





# Executive Summary

## Public Sector Innovation

There is growing recognition within government that public sector innovation is essential in a context which requires government to achieve more with less, while developing new solutions to old and new complex problems. However, though innovation has entered the Whitehall narrative, there is an under-developed appreciation of what public sector innovation might mean in practice and how it can best be supported.

The Cabinet Office and Department for Business, Innovation & Skills (BIS) commissioned the National School of Government's Sunningdale Institute to explore what models of innovation and innovation support exist in the public sector, where they are and are not effective, and to recommend ways in which innovation can be better supported in the future. Our work follows on from a piece by the ISOS Partnership, who mapped and assessed the effectiveness of support for innovation in the children's, health and justice sectors.

The Sunningdale Institute team interviewed 17 knowledgeable people on innovation from inside and outside government and conducted a review of the relevant literature. Together with the ISOS Partnership's work, a message came through loud and clear that there is no shortage of good ideas in the public sector; but the challenge is to make something of them on a larger scale. With this in mind, it is important to consider innovation as a linked process from initial idea generation or identification, through scaling up and development, to launch and subsequent diffusion, with the latter stages just as significant as the former. Therefore, managing innovation is important, but it is equally important that public servants do not adopt a one-size-fits-all approach. Different types of innovation in different settings require different sources and forms of support.

## Framework for analysing innovation and support

We have developed a framework for analyzing innovation and its support, based on the following factors.

Not all innovations are the same; they can take several forms which for simplicity can be reduced to four dimensions of change:

- **'product innovation'** – changes in the things (products/services) which an organization offers,
- **'process innovation'** – changes in the ways in which they are created and delivered,
- **'position innovation'** – changes in the context in which the products/services are introduced and branded, and
- **'paradigm innovation'** – changes in the underlying mental models which frame what the organization does.

For the purposes of this report we took paradigm innovation as a framing factor, since its evolution is complex and impossible to predict and the result of the interactions of multiple factors and actors. The **paradigm** changes that are altering our mental models at the present time include:

- The revolution in information and communications technology

- The changing nature of the public finances following recession-mitigating support for the economy
- The legitimacy of governing institutions in the eyes of citizens, requiring a new approach to relationships
- The increasingly pressing nature of some 'insoluble' policy problems

The influence of these factors is so significant that they will and should impact on all innovation, providing the context within which product, process and positioning innovations take place.

A further factor in our framework is the quality of strategic leadership. No matter how good the model of innovation employed or the quality of the support, without effective **strategic leadership**, good ideas will not travel along a path that leads to added value.

Finally, the degree of **discretion** held by frontline workers should affect how innovation is supported. Where there is a high degree of central control, the path to diffusion will take one form. But where the service is characterized by high front line discretion, as in professional services, it will take another.

Therefore, the framework for our analysis is as follows:

- **Paradigm** changes permeate across the whole system and potentially impact on everything we do.
- Innovation will not take place without good **strategic leadership**.
- Innovation will differ according to the degree of **discretion** held by those at or near the front line.
- Innovation may be about **product, process or position**.

## Innovation models

Models matter because they shape what we pay attention to and how we resource and manage the things they represent. We can think in terms of several model archetypes for how innovation happens in public services. It is important to note that these models are not exhaustive and nor are they exclusive. Rather, in most cases innovation would best be supported by a combination of them.

Model	What is it?	Where to use it...	How to support it...
<b>R&amp;D Led</b>	Ideas are developed by specialists, refined, developed and launched.	Useful for scientific and technology based products, but should not be used in areas that require high discretion.	Currently has the strongest support. Build connections with companies with strong track records of technical innovation.
<b>High Involvement</b>	All employees engaged in process of incremental problem solving.	Suited to developing incremental process innovations in areas requiring high degree of uniformity and little employee discretion.	Focus on maximizing level of discretion of employees within bounds of their role & provide space, reward & recognition for developing & adopting ideas.
<b>Network</b>	Ideas developed, adapted & adopted through networks.	Particularly important in areas where high levels of discretion are necessary.	Ensure networks are properly resourced & supported.
<b>Radical / Discontinuous</b>	Group is given the license to think the unthinkable & develop ideas on the edges or apart from the mainstream.	Suited to developing radically different services or ways of doing things.	Requires an autonomous unit with license to 'think the unthinkable', a multi-disciplinary team & 'godparents' within mainstream system.
<b>Entrepreneur Driven</b>	Ideas developed on a small scale inside or outside an organisation.	Potentially taps into the rich vein of social entrepreneurship in & around the public sector. Space & support should be continuously present.	Supporting & working with intermediary or brokering organisations who provide entrepreneurs with 'wrap-a-round' support. Provide space, reward & recognition for innovation.
<b>Recombinant</b>	Idea adapted & adopted from one setting into another.	Organisations should continually be open to ideas from outside, whether in their sector or beyond.	Mechanisms to bridge between different worlds (e.g. innovation scouts) & translators to adapt innovations. Porous organisation with learning culture.
<b>User-Led</b>	Users innovate themselves through co-production with professionals or using voice or choice.	Customer insight important in all models. Co-production or choice particularly appropriate for relational services tackling wicked issues.	Can be supported by platform innovations (e.g. personal budgets) or enabling & encouraging frontline workers to co-produce solutions with users.

## Conclusion

The key purpose of this report is to develop a framework which provides a repertoire of types of innovation and relevant support models which effective strategic leaders can use to design innovation into their own organisations and begin to fill the gaps in innovation support. We hope to have shown that innovation is far more than specialists sitting in dark rooms thinking up new ideas. Rather, there are multiple types and models of innovation and innovation support that can be applied in different contexts. Our framework cannot capture all of these, but it does provide a starting point and frame of reference from which civil servants can think about innovation in their particular context.

## Further reflections and recommendations

Through our engagement in this work, we have also developed the following wider reflections and recommendations:

- There is as yet no clear government-wide **strategy for innovation** which is well enough articulated to provide an enabling framework across the many varied contexts of the public sector. We hope this report will make a contribution to developing such a strategy.
- One of the reasons for the weakness of central government's approach to its own innovation strategy lies in under-developed **innovation capability** amongst senior civil servants. We believe this capability gap should be overcome.
- We believe that central government should create a **multi-disciplinary unit** which has the capability to hold and work with the range of innovation types and support systems outlined in this paper and the capacity to engage with senior stakeholders to develop the case for innovation. An important starting place for this unit would be to develop a suitable incentive structure within public services in order to create the motivation for innovation.
- Motivation is a thorny question, but one which needs an answer if public services are to become more open to innovation. Most of the systems which control civil service work carry implicit messages that innovation is not recommended. All of the people we interviewed maintained that the incentives against innovation are greater than those for it. We propose an **innovation audit** of systems such as HR and finance, commissioning and procurement, IT systems and estates/ building management and any other systemic controls to assess where traditional practices might be adjusted to create more space for innovation.

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# 1. Introduction

## 1.1. Public sector innovation

Definitions of public sector innovation vary but typical is that given by BIS, the lead department in government on the subject:

*‘Innovation is the process of identifying, testing, implementing and spreading ideas that add value’.*<sup>1</sup>

While this definition is alright as far as it goes, it is apparent that innovation is a problematic process – there are many good ideas around but for some reason they do not ‘spread and add value’. Innovation is essential in public services, both to deliver the ‘more for less’ agenda and to offer radical alternative approaches to major social and economic issues. Balancing the needs of multiple stakeholders, rising expectations for service range and quality, the potential of new technology and the rising cost of delivering public services is forcing innovation on to the agenda across all departments. As David Albury and Mike Harris suggest, the conditions are now approaching those of a “perfect storm” requiring a significant innovative response. These include: <sup>2</sup>

- ‘Persistent issues with no known pathway to solution’
- ‘Long term challenges which are becoming more pressing’
- ‘Increasing demands on public services’
- ‘Recession, leading to significant tightening of public finances’

Although public sector innovation has entered the Whitehall narrative, the argument has not yet been won. There is considerable danger that a narrow construction of efficiency will prevail which will miss the potential of innovation to offer more for less.

*“Public sector managers believe there are some tried and tested ways of driving efficiency – Innovation has to prove itself.”*

This risk is exacerbated by the need for there to be ‘slack in the system’ to create the space within an organisation for innovation. In the rush to secure small short-term efficiency savings, it is important that government does not jeopardise its ability to achieve potentially large long-term innovation advantages. As one of our interviewees commented, in the coming months and years:

*“...finding this ‘space’ [to innovate] may be the hardest challenge of all – as one person’s ‘innovation capacity’ is often another’s ‘efficiency saving’.”*

Therefore, public sector innovation needs a strong voice within the core of government to advocate its benefits, but there is also a need to develop Whitehall’s appreciation of what innovation might mean in practice in a variety of situations and how it can best be supported. One of our interviewees, a former Whitehall official, told us that:

*“Whitehall has reached the first base of awareness of the need for innovation but a steep upward climb is needed to make it happen.”*

We hope this report will provide a useful account of what innovation means in different circumstances and also of the most appropriate ways to support it. You can get lucky once by having a good idea, but we suggest that Government needs a more systematic approach to ensuring that – across the wide range of different situations within public service – innovation becomes a way of life.

<sup>1</sup> BIS (2010) Public Sector Innovation: The package of support. See <http://www.hmg.gov.uk/publicsectorinnovation>

<sup>2</sup> See Harris, M & Albury, D. (2009) The Innovation Imperative: Why radical innovation is needed to reinvent public services for the recession and beyond.



## 1.2. Background to the report

The National School of Government's Sunningdale Institute was commissioned by the Cabinet Office and the Department for Business, Innovation and Skills (BIS) to explore what models of innovation and innovation support exist in the public sector, where they are and are not effective, and to recommend ways in which innovation can be better supported in the future.<sup>3</sup> We hope that this report will assist policymakers in thinking about innovation in their sector and how they can best support it throughout the innovation process.

The Sunningdale Institute team commissioned consists of Prof John Bessant, Sunningdale Institute Fellow and Professor of Innovation at the University of Exeter;

Professor Sue Richards, the Director of the Sunningdale Institute, and formerly Professor of Public Management at the University of Birmingham; and Tim Hughes, researcher. In order to produce a timely input to future discussions about how government might best support itself to be more innovative, the research phase of the commission was time-constrained and the team interviewed 17 people knowledgeable about innovation, both inside and close to central government, and conducted a search of relevant literature.<sup>4</sup>

A parallel piece of work, undertaken by ISOS Partnership, was commissioned at the same time to carry out an innovation support mapping exercise across three different areas of public service. We are grateful to colleagues in ISOS for access to their work.



Professor John Bessant



Professor Sue Richards



Tim Hughes

<sup>3</sup> Extracts from the terms of reference for the Sunningdale Institute and ISOS Partnership work are attached at Annex A.

<sup>4</sup> A list of those interviewed is attached at Annex B and a bibliography at Annex C.

## 2. Innovation in public services

There is no shortage of good ideas in the public sector – this is a message that came through loud and clear in our interviews and from the work of the ISOS Partnership.<sup>5</sup> The challenge we are presented with is making something of these ideas, which spring up in all corners of the public sector and beyond.

### 2.1. Public sector dynamics

The dynamics within the public sector do differ from those of the private or voluntary and community sectors; while in the private sector innovation is often about balancing risk and reward, in the public sector reliability is also particularly significant.

*“We do need quite a lot of change, but people don’t want unreliability.”*

But, though public officials may rightly have an increased concern with reliability, innovation can and should still be made to flourish. It should be remembered that the public sector benefits from thousands of individuals (inside and outside) who are passionate about improving the services they deliver to citizens and the outcomes they help to achieve, as well as the expertise and knowledge of innovation from some world class intermediaries.

That being said, if the public sector is to be made to be more innovative, a number of our interviewees emphasised the urgent need to transform its incentive structures, which means creating the space for failure as well as innovation.

*“There is little point in wishing for innovation to come to the party if its ugly sister failure is always shown the door*

*when the inseparable twins arrive.”*

If the innovation models set out in this paper are to be successful, first the organisational culture of the civil service needs to value – and be seen to value – innovation, while being more accepting of risk and failure. Without the strategic leadership capacity to bring this about, innovation is a non-starter.

### 2.2. The innovation process

This is particularly the case as innovation is not simply an event – the cartoon light bulb flashing on above someone’s head – but an extended set of linked activities ranging from initial idea generation or identification, through scaling up and development, to launch and subsequent diffusion across a population.

*“The innovation process is everything from invention to widespread adoption, but it has been collapsed by many into the invention part. Unleashing creativity is only part of the story.”*

The final stages of this linked process are just as significant as the early stages of ideas generation, and unless this is understood, well-intentioned efforts to spread good ideas will not work. Often, the invention of a new idea is the easier stage of the innovation process, which perhaps explains to some extent why many good ideas do not ‘spread and add value’ in the public sector. Therefore, we highlight the need for a change in culture, as well as the importance of strategic leadership to creating the conditions for innovation and we make recommendation that the civil service’s incentive structures are considered as a matter of urgency.<sup>6</sup>

<sup>5</sup> ISOS Partnership (2010) The effectiveness of support for innovation in the children’s services, health and justice sectors.

<sup>6</sup> See chapter 5: Conclusions and wider recommendations

## 2.3. Managing innovation

Lessons from the private sector show that managing the innovation process is important; while any organization can get lucky once being able to repeat the trick and deliver a steady stream of innovations requires some attention to how the process is organized and managed. This view is borne out in the extensive literature on innovation management and from case examples of major innovators – for example, Toyota (Toyota Way), 3M (Pillars of Success), Procter and Gamble (Connect and Develop) and Google (Nine Points) are all organizations which have actively reflected upon and codified their particular approach to making innovation happen.

In similar fashion, successful public service innovation will depend on something more structured and repeatable than an ad hoc approach. This was a view held by a number of our interviewees, who stressed the need for central government to develop a ‘strategy for innovation’.

*“There’s a risk of undisciplined innovation – at the moment the drivers of innovation are ministers’ whims and the media... What we don’t have is a strategy for innovation.”*

However, it is equally important that public servants do not adopt a one-size-fits-all approach to managing the innovation process. Different types of innovation in different settings require different sources and forms of support. In this report we develop a framework (set out in chapter 3) to aid the understanding of innovation, providing a repertoire of types of innovation and relevant support models which effective strategic leaders can use to design innovation into their own organisations.

## 2.4. The current innovation support landscape

The ISOS Partnership work<sup>7</sup> mapped and assessed the effectiveness of support for innovation in the children’s, health and justice sectors. It shows that while support for innovation does exist in the public sector, it is highly variable between sectors, incoherent, and with gaps; and there is a dearth of support for developing and transferring innovations between sectors. We hope that this report will provide civil servants with a more subtle and sophisticated conception of innovation and so help them to identify and begin to fill the gaps in innovation support.



<sup>7</sup> ISOS Partnership (2010) The effectiveness of support for innovation in the children’s services, health and justice sectors.

## 3. A framework for analyzing innovation and its support

In this chapter we set out our framework for analyzing innovation and its support; a graphical representation of which is presented at the end of the chapter in figure 2.

### 3.1. Four dimensions of innovation

When considering innovation support, it is important not to view all innovations as the same. Rather, they can take several forms, which for simplicity can be reduced to four dimensions of change:<sup>8</sup>

- **'product innovation'** – changes in the things (products/services) which an organization offers;
- **'process innovation'** – changes in the ways in which they are created and delivered;
- **'position innovation'** – changes in the context in which the products/services are introduced and branded; and
- **'paradigm innovation'** – changes in the underlying mental models which frame what the organization does.

So, while adequate support may be provided for particular types (or models) of innovation in particular sectors, there may be less or even no suitable support for other types of innovation.

It is also important to recognise that there are degrees of novelty in these dimensions, running from minor, incremental improvements right through to radical changes which transform the way we think about and use them. Sometimes these changes are common to a particular sector or activity, but sometimes they are so radical and far-reaching that they change the basis of society — for example the role played by steam power in the Industrial Revolution or the ubiquitous changes resulting from today's communications and computing technologies.

We can apply this model to think about public sector innovation and **figure 1** gives some illustrative examples.



<sup>8</sup> Adapted from Francis, D; & Bessant, J. (2005) "Targeting innovation and implications for capability development".

Figure 1: Types of Innovation

Innovation type	'Do better' (incremental)	Do different' (radical innovation)
<b>'Product' – what we offer the world</b>	Improved service offerings - faster, simpler, better quality, etc.	Completely new service offerings
<b>'Process' – how we create and deliver that offering</b>	'Lean' improvements in health etc. – essentially taking the waste out of existing processes.  On-line versions of existing processes – e.g. application for car tax, passport, Gateway services access	Radical new process for delivering services – e.g. total shift to online, outsourcing of key services, et
<b>'Position' – where we position it in terms of markets, story told around it, branding, etc.</b>	Opening up new channels to end users or engaging wider participation/ social inclusion agenda for delivery of existing services	Opening up completely new – unserved or under-served 'markets'.  Telling new stories to new user groups.  Radical repositioning of public service in end user's minds
<b>'Paradigm' – underlying mental model of what we do, what we are about</b>	The 1940's welfare state  New Public Management  Possibly – The shift from the delivery to the relational state <sup>9</sup>	

<sup>9</sup> See Mulgan, G. (2010) The Birth of the Relational State. [http://www.youngfoundation.org/files/images/the\\_relational\\_state.pdf](http://www.youngfoundation.org/files/images/the_relational_state.pdf)



## 3.2. Paradigm innovation – sets the context for our analysis

For the purposes of this exercise, we are going to exclude paradigm change from our detailed analysis, while retaining it as a framing factor – on the grounds that its evolution is complex and impossible to predict and the result of the interactions of multiple factors and actors. In effect paradigm changes set the context within which strategic leaders seek to guide their organizations. Such changes permeate everything we do and drive us to respond.

Obvious candidates for paradigm changes that are altering our mental models at the present time are:

- The revolution in information and communications technology
- The changing nature of the public finances following recession-mitigating support for the economy
- The legitimacy of governing institutions in the eyes of citizens, requiring a new approach to relationships
- The increasingly pressing nature of some ‘insoluble’ policy problems

No doubt it could be argued that there are other candidates for this list, even some emergent issues of which we are not yet fully aware, but for the purposes of brevity in our presentation we choose these four factors. Their influence is so significant that they will and should impact on all innovation. They provide the context within which innovations in product, process and position take place.

## 3.3. Strategic leadership

A further factor in our framework for analysis is the quality of strategic leadership in the organizations and systems relevant to innovation. A landmark report on public service reform, Excellence and Fairness, <sup>10</sup> called for a shift towards strategic leadership and away from micro-management in how the leaders of the public policy system operate.

Strategic leadership is needed to create the conditions for innovation. No matter how good the model of innovation employed or the quality of the support, without strategic leadership, good ideas will not travel along a path that leads to added value.

The critical contribution of strategic leadership is to ensure that the right kind of innovation and the right kind of support model is in place for what is needed in the organization or system. In order to make those choices, the strategic leader needs to have a high level conceptual framework, an understanding of the range of possible innovation models and the capacity to judge what would be appropriate. We hope our framework will be helpful as a means to aid the development of the specific frameworks strategic leaders need for their own organisations, enabling them to match innovation type and innovation support model to the situation in which they operate. We point out that those who occupy senior positions in the civil service are not necessarily strategic leaders, in the sense we are employing. Their position gives them the opportunity to create the conditions for innovation, but capability and commitment are also necessary.

### 3.4. Degree of discretion

The final element in our analytical framework is the degree of discretion involved in the service. Public services vary widely in the degree of centralization on key issues. Given that the point that needs to be tackled in public service innovation is not so much the development of good ideas but their spread and implementation, the issue of centralized control and decentralized discretion is a critical one.

It is right that there should be a range in the degree to which front line staff have discretion. A universal benefit system, for example, needs highly centralized design which puts users' needs into narrow categories, leaving frontline staff with little or no discretion about service delivery. By contrast, patients presenting in a GP surgery may have a wide range of symptoms which require the educated judgment capability of the frontline worker

to interpret and respond to. Scaling up good ideas will obviously require different strategies in these two cases and we argue that this differentiation needs to be built into innovation strategies and support models.

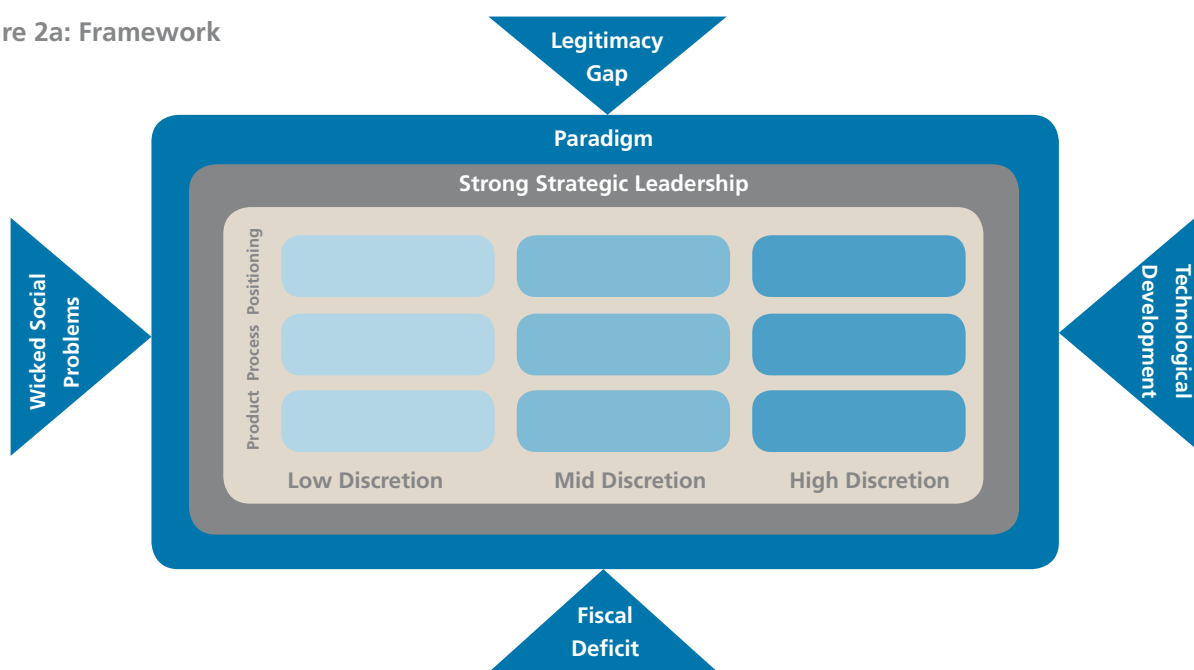
### 3.5. The whole framework

The framework for our analysis therefore is as follows:

- **Paradigm** changes permeate across the whole system and potentially impact on everything we do.
- Innovation will not take place without good **strategic leadership**.
- Innovation will differ according to the degree of **discretion** held by those at or near the front line.
- Innovation may be about **product, process** or **position**.

We present this framework at **figure 2** below.

Figure 2a: Framework



## 4. How innovation happens

In this chapter we set out some archetypal models of public sector innovation, discussing what they are, when they should be used and how they can be supported; and in **figure 3** (to be found at the end of the chapter) we populate our framework with these models.

### 4.1. Models of innovation

Models matter because they shape what we pay attention to and how we resource and manage the things they represent. At the extreme it is clear that one such model might be the cartoon representation of innovation simply involving 'light bulb' moments or Archimedes-type flashes of inspiration. If that is all we think there is to innovation then we will pay attention to and support activities which generate many ideas – but we will probably fail at innovation because we haven't considered downstream development of those ideas, or the issues involved in successfully launching and diffusing them.

In thinking about innovation models we also need to recognise the complexity of the process which they represent – in terms of the number of players and activities involved. Early models were simplistic linear affairs and mainly about physical products and processes – the typical 'technology push' or 'demand pull' stereotypes.<sup>11</sup> One of our interviewees suggested that:

*“Central government continues to view innovation support in terms of a linear pipeline model. This model is not well suited to the public sector – nor often the private sector for that matter – as real innovation travels in unpredictable ways between people, not conducive to one-size-fits-all approaches or top-down management.”*

In the private sector, these have gradually evolved to more complex and interactive models, weaving different knowledge strands together.<sup>12</sup> Such complex interactive models are particularly relevant in the context of services where users are a key part of the equation.

We can think in terms of several model archetypes for how innovation happens in public services. It is not a case of one being better than the other but rather that we need different horses for different courses. And in turn this has implications for how we support innovation – staying with the metaphor, we not only need different horses but different trainers, stables and support infrastructure.

### 4.2. Archetypal models of public sector innovation

Therefore, the following list sets out a number of 'archetype' models for ways in which innovation can happen in the public sector. It suggests when each model is best used and how it could be supported. It is important to note that the list is not exhaustive and nor are the models exclusive. Rather, in most cases – or squares in our framework – innovation would best be supported by a combination of the models, as is reflected in **figure 3**.

<sup>11</sup> See Rothwell, R. (1992) "Successful industrial innovation: Critical success factors for the 1990s."

<sup>12</sup> See Bessant, J; & Venables, T. (2008). Creating wealth from knowledge: Meeting the innovation challenge.



## Model A: R&D pipeline

### What is it?

Innovation is often collapsed into this first model; whereas in fact R&D led innovation is just one model amongst many. Under this model an idea is developed by specialists, refined, developed and launched. It is typical of R&D led private sector organizations – for example in pharmaceuticals or electronics where investment in specialists and dedicated facilities produces a stream of knowledge-based products. Often, the customer for R&D innovation is also a specialist; for example, Rolls Royce making aero engines for Boeing and Airbus.

Traditional Whitehall policy making may also be included within this model, where policies are researched and developed at a high level and then rolled out across the whole system, although it should be noted that such a model has been shown to be inappropriate for most policy making.<sup>13</sup>

### When to use it...

While useful for the development of scientific and technology based products, R&D innovation is not suitable for developing and supporting innovations in areas of service with high discretion and which require the co-production of solutions with users. Consensus is emerging that in the future central government should micro manage less and afford local areas and service providers with increased discretion. Indeed, a number of our interviewees argued that policy makers in central government should not be the ones innovating, but rather they should be creating the conditions and providing the

strategic leadership to support innovation closer to the frontline. Therefore, in the future there should be less of a tendency to use this R&D model to develop policy, but where it does continue to be used, it will be important to ensure that the 'R' in R&D receives the attention it deserves, including a high degree of customer/citizen insight.

### How to support it...

The ISOS Partnership found that currently: 'The main strength of support for innovation across all three sectors [health, justice and children's services] is in research and development, especially on the pharmaceutical and technology side in searching for new ideas.'<sup>14</sup> Indeed, one of the reasons why the NHS is seen by many of our respondents as in the lead in public service innovation seems to be the amount of investment in research capability undertaken over many years. As a public service with a strong technical side to it, and connections to companies with strong track records of technical innovation, such as the pharmaceutical industry, it may not be surprising that this diffuses across into service process. The NHS Institute provides support within the R&D model and across a range of relevant further models for the NHS, and central government could benefit from this example of a highly expert and multi-faceted support body. There are also other examples, notably NESTA and the Design Council, where proto-typing work within the R&D model is undertaken.

<sup>13</sup> See Sunningdale Institute (2009) *Engagement and Aspiration: Reconnecting policy making with frontline professionals*.

<sup>14</sup> ISOS Partnership (2010) *The effectiveness of support for innovation in the children's services, health and justice sectors*.

## Model B: High involvement

### What is it?

Under this model all employees contribute towards a process of incremental problem solving through what are often called 'continuous improvement' or 'kaizen' programmes.<sup>15</sup> The various implementations of lean in public services would be examples of this model; including the NHS's Productive Series<sup>16</sup> and the police service's Operation Quest.<sup>17</sup> Examples in the private sector would be the Toyota Way, GE's 'Workout' programme and Motorola's 'Six Sigma' model.

### When to use it...

The benefit of this model is that it engages all employees in the problem solving and innovation process, which is important to ensuring the adoption of new practice and innovations. However, it should be stressed, that this approach was developed in manufacturing industry within the context of a highly controlled production process. Therefore, this model is typically suited to developing incremental process innovations, particularly in areas that require a high degree of uniformity, and so where little discretion is exercised by employees.

### How to support it...

Successful versions of this model ensure that there is clear 'policy deployment' in which the broad strategic objectives of the organization are clearly specified and understood so that they can act as the 'railway tracks'

along which improvement activity is directed. Targeted in this way high involvement innovation can deliver significant traction in areas like quality improvement, waste reduction and efficiency gains.<sup>18</sup>

The focus should be to give employees the highest level of discretion possible within the bounds of their role, providing space, rewards and recognition for developing and adopting ideas, and spreading the good practice between teams that emerges. The web based Idea Street tool developed within DWP is an innovative example of an idea management system which simultaneously creates an incentive to innovate through a virtual stock exchange system, brings colleagues together to develop and comment on ideas, and links these ideas into the wider organization.

## Model C: Network

### What is it?

Under this model ideas are developed, adapted and adopted through networks. The inter-organisational network is the key context for the development of ideas as well as for their diffusion.<sup>19</sup> Within public services there are already examples of strong professional networks and associations which provide sense-making, opportunities, share good practice and new ideas. The Communities of Practice for local government are one possible example of this model of innovation. IDEa state that the benefits of CoPs: 'lie in providing a collaborative environment that connects people to other people, information and knowledge. Specifically CoPs can:

<sup>15</sup> For a more detailed description of this model, see Bessant, J. (2003) High involvement innovation.

<sup>16</sup> [http://www.institute.nhs.uk/quality\\_and\\_value/productivity\\_series/the\\_productive\\_series.html](http://www.institute.nhs.uk/quality_and_value/productivity_series/the_productive_series.html)

<sup>17</sup> <http://police.homeoffice.gov.uk/human-resources/efficiency-and-productivity/operation-quest/>

<sup>18</sup> For private sector case studies, see Bessant, J. (2003) High involvement innovation.

<sup>19</sup> For private sector examples, see Wenger, E. (1999) *Communities of Practice: Learning, Meaning, and Identity*.

- assist people to make sense of the complex world they are working within, developing an understanding of the significance and meaning of various factors
- encourage the development and sharing of new ideas and strategies
- support faster problem-solving
- cut down on the duplication of effort
- provide potentially endless access to peer expertise'.<sup>20</sup>

Another example could be the RSA and Innovation Unit's Future Schools project which has developed a network of 50 schools that 'come together to meet the challenge of creating schools fit for the twenty-first century' and 'help schools develop educational models for a changing world.'<sup>21</sup>

## When to use it...

This is a particularly important model in areas where high levels of discretion are necessary, for example in highly professionalized fields. This model allows ideas to be developed at the frontline where there are high levels of knowledge of user/citizen needs and expectations. The development of national service frameworks in the NHS was an example of the use of network innovation - lead professionals working in networks to tease out best practice in their service areas in order to try to develop uniformly higher standards across the NHS.

This model clashes with the R&D pipeline model of innovation sometimes employed within high-level policy work. Policy-makers need to understand the importance

of tapping into the innovative potential of people in high discretion services, and the dangers in seeking a micro-management approach to innovation.

## How to support it...

Networks frequently suffer from under-resourcing because they typically exist on the margins of the organisations within which resources sit. Recognition of the significance of the network model of innovation would lead to better resourcing of network support functions, including the capability to support network organisation and also support in teasing out the ideas exchanged within the network so that they have a wider currency. This was the support model provided until recently by the BIS-funded Whitehall Innovation Hub, which worked particularly on creating networks between Whitehall and local public service, and also between Whitehall and social entrepreneurs in the voluntary and community sector.

## Model D: Radical/discontinuous

### What is it?

Under this model a group is given the license to think the unthinkable and develop ideas on the edges or apart from the mainstream.<sup>22</sup> This is because, as an interviewee pointed out:

*"There's a tendency to filter towards the conservative. Most radical and transformative ideas get kicked out."*

An early and famous example of this would be the 'skunk works' which Lockheed Martin set up to help them

<sup>20</sup> See <http://www.communities.idea.gov.uk/faq/faq-index.do>

<sup>21</sup> See <http://www.thersa.org/projects/education/area-based-curriculum/future-schools-network>

<sup>22</sup> See Bessant, J; & Von Stamm, B. (2007). Twelve search strategies which might save your organization; Bessant, J; & Francis, D. (2005) Dealing with discontinuity - how to sharpen up your innovation act. AIM Executive Briefings; & O'Connor, et al. (2008) Grabbing lightning.

develop the – for its time – impossible innovation of an invisible aeroplane. By allowing the group significant autonomy and keeping it separate from the mainstream it was possible to develop the stealth technologies which later became a mainstream innovation for the business. One of our interviewees also gave the example of Microsoft, which develops its new operating systems away from the rest of its business; as:

*“Established institutions have a way of protecting the status quo.”*

Public sector examples might include some of the radical public policy think (& do) tanks, which are a source of well researched evidence, innovative policy ideas and new models of public service design. The RSA Schools without Boundaries initiative <sup>23</sup> is a current example of an innovative new model of providing education, while Nesta and NEF’s work on Co-Production <sup>24</sup> may help define a new paradigm of public service delivery. A past example of radical/discontinuous innovation is NHS Direct which was originally developed outside of the mainstream and was subsequently incorporated after being shown to be successful.

### When to use it...

This model is suited to developing radically different services or ways of doing things, which could not be achieved within an organisation. The incentives for employing this model in the private sector are relatively high, as a radical change in product or process may lead to fast growth in market share. There is a danger in the public sector that complete reliance on internal or network innovation models will lead to over-reliance on

the innovation that comes from inside, and potentially radical and transformative innovation may be missed.

### How to support it...

Support for this type of innovation will depend on fusing two areas of knowledge - knowledge of the organisation to enable understanding of what change might be possible and how it might happen - and the knowledge of wider settings which will spark off radical ideas for change. The Strategy Unit is an example of bringing together staff with a mixed background. Sustaining the capacity to provide challenge and keeping the edge of external critique is the key challenge here, and leadership and governance should be designed to ensure that this happens. The Danish Mindlab unit is a highly effective example of this working in practice.

Radical innovation requires autonomous units with the license to ‘think the unthinkable’, sponsored and supported by ‘godparents’ within the mainstream system. The team needs to be multi-disciplinary, cross-sectoral and cross-functional, with the capacity to explore different – and sometimes radical – futures and build shared visions around them. Inside of government, FutureFocus in BIS and the now disbanded Solution Centre in DWP are examples of units that use(d) a range of tools to help public servants think differently about problems.

*“If you approach things from a new perspective – a new point of view – then you’ll make progress.”*

Another example could be the Social Innovation Lab for Kent, which Matthew Horne identifies as ‘a good example of a local innovation catalyst that invests significant time and resource into the process of problem definition and

<sup>23</sup> See <http://www.thersa.org/projects/education/area-based-curriculum>

<sup>24</sup> See [http://www.nesta.org.uk/areas\\_of\\_work/public\\_services\\_lab/coproduction](http://www.nesta.org.uk/areas_of_work/public_services_lab/coproduction) & Boyle, D et al. (2010) Public Services Inside Out: Putting co-production into practice.

redefinition, involving both the public and professionals in the process.’<sup>25</sup>

However, the question could be raised about the relative absence of such models on the public sector innovation landscape or the willingness of government to absorb radical thinking from outside.

## Model E: Entrepreneur driven

### What is it?

Under this model ideas are developed on a small scale, either inside or outside an organisation. The model recognizes that much innovation arises from individual ideas in the early ‘fluid’ phase of the innovation life cycle. Typically, many competing ideas are generated, representing a diverse range of alternative solutions to a problem. Entrepreneur driven innovation also forms the basis for attempts by large corporations to capture and work with entrepreneurial talent within its employees – a process called ‘intrapreneurship’ which characterises organic growth models of organizations like 3M, Google, Novozymes and Siemens.<sup>26</sup>

### When to use it...

In the private sector, this model is common when new conditions are present and, as such, there is no clear shape for the innovation which will eventually become the mainstream. It has significance for the public sector since it potentially taps into the rich vein of social entrepreneurship distributed across individuals and groups around key regional, issues and concerns. Therefore,

the space and support for entrepreneurship should be continuously present within an organisation, while it should constantly and actively seek out entrepreneurial ideas in its field.

### How to support it...

Large organisations in the private sector often actively seek out and work with entrepreneurial start-ups to catch and amplify innovations which might form the dominant design. There is a role here for sponsors and intermediaries, possibly venture capital, who connect entrepreneurs with organisations to develop and scale innovations.

Similarly, there are a number of world class intermediary or brokering organisations that work with entrepreneurs on the edges or outside public services to incubate and develop new ideas and connect them to sources of sponsorship and support. Our interviewees highlighted that wrap-a-round support is vital, not just a one-off grant. One commented that venture capital had been in the same place government is now about 30 years ago – believing that unleashing creativity was enough – but then realised the need for this wrap-a-round expertise to take innovations to scale. Specifically, we were told there is a:

*“Need to get better at designing demonstrations and pilots.”*

The Young Foundation has a history of operating in this space – “bringing together collaborators to pilot and demonstrate innovation” – in the health and social care sector through its Health Launchpad scheme.<sup>27</sup> Its new Social Entrepreneur in Residence initiative – currently being piloted in Birmingham PCT – supports innovation

<sup>25</sup> p. 29, Horne, M. (2008) *Honest Brokers: brokering innovation in public services.*

<sup>26</sup> See Buckland, W; et al. (2003) *Inventing: Why big companies must think small;* & Pinchot, G. (1999) *Intrapreneuring in action - Why you don't have to leave a corporation to become an entrepreneur.*

<sup>27</sup> See [http://launchpad.youngfoundation.org/fund/hia/fund\\_home](http://launchpad.youngfoundation.org/fund/hia/fund_home).

through using a local social entrepreneur to work 'with groups and on a one to one basis, to diagnose opportunities, to mobilise resources and to build new ventures from the germ of an idea or a basic start-up.'<sup>28</sup>

Government may also facilitate entrepreneurial ideas by being more open to how outcomes are achieved at the local level. Social impact bonds are an example of a mechanism through which private and voluntary and community sector organisations can develop new approaches to social problems and can be financially rewarded by government for achieving a greater outcome than conventional services.<sup>29</sup> This may provide a multiplicity of approaches, ideas from which can be shared and adapted through networks. This will require government to move away from its default command and control approach, allowing for some diversity of provision but facilitating the transfer and adaptation of ideas to new contexts.

To stimulate intrapreneurship, typically private sector organizations signal that a proportion of time can be spent on individual innovation projects – in 3M 15%, in Google 20% - and then providing a variety of internal development support pathways – Dragon's Den pitches, internal venture banking, etc. – to enable scaling and development of entrepreneurial projects.

*"The most innovative firms have slack in their system; creating the space for people to develop ideas."*

As stated in the introduction, if government is serious about becoming more innovative it must allow for there to be some slack in the system and create the space for public servants to innovate alongside their day job.

## Model F: Recombinant

### What is it?

Under this model an idea has already been developed in another setting, but it is adapted and adopted for use in a new setting. This model stresses that innovation does not always involve pushing the frontiers of a particular market or technology; in some cases it can happen through transferring lessons from one world where they are well-developed into a new context.<sup>30</sup> Most large private sector companies are now looking beyond their normal zones to the knowledge rich environment of 'open innovation'.<sup>31</sup> For example, Procter & Gamble set the goal to source over 50 per cent of its innovations from outside of the company, realising that for every researcher they had, there were 200 elsewhere in the world.<sup>32</sup>

### When to use it...

Organisations should be continually open to ideas from outside, whether in the same sector or beyond. Whitehall has traditionally been relatively insulated from the world outside with the strong single career model predominating. It is now much more permeable at senior levels with a significant proportion of the SCS being directly recruited from outside. While newcomers are encouraged to adapt to the culture which they are joining - through induction programmes, etc., it may be that more could be done to benefit from the fresh perspectives of those who come in from outside.

<sup>28</sup> See [http://launchpad.youngfoundation.org/fund/hia/fund\\_home-0](http://launchpad.youngfoundation.org/fund/hia/fund_home-0)

<sup>29</sup> <http://www.youngfoundation.org/social-innovation/tips/social-impact-bonds-and-social-value>

<sup>30</sup> See Hargadon, A. (2003) How breakthroughs happen.

<sup>31</sup> See Chesbrough, H. (2003). Open innovation: The new imperative for creating and profiting from technology.

<sup>32</sup> Huston L; & Sakkab, N. (2006) "Connect and Develop: Inside Procter & Gamble's New Model for Innovation"

## How to support it...

Key to recombinant innovation are mechanisms to bridge across different worlds and translators to adapt the innovation to its new context. Scouts may be utilized on the periphery of an organisation to spot innovations and diffuse them within, while brokers (e.g. consultancies like IDEO) may be used as cross-pollinators. The NHS Innovation Hub in the East of England has recently piloted an 'Innovation Scout Scheme', with one half of the role of the innovation scouting being: 'identifying and presenting evidenced-based innovations from elsewhere in the region and beyond for adoption and diffusion within their own organisations.'<sup>33</sup> Further, there is also a need to develop the capability to transfer knowledge and innovations not just within but between sectors, a role which could be performed by a cross-sectoral and multi-disciplinary group such as the Danish MindLab.

Most importantly for recombinant innovation, organisations need to be porous and have a learning culture. As the ISOS Partnership<sup>34</sup> identified, one of the main barriers to innovation being adopted: 'is "the not invented here syndrome" and the culture of being unwilling to learn from others.' As they suggest, 'the mantra going forward should be about "borrowing", "stealing" and "doing it" when it comes to innovation'. This will require significant culture change, driven by recognition and reward for those who seek out and adopt innovations, not just the entrepreneurs themselves. Proctor & Gamble understood the need to move from a culture of 'not invented here' to 'proudly found elsewhere' and developed a 'connect and adopt' innovation model, which contributed to their productivity increasing by almost 60 per cent between 2000 and 2006.<sup>35</sup>

<sup>33</sup> See [http://www.eoe.nhs.uk/page.php?page\\_id=631](http://www.eoe.nhs.uk/page.php?page_id=631)

<sup>34</sup> ISOS Partnership (2010) *The effectiveness of support for innovation in the children's services, health and justice sectors.*

<sup>35</sup> Huston L; & Sakkab, N. (2006) "Connect and Develop: Inside Procter & Gamble's New Model for Innovation"

<sup>36</sup> See Von Hippel, E. (2005) *The democratization of innovation.*

<sup>37</sup> See <http://www.uservice.org>

## Model G: User-led

### What is it?

This model recognizes that users can themselves be a source of innovation, through co-producing ideas with frontline professionals or using voice or choice.<sup>36</sup> In the private sector there is now extensive use of 'crowd sourcing' and innovation competitions to mobilize expertise and insight at the front end of innovation. Importantly, in the public sector user-led innovation should not automatically – and indeed rarely – equate to long public consultations. User-led innovation in the public sector can be developed through crowd sourcing – [publicexperience.com](http://publicexperience.com) is an example of a website intended to generate innovative ideas from citizens – but, the sources of user-led innovation with perhaps the greatest potential are mechanisms such as personal budgets or co-production. Personal budgets, now being introduced in the social care sector, put users in charge of commissioning their own care and are already a source of some innovative solutions to personal care needs. While, there are also innovative examples of frontline workers co-producing solutions to 'wicked problems' with users. For example, User Voice<sup>37</sup> is a charity which engages offenders themselves in identifying solutions and preventative measures to reduce reoffending.

### When to use it...

An understanding of the needs and expectations of citizens should be central to all of the models of innovation. As one of our interviewees commented:

*“All innovative organisations engage well with citizens and users”*

The paradigm in which government operates requires it to build legitimacy and tackle complex social problems through being engaged with citizens and appreciative of their needs and expectations. Therefore, all of the models should operate with at the least a good degree of customer insight. However in some, particularly relational services involved in tackling wicked problems, solutions are often best developed with or by users themselves; as User Voice’s strapline states, ‘only the offender can stop re-offending’. This may be through co-production with frontline workers (e.g. User Voice) or introducing a mechanism through which users can exercise choice (e.g. Personal Budgets).

## How to support it...

User led innovation can be supported by what are sometimes referred to as platform innovations. These can, for example, be innovative mechanisms which create the space for and facilitate many other innovations. Personal budgets are a prime example of a platform innovation, as are the social impact bonds (mentioned perviously). However, the success of user-led innovation is dependent upon their being appropriate support offered to users to make well-informed choices. One of our interviewees suggested that the most exciting prospect for innovation through personal budgets will be if user and support organisations begin to hold them on the behalf of groups of their members.

In their report on ‘putting co-production into practice’, nef and NESTA group a number of challenges for co-production into four themes: <sup>38</sup>

- ‘Funding and commissioning co-production activity’;
- ‘Generating evidence of value for people, professionals, funders and auditors’;
- ‘Taking successful approaches to scale’; and
- Developing the professional skills required to mainstream co-production approaches’.

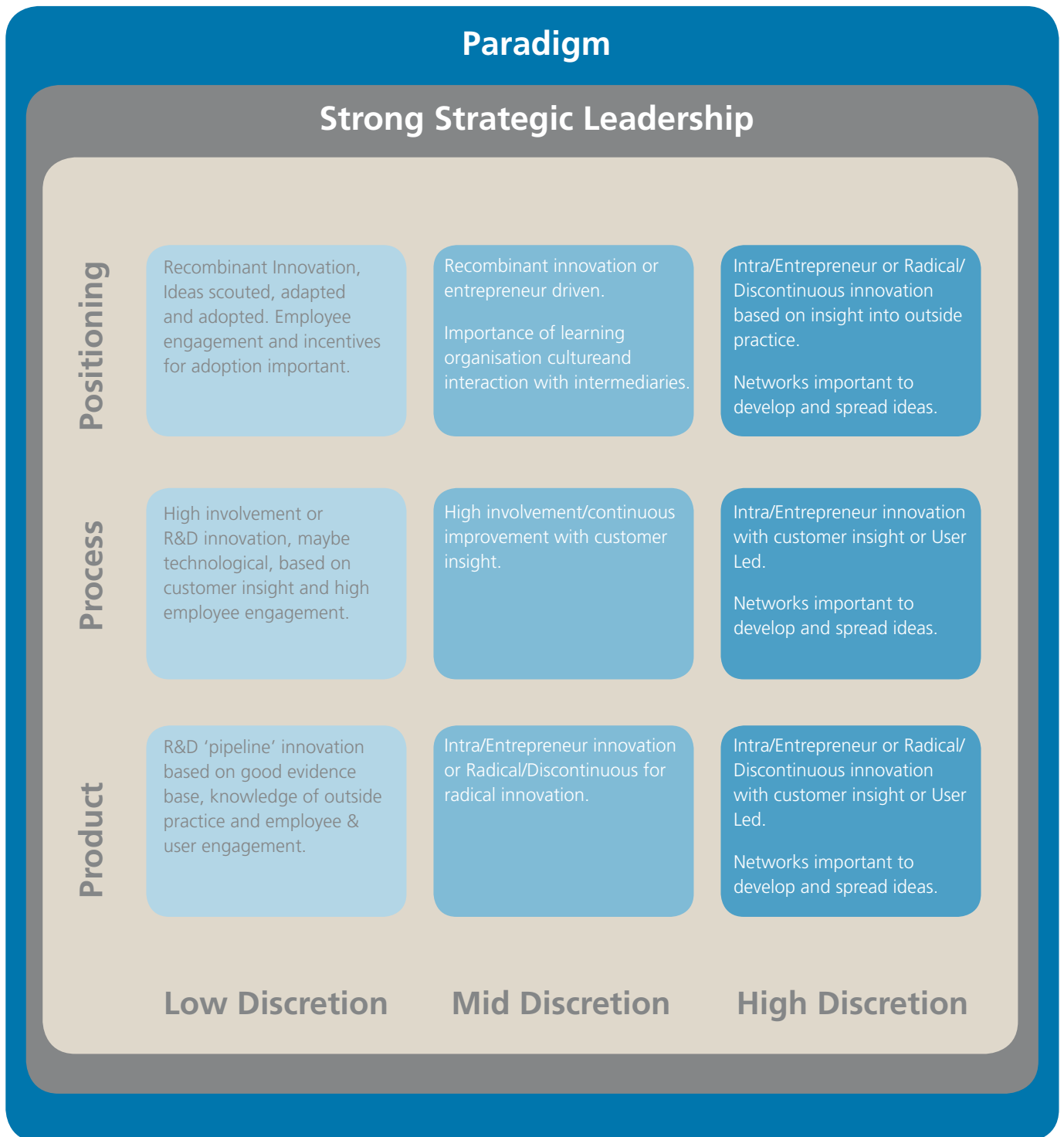
Included within these themes are a number current practices and ways-of-thinking that militate against co-production shifting from the margins into the mainstream, despite evidence accumulating that it can achieve significant public value. As stated earlier, co-production is an example of radical/discontinuous innovation that has been thus far developed on the periphery of mainstream services. If it is to be incorporated into mainstream service provision, public sector managers need to reconsider such things as how they commission services; how they measure results; the relationship between public services and people; their organisational model; how successful approaches are spread; and the skills and roles of public servants. <sup>39</sup> For their part, NEF and NESTA are preparing a document to offer advice to policymakers and commissioners on how to ‘create the conditions for co-production to flourish’.

<sup>38</sup> p. 28, Boyle, D; Slay, J; & Stephens, L. (2010) Public Services Inside Out: Putting co-production into practice.

<sup>39</sup> pp. 28-33, Ibid



Figure 2b: Innovation Models



## 5. Conclusion and wider recommendations

### 5.1. Summary

The key purpose of this report is to develop a framework which provides a repertoire of types of innovation and relevant support models which effective strategic leaders can use to design innovation into their own organisations. We hope the preceding analysis has helped to create a sense of varied possibilities and of the kinds of contexts in which they might work. We took certain changes in paradigm, the unconscious mental models which guide us, as significant in changing the context within which we all work. We sought to establish the key significance of effective strategic leadership in creating the conditions for innovation and in establishing the appropriate models of innovation. And we then differentiated the various models of innovation and support models according to whether this was innovation in product, process or position and whether the context was characterised by high, medium or low front line discretion.

### 5.2. Wider reflections

There are some wider reflections which come from our engagement in this work. There are three core themes in the general innovation literature which shine out as significant for successful innovation – **strategy, structure/process, and motivation**. These provide useful guidelines for the framework conditions within which successful public sector innovation models might work. The interviews conducted for this review suggest there are questions about all three themes which need addressing if public service innovation is to achieve its potential.

**Strategy** – is there a clear sense of direction which sets the framework within which individual activities can be

located and aligned? Does this framework include a well-thought through approach to creating the conditions for innovation, demonstrating a balance between conflicting goals so that an innovation eco-system develops and is able to flourish? Conflicting goals and strategies may paralyze innovation unless organisational leadership recognises that their role is to set the frame and direction but allow for local autonomy in how targets are reached. Does an understanding of the repertoire of approaches to innovation inform strategic thinking? Effective strategic leadership is a prerequisite for achieving innovation.

**Structure/process** for innovation support – innovation is more than getting lucky once, and it is about more than the ideas generation stage of innovation. Successful innovators put in a process and manage it, monitoring and developing it, building dynamic capability, learning how to be more innovative by practising innovation and thus achieving a virtuous cycle of development. Where and how does this monitoring and development of the innovation infrastructure take place? Where does the development and experimentation come from – the role played by Mind lab in Denmark, for example, or the NHS Institute in the NHS?

**Motivation** – where's the incentive to innovate? In the competitive private sector this comes from the market, with its potential for Schumpeter's creative destruction, and drivers for entrepreneurship. In high involvement systems, public or private, there is also the sense of individual autonomy and reward/recognition built around that. Where are the incentives in the public sector and how far can an entrepreneurial environment be created? The balance between risk, reward and concern for reliability is rightly different in the private and public sector, but both deliver some services where high

reliability is essential. Are there situations – prototypes rather than pilots – where risks can be taken in the context of shared exploration with stakeholders in a learning process? Even, or especially, in this time of pressure on public finances, is there a case for introducing experimental ‘slack’ time – like 3M, Google and others – where employees see the potential to engage in entrepreneurial activity and have permission and some space within which to do so?

### 5.3. Recommendations

Our findings and recommendations are informed by this set of themes, although do not necessarily fit neatly into one or another.

There is as yet no clear government-wide **strategy for innovation** which is well enough articulated to provide an enabling framework across the many varied contexts of the public sector. While the subject of innovation has been recognised collectively by the Top 200 leadership of the civil service, the corporate support model is light touch and catalytic. We have offered here a framework for understanding different types of innovation and their associated support models, but government could benefit more from the innovations emerging across the public sector if it provided stronger corporate support for innovation.

One of the reasons for the weakness of central government’s approach to its own innovation strategy lies in under-developed **innovation capability** amongst senior civil servants. The Civil Service Capabilities Board has been established in order to provide the corporate lead on capability issues, and as part of this it has commissioned the National School of Government to

deliver a Core Learning Programme (CLP) for the senior civil service. As we write there is still work to do to clarify content and subject matter of the CLP. We recommend that the Capability Board require that CLP includes innovation in its subject matter and that the design of these programmes is informed by innovation experts. A broad understanding of innovation looks to us like a core competence for the Senior Civil Service.

The issue of **expertise** is relevant to our next point on structures and processes for supporting innovation. We believe that central government should create a unit which has the capacity to hold and work with the range of innovation types and support systems outlined in this paper. While ideally there should be a presence of such expert support in each major department, reflecting the ‘federation’ culture, in these times this is unrealistic so a single corporate-wide unit is proposed. Innovation is a technically-complex, multi-disciplinary field, requiring many different types of expertise and the capacity to operate effectively at senior levels to develop the mandate for innovation. Current corporate support for innovation does not match this description. We believe that government should create such a multi-disciplinary team and should seek to bring into it some of the experts now in intermediary roles. A mix of insiders and outsiders brought together in a focused high-profile team would have the right mix of capabilities. We are influenced in making this recommendation by the Danish Mindlab group. An important starting place for this unit would be to develop a suitable incentive structure within public services in order to create the motivation for innovation.

**Motivation** is a thorny question, but one which needs an answer if public services are to become more open to innovation. Most of the systems which control civil service work carry implicit messages that innovation

is not recommended. <sup>40</sup> Strategic leadership of innovation and the right kind of support systems are both important means of improving government's innovativeness, and we are keen to recommend them, but there remain issues in how risk, reward and reliability are dealt with. All of the people we interviewed maintained that the incentives against innovation are greater than those for it. <sup>41</sup> Something can be done to change this by developing capability amongst leaders, who then take responsibility for ensuring that the control systems they lead do not cut out innovation. But we think something more systematic than that is needed. We propose an innovation audit of systems such as HR and finance, commissioning and procurement, IT systems and estates/building management and any other systemic controls to assess where adjustment in traditional practices might be done to create more space for innovation. This should link into the proposed work to develop an incentive structure which motivates public servants to innovate.



<sup>40</sup> See forthcoming Sunningdale Institute report on Transformational Governance.

<sup>41</sup> For discussion of the good and bad reasons for a lack of innovation in public services, see Mulgan, G. (2007) Ready or not? Taking innovation in the public sector seriously.

## Annex A: Extracts from Terms of Reference for Sunningdale Institute and ISOS Partnership work

### Purpose

In the autumn, the Innovators Council carried out work to test the hypothesis that there is little shortage of great ideas for how public services can be improved but that innovators too often struggle to build on successful early results and spread their innovation more widely.

A number of barriers to scaling up innovation were identified, including the lack of “transition support” for innovations moving from initial start-up phase into the mainstream and the absence of clarity around the role of publicly funded innovation support.

The Innovators Council now wishes to commission practical work to better understand the effectiveness of existing innovation support models and incubators with a view to defining a future model of support for would-be innovators.

### Deliverables

Government is relatively good at creating innovative approaches to public service reform: but poor at capitalising on this potential. We are particularly interested in focusing on the support innovators need as they “transition” from start up/fledging state into the mainstream as we know that it is this stage in particular which is fundamental in terms of ensuring an innovation reaches its potential.

The intent for this work is to take a very practical approach to understanding the market for innovation support providers and to defining the actors involved in supporting would-be innovators at key transition points. We are particularly interested in focusing on the experiences of innovators as they scale up; as they move from having proved the concept of their idea to reaching its full potential. An articulation of whose job it is to act to support innovators at particular stages and how to do this most effectively would be valuable in itself and should not be underestimated.

It is recognised that a formal review/audit of innovation support models is not feasible within timescales and could be very counterproductive given the nascent stage of the vast majority of innovation projects. However, we would expect this work to bring together existing evidence to give a comprehensive picture of what the current system of innovation support in public services looks like; to identify what’s working well; what’s not working effectively; what elements are missing from existing innovation incubation systems; and whether there are elements in the wrong place.

## Annex B: Interviewee List

Anton Shelupanov	Young Foundation
Ben Jupp	Cabinet Office
Clive Margetts	Futurefocus, BIS
David Albury	Innovation Unit
David Evans	Formally BIS
Emily Thomas	Aequitas Consulting
John Craig	Innovation Unit
Laura Bunt	NESTA
Luke Owen	BIS
Lynne Maher	NHS Institute for Innovation & Improvement
Matthew Horne	Innovation Unit
Michael Harris	NESTA
Patrick Elliot	Businesslink
Philip Rycroft	BIS
Rowena Young	NESTA
Simon Tucker	Young Foundation
Su Maddock	Whitehall Innovation Hub

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*Whole Systems Go! Improving Leadership Across the Whole Public Service System.*  
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*Transformational Governance*  
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*Web resource 'Tackling the Financial Challenge'*  
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*The Whitehall Innovation Hub*  
December 2008

*Change You Can Believe In – The Leadership of Innovation*  
June 2009

*Place Based Innovation*  
February 2010

*The Personalisation of Public Services – a study into the mental health recovery model*  
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