

**Innovation and Excellence in Public Management:
the law of the farm a discussion with Paul Crookall
From The Innovation Salon, 18 January 2001**

The Research

When I was young, my grandmother used to read to me from one of my favorite management authors – A.A. Milne. Describing Christopher Robin, as he drags his teddy bear downstairs in the morning, Milne writes:

“Here is Edward Bear, coming downstairs now, bump, bump, bump, on the back of his head, behind Christopher Robin. It is, as far as he knows, the only way of coming downstairs, but, sometimes, he feels that there really is another way. If only he could stop bumping for a moment and think of it.”

As a former prison warden, I know a lot about bumping.

A few years ago, Ole Ingstrup and I had the pleasure, while working together, to stop bumping, and to look at what works in public service.

While unusual, this was not truly innovative. In looking at what works, studying excellence, rather than the usual audit approach of studying what went wrong, we were actually following in the footprints of Collins and Porras, who had studied how to achieve and sustain excellence in the private sector, and Otto Brodtrick, who had looked at what the better run federal public service departments did.

Let me tell you first about our research, then our general findings, then about innovation in particular.

The Research

Our sample was 40 public service organizations in 14 countries (Australia, Canada, Costa Rica, Denmark, Egypt, Lebanon, Malta, Mexico, New Zealand, Philippines, Singapore, Switzerland, and the USA). We had asked the head of the public service in each country to identify two or three of their best performing public service organizations. We sent each a lengthy questionnaire, asking what they considered important, what they paid attention to, and how they did things. We interviewed over half the sample, to get more detail.

The information that came back was amazingly rich. Unlike the usual pro-forma reply, we found our respondents were excited by the idea of someone studying their operations, and focusing on what they did well. We received lengthy replies, often done by a senior manager or a group of managers.

It had been our intention to write a book about our thoughts on public management, and to illustrate them with examples from our research. My co-author, Ole Ingstrup, is recognized as one of the top thinkers and speakers on public management, and already had several publications to his credit. My background was more in the trenches, as a prison warden and hospital CEO.

But the data was so rich, the themes so clear, that we decided the research deserved its own book, and Crookall and Ingstrup on public management would have to come later. It is now later, and we realize that we can't improve on the work these people did, so this is it.

The Three Pillars

Looking at the results, talking to the people, it was clear that they paid a lot of attention to good management, had thought about it, and focused their efforts in three main areas, of which each had three subcomponents. We called them the three pillars of public management – aim, character, and execution.

1. Aim

They clearly know the direction they are heading in. Their mission is deeply engrained in the daily actions and long-term planning of the organization, rather than simply hanging on the wall in the reception area. A long-time leader often exemplifies the mission and everyone is held accountable to it.

Mission

It is now routine to have a mission statement, so simply having one does not distinguish good organizations from poor ones.

What distinguishes a good mission statement from a poor one is that it:

1. States what good the organization will do for society
2. States the positive impact the organization will have on the individual it is dealing with
3. Commits to getting better at what they do
4. Addresses values as well as objectives, means as well as ends, principles, and strategic objectives.

What distinguishes working mission statements from decorative ones is:

- q You can go anywhere in the organization and get the same statement of what the mission is
- q Each unit of the organization knows how it is to contribute to the organizational mission, and each individual how (s)he contributes to the unit and the organization
- q The mission is used as a bench mark in the traditional meaning: “a mark cut into stone to serve as a guide”. It guides daily activity, the development of policy, and long-term planning.

Leadership

We had split expectations on leadership – one of us expected to find one leadership theory in common practice – say Transformational Leadership. The other expected a lot of cross-cultural differences. We were both wrong. The organizations shared several principles and practices, surprisingly common across cultures, but not based in any one theory. It was based on their experience.

Principles

- q Listening
- q Involving and delegating
- q Leadership is dispersed
- q Commitment to employees
- q Consistency with the mission
- q Consistency between leaders
- q Consistency between word and deed
- q Take the long view
- q Leadership beyond borders
- ** leadership through ideas, through questions
- ** servant leadership

Leadership Process.

Leadership was important, and they generally took a five step approach to developing a consistent leadership approach – no Attila the Hun in one office, and Mother Theresa next door.

1. Analyse the situation, learn, determine a model
2. Train the management team, as a team, in the common model
3. Share the leadership model (including the principles above) with staff
4. Obtain feedback on the model's use and effectiveness
5. Continue to learn, adjust and update (innovate and adapt)

Accountability

Nineteenth Century British Prime Minister Benjamin Disraeli said "Power is a trust, and those handed that trust are accountable for its exercise: from the people, and for the people, all springs, and all must exist." The principles remain the same, but there has been considerable innovation in how to build accountability.

The role of common sense should not be overlooked.

Accountability is seen as the opportunity to tell one's story. A pleasure if it is good, a responsibility if it is not.

Together, mission, mission-focused leadership, and mission-focused accountability provide a powerful sense of direction. Successful organizations take aim at noble goals. They have setbacks – daily small ones and occasional big ones. But with leadership, mission, and accountability synchronized, they know when they are veering off course and readjust before they become lost – and before the Auditor General needs to come in to tell them they are lost. They operate within an overall direction that can be seen, literally, stretching back a century or more in some cases, and at the same time stretching forward into the future, beyond the next appraisal, beyond the next election, to make a contribution to their society.

2. Character

As we read the survey responses, met and talked with the people, saw their organizations, it was clear they had a strong sense of who they were, and what was important. Their values, their character. Attention to people, fueled by a high degree of trust, internal and external communications, principle-centred actions. They exuded a sense of integrity, trust, caring, openness, and, crucially, a desire to learn and improve.

People

The phrase “people are our most important resource” has become such a tired, overworked cliché, that people often cringe when they hear it, translating it to “I know the management literature says I need to say this, but by gosh I’m the most important resource, not those slackers down on the floor.” Our respondents were using the phrase before it became popular, and they were quick to follow up with documentation on what they had actually accomplished to prove it – from developing family-friendly workplaces, to training and development, to listening and sharing power.

They were sensitive to the concerns of their employees. Long before the currently popular 360 degree feedback and common measurement tools. For example, at the National Library, management started to listen in 1987, through a staff survey. They listened further with follow-up focus groups on specific issues. They kept listening through ongoing working groups drawn from a cross-section of staff. They responded with improvements in staff development, financial incentives, awards, and innovation. Over a decade later, they are still listening, and still following up.

Communication

From e-mail to tea with the boss, these organizations have multiple channels of communication. And they recognize that it is very, very, difficult to overcommunicate. Attention is paid to three main audiences – employees, clients, and partners. Each organization spent time thinking about its communication needs and the appropriate solutions. Some had checklists to guide managers.

They had also moved out of the traditional silo structures to network with an array of partners. Fewer and fewer issues can be resolved within one organization, so they built horizontal connections.

The knowledge generation is not just for those in the IT business. Most employees want to more informed about their operation than their predecessors did. And most, surveys tell us, do not

give their managers as high a rating on communication as managers give themselves. So these organizations listened, and shared information.

Trust

We started out looking at the learning organization, and added trust on one of Ole's hunches. Our respondents wanted to talk about trust a lot more than they wanted to talk about the learning organization. They described it as the glue that holds us together, the lubricant that keeps the wheels moving, the miracle ingredient of organizational life. To thrive, individuals must be able to trust the organization and their colleagues. Trust reduces stress and fear. It is a prerequisite for honesty and openness, which in turn are prerequisites for the learning organization. Part of trust was avoiding the "Gotcha" response to things that didn't go well. "Good results are celebrated, unsatisfactory results are used to sort out mistakes and shift direction."

3. Execution

Management tools

I recently worked with a public service client who sent their managers on executive development training after they had passed probation. "We don't want to waste the training on those that don't make it".

Reminds me of the joke of the person who says "I'd like to pass peacefully in my sleep, like my father did. Not yelling and screaming like his passengers."

I flew to Singapore recently. The screen showed our flight path. I knew there were 13 on-board computers, that air traffic control knew within inches where we were, and that the pilot had been well trained in simulators and passed medical and performance tests regularly.

I had confidence in him. I trusted him.

Imagine, though, if the pilot had come on the speaker and announced "we are flying to Singapore. I will be using the compass my father gave me when I was a Boy Scout. It served me well then, and it will serve me well today. If we make it, the airline will then send me on training."

Yet that is just what so many poorly performing public service organizations do. Managers do not upgrade, they use the same old management tools they learned 20 years ago.

The organizations we studied had voracious appetites for new knowledge. One put it "we hunt for good ideas", another "we are constantly seeking new knowledge and better ways of doing things."

In the private sector, they call it benchmarking. The Commonwealth Association for Public Administration and Management, CAPAM, has taken to using the term "cascading innovations." Three years ago, CAPAM began its innovation awards program. Now it seeks to share – "to bring together the innovators of each of these projects with interested and willing partners from developing countries to assess the appropriateness of these innovations to their own settings." They want "to facilitate replication."

They recognize that new tools are constantly being developed, and need to be examined for their relevance.

Teamwork

More and more organizations are using teams for a wide range of purposes. Two in our sample had gone as far as self-managed teams. All were imbued with a sense of teamwork, which permeated the organization, even in one-to-one interactions, not just teams. “Win-win” teamwork was an organizational value, and practice.

We thought some major cultural differences would exist between the competitive North Americans and the more instinctively supportive eastern cultures. We found a difference in metaphors – North Americans and Europeans used the images of sports teams and private sector business, while Arabic and oriental cultures used family metaphors. But all addressed the same issues, using the same principles.

Change management

“Governments have no choice but to respond and to adapt, and then, to respond and adapt again. Change can no longer be managed as a singular event..it is unlikely that we will have the luxury of seeing through the present change before it is overtaken by the next wave of change” was Pierre Gravel’s response. Change has become a way of life. Organizations can’t ride out the storm to return to the old way of doing things. Our respondents tackle change head-on, leading it, treating it as an ally rather than an opponent. At the same time, they are acutely aware that change has a negative impact on employees. They try to help staff absorb the impact and readjust. They recognize they make mistakes, and seek to find and correct them.

One of the greatest disservices to managers is done by those who support the change myth: that if you plan things properly, change can be executed smoothly, if only it weren’t for the irrational resistance of some employees. And that organizations move through three phases of change: create a need, unfreeze the organization and make the transition, then refreeze the organization in the new state.

Think of the changes you have been involved in. How many fit that model?

When I lived in Kingston, a friend who had a yacht needed to do some repairs to it, so decided to build a sling to lift it out of the water. He developed a project plan, complete with GANTT chart. The first step was to have some steel I-beams delivered to his boat-house, to build the sling. But the delivery company left them at the side of the road. My friend called me, to use my Jeep to pull the beams to the boat-house. I agreed, and he tied one end of the rope to my Jeep, and the other to a beam. I began to drive toward the boat house. After travelling several meters I looked back to check, and saw that the beam had not moved. But the nylon rope had stretched very thin, and was now longer than before. As I sat there figuring out what to do, perhaps using a chain instead of the rope, the beam began to move. Not very quickly, but very deliberately. And it seemed I was between where it was, and where it wanted to be. I quickly did a 90 degree turn, and watched the beam rumble past – straight to the boat house, straight through the boat house wall, to come to rest exactly where my friend had wanted it to be.

We left the hole there, it was convenient for getting the beam back out after we had done the repairs to the boat, and patched it up later.

Organizational change is often like that. You have a great plan, something goes wrong, you adapt, mess things up, but eventually get the job done, and have a few patch marks to remind you of the process.

So there you have the model, three pillars, nine areas of focus.

The Law of the Farm

A couple of years ago, I was working on the Edwards plateau in West Texas with a friend, and consulting client, a Canadian farmer, who had business with the ranchers there. I was also scheduled to speak on The Three Pillars at the LBJ School of Public Policy at the University of Texas.

One afternoon, after we talked about international marketing, I was in the farmhouse working on my speech on my laptop computer, while the ranchers talked about cattle feed. I thought of how different the two worlds were: the dusty rancher, and the tie and suit executives I was going to meet the next day.

The Texan told of how he would get up before dawn, preferably on a day predicted to be overcast, to cut and bale the hay while the dew was still on it, then quickly get it into the barn. The Canadian told of how she would wait for a sunny day, cut the hay after the dew was off it, leave it in the field for a day or two, perhaps turning it over to expose it to the sun, then bale it, then put it in the barn a day or two later.

It occurred to me that they were benchmarking each other's best practices. But what would happen if the Canadian adopted the Texan approach? The micro-organisms on the hay would generate heat that would eventually lead to spontaneous combustion, and the barn would burn down. And if the Texan left his hay out in the fields, like the Canadian, it would dry out and blow away in the wind when he tried to bale it. So benchmarking wouldn't work.

Realizing that, they soon moved on to discuss why they took those approaches. The underlying principle is that you want to bale and store hay when its moisture content is between 8 and 13%, so that it retains its nutrition without spontaneously combusting.

And so it was with our research. Imagine a Texas prison warden inviting the guards in for a tea and a chat. But it works in Malta. Or try putting an on-site daycare facility in a culture where it would be considered an insult to the family's ability to care for its own. But it works in Washington D.C. We tried to go beyond the practice to the principle, to the law of the farm.

It's not whether you sing the company song each morning, or bring donuts for the staff. It's about respecting the principles of focusing on a noble aim, and treating people kindly.

Our respondents were tremendous innovators. They were good at change. They were creative at overcoming bureaucracy. They were eager learners who were early adopters of new management tools, without being faddish, and who made sure to assess and adapt the tool or technique to their situation.

Innovation

The three pillars do not directly address innovation, and innovation is not one of the nine key factors our survey identified. But, in fact, each area is supportive of innovation. Innovation is

the fruit of having done the other things well. And it is a means to the end of improved performance, rather than an end in itself – it is not just the adrenaline rush of doing something different.

By focusing on the three pillars, an environment supportive of innovation, and the practical application of good new ideas, good performance is built and sustained.

Let's quickly review how the three pillars support innovation.

Aim

The mission focus on improving service, improving the impact on society, compels innovation. Accountability ensures the innovation is mission-focused, rather than innovation for innovation's sake, or misdirected. Leaders listen, and provide feedback and encouragement for new ideas. By asking questions, by leading through thought, rather than by memo, innovation flourishes.

Character

We had, actually, expected an emphasis on the learning organization and innovation. Many of the organizations we studied had employee suggestion programs, quality improvement initiatives, organized ways for new ideas to surface. Many new ideas, most innovations, do not spring full-blown on the scene and get accepted as wonderful. They need work, refinement, criticism, and support.

Through open communication, leaders ensure staff know what the problems and challenges are, that they have the relevant information. It's not just a directive "I need a great new idea in this area", it is the creation of an environment where new ideas are valued, and people feel safe in suggesting them because there is trust. Trust that you are respected as a professional. Trust that if it is mission-focused, and common sense is used, you won't be hung out to dry if it doesn't work as well as intended.

Execution

Jeff Bezos is an innovator. He founded Amazon.com to become a billionaire. Was it simply a matter of the right innovation at the right time? Not exactly, Bezos says, "Ideas are easy, it's execution that's hard."

We looked at management tools, and although it is not as glamorous a title as "innovator", what each organization had was a "toolmaker". Usually several, who looked at the tools available, and modified them to suit the organization. Sometimes they built their own tools, but it was more often adaptation than creation.

Toolmakers are needed. We found toolmakers throughout the organization. They did not have them isolated, as in the idealized "skunkworks" that some private sectors companies had to create to get the innovators out of the bureaucracy. They were a part of the team.

Creativity to get around bureaucratic rules.

I think not enough attention is paid to the opposite of creativity – the stifling effect of bureaucracy. Through their commitment to, and attention to their mission, our sample were impatient with procedures that were counterproductive to the rules.

Let me give you a personal example, and then one from our research.

I used to fly from Ottawa to Moncton on Sunday nights. The airline provided a full meal. Then, with cutbacks, they dropped the meal and provided what they said was a croissant. So I began to eat at a restaurant at the end of the trip, and the claim the meal expense. The finance clerk disallowed my claim. "It's in the book, she said, that you are served a meal on the plane." "I was on the plane," I said, "there was no meal." A glimmer of innovation shivered through her brain, and she phoned the airline to double check. Someone there pulled out the book, and confirmed a meal was served on the flight. Claim denied. Apart from what it says about trust and accountability, it became, for me, an exercise in getting around the stifling effect of bureaucracy.

The next flight, I saved my plastic-wrapped so-called croissant, and brought it back to the finance clerk. While more interesting looking than it had been two weeks earlier, it still was no more appetizing, and no more a "full meal" than before. My travel claim, and subsequent ones, were processed with the meal allowance paid. After they had been audited, and left to mature in the clerks outbasket for a month or two.

In Manitoba, the Agriculture Department is responsible for inspections on farms. One work unit of 12 people shares one truck. Given the minus forty-five weather they sometimes faced, the foreman wanted an extreme weather parka to put in the truck. But the regulations prevented it. He could seek authorization for a clothing issue, in which case each person would get their own parka, and have to bring it with them each time they used the truck. But that would be expensive, and inconvenient. But he could not buy one parka and leave it in the truck. Another case of a well-intentioned regulation interfering with doing a good job. The foreman had authority to buy equipment, but not clothing. So it was buy 12 parkas, or none. He solved the problem. What the auditors don't know is that the "protective warming equipment" purchased for the truck, as the sales receipt records it, was in fact a parka, not a battery warmer.

Is that an innovation – or just circumventing regulations to meet the mission?

In my case, it was just an obnoxious way of making a point. But for the foreman, it was a common-sense way of helping accomplish the mission, while considering staff, and saving money.

Fostering Innovation

From our research, and from our experience, it would seem to be that if you want improvement you must do the following:

- Get rid of the stifling, "you can't do" that approach.
- Study, scan the internal and external environment for what is new
- Adopt, and adapt, innovations from elsewhere, being sure to follow the law of the farm, and not mindlessly adopt practices that will be destructive to your organization
- Have toolmakers, innovators, spread throughout the organization
- Focus on the three pillars, get those right, and innovation follows.

Socrates

And nourishing it all was an almost Socratic, analytic approach. Always asking questions – asking their staff through surveys and meetings; asking their colleagues through networking; asking about the areas in our survey.

Little Innovations, Big Innovations.

Innovations ranged from little things that usually don't get noticed, to huge organization-wide change.

Most organizations were experiencing resource restrictions. The Costa Rican Civil Service Commission, prevented by regulation from earning money, bartered with the private sector. The Commission provided leadership training to the private sector in return for supplies. The RCMP hired Disney Corporation to license its image on toys and dolls, and made several million dollars profit. The Defense Mapping Agency started selling non-classified maps to the public.

Were these innovations – or just creative ways to help out on the budget?

Conclusion

Another management text my grandmother used to read to me was Lewis Carroll's *Through the Looking Glass*. He describes what it is like to be a public service manager.

“Well, in our country,” said Alice, still panting a little, “you'd generally get to somewhere else – if you ran very fast for a long time, as we've been doing.”

“A slow sort of country!” said the Queen. “Now here, you see, it takes all the running you can do, to keep in the same place. If you want to get somewhere else, you must run at least twice as fast as that.”

We found A.A. Milne was more right than Lewis Carroll. Running twice as fast doesn't work, in the long term. Focusing exclusively on innovation does not lead to better service – as anyone in Ottawa who has used Kent Street lately (after the new traffic calming changes) can attest, or the boys who dreamed up the “new Coke” can tell you. What works is taking the time to stop and think, to stop bumping. To focus on one's aim, to build character, to implement effectively. The fruit of that approach will be an organization where the people are open to innovating, and do so in a way that leads to improvements. And when it doesn't, they are open to hearing about it, and fixing things. Within 90 days, the marketing boys at Coke realized their innovation wasn't working, and brought back the old Coke as “Coke Classic”.

Innovation is subject to the law of the farm. Prepare the soil, plant the seed, care for the crop, adjust for the environment, and then harvest.

Conference on Excellence in Public Management

The United Nations and Queen's University School of Business are co-sponsoring a conference on *The Three Pillars of Public Management* March 22-24, 2001. Inquiries are welcome at the [website](#) or by phoning Annette Lilly, (613) 533-6502.