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How to do frugal innovation

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Open University

Police L and D network event,
Manchester, May 2019



Defining innovation

- New ideas and practices which are implemented (i.e. not just invention) (Bessant, 2005)
- Disruptive or step-change. (Lynn, 1997; Osborne and Brown, 2005; Hartley, 2005). Create new practices or new mindsets, break with established practices. It is not the same as continuous improvement.
- Not just technologies but practices and ways of providing services.
- Its innovative if it's new to the organization.
- Innovations do NOT necessarily need to be successful (Borins, 2008)



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Innovation is not always the same as improvement

- Not all innovations lead to improvement.
Tidd et al (2001) estimate private sector product innovation failure rate ranging from 30% to 95% with an average around 38%. (Public and voluntary sector likely to be higher?)
- Not all improvement needs innovation. Continuous improvement methods such as lean, six sigma; kaizen, process control - making systems work better. Question is about fitness for purpose – do better or do different?
- The key is to create public value outcomes not just to create innovation per se

Three phases of innovation



Myth-buster:
Public organizations are no good
at innovation



Many of the features of a smart phone
were invented by the public sector
GPS; internet, touch-screen; micro-chip, siri
(noted by Mazzucato (2013) The entrepreneurial state)



Catalysts for public services innovation

(Hartley, 2005)



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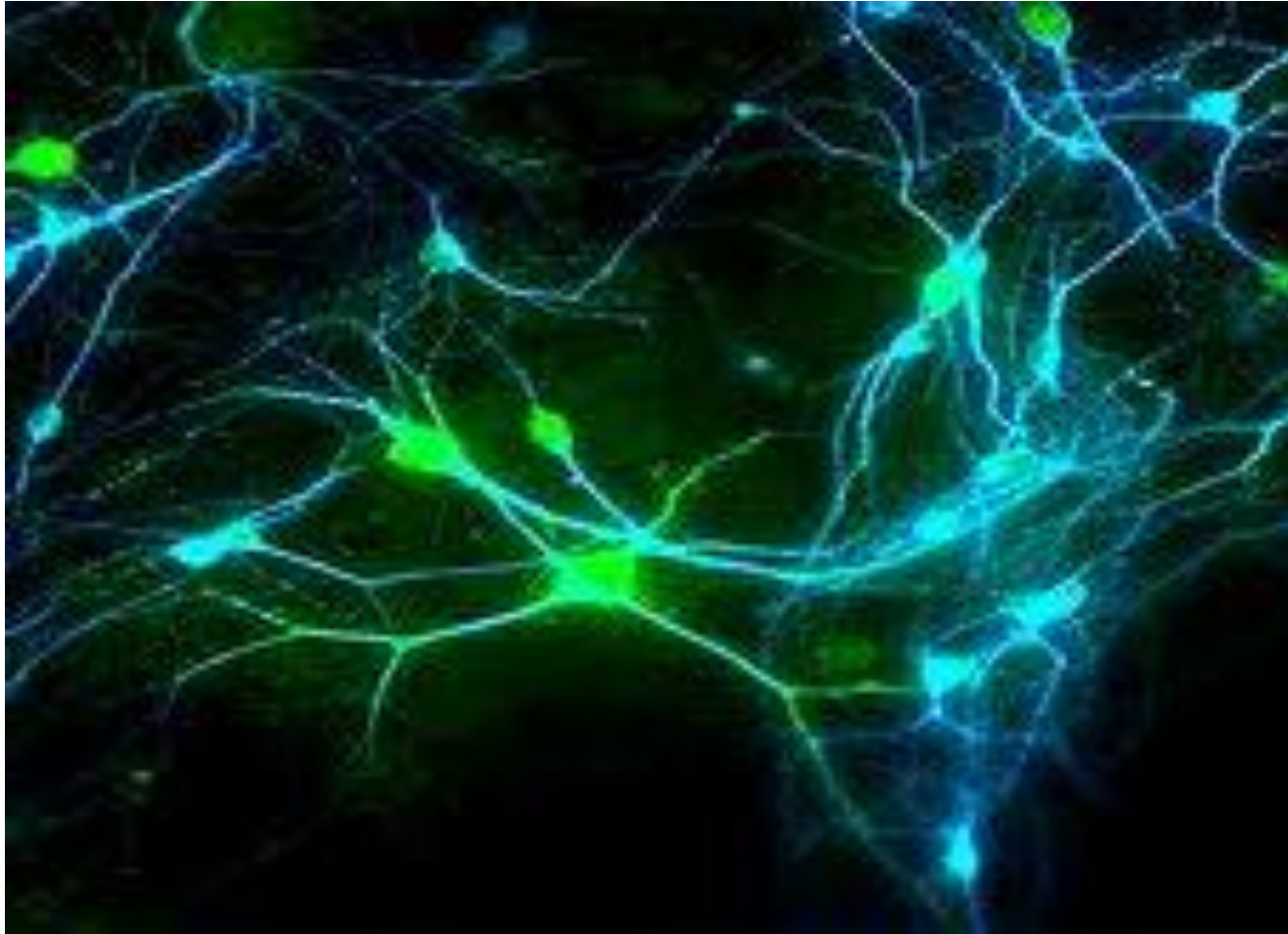
- Policy-driven (central government, policy-makers) - “top-down”
- Organization-driven (meeting needs, expectations and aspirations of users and citizens) - “bottom-up”
- Professional-driven (comparison with other organizations and sharing good and promising practice) – “sideways-in”
- User-driven innovation – (groups of users and citizens developing innovations and advocating their use – includes open source innovation and “citizen-sourcing”)



“I’ll be happy to give you innovative thinking.
What are the guidelines?”

The key resource is not finance but organizational energy

- Austerity often focuses on financial resources (budget cuts, ‘doing more with less’)
- But creating a positive climate for innovation helps the creation and development of new ideas and new practices.
- NHS (2013) 5 types of energy: psychological, social, spiritual, intellectual, physical
- Manager and staff energy crucial for innovation and other forms of change
- Lessons from neuroscience about energy systems



Electrical energy in neurones continually creates and recreates new patterns of interaction between synapses and develops new neural networks.



Innovation requires in a leader:

“....a bit of charisma ...combined with a lot of good judgement, tolerance of ambiguity and a love of argument , passion, risks and action. Leave your door, and your mind, open.” (Lynn, 2013, p.41)



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Myth-buster:

Bureaucracy is both a help and a hindrance for innovation in all sectors

- Hindrance: Bureaucracy inhibits invention phase (Burns and Stalker, 1968; Halvorsen, 2005)
- Help: Bureaucracy aids implementation phase (Hartley et al, 2013)
- Smaller organizations often better at invention, but larger ones at implementation.

Key issue for many organizations is how to be ambidextrous (Utterback, 1996; Birkinshaw et al, 2009) - engage in both innovation and current business

“Harvesting” ideas and practices from other actors saves time and money

The importance of finding ideas from outside the organization. The ideas are already there, but are used in a different way. **Recombinant innovation**.

Example:

- UK children’s hospital consultants watching Formula 1 decide the practices of the pit stop can be applied to the handover from theatre to intensive care

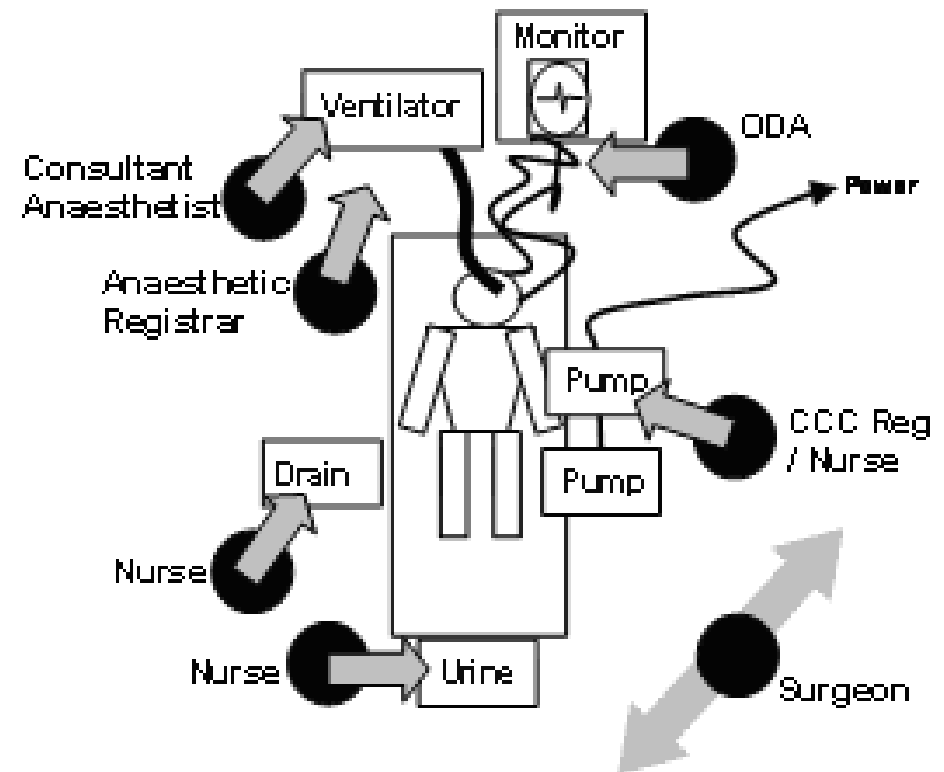
And **open innovation** - inviting the public and users to contribute to innovation or using existing innovators

- Example: e.g. children helping to design hospital environments; patientslikeme which helps doctors and pharmacists track effects of medicines.

The Formula 1 pit stop



Great Ormond St Hospital



Open innovation.....



Diffusion of innovation in local government

(Hartley et al, 2007; Hartley and Rashman 2018)

Taking ideas and implementing them from high performers/innovators in the Beacon Scheme in local government:

◎ **63%** adapted a Beacon idea

This shows adaption more than adoption

◎ **29%** accelerated implementation of an existing idea

Interviews said it reduced risk; helped with confidence; helped to mobilise support; argument to others they would be left behind; avoiding mistakes and dead-ends; building on what already done

◎ **8%** based improvement closely on the innovator

Replication rarely occurs (Behn, 2008) except in near-laboratory conditions

Metaphors for sharing innovation ideas and practices

Graft and grow

Not drag and drop, or copy and paste

Persistence in the face of adversity:

“Success is the ability to go from failure to failure without losing your enthusiasm”

Attributed to Winston Churchill

Further information and papers:

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Hartley J (2014) Eight and a half propositions to stimulate frugal innovation. *Public Money and Management*, 34 (3), 227-232.