organization’ that is being conducted by Tania Betiku. Ms. Betiku is an employee in the Workforce Planning and Leadership Secretariat and Master of Public Administration student in the School of Public Administration at the University of Victoria. You may contact her if you have further questions by phone at 250-508-4677 or email at Tania.Betiku@gov.bc.ca.

As a graduate student, Ms. Betiku is required to complete this research as part of the requirements for a Master degree in Public Administration. It is being conducted under the direction of Kim Henderson, Head of the Workforce Planning and Leadership Secretariat and academic supervision of Dr. Lynne Siemens, Assistant Professor in the Faculty of Business/School of Public Administration. You may contact her supervisor at (250) 721-8069 or by email siemensl@uvic.ca.

The purpose of this research project is to explore the organizational innovation challenge and learn more about the barriers employees face to generating, promoting and implementing ideas in the BC Public Service.

In the coming years, the BC Public Service will face significant challenges to achieving corporate human resource goals and shifting the organization’s culture. These challenges are rooted in a demographic shift being experienced in BC and other jurisdictions around the world. As our population continues to ages at an increasing rate, the shift in our labour market, workforce, and the expectations of the public will alters the demand and supply for public services. For the BC Public Service generating new ideas and building an innovative culture will improve the ability to both respond to and in some cases overcome the organizational challenges of the 21st century.

Data obtained through this study will be used to designing meaningful strategies to drive innovation at all levels of the Public Service. This research project will present recommendations for reducing the constraints on creativity and collaboration, leveraging the drivers of employee innovation, and identify strategies to maximize the impact of present corporate initiatives.

Managers of key programs and strategies are being asked to participate in this study because their input is invaluable to understanding the organizational innovation challenge and the present strategies that are being used to overcome this challenge. As a manager of program/strategy [X] you have been selected to participate in an interview. During this interview, you will be asked questions about program/strategy [X].

If you agree to voluntarily participate in this research, participation will include attending a phone interview. This session will be 30 minutes long and can be completed out of your office at a time that is convenient for you. The interview will be audio recorded with all records of participation kept strictly confidential. It will be stored electronically with the Workforce Planning and Leadership Secretariat and once it is transcribed, the audio recording will be destroyed. There may be a possibility of follow up contact in order to review information gathered. Your ongoing consent to participate in the project will be implied from your continuing participation. The names of individuals will not be included in final transcription.

While there are no known or anticipated risks to participating in this research, as a voluntary participant you have the right to withdraw your participation at any time without any consequences or any explanation, decline to answer any question in part or fully or end the interview. If you do wish to end the interview, all information gathered to this point will not be used in the analysis and be destroyed upon your request.

In terms of protecting your anonymity in this research, transcripts, notes and the final report will include no
personal or general information that may be used to identify participants and all responses will be kept anonymous. Although your supervisors will be aware of your participation, only the researcher[s] [and other focus group participants] will know your responses and identity when information is being gathered during the session/interview.

The results of this analysis will be for research and development purposes only. It will not be used to appraise work unit performance or to evaluate employees. Information gathered will be used to uncover common challenges and design corporate strategies to improve the work environment for employees.

Data obtained for this research may be used for further analysis or to support the work being done on to develop new corporate strategies. All data will be housed with the Workforce Planning and Leadership Secretariat in the Office of the Premier.

In addition, you may verify the ethical approval of this study, or raise any concerns you might have, by contacting the Human Research Ethics Office at the University of Victoria (250-472-4545 or ethics@uvic.ca).

Replying to this electronic letter and stating ‘Yes, I agree to participate in this research’ and including your email signature in the reply, indicates that you understand the above conditions of participation in this study and that you have had the opportunity to have your questions answered by the researchers.

________________                ______________        __________
Name of Participant            Signature               Date
Appendix C: Interview Questions

Innovation Champion Questionnaire

Section 1.0
Becoming an Innovation Champion

1. How did you come to be an innovation champion?
2. What made you want to be an innovation champion?
3. What do you feel is your primary objective as an innovation champion?
4. What kind of things are you working on in your ministry?

Section 2.0
Corporate Culture

2.1 Value system
1. Research conducted by ADMC:SNI identified six barriers to innovation, two of which relate heavily to the presence of a bureaucratic value system (i.e. Risk averse culture, red-tape).

Would you agree that traditional bureaucratic values (i.e. administrative control, differentiation or division of labour, having compliant employees, and accountability for processes) place a constraint on generating ideas and innovation in our organization? (Please feel free to comment on these values individually)

2. From your experience as an innovation champion and public service employee, would you agree that these values are still quite strong in the BC Public Service?

3. Many organizations like the BC Public Service have engaged in an exercise to update their corporate values. Do you think that BC Public Service is moving in a new direction, toward a new system of values or towards post-bureaucratic values?

4. Do you feel our new corporate values (TEAMWORK CURIOSITY PASSION SERVICE COURAGE ACCOUNTABILITY—all with integrity) inspire employees to generation ideas? Why or why not?

5. Generally speaking, do you think employees identify with the new values?

6. What barriers do you think employees face to putting these values into practice?

7. Do you think innovation champions can play a role in spreading the new values through the corporation and inspire employees to put them into practice? If so, how?

2.2 Public Service Action
I’m going to present you with a series of dichotomies. Tell me which you believe best describes the BC Public Service today and why. Both can also be an answer.

1. Status quo orientation vs. Change orientation
2. Short term focus vs. long term focus in the design of strategy
3. Reactive vs. proactive to new or emerging issues and challenges
4. Process focused vs. outcome focused
3.3. Beliefs
1. People talk about innovation all the time. Some say every organization must be innovative, while others say it’s just a ‘buzzword’. But what do you believe employees in the BC Public service really think about being innovative at work?
2. Are there any other attitudes and beliefs that you think constrain employee innovation?
3. How can innovation champions play a role in changing these beliefs?
4. Generally speaking, what aspects of our culture do you think require the most attention?

Section 3.0
Role of senior executives in cultural change

1. The support of senior executives is thought to play a significant role in encouraging employees to generating and implementing ideas. Would you say that you agree? What would you say this role includes?
2. Do you feel that senior executives within the BC Public Service provided the support needed for employees to be innovative?
3. As an innovation champion, do you feel that senior executives within your organization provide you with the support you need to meet your objectives?
4. What barriers do you feel executives face to supporting innovation champions and employee innovation?

Section 4.0
Role of managers and supervisors

1. What would you say is the role of managers and supervisors is in building an innovative culture?
2. What would you say are some of the key challenges that managers and supervisors face to creating work environments that foster creativity and innovation?
3. Do you think that managers and supervisors need more support in building these work environments? What do you think could be done to support them?
4. How could innovation champions be utilized to support managers and supervisors?

Section 5.0
Public Service Transformation Fund
(Please briefly review the Fund criteria attached)

1. What are your general thoughts on the transformation fund? What would you say are its key strengths? How about weaknesses?
2. Do you think that employees and project teams may feel intimidated by the expectations or criteria required to obtain funding?
3. Overall do you feel that the fund is accessible to all employees?
4. What could be done to make the fund (or resources in general) more accessible to more employees?
5. Do you think that innovation champions could be utilized to streamline the resource allocation process?
Section 6.0
‘Spark’ and employee ideas

1. What are your general thoughts on ‘Spark’? What would you say are its key strengths? How about weaknesses?
2. Do you believe that many employees and work units generate many ideas but choose not to post them on ‘Spark’?
3. Why would you say that employees do or don’t post the ideas that they have on ‘Spark’?
4. What support do you think employees need to generate ideas at work?
5. Do you think that individual employees would benefit from “creativity training”? 
6. What personal characteristic do you feel is most important to being innovative at work?
7. Many top organizations tie the generation of ideas to the evaluation of employee performance. Do you think this type of strategy could work in the BC Public Service?
8. How should we reward/recognize people who generate ideas?
9. What role do you think innovation champions could play in promoting Spark’ and employees’ ideas?

Section 3.0
Support Structures for Innovation champions

1. As an innovation champion (and employee) what have been some of your biggest barriers to meeting your objectives and promoting innovation at work?
2. Keeping in mind that the support structure for the Innovation Champions has recently made a transition from ADMC:SNI to the Future of Work Initiative, do you feel that you have had the support you need to meet your objectives?
3. As an Innovation Champion, what do you feel you need to be as effective as possible effective in your role?
4. Have you been able to connect and collaborate with other innovation champions, within your Ministry or across the organization? What has this experience been like? How can it be improved?
5. Do you think there would be any utility in identifying more innovation champions in your ministry and the BC Public Service?
6. Do you think that you other and innovation champions would benefit from supplementary training and development opportunities? What additional skills or knowledge do you think would be of value?
7. How do you feel the Future of Work Team can support you? What do you feel their role should be in relation to innovation champions?

Terms of Reference
Have you had a chance to view the new terms of references posted on the IC SharePoint? Do you have any general thoughts on the new document?
Spark Super User Questionnaire

Section 1.0
Becoming an Idea Generator
Tell me a little bit about yourself, your role and experiences in the BC Public Service
How would you describe yourself, your personal style, and work ethic?

Section 2.0
Corporate Culture

5. People talk about innovation all the time. Some say every organization must be innovative, while others say it’s just a ‘buzzword’. But what do you believe employees really think about innovation in the BC Public service?

8. Do you feel our new corporate values (TEAMWORK CURIOSITY PASSION SERVICE COURAGE ACCOUNTABILITY—all with integrity) inspire employees to generation ideas? Why or why not?

9. Generally speaking, do you identify with these values?
   □ Yes □ No

10. Do you think other employees identify with them?
    □ Yes □ No

11. What barriers do you think employees face to putting these values into practice?

12. Within your workplace, have you been able to demonstrate the new values? How?

Making ideas work

1. What inspired you to your post ideas on Spark?

2. So you’ve posted an idea. What do you think happens after that?

3. Do you know if any of your ideas have been implemented? (Why or why not?)
   □ Yes □ No
   - Would it be beneficial if you obtained regular updates or feedback after posting your ideas?
     □ Yes □ No

4. If Spark wasn’t available, where would you choose to share your ideas?
5. What do you think is the biggest barrier that employees face to generating ideas and being innovative at work?

6. What do you think could be done to encourage more employees to post their ideas on Spark?

**Support for new ideas**

1. Do you bounce your thoughts and ideas off of coworkers before posting them on Spark?
   - Yes
   - No

2. Have you had the opportunity to work with the innovation champions within your Ministry? Do you know who they are?
   - Yes
   - No

3. Do you receive any encouragement from your supervisor or co-workers to post ideas on Spark?
   - Yes
   - No

4. Are your coworkers and/ or supervisor aware that you have posted ideas on Spark?
   - Yes
   - No

5. Do you feel that senior executives within the BC Public Service provided the support needed for employees to be innovative at work?
   - Yes
   - No

6. Have you been recognized by anyone for participating in the Spark community?
   - Yes
   - No

7. Do you feel that you receive enough support in your work unit to generate ideas?
   - Yes
   - No

8. If asked, would you be willing to work on projects to support the implementation of your idea?
   - Yes
   - No
   - Would you have the time or support from your supervisor to do so?

**‘Spark’ and employee ideas**

10. Overall what are your general thoughts on ‘Spark’? What would you say are its key strengths? How about weaknesses?
11. Do you believe that many employees have ideas but choose not to post them on ‘Spark’?

☐ Yes  ☐ No

12. Why would you say that employees do or don’t post the ideas that they have on ‘Spark’?

13. What support do you think employees need to generate ideas at work?

14. Many top organizations tie the generation of ideas to the evaluation of employee performance. Do you think this type of strategy could work in the BC Public Service?

15. How should we reward/recognize people who generate ideas?

16. If you could make any changes to Spark or the management of new ideas, what would it be?
Interview Questions (Program Managers)

1. What is program/strategy X? What is its purpose?
2. What are its greatest strengths?
3. How do you feel that it can be improved?
4. What are the key challenges to managing the program?
5. How will you know if it has been successful?
6. From your vantage point, do you feel as though the program is meeting the needs of the organization?
This appendix provides a detailed overview of the qualitative findings that emerged from the interview data. As stated in chapter 1, 26 individuals drawn from the following groups were interviewed for this research:

- **Innovation Champions**: individuals selected by ADMC: SNI to act as agent for change
- **Spark ‘Super Users’**: individuals recognized for active participation in Spark community
- **Programs managers**: individuals responsible for managing key programs and strategies

### Table 8. Summary of ‘Champion’, ‘Spark User’, and ‘Program Manager’ interviewees

<table>
<thead>
<tr>
<th>Innovation Champions</th>
<th>Spark Super Users</th>
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<tbody>
<tr>
<td>IC#1 Supervisory manager Victoria IC#9 Non supervisory manager Victoria</td>
<td>SU#1 Non supervisory employee Victoria</td>
</tr>
<tr>
<td>IC#2 Non supervisory frontline Regions IC#10 Non supervisory employee Victoria</td>
<td>SU#2 Supervisory manager Victoria</td>
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<tr>
<td>IC#3 Non supervisory manager Victoria IC#11 Supervisory manager Regions</td>
<td>SU#3 Non supervisory employee Victoria</td>
</tr>
<tr>
<td>IC#4 Supervisory manager Victoria IC#12 Non supervisory employee Victoria</td>
<td>SU#4 Non supervisory employee Regions</td>
</tr>
<tr>
<td>IC#5 Supervisory manager Regions IC#13 Supervisory manager Victoria</td>
<td>SU#5 Non supervisory frontline Regions</td>
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<tr>
<td>IC#6 Non supervisory frontline Victoria IC#14 Supervisory manager Regions</td>
<td>SU#6 Supervisory manager Victoria</td>
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<td>IC#7 Supervisory manager Regions IC#15 Non supervisory employee Victoria</td>
<td>SU#7 Supervisory manager Victoria</td>
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<td>IC#8 Non supervisory manager Victoria</td>
<td>SU#8 Non supervisory employee Victoria</td>
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<table>
<thead>
<tr>
<th>Program Managers</th>
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<tbody>
<tr>
<td>PM#1 Non supervisory manager Victoria</td>
</tr>
<tr>
<td>PM#2 Non supervisory manager Victoria</td>
</tr>
<tr>
<td>PM#3 Non supervisory manager Victoria</td>
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</tbody>
</table>

In total, 15 Innovation Champions were interviewed from 12 ministries; five of these participants were from outside of the capital region. Eight Super Users were interviewed from 7 ministries; two of these participants were from outside of the capital region. Three program managers from WPLS were also interviewed; all three were located in Victoria. In order to protect confidentiality and anonymity, Tables 8 provides a high level demographic summary of the participant groups. Although additional demographic information was not requested (i.e. age, tenure) some interviewees offered this information in the context of their responses.

### Perceived barriers to employee innovation

<table>
<thead>
<tr>
<th>Pressure to conform</th>
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<tbody>
<tr>
<td>There’s a fine line between being a problem employee and being someone who’s helping to move things forward... In every work unit there’s an existing hierarchy, and you have to be very careful that you don’t disrupt things in a way that’s going to make life difficult for you. (IC#2)</td>
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<td>If your one of those people that’s ‘way out there’ in terms wanting to do things your own way or you’re kind of wildly imaginative or creative, my thought is that you probably won’t last here for too long...we’re kind of in a culture that encourages people to follow the rules (IC#7).</td>
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<td>Sometimes trying to change things and create innovation can seem a little bit like creating waves and its career limiting to tell you the truth...in this office I’m pretty much out of luck to move up because I stepped on a few toes here…and I don’t think management’s really keen to see me move up because I am too much of a change agent…I can be sometimes viewed as a little bit of a trouble maker (SU#5).</td>
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<tr>
<td>I think some people hold back... you want to be seen as supporting your executive’s ideas, you want a promotion, it’s about self preservation...so you’re not going to do something that going to jeopardize where you’re going and what you’re doing. So I think people become afraid of criticizing things and fear that it’s going to be career limiting (IC#2)</td>
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<td>In the area I’m in, bureaucratic values are very very strong and it’s [because] of the job security. People make their own niche and they cling onto it and they won’t share what they do or how they do it or any knowledge because if they are the only one who knows how to do it, they keep their job (IC#3).</td>
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<tr>
<td>I still think that there’s some fear of speaking up and speaking out and bringing ideas forward...I see that this is still a big stumbling block—there just isn’t a culture where everyone feels that they can come up and talk to anyone in the organizations and there’s still self censorship (IC#10)</td>
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| **Resistance to change** | My original impression of the BC Public Service-- you know I read ‘Being the Best’, and I thought I want to work there, but once I got here the reality was totally different... but really I think it’s that people just feel so small in such a large organization. When I first started I was challenging everything. Why do we do it this way, why can’t we change it? And my ADM basically said, we’ve always done it that way, were not going to change it, so you might as well stop. So I think that a lot of people have just given up (IC#9).

There’s an element of status quo and there always will be, but the willingness to make changes is there. With the current climate, there’s a lot of anxiety and lot of nervousness, which tends to take you more to the status quo. You don’t want to rock the boat, you don’t want to be implementing huge change, or making huge sweeping initiatives when you don’t know if you have budget. So at this very point in time I would say that we’re probably a bit more inclined towards status quo (IC#13).

Definitely, the bureaucratic barriers are quite strong. I’ve become much more aware of them in my role this year than I was last years as new employee... a lot of the governance structures haven’t changed. When you take a new idea to a steering committee, they are often still reluctant and they usually say no, we need to do it the way we’ve always done it (IC#9).

It depends on the level...I think that as an organization we’re in a complex transformation and so I’m not sure if I can say one-way or the other. I think that at the senior levels there’s probably a fairly strong change orientation, mid-managers there may be more resistance, and with new [employees], there is definitely more willingness (IC #1).

I’ve worked for government for 20 years and from when I started things were very, very, very bureaucratic, we weren’t allowed to share any information, everything was on a lockdown. And probably in the last five or six years I have seen more dramatic changes in government than has ever happened before and the speed of change is kind of stunning and in some ways it’s amazing... I think were at this tipping point where change can really happen (IC#13).

A lot of [managers and supervisors] have been around here so long—it’s just that inertia of ‘no we do it this way because we do it this way’, and that’s going to happen in any organization (IC#13). |
| **Focus on administrative processes** | I think that in this very hierarchical organization that’s sort of process oriented, were you have to go through all these levels of approvals to get anything done, I think that’s still too much of a challenge (IC#10).

Well I think were still process focused, but I know that so many of us have really started shifting our thinking to be outcome focused, but are finding it frustrating because we’re bound by process that we can’t change or are really difficult to change (IC#2).

I can’t really speak to how the other people are but here [at the frontlines]…. just the red tape, in that any kind of ideas that we have has to go through our manager which has to go through their manager which has to go up—if we have any changes that we want to make or any ideas, its a very long process to have them looked at….so how do you go about changing a system or a program? How do you do that? Who do you talk to? (IC#6). |
| **Cynicism towards innovation initiatives** | In the office where I am, innovation is just a buzzword and five years ago we were using strategic; we’ve just replaced strategic with the way that we are looking at things (IC#3).

I definitely think it’s a buzzword...and I think the majority of people do (IC#2)

Honestly, [employees] believe that innovation was the flavor of the year last year. This year, innovation isn’t even on the radar...everything’s shifted towards budget. Right now everyone’s attitudes and beliefs are focused on the budget and budget constraints...and right now we need to be innovative, but we’re focused on the cost cutting... that’s a big constraint, we have to get back to the innovation piece (IC#4).

I think people want to be innovative as they’re frustrated with the way things kind of are right now...but I think you get a large proportion of the employees that have been around for a while and have seen things like this come and go...there have been a number of times people have said to me in the last year, oh it |
I’ve seen this happen with a lot of other initiatives that we’ve had in the past...6 months, or a year, or 2 years down the road it kind of loses momentum because the support for it kind of dies off (IC#7).

Particularly speaking from the frontline...and its personal beliefs of believing that they are not allowed to. When I look at myself, where I was three years ago, I was by far my big barrier. I thought that I wasn’t allowed to and if I wanted to do anything I would be told no... in many ways its individuals who think they are not allowed or don’t know how or don’t have support to go forward and therefore don’t do anything (IC #2).

Whenever I log onto Spark, just even to look at the ideas, I feel like I’m goofing off...I feel that I’m not really allowed to take the time and if I take the time during work hours to look at Spark ideas or to put one out there or to contribute a comment, I feel like I’m goofing of and that I should be doing something work-related (SU#4).

**Inadequate resources for innovation**

Time more than anything else. That’s an aspect of the culture that kind of gets overlooked, yet [it] is the single biggest barrier to innovation. (IC#1)

Not having the resources and support. —it’s sort of something people do off the edge of their desk—I think sort of the barrier to thing getting developed greater is [not] being about to carve out some regular time to build an idea and to have that recognition from their management (SU#2).

I think people need breaks from their day to day, hard-fast deadlines to just think and be creative—but at this point I don’t think they have the structure, direction or even the approval that they need in order to do it in a way that facilitates creative thinking (SU#1).

I think finances are an issue. You hear people say, I’d really like to do this but it costs money and I don’t think that my manager would approve it. If people start up innovative programs, but run out of money, [they] can’t continue (IC#7).

I think the thing that dampens down any action or enthusiasm is workload. That [they] haven’t got time to learn a different way of doing things, and that they can’t get through their workload as it what I keep hearing...and taking time out to learn something new just isn’t going to happen unless we get rid of the workload (IC#3).

I think maybe the biggest obstacle to innovation is just capacity and the time and resources... I’m supposed to be an innovation champion and I’ve had very little time to work on innovation strategies and I know the other innovation champions are in the same boat. So does the articulation of corporate values help me in that regard? No unfortunately it doesn’t help me at all...and that goes for every body. So unless government in general give people some more resources, ideas won’t be generated and if their generated they won’t be implemented (IC#10).

**Disempowering work structures**

I think that in this very hierarchical organization that’s sort of process oriented, [and] you have to go through all these levels of approvals to get anything done, I think that’s still too much of a challenge (IC#8).

The stratification of the organization is also a problem... there’s certain steps that you have to follow and you have superiors. And I think thinking in terms a superior an inferior is something that we don’t say or we don’t use those terms, but that’s kind of the way that it feels and I think trying to get away from that is really the most important thing—moving more towards a flatter, more equal organization where you don’t think in terms of boss and employee, but members of the same team...If you know that your close to the bottom of a long approval process and you don’t get to make decisions, in what sense is your participation in this organization meaningful? (IC#10).

For innovation, you want to avoid having uniform organization where everyone’s alike. You want diversity because different people bring different things (IC#10)

One of the best things I ever did in government was work on an extremely diverse team... and it was one of the best teams because we were forced to get different perspectives from each other... I think in
government we forget that we should be a representation of the clients we serve which is the public and right now we’re not, we’re not in many ways—we’re not by age, we’re not by race, we’re not by anything. And I don’t mean that we need to force that to happen…I mean that we need to remove the barriers…and I think if we could end up with that diversity and if the public service truly represented the public it served, we’d have a better chance at success and innovation (SU#6).

Right now I look for other outlets and Spark is one of them but I’m kind of looking for creative outlets within this job. I’ve asked [my supervisors] why don’t you put me on a committee? You know, I’ve put it in my EPDP like a zillion times. I mean get me involved in something fun where I can use my brain…there’s a lot of talent here that’s untapped I feel (SU#5).

For employee to take it upon themselves to make improvements, they have to have a stake in the organization and they have to feel proud of what their doing. They can’t have a personal stake if there just a cog or their work is meaningless or if they never get to make any decisions (IC#10).

We work in a union environment with job descriptions and with process…and if you’re not in a fun and exciting job maybe you won’t get the opportunity to express things like courage…what will jazz people up is doing meaningful work. You’ve got to create something that helps them with their work and makes it meaningful (IC#2).

<table>
<thead>
<tr>
<th><strong>Insufficient support for new ideas</strong></th>
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<tbody>
<tr>
<td>Many of the best ideas are not popular ones because they have work attached to them or they mean giving something up, but that doesn’t have anything to do with whether it is a valuable idea (SU#6).</td>
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<tr>
<td>And my personal opinion is that the biggest detriment to innovation in the public service is that we do not allow errors and in order to have true innovation you’re also going to have things that fail and right now failure is not excepted, not okay in the public service and until it is, we won’t have innovation (SU#6).</td>
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<tr>
<td>I think the important thing is that when something goes wrong, people need to know that they are going to be supported...they need to understand that they can try something and that something can go wrong but that they will be supported...and this should come from all level (IC#7).</td>
</tr>
<tr>
<td>There been zero encouragement and there zero discouragement and water cooler conversations are still on the negative side, likes it just a fun thing to do, but not really accomplishing anything…that kind of the impression I’m getting (SU#1).</td>
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<tr>
<td>I think that people need to have a sense of really being listened to, taken seriously, given time to think and to bounce ideas off of each other and these four factors are the kinds of supports employees need. Support needs to come for senior executives and managers, but also from all around-- it’s a 360 thing (IC#1).</td>
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<tr>
<td>Employees definitely need their supervisors support, they need to be heard, they need to be communicated to on things, and they need to feel that their idea is an important idea and actually have them work together as a team...as a manager and supervisor, you need to know your staff, you need to know what really going on and you need to understand them (IC#12).</td>
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<tr>
<td>It’s all about legitimizing the work that on the side of people desks. People need to be aware that the side of their desk can be an approved work activity…employees need to able to feel proud about what’s on the side of their desk and be able to talk about it openly…but only if supervisors made it legitimate-- as though it’s a part of the business, not just something someone is doing as a favor (SU#1).</td>
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<tr>
<td>The biggest part of their role is to be the figurehead— knowing that they’re there and that they believed in this…I think the message was loud and clear when they disbanded ADMC—that innovation was last year, we’re on to something new (IC#4).</td>
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<td>There are a few senior executives that do support innovation and many that don’t… I would say about 30 percent are supportive in a real meaningful ‘walk the talk’ kind of way, not just lip service (IC#2).</td>
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</table>
Some [senior executives] are supportive and challenge people to come up with ideas, but I think that that’s very rare...I think that’s what they all should be doing, but whether the right people have access to them, that’s another issue (IC#9).

I honestly do think they [support innovation] individually, but as a group we’re not seeing that...we did have it and then we lost it. It would be nice if it came back in some shape or form... they were a figurehead and knowing that they was there made a big difference (IC#4).

<table>
<thead>
<tr>
<th>Corporate Values</th>
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<tbody>
<tr>
<td>General comments</td>
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<tr>
<td>I definitely think that there has been movement in the right direction...but myself I would like to probably caution about how much we can rely on things like the values to bring change about because like I said, a lot of the things are so structural—the values themselves won’t change the stratification of the organization... it seems to me that there would have to be a larger structural transformation (IC#10).</td>
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<tr>
<td>If I’m an employee who’s inspired by the values and I have a good idea, but I run into some organizational barriers that are still there, still unaddressed then I’ll become cynical and disenchanted so the next time I see the values, I won’t be inspired by them (IC#10).</td>
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<tr>
<th>Issue: Consultation process</th>
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<tr>
<td>I think for a large population, people felt we weren’t consulted on the values--that the values were basically provided to us despite the fact that they said there was a big consultation process—there’s a lot of scepticism and it’s that whole thing of being forced to change rather than you having the choice to change and I thinks that that’s really where the rub is—Being forced to conform to something that you didn’t feel you had a part of creating (IC#2).</td>
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<tr>
<td>There were a lot of good pieces of how it was rolled out, there was a lot of consultation, we were able to point to people and say you got to have input into this. In our ministry we took it to our senior managers, our [employee groups], and our supervisors and our ministry actually got to have a say in what we thought they should be (SU#3)</td>
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<tr>
<th>Issues: Integration into EPDP</th>
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<tr>
<td>It pissed people off and a lot of people just felt like they were being threatened a bit with it cause its values and people personalize values. And even though they are corporate values, how can you assess if I’m courageous? (IC#13)</td>
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<tr>
<td>Before the PSA came and told us what our values were, [ministry X] had developed their own …and the ministry actually had involvement of staff so they felt a sense of ownership in it…but I think being told what your values are made people angry—does that mean if your personal values are different that they aren’t values?…and everything’s subjective— who are you to say whether I’m passionate or not? Who are you to say whether I’m curious or not? (SU#6)</td>
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<tr>
<td>I’ve heard some snide remarks about them; about courage and passion. While they are good things to have, (a) they’re hard to measure and (b) their kind of pie in the sky…I think more concrete examples need to be provided about how people can engender those traits…and speaking as a manager, how to grade someone on them (SU#2).</td>
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<tr>
<th>Issue: Timing of integration</th>
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<tr>
<td>I do think that we dropped the ball in when we rolled it out and how we rolled it out...cause rolling it out halfway through the year and suddenly being expected to be evaluated in your EPDP on values that you didn’t know about at the beginning of the year when you were setting up you goal--I think that that was just a tactical error...I think if they had done it at the beginning of the EPDP cycle, it would have been fine, I think it’s that it was introduced halfway through the year...when you roll out these kinds of things you just need to look at the timing and I get that the Premiers Office wanted it in place and that it wasn’t quite ready yet...but if you had just held off until May, you would have had time to prepare the roll out (IC#13).</td>
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<tr>
<td>For me [the new corporate values] really strike a chord, they really resonate for me—I think they’re excellent, but what I found is that lots of people in our ministry either have a very foggy idea of what those values are or they’ve actually never heard of them before...we need to do a lot more work in terms of getting those public service values out there...this is something that’s going to take a number of years of effort, of continuing to reinforce and also continuing to not just talk the talk but walk the walk (IC#7).</td>
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First off, it a learning thing--People will learn to identify as they become more familiar with the content of the values (IC#1).

I don’t think that we’ve fleshed them out...I don’t think employees know how to put them into practice yet. Basically the race has just started, the gun’s gone off—people are just taking their first steps towards those things. We haven’t fully embraced those values yet. I think that’s going to take some time... the race is going to be won in the next generation (IC#4).

<table>
<thead>
<tr>
<th>Issue: Inadequate communication and support</th>
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<tr>
<td>I think the key is making sure the message is consistent in all levels of the organization and that there are tools in place to make it easy for people. Everyone’s really busy so while people believe in the values there just needs to be more support to make things a little easier...and these things need to be done corporately (SU#4).</td>
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<tr>
<td>For me [the new corporate values] really strike a chord, they really resonate for me—I think they’re excellent, but what I found is that lots of people in our ministry either have a very foggy idea of what those values are or they’ve actually never heard of them before...we need to do a lot more work in terms of getting those public service values out there...this is something that’s going to take a number of years of effort, of continuing to reinforce and also continuing to not just talk the talk but walk the walk (IC#7).</td>
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<tr>
<td>It’s not traditional for people to exhibit curiously, passion. It would have been counterproductive 20 years ago. You would have stood out. You just kept quiet and did your job and did what was given to you...but I think there has been a big change over the last three or four years and now it’s gaining momentum (IC#3)</td>
</tr>
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**Spark**

**Strengths**

I think [the new values] are a start... but I think the Spark website and the @Work blog and [other social media tools] have done more than the current five values have done...without the means by which to demonstrate the values they values just fade away (SU#1).

To finally have a forum to put ideas out there—that was one of the things that really impressed me when I came back into government: seeing Spark and having that venue. In the past you may come up with ideas and the bureaucracy and everything that was in place could stand in the way of any ideas being put forward, even finding the right person to direct something to...that’s part of what caused me to leave government in the first place (SU#2).

**Issue: Small user base**

I like Spark. I think it’s a beautiful and well-designed tool. I think it’s very innovative and I think that just the concept of people being able to essentially ‘tweet’ to each other and create a conversation about things which are very specific to the public sector-- I think that is really a key strength. I think that that the non-hierarchical nature of spark is really appealing--the fact that you can have conversations with people without having to worry about rank or title...Also the cross ministry dimension of it is super...But I don’t think that enough has been done to make Spark a default resource. I don’t think people go to Spark on a regular basis to check it out, to mine it, to contribute to it and so I tend to fear for spark. I fear that it will be a wonderful tomato that’s going to die in the vines (IC#1).

**Issue: Few demonstrations of success**

I just don’t think that a lot of people bother to look at it because they feel so busy—that they can’t take the time to go on it, or they just can’t see the value in it. And I think where you’re going to get the people who have lost interest or didn’t have interest to being with is when you get some of the success happening and
Making sure that everyone is aware is probably the first thing and then I think if more success stories were communicated out—ideas that were actually acted on, then people would go, oh they’re just a clerk 9 too, I could have thought of that idea; And then maybe next time they have an idea, they’ll think oh maybe my idea will get implemented… we’d really like to hear about other people getting their ideas picked up because otherwise it’s all just a giant waste of everyone’s time (SU#3).

I’d like to get updates—tell me what successes you’ve had, what wins you’ve had, give me some information to show that my work has been contributing to something good across the board…If I contribute to the United Way and I don’t know what the United Way is doing with their money—I still may feel good about myself, but if I find out all the good things that the United Way has done with their money, then I’m going to be more likely to continue to contribute... so I want to hear what Spark has done with the ideas they’ve got in general (SU#1).

One of the huge dangers with Spark is for people to say, oh it’s kinda a pie onto employees--nothings really going to happen with this, it just make people feel like they’ve got a lot of buy in. But if people aren’t seeing really concrete things coming out of it, its going to be the flavour of the month if people get cynical about it and it will stop seeing the support it has right now (SU#2).

Issue: Unclear purpose of forum

Is Spark just intended to be very corporate, you know, ideas that are only enterprise public service wide? I don’t know. And that anything that ministry specific or office specific goes through your office channels? That has been one thing I’m not clear about (IC#2).

I think that a lot [of employees] don’t know about it, don’t remember it, don’t know if it applies to them—Frontline workers feel very isolated…they feel completely different and I don’t think their stuff would be relevant to people on Spark (IC#6).

We don’t necessary feel that we need to post anything on spark that has to do with our specific work area. I think we would probably stick to cross government ideas, you know ‘lets save paper by doing whatever”—stuff like that…Maybe Spark needs to give us something to work around a specific problem that they may have and may want ideas on and then the ideas will come forth of how to tackle a specific problem (SU#8).

You have to be really clear on what you want. Is it just innovation? Why types of innovation? What is it you want? And that’s what you need to be making sure your system is set up to gather. Making sure that that’s what we reward, that’s what we recognize and until you’re clear on what it is you want you won’t be clear on how your doing (SU#6).

Well the idea is that Spark is for broad cross government issues that pertain to everyone, so if I have some thing that is more specific to my ministry or even specific to my division I’m not going to go on there to post it, so I think some ideas aren’t being fully captured by Spark (IC#10).

There’s a lot of things that come up that are fairly ministry specific or their not things that have so much of a corporate application and so our [internal employee groups] work on a lot of those things. They do fairly large scale and impactful projects around a lot of the challenges that we identify (SU#3).

We do have access to [Spark] and as an IC, I go on every once in a while just to check it out, but no one looks at it here… Its strength and its weakness is that it’s [for] the whole public service. A lot of the questions and a lot of the details don’t apply to frontline workers. We don’t have a lot of options, we don’t have a lot of flexibility because we have to be open from 8:30 to 4:30 and a lot of the suggestions that come forward aren’t even relevant to us in any way…there are so many ideas that don’t apply to you that its hard to look through them all (IC#6).

Issue: Inadequate protection, incubation, and Some ideas need to be fostered and looked after and some times if you get to many people looking at it, it gets killed…. I know we’ve got a number of knock it out of the ball park ideas that we’re not ready to put on Spark yet because we want to get them to a point where they can’t be killed. Sometimes if you get too many people working on something it doesn’t go anywhere [but] a small group to really push it forward
**Issue: Support for new ideas**

and give it momentum…some people just put it on Spark and away it goes, or not, and some people have a
good team around them where they can generate some really good ideas internally and pull the right people
in. Once it’s more developed, then put it on Spark (IC#4).

I think [Spark] is well done and I commend everyone who’s done work on it…but I also think it’s time
consuming and you go into a vortex and where does it go? A lot of [our ideas] are operational and we can
deal with it within our ministry or with our client ministries… so instead of it taking two years it takes six
weeks (IC#2).

**Issue: Little or no feedback**

I think Spark’s a great idea...ya...I think sometimes I have to remember to go there...I posted ideas
originally, but I didn’t get much feedback on whether it was a good idea or if it was going anywhere
(IC#9).

Corporately, I don’t see a lot of feedback being posted and it kinda seems that ideas fly off into the void a
little bit...I’m sure that many employees would like to hear [for example], right now this isn’t workable
because this piece of legislation prevents...or what have you (SU#3)

**Issue: Growth and density of Spark content**

I love Spark. I think it’s a wonderful idea, a wonderful concept. Because it involves everyone it can go in
many different directions and there are enough diamonds in there that make it well worthwhile. The one
weakness that I would say it has is that some good ideas get lost a little bit and as we’re bringing more new
people into Spark...they may miss that one generic [idea] cause they haven’t gone through all the hundreds
of them in there—Like how do they find number 376 when they don’t even know they're looking for it
(IC#4).

It’s basically just one gigantic list. There needs to be a way to delete duplicate ideas...a lot of people end up
posting without reading everything that’s come before because it’s a bit daunting and if you don’t go in
regularly, you’d have a lot to weed through (SU#3).

I think it’s a great system, I think it’s got a lot of potential. But one of the things that I find a little
challenging is the sheer volume that is in there right now...I think their needs to be a way to close off some
of the stuff and not have it still showing or have an archive of the implemented ideas or an archive of the
concluded ideas that weren’t implemented, because I think it’s just going to get bigger (IC#13)

**Issue: Not enough time**

There’s often little time to post. I mean I’m an Innovation Champion and I haven’t really had time to look
at Spark in depth for probably more than a month. If you want to keep up to date with you have to be on
there all the time (IC#10)

**Issue: Fear and discomfort**

I think maybe they feel that there may be a fallout, that they may get into trouble if they say things on
Spark—I think most employees are fairly cautious in that regard. I know I’m cautious myself. I’ve made
some suggestions, but I’ve been cautious when posting ideas and I don’t think I’m so far from the norm
(SU#8).

People are never quite sure what the reaction might be depending on what their work environment is like or
their ministry culture... In our ministry if someone has an idea, people are interested in ideas, but I don’t
know if that’s the case everywhere (SU#3).

I think the key strengths are first just having the opportunity for people to put ideas out there which has
never really existed before in government, not on this level, but I think there are a lot of people who are
skeptical, who see this as out of the Premiers office (IC#2).

**Rewards and recognition**

I think recognitions for ideas should come in different ways. There is a market dimension to it and a
community dimension to it. I think that the market dimension is tied with financial compensations which
is harder to do in the public sector context, but not impossible. And then the community dimension is
more around recognition and making people seen and really felt as important and valued and that can
take the form of just a pat on the back from the Premier or from Jessica or whoever (IC#1).

Everyone’s a little different there…and for me just a thank you… I think being recognized is enough;
people don’t need the reward or anything. For some of us we just put it, well that’s our job, why is that
any different? (IC#4)
<table>
<thead>
<tr>
<th>Public Service Transformation Fund</th>
<th>I think a lot of the time what people want is to feel like their participation is valued and that doesn’t even have to cost anything…(SU#2)</th>
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<tbody>
<tr>
<td></td>
<td>I’m really leery about recognition ceremonies. I like spontaneous things (IC#3)</td>
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<td></td>
<td>That’s going to be specific to individuals (IC#2)</td>
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<td></td>
<td>Employees love it when their ADM’s notice them in a positive way (IC#13)</td>
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<td></td>
<td>I think driving the bus is one of the best ways that you can reward someone for having a good idea. Everyone wants to be a part of making something good happen (SU#3).</td>
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<td></td>
<td>I really think the greatest thing to get employees to generate ideas is to reward them and that’s one of the challenges in government. Beyond tokens or public acknowledgement, their ability to promote someone based on their ideas or create a position for someone based on the ideas they bring forward without going through all the standard hiring processes…there really needs to be abilities in government to do that (SU#2).</td>
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<td></td>
<td>I don’t feel like a nice pen or a new mug or one of the ‘do-dads’ that are offered as rewards and recognition. I would value an increased level of trust and freedom more as a reward for participating in this type of thing…If I came across a project that I put forward an idea for and it was considered to be a worthwhile idea, I would like to be able to take the lead with that and it would give me the opportunity, if I was allowed to do that, to develop leadership skills and to develop a more business-oriented thinking (SU#4).</td>
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<tr>
<td>Issue: Inadequate communication</td>
<td>I’ve actually never heard of the Public Service Transformation Fund, but I think it’s a fantastic idea! I think it was a great idea…I don’t know why I hadn’t heard of it, but then again, when is someone supposed to work on this kind of thing (IC#6).</td>
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<td>Probably a little bit more communication out on it and having a better understanding, because I didn’t know and I know that I tried to find out about it and I really didn’t get a lot of answers…it was my understanding that there wasn’t any money (IC#12).</td>
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<td>We got an email from our Deputy I think on a Wednesday and our applications had to be in on a Friday. Now I was kind of targeted because I was project directing [an initiative], but if I was another employee in another ministry, I would have never made that timeline…we kind of were pestering out executive director for a while asking when is it coming, how do we apply but by the time we found out we had only a few days (IC#9).</td>
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<td>You know I don’t know enough about it…I know the concept behind it but actually, I don’t know and maybe I’m out of the loop, but I’m not aware of anything that has actually happened with it…I think it would be nice if we were in the loop because we can definitely communicate about what its being used for, if there’s some success stories out there, that would be great to know (IC#3).</td>
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<td>I’m not sure if there was enough marketing of this initiative. I mean even as an Innovation Champion, I sort of only learned about this a little while ago and I don’t think that a lot of people know about it…well maybe they do, but my director didn’t know about it till I told [him/her]. And it’s part of the Innovation Champions’ role to make people aware of things like this—I think that there’s probably still people out there who don’t know about this (IC#10).</td>
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<tr>
<td>Issue: Unclear purpose, focus, and target audience</td>
<td>Now I don’t know who the target audience was for that fund…but my thought is that it didn’t filter very far because I heard about it from someone from another ministry who was doing it and at that point we didn’t even know that it was out there or that we could even apply for it. So as the first flaw, who was the target for the fund? Who supposed to be filling out the application? (IC#2).</td>
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<td>This looks like something that would be for really big projects, but what about the little ones? What about the ones that don’t cost that much money? What about recognition? Those are the questions that should get asked (IC#12).</td>
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I like the fund in principle, but I think that it’s too small and I think that it’s too focused on the technological and demographic aspects of public sector change right now. I think this short-term component makes it sort of like a band-aid (IC#1).

...what I also felt coming through was that I wasn’t consulted about this and not knowing anything about it, trying to make use of it. I think it was a great idea, almost most necessary in actually fact, but [its focus] doesn’t relate to all parts of the public services. It doesn’t gel with the way the work is done in a lot of places...and the money could definitely be used and for the purposes that it was intended but not in the way that is being managed I’m afraid... a lot of people were quite critical and cynical about the whole thing, like could this money have been used better elsewhere? (IC#3).

And I think to be honest, like with some of the people you talk to who are looking at the big fund they think [wow], we’re having all this financial issues here and then here’s this fund and it’s got all this money, they think what the heck is this money there for when we need money for operational business...and then who’s making the decisions or is this from Jessica’s office? Or is it just being steered from the very very centre or some centre idea? There’s this feeling that it isn’t ours and I see this a lot with top down initiatives (IC#2).

I don’t think many people know about to be honest, like staff on the frontlines. It came out, it probably went to the top supervisors and managers—it didn’t go down really…I don’t think every staff member within our organization felt part of that transformation fund application process which is important when we are embarking on such an initiative and that there be some discussion that we involve staff in all these kinds of collective decisions (IC#11).

I love that this fund is available, especially in a time of budget restraint...but [the process] could be more user friendly at the frontline, cause that’s where all your ideas are too and we want to invite them we don’t want to barrier them. Even though the fund is meant to be [accessible] I don’t believe frontline employees believe they have the opportunity to complete it (IC#8).

If you’re looking at groups that have a really great idea and they want to put it forward, well chances are that these people have never written a [business case], never seen a treasury board submission. How do they even know what things to identify to even make it through the gates to get looks at? Chances are if they have a good idea, they won’t even know how to put them together. If staff who know they have this really great idea, but don’t know how to articulate it in a way that could get anyone’s attention, how are they supposed to articulate to their executive that it’s going to save them money? (IC#2).

For one of our projects it was really hard to put down the business case without getting the funding so we didn’t know how much it was going to save...without having some funding to get an expert to do an business case-- even that would cost 50 to 80 grand...some of the feedback we got back was well you guys should have done a business case, but we didn’t even have the funding to do that (IC#9).

I think the application is quite jargon heavy and I think that the criteria are a bit confusing. I think that the expectation that you have to show, in very short order, the specific benefits and I think its really hard to do that when you are really trying to propose a different way of doing things. It’s really hard to show that the business case is really strong (IC#1).

I think that a lot of people have ideas but their not sure how to write them out, how to follow through on them, how to create measurable outcomes to be demonstrated in two years—unless people are trained in project management or something like that, it’s not really how they come up with ideas...and its hard to have people take you seriously with your ideas if you don’t know how to follow them up or how to make a proposal (IC#6).

Well I think it’s a wonderful program. The weakness is that we were supposed to be told our results in July and now I don’t know where they are and that wasn’t communicated out. Now there’s a rumour that it’s not going to be until September...and there’s a greater question...Is there a Transformation Fund? Right now I don’t know...there are a lot of people going, maybe there isn’t a Transformation Fund—maybe it was just an exercise to generate ideas...and there’s another rumour out there that there
will be no September 14th intake... so we’re thinking maybe their isn’t even a fund (IC#4).

We kind of forecasted all of our spent based on having the money from July. Now that we still don’t know if we have the money and its August... I think there are going to be a lot of projects that even if they get the full amount of funding that they request for this year, they won’t be able to spend it...it going to be really tricky (IC#9)

Issue: Concern for future funding

I would say that one of the weaknesses is the way it was set up as a one-off. It would be great it were rolling funding as projects need it, like going to the bank sort of rather than everything at once (IC#9).

I think these are they kind of programs that the government needs to continue to support to show that this isn’t just talk, its action. You’re saying these are our values and these are the things we need to stand for, well put your money well your mouth is...by having a fund out there it shows that the government values innovation, recognizes innovation and also implements it to help government as a whole...and I think something like this should be ongoing (IC#7).

### Creation of an innovation Champion community

**Notes taken during interviews**

- To open up possibilities for their colleagues
- Acting as a conduit for things like the transformation fund, offering support/advise
- Helping the shift the organizational culture
- Lead and facilitate change
- Creating awareness about what going on in the organization
- Knowledge retention
- Myth busting
- Raise awareness
- Helping employees to implement idea
- As a resource and source of knowledge for new methods
- Building momentum so that the organizations can carry itself through transformation
- Challenge the status quo
- Support others in changing their behaviors
- Coaching people through how to deal with resistance when they get it for the first time
- Lead by example
- Promoting spark and employee ideas as a duty
- Encourage people to think differently
- Being a leader where they stand by modeling behavior

**Sample comments**

I’m not sure if innovation champions can do much more than to model behavior really (IC #1)

I think my primary role comes down to the individual role of being a leader where I stand…its really about creating a cultural shift in the public service and being a leaders that’s helping with that cultural shift and improving the business of the public service…and its about credibility and you know walking the talk… it really does start at the personal level We have to do it by demonstration…by modeling…we’re trying to be the model for anything new and suggesting new ideas… and you’ll get shot down but a seed has been sown (IC#3)

I think that there’s a great role for innovation champions to get a little more involved in what happens to an idea. Innovation champions could maybe sponsor some ideas and be responsible for communicating them out and getting more involved in cross-ministry projects that are directly related to spark ideas--I think would be great (IC#9)

### Issue: Unclear mandate

I think that one of the areas that I find a little frustrating when we look at some of the Innovation Champion stuff is that it’s so wide open and when there’s no structure or no process it becomes a dogs breakfast...people need some type of structure but it needs to have enough flexibility built in to it so that people know that there’s a start and an end but that you have flexibility in the middle and some steps along the way (IC#2).

I don’t think it was really clear for me at the start what my role was… I had some notion but then I was never directly asked to do anything or given any presentation packs to go around and communicat. It was a little bit to open for me to be able to do anything with it…there wasn’t really anyone even checking in on what I was doing or could be doing or even what other people were doing and I could have taken an idea of what someone was doing in another ministry and done it here (IC#9)
It was very nebulous at first though. There wasn’t a lot of definition and I didn’t even know what it really was...it was really unclear, what it was that we’re going to be involved in or what was going to be expected. And even after that first meeting, we really didn’t have a sense of what we were really supposed to do. I think there needs to be more direction because I think a lot of groups have been floundering a bit (IC#13).

**Issue: Insufficient information**

…we had actually come up with an idea for a system very similar to Spark and we had started working on it and then we finally heard that the corporate group was doing the same thing… there was some duplication happening… We weren’t getting a lot of information from corporate Spark at that time about what they were working on because it was all a big surprise and secret…the Innovation Champions had no idea (IC#13).

I was expected to cheerlead on corporate initiatives that I knew very little about and wasn’t being given a lot of information on. I mean, where was it going corporately? Nobody told us as Innovation Champions. We really had no inside information and then we were in a position of saying, oh this is all great, but we really didn’t know if it was going to be great, where it was going to go or what it all meant. Initially we think its great and things are looking good [but] what if the direction changes? It kind of puts you in a weird position (IC#15).

**Issue: Time**

I hate to say this, but it’s also about getting the permission to work outside your job… or if somewhere you could getting a designation that says you get 10 or 15 percent of your time set aside to do Innovation Champion work and that it would be just your own ministry… it’s a corporate allocation… but the arguments I’ve heard from management is that we’re the ones that pay your salaries and so why would we give you away. The incentive is that its corporate good, but not everyone thinks that way… Having to do this off the side of our desk has been difficult because we’re all busy...if something isn’t put down as part of your job description it’s hard to get the respect and credibility (IC#2).

**Issue: Limited influence**

I think it would depend somewhat on your role in the organization as to the willingness for people to accept that (IC#3)

It’s easier when you’re in role where you have influence. It’s not as easy to do it where you don’t... (IC#2)

And where I’ve hit the brick is over at the policy shops at [ministry X]…When I phoned over to talk about it, I didn’t use my [executive] title, I just said I’m an Innovation Champion and I got such a cold shoulder, Holy…when I do the Innovation Champion work I do tend to just say I’m an Innovation Champion…but this time I could not believe the cold shoulder I got (IC#13).

**Future support: Strengthening and sustaining a network**

I think there has to be some way for IC’s to get together, to sort of strategize. There’s some IC’s that don’t even know who the other IC’s in their department is and that makes it really difficult (IC#4).

I did expect more from the launch, I mean the launch was great in Kamloops and I was really lucky to have heard Sir Ken Robinson—it was really empowering to hear that and then to go away and not really even have a vague idea of what I was doing or what other people were doing or even know who any of the other Innovation Champions were…not having the opportunity to network, find people with similar skill sets (IC#9).

I would say that in the Innovation Champions that there was a huge missed opportunity to actually just get to know each other and to build relationships within the Innovation Champion community...at this point we don’t really know each other. (IC#1)

**Future support: Growing the community**

In our ministry there’s not tons of Innovation Champions but we do utilize our [existing groups] a bit more because there’s [number] of them across the province and they help a lot... we really felt that our group of [number] is a manageable group for doing what our mandate was...but we’ve decided that we need to rotate Innovation Champions...and we need to bring fresh people in on a cyclical basis...but more than [number] would be ridiculous (IC#13).

Ya it might be nice to have more ...but again once you have all those people, what do you do with them?... you don’t want to take this idea of the lemming approach-- getting them all here and push them
off the cliff and if they fly, good and if they fall to the ground they fall to the ground (IC#2).

At this point, I don’t think so. I think it would be better to focus on the ones we already have, making them more productive (IC#6).

There may be [some benefit], but I think you’ll have to be very careful on how its communicated out and what exactly it involves, because in our organization and everywhere else, there’s less people to do more work (IC#12).

<table>
<thead>
<tr>
<th>Future support: Alignment and synchronization</th>
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</thead>
<tbody>
<tr>
<td>When we look at some of the Innovation Champion stuff is that it’s so wide open and when there’s no structure or no process it becomes a dogs breakfast...people need some type of structure but it needs to have enough flexibility built in to it so that people know that there’s a start and an end but that you have flexibility in the middle and some steps along the way (IC#2).</td>
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<tr>
<td>I have a lot of respect for them, but I think their roles could be expanded much more in the sense that they need to be able to pass on the corporate direction and priorities for innovation... I think that their ability to give individual ministries or groups a sense of whether their initiatives match up with corporate initiatives would be valuable. You know that synchronizing function is really critical and I think they need to focus on that (IC#1).</td>
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<tr>
<td>We need more knowledge about what the Future of Work team are doing and their goals and just knowing what activities are in motion so we can pass that on, on behalf of the Future of Work Team…I think the Future of Work Team can use [the Innovation Champions] to tap into ideas on how to launch initiatives and just give us information so people can ask us instead of chasing them down…I mean if there’s anything we can be doing (IC#9)</td>
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<tr>
<th>Future support: Executive leadership</th>
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<tr>
<td>What we need is for people to see is that this group has a lot of power. [They] don’t need to drive things, but just to know that we’re feeding up to something that has a lot of power…an ADM is sort of given that power where I think the Future of Work is going to have to earn that power (IC#4).</td>
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<tr>
<td>I think that for me to be effective I need to have the leadership support from an ADM or an executive or someone who is empowered to lead Innovation Champions…You have to have some type of formal relationship with the some of the decision makers to really make that change…we can kind of do it at our level and below but I think with only [number] of us in a ministry of [number] people, that’s not enough of us (IC#9)</td>
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