





Beyond Ideas

Enabling a culture of innovation for improved public services



September 2019



This report explores the state of innovation in the public sector in Northern Ireland. It summarises themes and views emerging from a wide ranging consultation with senior leaders and staff in the Northern Ireland Civil Service (NICS). The ideas contained within this paper are not attributed to any individual nor can they be seen as a consensus.

The report has been produced under the Goal programme, which supports public service reform and innovation.

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Innovation Lab,
Department of Finance,
Clare House,
303 Airport Road,
Belfast BT3 9ED,
Northern Ireland

Centre for Effective Services Forestview Purdy s Lane Belfast BT8 7AR Northern Ireland +44 (0) 2890 648 362 nioffice@effectiveservices.org CES is a not for-profit company limited by guarantee (Company number 451580 and Charity Number 19438 in Ireland.)

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Who we are

The Innovation Lab

Established in 2014, the Innovation Lab sits within the Department of Finance (DoF). The Lab responds to challenges where effective service provision for the public has proved most difficult. The Lab aims to improve public services by creating new and ground-breaking innovations through design, experimentation and creativity.

The Innovation Lab also has a mandate to promote innovation in the public sector, with particular emphasis on building capacity and capability to innovate within the Northern Ireland Civil Service.

Centre for Effective Services (CES)

CES is a non-profit organisation bringing new ways of thinking to complex problems to advance social change. CES works with agencies, government departments and organisations from initial policy development right through to improving practice.

CES's work involves:

- Summarising and synthesising evidence
- Connecting resources and knowledge
- Building capacity to introduce change
- Supporting implementation of services, programmes and projects
- Evaluation and building capacity in evaluation.



Improving outcomes together

The Innovation Lab and CES have been working together under The Goal Programme for Public Service Reform and Innovation. The Programme aims to equip public servants to deliver change in public services in Ireland and Northern Ireland, in order to improve outcomes for people using services in areas such as health, education, mental health, and for children and young people. The Innovation Lab engaged support from CES to bring a greater focus on implementation, and to help them to explore the gap between innovation and implementation.

Foreword

This short report is the result of research into innovation in the public sector and in the Northern Ireland Civil Service in particular. It is the product of collaboration between the Innovation Lab and the Centre for Effective Services, as part of the wider GOAL Programme, and I was delighted to contribute to that research.

Innovation is, of course, very relevant in the context of the challenges arising for us from the draft Programme for Government, which is about "Improving wellbeing for all – by tackling disadvantage and driving economic growth". In striving to achieve this, doing the same things over and over again will not get us to where we need to be. Nor can we keep increasing spend on existing programmes and services. Doing that is simply not affordable in the long term.

It is vital that we find new and better ways of responding to the latest expectations and needs. We cannot stand still – we need to keep moving forward, developing new plans, actions and interventions. Put simply we need more successful innovators operating within our public services.



I thus welcome this timely report with its emphasis on practical measures that can contribute to a culture of innovation. For some readers, it will confirm what you are already doing: for others it will provide additional ideas and concepts to help you be more effective; while for those aspiring to make a positive change in how we do our business, it will help you find your confidence as public sector innovators.

David SterlingHead of the Northern Ireland
Civil Service

About this report



This report adds to the tools, resources and learning from the Goal programme, about what supports change and new ways of working in public services.

The authors have drawn on wide ranging experience, conversations and perspectives to understand some of the challenges of embedding innovation in public services, along with what helps to support it. While there is increasing interest in innovation by governments, there are different understandings of what it means. How ready is our infrastructure, our working processes and capacity to help it to grow and thrive?

One of the important conclusions from the work is that innovation is about more than generating ideas. Thinking about how it will be implemented is needed if an innovation is to be adopted more widely.

CES's learning from working with government departments and agencies to implement services, programmes and projects reflects similar themes. How an innovation is implemented will influence its success, and the outcomes which it achieves. Planning for implementation from the outset, engaging with stakeholders, in particular those who will be the end users of a service or policy, are essential activities. While they may appear obvious, these tasks require continuous time and attention from the beginning, and may be overlooked in the urgency to find quick fixes and shiny new things.

The first stage of implementation, involving exploring and discovery, is widely recognised as being the most important to the success of an initiative. It is also an important time for seeding innovation, for generating ideas, collaborating, imagining solutions together and seeking feedback from service users.

The work of the team confirms that innovation won't happen on its own. The conditions required for new ways of thinking and working need to be cultivated. The role of leadership, along with an organisational culture that is ready and able to learn from both success and failure, are important themes explored in this report.

We hope that this report adds to a growing body of knowledge and understanding internationally about this topic, but that it also provides practical guidance for public servants involved in introducing and managing change.

Nuala Doherty Director, CES

About the authors



Irene HewittAssociate, CES

Irene Hewitt is an Associate
Consultant with CES. She specialises
in organisation development and has
designed and led numerous leadership
programmes. Irene supports leaders
to guide their organisations through
complex environments and is an
experienced coach.

Irene has a background in social sciences. She started her career with the NHS managing change projects for the NHS Training Directorate, Bristol. She returned to Northern Ireland in 1993 as a senior manager in Human Resources (HR). In 1998 she was appointed Director of HR for the Northern Ireland Ambulance Service. She was Chief Executive of the Beeches Management Centre (leadership centre for health and social care) from 2003 - 2008. In January 2009 she created her own practice as an independent consultant working across the public and third sectors. Irene joined The King's Fund in London as a Senior Leadership Consultant in 2011, returning to her own practice in 2013. Irene's work spans boundaries and encourages innovation and collaboration across sectors in pursuit of common outcomes.



Malcolm BeattieDepartment of Finance, Northern Ireland

Malcolm has worked throughout his career in the Civil Service and now heads up the NI Public Sector Innovation Lab. He was instrumental in its launch in 2014 and has overseen the evolution of the Lab to the point where it offers innovation through design, experimentation and creativity to address complex public sector problems.

His previous career was in social security, both as Divisional Manager responsible for the delivery of sickness/incapacity benefits and then as Project Manager for the introduction of Employment and Support Allowance; he spent a short time leading on service design within the Universal Credit programme before moving to his current role.





Majella McCloskey Senior Manager, CES

Majella heads up CES's work in Northern Ireland, including its support to government departments, agencies, funding bodies and voluntary and community organisations. She has led the roll out of the Goal Programme for Public Service Reform within Northern Ireland.

In 2019, Majella was awarded a Winston Churchill Memorial Trust Fellowship, which will enable her to learn about how policy makers have used evidence in divided societies.

Previously Majella held a number of senior roles in the third sector in Northern Ireland, including Chief Executive of CO3, a third sector, leadership organisation and as Director NI of the fuel poverty charity National Energy Action. Majella was appointed by the First and Deputy First Minister to the Compact Civic Engagement Panel and is a Board member of NIACRO. She holds an MSc in Executive Leadership.



Tony YoungDepartment of Finance,
Northern Ireland

Tony is a Service Designer in the NI Public Sector Innovation Lab. He is also a Civil Servant with more than 30 years' experience serving the citizens of Northern Ireland.

This experience in the NI Civil Service has been varied, having worked in Water Quality and then Nature Conservation for over 10 years in the Environment and Heritage Service. In the Department for Regional Development he was involved in preparations for Freedom of Information legislation.

Tony was also involved in the introduction of nidirect, being a theme manager for a number of years, whilst at the same time managing DRD's websites until it became the Department for Infrastructure in 2016.



Melanie Stone *Project Specialist, CES*

Melanie's main area of work in CES is practice development. This includes supporting the design and implementation of programmes aimed at transformational change and a range of voluntary and community projects. She is also involved in making evidence available and useable for practitioners to improve outcomes. Melanie's background is in statutory social work in children's services.

Before joining CES she worked as an Inspector with Social Care & Social Work Improvement Scotland. As Children's Services Manager with Barnardo's Scotland, Melanie developed services using evidence informed approaches to achieve better outcomes for young people. She managed services for young runaways, young people involved in offending and substance misuse.

Executive summary

The need for innovation in the public sector has never been greater. Rising public demand for more responsive services, a challenging political, economic and social context, and a strong commitment to make real improvements to the quality of life for citizens requires all of us to think and act differently.

Yet opportunities for innovation are being lost. It seems that good ideas are getting stuck and staying small, while legacy systems, old policies and procedures live on despite poor or weak evidence of their effectiveness.

This paper explores the state of innovation in the public sector, primarily in Northern Ireland. It is offered as a stimulus to thinking differently; it shares insights on innovation and implementation, based on interviews and wider engagement with senior public sector leaders. It also reflects views as to what may be required to embed creativity, innovation and implementation within public services in order to foster the level of innovation needed to deliver better outcomes.

The work has been carried out jointly by the Innovation Lab and CES. This report is a summary of the findings of that work.

THE MAIN FINDINGS ARE

- Successful innovation in public services is both the creation and implementation of ideas leading to new policies, processes, structures, services and products that improve outcomes for people.
- Systemic, radical and incremental innovations are all evident within the public sector. However, our innovation stories are not widely shared and voluntary second adopters are less evident. 'Not invented here' needs to be replaced by 'Proudly found elsewhere'.

- There is a process of innovation an 'innovation curve' with recognisable stages. Innovations stall at different stages of the innovation curve: problems may not be properly understood, the context may be underestimated, the right people may not be involved, sufficient time and resource may not be secured, there may be a failure to test and a lack of attention paid to implementation from the outset. Innovation requires determination and understanding of change. The application of specific skills and techniques such as user centred design, systems modelling and behavioural science can greatly enhance the quality and sustainability of the innovations.
- There is evidence that old policies and programmes survive despite weak evidence of positive impact. All of the reasons stated above enable the status quo to continue. Interviewees specifically referred to insufficient thought given to implementation at the outset, internal politics and difficulty letting go, unhelpful processes and failure to secure the commitment of senior leaders. Nevertheless, there was also a view, that good innovations do get through, and if we stand back to look, we can see how things have changed for the better.
- How innovation is viewed affects our ability to deliver sustainable change. Innovators seek to understand the Innovation Equation and work to tip the balance to deliver sustainable

- change. The public sector is not unique. All systems resist change. The obstacles are a reflection of the prevailing organisational culture. Culture is created by the people working in the organisation and as such is subject to influence and development. Leaders at all levels have a significant influence over culture.
- Public entrepreneurs are 'at work' in our organisations. Public entrepreneurs are networking across our system, building relationships and working collaboratively to lever commitment, ideas and resources to achieve outcomes. To date the value of public entrepreneurs has not been recognised. The culture stifles rather than nourishes their development. We can all be public entrepreneurs.
- Leaders have an opportunity and an obligation to unlock innovation.

As leaders we have the opportunity to capture the imagination of other leaders at all levels, and enable those leaders to foster innovation in their teams, to generate ideas and implement solutions that shift outcomes for our population. We can influence our culture to ensure that innovation thrives. We can build the capacity to innovate and can nurture the skills and values of public entrepreneurs. We can ensure processes serve purpose. We can collaborate and codesign for improved public service. Collectively we can enable a culture of innovation for improved public service.

Part 1: Introduction and background



There is much talk in the public sector about new ways of working. There is also talk of opportunities lost, good ideas failing to get traction and frustration that old ways persist despite poor evidence of their value. There appears to be an innovation gap; that is, a gap between the generation of ideas and their sustainable implementation. But why do good ideas get stuck? It seems obvious that there is a need to 'unstick', to understand the dynamics at play in order to unlock the potential of innovation and innovators.

The Innovation Lab and CES have been working together to explore the state of innovation within the public sector. What is happening? Is there an innovation gap? Are we better at generating ideas than implementing them? If so, why, and how can we improve implementation? How can we foster the level of innovation

needed to deliver the outcomes we are all committed to? A joint team, involving the iLab and CES was established to explore these questions.

In the summer of 2018 the team engaged a number of senior public sector leaders in discussion about



innovation for improved public services. We also consulted a Focus Group made up of members of the Advisory Group to the Innovation Lab. Finally, we held a workshop with around 100 members of the Northern Ireland Civil Service, who, broadly speaking, work at the level immediately below the senior leaders originally interviewed. Our approach was informed by evidence about innovation, complex systems and immunity to change (as experienced by people, organisations and whole systems). This paper summarises the themes from those conversations and is intended to stimulate thinking and action.

The ideas contained within the paper are not attributed to any individual nor can they be seen as a consensus. They do provide us with insight into the aspirations and realities of those leading large public departments and the potential that innovation holds for resolving large and small, complex and discrete public problems.

Part Two summarises what leaders told us. Throughout the report the authors have drawn conclusions and added tools to support a culture of innovation.

Part 2: What we heard

1. What does innovation mean?

'Innovation' means different things to different people. We wanted to know what it means to those working within the public sector and how it is currently viewed. Based on our work, we are proposing the following definition:

Successful innovation in public services is both the creation and implementation of ideas leading to new policies, processes, structures, services and products that improve outcomes for people.

INSIGHTS ABOUT INNOVATION



· It's a type of change

Innovation is about thinking differently and doing things in new ways to achieve a better result. It can also involve applying tried and tested approaches in new contexts.

It's both creation and implementation

It is harder to implement than to create and this is where most organisations appear to come unstuck. Creation in itself is inadequate without prototyping, testing and follow-through to implementation. Implementation needs to be considered early in the innovation process.

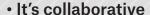
It's cultural

Organisational culture affects our capacity and commitment to innovate. Innovation should be everyone's business and not the responsibility of the few. This requires communication of what innovation means in plain English and support for staff to innovate. An innovative organisation provides safe spaces to think the unthinkable, to take up great ideas, to experiment and to have the confidence to fail. Until innovation becomes an unconscious element of 'how we do things around here' we will have to continue to drive innovation and build the space and capacity to innovate.

INSIGHTS ABOUT INNOVATION



Interviewees talked about the rationale for innovation. If we continue to do what we've always done, we will continue to get the same outcomes. We will not make things better for people, without innovation in thinking, policy and practice. We will not deliver significant improvements in wellbeing for all unless we are prepared to stop doing things that have little impact.



Societal problems have a wide range of stakeholders and exist in a complex context. Successful innovation requires understanding of that context and how to influence and problem solve within it. Whilst accountability may sit with one department or agency the solution more often sits with a broader group. Innovation requires collaboration across departments, sectors and communities.

It's about involving users early and often

Early and ongoing user engagement is essential, if we are to create new policies and solutions that will deliver sustainable outcomes. Failure to involve will undermine any sustainable solution. The application of the principles of user-centred design and coproduction are vital if this is to be meaningful.

It requires data

Innovation isn't soft and fluffy. Innovators need data to prototype, to benchmark and to measure transformation, using evidence to start new things, adjust course or stop doing things that aren't achieving outcomes.

The ideas are out there

The challenge for leaders is how to enable individuals, teams and whole organisations to innovate, unlocking individual, organisation and system immunity to change. This requires a more strategic view of innovation and the resources available to our organisations.

Along with our revised definition, we have identified the following characteristics:

INNOVATION IS:

- A type of change
- Both creation and implementation
- Cultural
- Essential to the achievement of outcomes
- Collaborative
- · About involving users early and often
- Data dependent
- Out there we just need to unlock the ideas





2. What is the nature of innovation in the public sector?

Innovation in the public sector varies by scope and scale. Discussions covered a wide range of public sector innovations, some systemic, some radical and many incremental.

Three forms of innovation in the public sector



INCREMENTAL INNOVATIONS

Going on all the time; individual staff and teams improving and streamlining how work is done day by day.

EXAMPLES:

- Continual Improvement
- Small Business Research Initiative
- Quality Improvement & Innovation Centre (SEHSCT)

(2)

RADICAL INNOVATIONS

Development of new services, delivery methods or processes leading to marked improvements in performance.

EXAMPLES:

- Getting Ready to Learn (DE)
- The Glider (Translink)
- Shared Services (DoF)



SYSTEMIC INNOVATIONS

Major shifts that transform whole sectors, industries or organisations; complex, transformative and take time to implement.

EXAMPLES:

- Devolution (Government)
- Delivering Together
- Review of Public Administration

INSIGHTS ABOUT INNOVATION IN THE PUBLIC SECTOR

The insights that emerged around the nature of innovation in the public sector were:

Ambition and patience

The ambition for systemic innovation across public services is matched by frustration that transformative change is slow to implement or difficult to implement fully. Nevertheless, if we take a ten year perspective we can see that some major shifts in public services and government have taken place or are underway. Our challenge is to realise the potential of those that have stalled.

Shared vision

Whole system change is difficult and the benefits are rarely realised within a single parliamentary term. The creation of a shared vision and the involvement, ownership and commitment of politicians, citizens and key stakeholders underpins whole system change. The Programme for Government¹ describes a vision and outcomes that we can all subscribe to. This gives us a direction of travel and a strong rationale for innovation. We each have a responsibility to translate the vision into our own areas of work and in language that is meaningful for staff.

Seeing 'potential' impact

Radical innovations lead to increased efficiency in process and services. They may also be a significant contributor to a bigger outcome and a step on the way to systemic change, fundamentally changing how we do things to achieve the outcome. We miss opportunities if we fail to see their potential impact.

Openness to 'Proudly found elsewhere'

There were few examples given of voluntary 'second adopters,' that is, those willing to adopt and adapt excellent innovation from elsewhere, rather than develop their own. The 'not invented here' syndrome wastes opportunity, time and resource and fails to realise benefit for the public good. We need to move from 'Not invented here' to 'Proudly found elsewhere.' Local involvement and ownership of adopted ideas is critical to success. Successful implementation second time around still involves securing necessary investment and commitment.

INSIGHTS ABOUT INNOVATION IN THE PUBLIC SECTOR

Enabling culture

How innovation happens is a visible characteristic of an organisation's culture. Organisational culture, often described as the way we do things around here, will enable or constrain innovation. We need to create and nurture the conditions for adoption, spread and implementation of incremental and radical innovations. An organisation or team where incremental innovation flourishes has a culture where everyone's role in innovation is valued and the initiative for change is as strong with front line teams as it is with senior leaders. This is collective leadership in action. Culturally, change begets change. As we do things, we identify more things to do and we establish a fertile culture for the uptake of more radical and systemic innovations.

A learning system

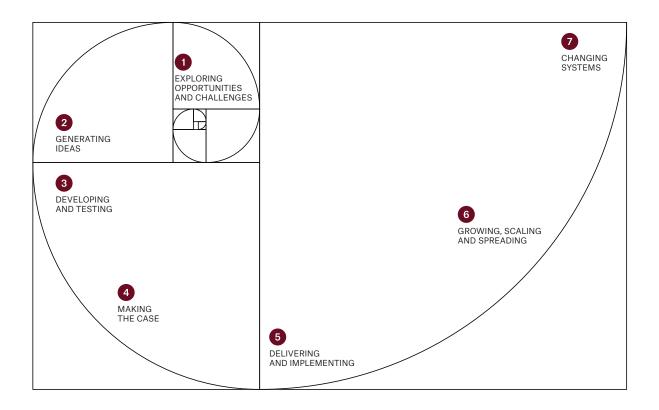
Our innovation stories are not widely known or shared: In our organisations and across sectors there should be greater sharing and learning from what has worked and what hasn't. Spreading the stories will enrich the culture and capacity of staff to innovate. It will also challenge the 'Not invented here' response.

INNOVATION REQUIRES:

- Ambition and patience
- Shared vision
- Seeing 'potential' impact
- · Openness to 'proudly found elsewhere'
- · Enabling culture
- A learning system

3. What does the innovation process look like?

The Innovation Curve



The Innovation Curve² illustrates the process of innovation from the exploration of opportunities and challenges, through delivery and implementation to system change. The curve³ predicts a pattern to innovation; as we travel though the stages there is a defined growth eventually leading to whole system change.

Interviewees agreed that the stages were generally recognisable, but the journey is not always linear. One interviewee suggested that we could think of the journey as 'a ball bearing rolling back and forward on the curve'.

Other conversations touched on the importance of setting the curve within a context and culture, with opportunities and challenges to be understood, seized and managed. So what are the stages to good innovation?

² The Open Book of Social Innovation, Murray, R., Caulier-Grice, J & Mulgan, G. Social Innovator Series, The Young Foundation & Nesta.

³ Based on a Fibonacci Curve

Innovation stages

STAGE 1

EXPLORING OPPORTUNITIES AND CHALLENGES

Innovation begins with the recognition and definition of an issue or problem. Problem definition ensures that innovation addresses the real issue and not a symptom of it. This stage requires an understanding of the problem context and clarification of the opportunities and challenges. Genuine exploration can only happen when the right people are involved.

STAGE 2

GENERATING IDEAS

There was a consensus that we don't spend enough time generating ideas. Great organisations spend time on blue sky thinking, recognising that investing in that speculative space is crucial for ongoing success. There are many tools that can help with idea generation.

STAGE 3

DEVELOPING AND TESTING

This includes pathfinders, pilots and prototyping to prove the value (or otherwise) of an innovation. This stage provides a safe place to fail and to learn. Teams such as the Department of Finance's Innovation Lab, provide a place to experiment, to prototype, to run Beta⁴ versions of new systems and to test out ideas in a safe way. This stage also allows for initial plans for implementation to be developed.

The public procurement process was cited as a constraint on the development and trialling of innovative ideas; that is, limiting procurement to tightly specified solutions rather than procuring potential solutions to specified problems. The Small Business Research Initiative (SBRI) is an innovative procurement solution for small scale innovations. Greater use could be made of this to look to external expertise to develop innovative solutions to complex public service problems.

⁴ A beta version is very close to a final product or service that allows service users to test the product or service under real conditions.

STAGE 4

MAKING THE CASE

This requires evidence of impact and is not a single activity. The case may need to be made and remade as the problem is defined and redefined, and ideas are developed and tested. Making the case requires clarity of purpose and outcomes, measures of impact, determination and expertise. We are competing for limited funding and have scarce capacity to deliver change.

STAGE 5

DELIVERING AND IMPLEMENTING

The Delivering and Implementing stage in the Innovation Curve refers to the process of putting an agreed plan into effect. 'It focuses on operationalising the plan – the 'How' rather than the 'What'⁵. The research shows that implementation is itself a staged process that takes time, involves a range of activities and requires certain conditions. It is vital that implementation is considered from an early stage, whilst mindful not to constrain or rule out ideas.

STAGE 6

GROWING, SCALING AND SPREADING

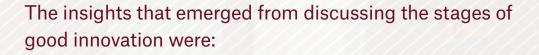
This stage requires capacity and resources. In spite of concerns about work volume many of us have difficulty letting go of projects and programmes of work that we are familiar with and attached to, even where the evidence supports the change. Programme assessments are often too positive, with those writing the assessments loathe to admit 'we are on the on the wrong bike'. The advice tends to be 'just pedal harder'. We need to compare the relativity of the impact of programmes, manage the internal politics and be open to pooling budgets for common good, freeing up some of our existing funding.

STAGE 7

CHANGING SYSTEMS

Our objective is for good innovation to permeate the whole system. It is important to take stock and understand the impact of the change on the immediate and wider system. If we fail to pay attention to the impact of the innovation, we fail to learn. We also miss opportunities for further positive impact and are blind to adverse impacts. Without feedback we cannot adapt, adopt or learn as a system.

INSIGHTS ABOUT THE STAGES OF INNOVATION



Killing off old policies and programmes

The challenges of safeguarding and then landing good innovation into a system already populated with multiple layers of programmes, services and systems was universally understood. This gave rise to discussions about the need to take decisions to run down, retire and even stop using legacy systems and processes that are no longer fit for purpose. This was recognised as a significant challenge for leaders.

· Senior leadership commitment

The commitment of senior leaders is seen as particularly important to drive innovation around the curve, to take a strategic perspective of the organisation and work to remove the obstacles in the way. Early buy-in at a senior level was seen as crucial – without leadership cover it is difficult to drive change.

Collective leadership

Leadership does not rest with the few. Leaders exist at all levels and there is untapped potential throughout our organisations to lead in new ways, to share authority and enable decision making by the right people for the problem.

Systems thinking:

Effective innovators think about and demonstrate an awareness of the system(s) in which they operate, identifying common purpose, system dynamics and impacts for common good. In Peter Senge's words, 'Systems thinking is a way of thinking about, and a language for describing and understanding, the forces and interrelationships that shape the behaviour of systems⁶'. This includes an understanding of the context in which a problem resides, whether it is a discrete problem or a complex social issue. Good situational awareness, diagnosis and exploration are fundamental to resolving problems.

INSIGHTS ABOUT THE STAGES OF INNOVATION



Early involvement of the people affected as well as those with accountability or others who have a stake in the problem's resolution is essential. This includes service users, staff and their representatives, other departments, organisations and sectors. Failure to engage those who need to be involved will lead to other failures.

Who needs to be involved?

Involve all who have a stake in the problem being looked at.
Involve those with:

- Authority to act on their own
- Resources of time, money, access and influence
- Expertise social, economic, technical in the topic
- Information that others need
- **N**eed people who will be affected by the outcome.

AREIN7

Integrating policy and delivery expertise

The separation of policy and delivery people within the Northern Ireland Civil Service (NICS) has been replicated in innovation, with a tendency to handover from policy developers in the early stages to implementation teams in the latter stages. This creates a disconnect and loses the added value that comes from working together through the process.

Beyond silos - collaboration

We need to work across boundaries to address complex social problems. There is evidence that this is happening, although not yet at scale. On the front line there is often good collaboration, for example, between social workers, teachers and health visitors. Collaborative working is more than sharing information and/or coordination of activities and resources. Innovation to solve big public problems requires cross-department and/or cross-sector commitment to change, to plan together, to reprioritise, to invest time and to pool resources. System collaboration is needed but complicated through some of our approaches to governance. Budget allocation on an outcomes basis may assist, as well as collaborative design of interventions.

INSIGHTS ABOUT THE STAGES OF INNOVATION

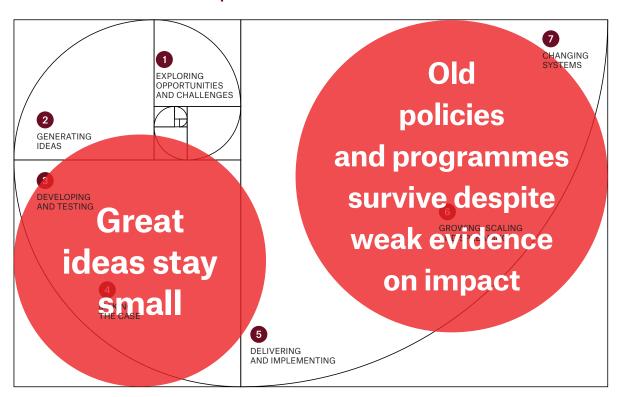
Knowledge, skills and behaviours

Innovation requires determination and understanding of change. The application of specific skills and techniques such as user centred design, systems modelling and behavioural science can greatly enhance the quality and sustainability of our innovations. Service improvement and 'Lean' techniques with the accompanying skill development will also build capacity for innovation.

The innovation gap

The image below resonated with everyone we spoke to. This gap between creation and implementation is not unique to the public sector. The statement that 'great ideas stay small for too long' may be true but they do also get out eventually, although not always as we had intended. Viewed from a longer perspective we can see the changes we have made. A more strategic approach to innovation can ensure that those changes are the ones that we have innovated, created, planned for and implemented.

The Innovation Gap



'Isn't it funny how day by day nothing changes, but when you look back everything is different?'

4. Getting the balance right

How innovation is viewed affects our ability to deliver change. The innovation equation balances constraints and enablers. Innovators seek to understand both sides of the equation and work to tip the balance to deliver change.

The Innovation Equation



It seems that we are good at talking about the left hand side of the equation, the things that don't work. We readily identify the obstacles that get in the way of innovation. The obstacles constrain our teams, our partners and us. At times they feel like a wall that has to be climbed, tunnelled or knocked through.

Too often the obstacles distract from purpose. Any innovation has to take place in the real world, the complex system in which we operate. The job of leaders is to understand both the constraints and the enablers and lead innovation through to implement change sustainably.

The Innovation equation

While on the one hand, innovation is viewed positively and seen as essential to deliver step change, on the other hand...

THERE IS A CULTURE OF RISK AVERSION

In a political and public space there is little tolerance for failure. Risk appetite is affected by how scrutiny and accountability is carried out. Anyone who has appeared before a Public Committee or fallen short of a regulator's standards knows the importance of good governance and effective risk management. However, risk management and risk aversion are not the same thing. Public inquiries should enhance risk management and not heighten risk aversion. Enabling this distinction is a challenge for leaders. If we are going to innovate, we have to accept it's not always going to work. Innovation will be enabled by a culture of openness.

WE VALUE RESILIENCE MORE

The capacity to keep going and deliver no matter what else is going on is prized above taking managed risks. The civil service has kept the show on the road through turbulent political years, including the most recent period. Staff are rightly proud of their resilience. However, resilience is not the same as repetition. If we continue to do what we've always done, we'll continue to get what we've always got. Taking managed risks by introducing new things is seen as essential to achieving different and improved outcomes.

PROCESS TRUMPS PURPOSE AND THEREFORE OUTCOMES

The public sector excels at making processes better, more efficient and better value for money. There is a sense that adhering to the process has primacy over purpose. Process should enable purpose.

Two processes were specifically highlighted as problematic:

- The Business Case process ensures that risks are considered, and that rationale and potential benefits are assessed. However, the process can be bureaucratic and deter innovation. Innovation should be a consistent criterion for consideration in assessing choices.
- Public procurement processes were also noted as a constraint on innovation. Over-specification can restrict the potential for innovation, while the Small Business Research Initiative provides a creative way to find innovative solutions to complex problems.

PEOPLE ARE TOO BUSY

Staff have good ideas, but many are too busy with their day job; they need time and incentive to innovate. Whilst innovation is seen as a separate activity from the day job, daily tasks will crowd out

the space to innovate. Innovation should be part of how we do our day job.

While it may not be recognised as such, there is a lot of innovation going on, informally and formally, by committed people in their own areas – these people are our Public Entrepreneurs⁸.

WE'RE COMFORTABLE IN OUR SILOS

We operate in a complex world made simpler by structures and clear accountabilities. The Programme for Government provides a new frame of reference with acknowledgement that achieving the vision and outcomes described presupposes collaborative effort. There is a commitment to working collaboratively and to finding ways to work across boundaries. However, collaboration is not yet common practice and will require new behaviours reinforced by collective leadership and accountability. We will need to step out of our comfort zones.

PLANS AND FUNDING ARE SHORT-TERM

Implementation of systemic innovations are likely to take a number of electoral terms and therefore need a longer-term perspective on funding. The Programme for Government has

set long term outcomes and (prior to the dissolution of the assembly) demonstrated a political commitment that transcended single parliamentary terms.

Managing this constraint requires the ability to build shared vision and generate commitment to delivery over a realistic time frame. Arguably, the public sector has greater stability for planning and delivery than the private sector.

THERE IS TOO MUCH UNCERTAINTY

Be guided by purpose. Uncertainty is frustrating and can lead to inaction. From a strategic perspective, purpose is robust and change is a certainty that we can plan for. While uncertainty can delay implementation it can also act as a catalyst for innovation as leaders turn to partners for codesigned solutions that will attract user support.

CULTURE EATS INNOVATION FOR BREAKFAST

'Culture eats strategy for breakfast' is a quote attributed to Peter Drucker, and made famous by the then President of Ford, Mark Fields. This isn't to undermine the importance of strategy, but to emphasise the impact that culture has on organisation delivery, success and indeed survival. In truth, culture eats everything for

breakfast, including innovation.

How we do things around here, the culture we create and are a part of, our learned behaviours both constrain and enable innovation.

Many of the behaviours that are vital to good governance can perversely impede and stifle innovation, or at least make innovation difficult. We need to pay attention to the culture of our organisations and address those characteristics which constrain innovation unnecessarily.

At the same time there is a will to change alongside the recognition that things need to change; the call for cross boundary collaborative working to deliver better outcomes for citizens, as envisioned in the Programme for Government, demands new ways of thinking and working.

PUBLIC ENTREPRENEURS ARE NOT YET VALUED AND NURTURED

On reflection, every example of innovation we came across was also an example of the success of public entrepreneurs working within the same conditions and culture as everyone else. Public entrepreneurs have good situational awareness. They seek to understand the context in which the innovation is required and show determination in leading through obstacles, and finding innovative solutions that will work with, and for, the people involved.

What leaders can do to manage the innovation equation

Our role as leaders in public service is to be ambidextrous, managing both sides of the equation:

- · Where there is risk aversion, manage the risks.
- Where resilience delivers the same old thing, build confidence to experiment and deliver something better.
- Where process no longer serves purpose, innovate to find a better process.
- Where people are too busy doing the day job, make innovation 'how' people do the day job.
- Where boundaries get in the way of the greater good, take a collective view.
- Where short-termism frustrates innovation, build shared vision and commitment.
- Where uncertainty is the excuse for inaction, let purpose be our guide.

As leaders, we need to recognise innovation, wherever it is going on, and create the conditions where public entrepreneurs can flourish.

INSIGHTS ABOUT THE INNOVATION EQUATION

Immunity to Change

and your organisation, Harvard Business Press

This chapter has described how the system can often be immune to change. Innovations attempting to scale and create systemic change often hit barriers to change, sending them catapulting back to square one9′. Successful implementation requires awareness of that immune response, including careful diagnosis leading to planned action. Alongside system immunity to change we must also recognise our personal immunity to change¹o. Successful innovation begins with us.



⁹ Conway, R. et al (²⁰¹⁷) From Design Thinking to Systems Change, How to invest in innovation for social impact, RSA ¹⁰ Kegan, R and Laskow Lahey, L. (²⁰⁰⁹) Immunity to Change, How to overcome it and unlock the potential in yourself

5. Who is the public entrepreneur?

Public entrepreneurs are working in every government department and team.

Who are they? Am I a public entrepreneur?

'While "social entrepreneurs" are people outside government, public entrepreneurs act within government and, at their heart, are a blend of two different roles: that of a public servant, and that of an entrepreneur. The underlying premise is that these roles are usually distinct but the skill sets they require need not be. Indeed, the future public servant will increasingly need to think and act like an entrepreneur building new relationships, leveraging resources, working across sector lines and acting, and sometimes failing, fast¹¹.'



Impact

Characteristics of Public Entrepreneurs¹²

The figure below summarises the characteristics of public entrepreneurs:



The case for the public entrepreneur is well made by Rowan Conway (former Director of Innovation and Development, RSA), who urges us to 'think like a system, act like an entrepreneur¹³.'

Thinking and doing differently is the only way that we are going to close the gap between where we are now and the outcomes we want for our population. In the public sector, we are all required to be public entrepreneurs.

¹² Adapted from Briefing Bulletin: Enter the public entrepreneur: implementing innovation in the public sector, Centre for Public Impact

¹³ Conway, R. et al. (²⁰¹⁸) Move fast and fix things, How to be a public entrepreneur, RSA lab

Part 3: Leaders unlocking innovation

Eight ideas to unlock innovation

So how can leaders unlock innovation in the public sector? Many ideas were suggested. We have drawn out eight ideas as a stimulus for leadership dialogue and action.



- 1 create a culture where innovation thrives
- 2 capture the imagination of leaders at all levels
- 3 put innovation at the heart of the day job
- 4 recognise and build capacity to innovate
- **5** ensure processes serve purpose
- 6 collaborate and co-design
- 7 think implementation early and often
- 8 pay attention to context

Each of these ideas is described below. For each idea there are three practical examples of the idea in action.

As leaders we can...

1. CREATE A CULTURE WHERE INNOVATION THRIVES

We have created the culture we have. Together we can create a culture that stimulates, supports and embeds innovation. The culture needs to be encouraging, permissive and supportive of work across department and organisation boundaries. We should nurture incremental innovation as well as enabling the 'big shiny stuff'.

What you can do:

- Provide time and space to frame problems creatively, to generate ideas, to think differently, to try out and to implement.
- Share and celebrate good innovation using a range of social and other media, and events to reach all staff.
- Incentivise innovation e.g. a competition for innovation funding

2. CAPTURE THE IMAGINATION OF LEADERS AT ALL LEVELS

Leadership and visible commitment from the top was seen as necessary but insufficient. The real trick is to capture the imagination and enable the actions of leaders at all levels. We need to 'believe it, enable it and model it' ourselves.

What you can do:

- Support team leaders to foster innovation in their teams, to generate ideas and implement solutions that shift outcomes for our population.
- Share stories that challenge the status-quo and motivate action
- Signal attention to innovation at the top; for example, identify an Innovation Champion at Northern Ireland Civil Service (NICS) Board level.

3. PUT INNOVATION AT THE HEART OF THE DAY JOB

Innovation is not an add-on to the day job – it is how we do the day job.

What you can do:

- Sponsor and champion innovation in practice, not in name only.
- Include innovation in competence frameworks, recruitment and performance conversations.
- Take the jargon out of it and make innovation meaningful to everyone
 finding new ways of working are relevant to all.

4. RECOGNISE AND BUILD CAPACITY TO INNOVATE

The skills deficit was recognised earlier as an obstacle to innovation. Consequently, as leaders we must identify the skills we need and find ways to bring the right people to the right place to bring about and sustain successful innovation.

What you can do:

- Create a Community of Practice sponsor the creation of a movement of engaged, inspired and energetic people within the system who will espouse, promote and practice innovation, and bring their collective energy to bear in addressing complex issues.
- Develop the skill base through cross fertilisation of people between NICS and ALBs, Councils etc. Send people out to gather skills and bring others in.
- Identify, develop and enable the work of public entrepreneurs.

5. ENSURE PROCESSES SERVE PURPOSE

Implementation of innovation will fail if systems and processes are not aligned to support the change. In any innovation we should consider the supporting processes and where necessary challenge and innovate around the processes where they do not serve purpose (that is, improved outcomes).

What you can do:

- **Review** the business case and procurement processes through an 'enabling innovation' lens.
- Let go of old processes and policies and implement new on the basis of evidence of effectiveness
- Use the Innovation Lab strategically, deliver targeted Strategic Insight Labs, an approach that helps to explore complex issues with a view to finding fresh insights.

6. COLLABORATE AND CO-DESIGN

Complex social problems require collaboration and co-designed solutions. The Programme for Government sets clear outcomes, achievable only through collaboration across departments, organisations and sectors.

What you can do:

- Involve the people who have a stake. Think co-design and co-production. Make collaboration with other sectors the norm.
- Form cross-cutting teams with cross-cutting budgets linked to Programme for Government outcomes.
- Adopt the Innovation Lab approach to addressing complex public sector problems – do your research, speak to the user and design for the user, not just the system.

7. THINK IMPLEMENTATION EARLY AND OFTEN

Innovation begins with exploration, curiosity and idea generation.
Innovation is complete when there is sustainable implementation.
Sustainable implementation needs to be considered and planned from the outset.

What you can do:

- Think about implementation earlier in the innovation journey but be careful not to stifle the ideas.
- We talk a great story sometimes we just need to go and fix things. We need to move quicker to do things.

• Encourage learning about implementation, share tools and resources and develop staff at all levels to lead implementation. CES has developed an online guide to implementation¹⁴, and has gathered a range of practical tools to support individuals and teams.

8: PAY ATTENTION TO CONTEXT

Successful innovation requires understanding of the context of the problems that we are looking to resolve and the system in which we are working. Failure to understand the context will lead to failure to innovate.

What you can do:

- **Take time** to properly explore the issue and understand the context
- Involve the people who have an appreciation of the context and system, those with authority and resource, as well as those who will benefit (and those who may lose out) from the problem being resolved.
- Recognise and accept that your innovation won't be perfect. Complex problems may have clumsy solutions¹⁵. Your innovation may not work and reaching that conclusion isn't failure.

INSIGHTS ABOUT THE STAGES OF INNOVATION

Leadership is the innovation key

We all hold a key to unlock innovation within our teams, across the public sector and beyond. That key is leadership: a vision for better, motivation to bring others along, resilience to hold steady through implementation and openness to change course when things don't work.



¹⁴ Implementation.effectiveservices.org

¹⁵ Wicked Problems and Clumsy Solutions, Keith Grint.



The Leaders Innovation Check List

Let purpose be your guide (be clear about purpose; address the problem, not a symptom of the problem).
Create the conditions for successful implementation – provide
safe space and explicit permission to innovate.
Think implementation from the outset.
Involve all who have a stake in the problem being looked at <i>(particularly the users of the service).</i>
Be creative - use different approaches to generate ideas.
Take a balcony perspective – assess what is going on in the
system and what is likely to enable or constrain the innovation.
Remove the obstacles that you have the authority and influence to move.
Let go - place the work and responsibility where it belongs.
Manage the internal politics.
Don't give up on procurement processes – make them work for you.
Use experts wisely.
Seek, use and give feedback.
Be visible.
Secure governance and maintain oversight.
Build in and be honest in your evaluation.
Be bold and be the leader you believe in.

Part 4: What next?

Enabling a culture of innovation

Our action research has confirmed that innovation is vital to achieving the step changes needed to deliver the outcomes set out in the Programme for Government.

There is a leadership commitment to innovation. There is a clear understanding of the obstacles that get in the way. There is also an understanding of the things that are needed to overcome the obstacles, that is, to develop capacity and capability in innovation, to address the challenges highlighted in this paper and to generate more examples of good innovation across the public sector.

At the heart of leadership is first a commitment to purpose and second a commitment to finding the best way to deliver that purpose. Finding that best way requires a willingness to challenge the status quo and to change how we and others do things.



We invite you to commit with us to lead innovation for better public services.

Stay in touch with the iLab

- Join 'The Tribe', our new community of practice for public sector entrepreneurs ilab@finance-ni-gov.uk
- Come to our training events on creativity and innovation
- Collaborate with us on a specific project
- Contact us at: www.finance-ni.gov.uk/topics/publicsector-reform-division/innovation-lab
- Follow us on Twitter:@iLab NI

Read more about implementation

- Visit CES's online Implementation Guide at: implementation.effectiveservices.org
- Join the Implementation Network, email: nioffice@effectiveservices.org
- Talk to CES about implementation training and support by contacting: nioffice@effectiveservices.org
- Follow CES on Twitter:@effectiveserv

Acknowledgements

The team would like to acknowledge the contribution of our interviewees and members of the focus group:

Focus Group (Members of Innovation Advisory Group) attendees:

Caron Alexander, *DoF*Paul Doran, *PBNI*Iain Greenway, *DfC*Brian Grzymek, *DoJ*Richard Irwin, *DE*Perpetua McNamee, *DAERA*Jim Wilkinson, *DE*

Interviewees:

Geraldine Brereton, Department for Communities (DfC) Chris Conway, Group Chief Executive for NITHC & Translink Kieran Donnelly, Comptroller & Auditor General, NIAO Cathy Galway, Department of Education (DE) Katrina Godfrey, Permanent Secretary, Department for Infrastructure (Dfl) Sue Gray, Permanent Secretary, Department of Finance (DoF) Martin Hayes, Project Director, ICPs, Health and Social Care Board (HSCB) Peter May, Permanent Secretary, Department of Justice (DoJ) Diarmuid McLean, Department for the Economy (DfE) Oonagh McPhillips, Assistant Secretary, Department of Justice and Equality, Ireland Tommy O'Reilly, Deputy Secretary, Department of Education (DE) Richard Pengelly, Permanent Secretary, Department of Health (DoH) David Sterling, Head of NICS John Tully, Director of City and Organisational Strategy, Belfast City Council Jennifer Welsh, Deputy Chief Executive,

This report is a summary of what we heard and were stimulated to think. It is not a statement of the views of any one person.

Northern HSC Trust

Finally, thank you to all those who attended the Innovation Symposium in February 2019.

Innovation examples

LOCAL EXAMPLES OF SYSTEMIC INNOVATION LEADING TO TRANSFORMATION INCLUDE:

Examples of systemic innovations in Northern Ireland include:

- **Devolved Government** Northern Ireland is recognised world-wide for the transformation achieved through the Peace Process and the introduction of devolved government.
- Within **Health and Social Care** systemic changes are underway. The strategy and action plan set out in Health and Wellbeing 2026: Delivering Together builds on the strong foundations laid by Transforming Your Care and other programmes of change, as well as the report of Professor Bengoa's Expert Panel 'Systems not Structures'. For too long HSC services were planned and managed around structures and buildings. The focus is now on enabling people to stay well for longer and providing care or support wherever possible in their community setting. Implementation involves:
- Building capacity in communities and in prevention to reduce inequalities and ensure the next generation is healthy and well;
- Providing more support in primary care to enable more preventive and proactive care, and earlier detection and treatment of physical and mental health problems;
- Reforming our community and hospital services so that they are organised to provide care when and where it is needed;
- Organising ourselves to deliver by ensuring that the administrative and management structures make it easier for staff to look after the public, patients and clients.
- Northern Ireland Water underwent transformation in its business. As with the HSC example above, not all ideas have been implemented e.g. the introduction of water charges could facilitate a further shift.
- The **Review of Public Administration** has underpinned structural reform and greater efficiency in Health and Social Care, Local Government and Education.

• The restructuring and reduction of **Government Departments** from 12 to 9 was the visible outworking of political decisions and policy to streamline government, reduce unnecessary bureaucracy and enable delivery of better services to the public.

INTERVIEWEES CITED THE FOLLOWING AS EXAMPLES OF RADICAL INNOVATIONS:

Examples of Radical Innovations in Ireland and Northern Ireland include:

- Getting Ready to Learn is bringing about universal change. The project supports pre-school education providers with Department of Education funded places to encourage and develop parental involvement in children's early learning. The DE and DoH work collaboratively to deliver the Programme. The project engages and empowers parents to help them create and sustain positive home learning environments. This is part of the Early Intervention Transformation Programme (EITP). http://www.gettingreadytolearn.co.uk/
- Resource Accounting (RA) informs and enables better decision making within the public sector. The introduction of RA was innovative in that we learned the true cost of services. In practice the full potential has not been realised; it has not fundamentally changed decision making. As is, it reinforces the public sector focus on process and accountability.
- Peripheral Nerve Blocks: The introduction of 'peripheral nerve blocks' for hip fracture surgery in place of spinal or general anaesthesia is an example of a great local innovation, of people pushing boundaries and absorbing risk in the front line of health care service delivery.
- The Glider bus service improves the efficiency of public transit in Belfast, connecting East and West Belfast and the Titanic Quarter via the city centre. The service is operated by Translink and integrates with other modes of sustainable transport. The service is supported by Intelligent Transport Systems (ITS), enabling users to be better informed and make safer, more coordinated, and 'smarter' use of public transport networks. The Glider has potential to scale and change how the public views and uses public transport.
- The shift from contractors inspecting for broken street lights to citizen reporting **online** characterises a discrete but radical innovation by the Department for Infrastructure. Citizens are participating more in managing public resources.

- The introduction and growth of **shared services in the public** sector represents a more effective use of resources. Enterprise Shared Services (ESS) brings together responsibility for Human Resource (HR), Information Technology (IT), Finance and Digital Services along with the management of Properties into a single directorate within the Department of Finance (DOF). The vision of ESS is 'better together,' harnessing the synergies and opportunities to deliver shared services from a single organisation, providing shared services which enable others to focus on delivering their core business. ESS seek to make a positive difference to the delivery of public services through being customer-focused, high performing and innovative.
- The **Digital Transformation Programme**¹⁶ aims to provide better public services in Northern Ireland through increased use of online channels to access those services. Popular online services now available include, applying for Motor Tax, paying your Rates Bill, applying for an Access NI certificate, reporting a Road Fault, purchasing an Ordnance Survey Map, registering as a Landlord, the Careers Service webchat and ordering copies of birth, death, marriage and civil partnership certificates.
- Introduction of the **Smoking Ban** in Ireland in April 2007 is one of the most popular public health initiatives in recent years. The ban aimed to protect employees and the general public from harmful exposure to second hand smoke. Smoking prevalence among adults was 24% in 2010/11 and had fallen to 20% in 2016.
- The Indictable Cases Pilot (ICP) involved developing new protocols and processes within and between the Police Service of Northern Ireland (PSNI) and the Public Prosecution Service (PPS) in order to bring about improvements in investigation and prosecution performance. The ICP was the justice system's response to avoidable delay arising from issues originating at the investigative stages of cases. The Pilot was launched in January 2015, and included all indictable offences arising in the County Court Division of Ards. The pilot reduced the time taken from the date an offence was reported until a defendant was committed to the Crown Court by 63 per cent¹⁷.
- Joint Agency Response to Crime in Ireland (J-ARC), Department of Justice and Equality. In Ireland approximately 25% of offenders are responsible for 75% of crime. J-ARC combines the efforts of the Irish Prison Service, the Probation Service and An Garda Síochána to address prolific offending by working with the 25%. The intent is to improve safety in communities, reduce crime, reduce reoffending and reduce victimisation through a combined joined-up effort. https://youtu.be/2XQpLdZyVnU

INTERVIEWEES CITED THE FOLLOWING AS EXAMPLES OF INCREMENTAL INNOVATIONS:

Examples of Incremental Innovations include:

- **Continual improvement** fosters incremental innovation and creates a culture that is open to and supportive of change. There is evidence of continual improvement approaches across many public sector organisations, such as Service Improvement and Lean, equipping staff to innovate locally.
- The **Quality Improvement Innovation Centre (QIIC)** based in the South Eastern Health and Social Care Trust (SEHSCT) aims to bring together innovative and creative thinking, forming a hub for staff and reinforcing the importance of and conditions for innovation to improve health and care services. QIIC is a symbol of the culture of quality improvement and innovation that is nurtured within SEHSCT.
- The NI **Small Business Research Initiative (SBRI)** is a different way to procure innovative solutions to public problems. SBRI is a pre-commercial procurement programme that invites open competition for new technologies and ideas for an identified problem. Ideas are assessed for potential impact on the problem and for feasibility. Development contracts are awarded to the most promising proposals, prior to further phases of work and assessment. SBRI has been adapted by the Welsh Government and successfully introduced.
- Giving **nursery schools** flexibility over intake numbers has made a positive difference to the schools and to families living nearby. Complaints are reduced and parent satisfaction increased.
- The introduction of 'cluster' groups is a mechanism where a number of preschools in an area can come together and share good practice and learn from each other. This has been viewed as a very successful, low cost change and is small scale at the moment but with a view to be developed further. A quality assessment by the Education and Training Inspectorate (ETI) is pending and will provide further information on impact.







