Innovation Stewardship

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In my work with innovation stakeholders, whether they be corporate, national or international, public or private, I've repeatedly encountered a set of issues that make up what I've come to refer to as the “stewardship agenda.” A word commonly linked with innovation is governance; this implies that some person, group or organization is in charge of and directs the innovation agenda. I prefer the term “stewardship,” because innovation typically will not thrive if it is simply a top-down exercise from a command module or the Ivory Tower. Instead, experience shows that innovation tends to flourish when it is the product of strategic conversation among a diverse set of voices, emanating from the bottom up as well as top-down. And the full fruits of an innovation process are often realized only when conditions are in place to enable them to emerge rather than being fully planned for in advance.

Much of my own work these days is with teams that are driving the innovation agendas of their regions, cities or countries. My work is pragmatic and clinical; those I work with tend to be charged with the responsibility of coming up with tangible results. Thus I have been able to observe through experience that innovation at a level of society larger than an individual firm carries additional complexities and challenges compared with innovation in the enterprise. Therefore I distinguish between the notion of large scale or macro innovation and enterprise oriented or micro innovation.¹

Large scale innovation is different from enterprise level innovation in many respects including the scale of funding and collaboration required to achieve results, the complexity of the interaction patterns, the need for culturally intelligent facilitation, the difficulty of defining common understandings of problems and common cultures of remedy. But it is clear as we consider issues of stewardship at increasing levels of social complexity (local, city, state, nation, international), that the questions of innovation stewardship will be with us for generations.

While there is no three-ring binder that succinctly summarizes the operating principles of stewardship, I present these rules of thumb – based on my “clinical” experience - in the hope they will be useful as a basis for discussion.

¹ See Kao, John, White Paper on Large Scale Innovation, Institute for Large Scale Innovation
Regarding the specifics of stewardship, one first needs to establish whether it operates in terms of a robust definition of innovation. If innovation is defined in a narrow, technocratic, fashion, then this will shape the outcome of an innovation process. If it carries a much broader sense of realizing society's desired future, and incorporates creative industries, design, behavioral science etc, it may be more likely to lead to a societally relevant result. As an example, a deep dive session that I conducted with stakeholders for the Dayton, Ohio innovation agenda started with a strategy that had been framed in terms of a narrow set of technology defined buckets. At the conclusion of our work, the agenda had been redefined as the development of societal capabilities for innovation that energized the overall process and led to greater participation and perception of relevance by a broad array of stakeholders.

Defining a robust stewardship process for innovation at any societal level requires considering the topic of inclusion. Are the right people involved? “Right,” in this case does not necessarily mean positional authority. Innovation is as much a bottom-up as a top-down, an outside in as well as inside out, phenomenon. It thrives with a diverse group of perspectives, demographics and disciplines. Innovation at any level involves bringing the relevant stakeholders into the room, so to speak, so that all relevant voices can be heard in the process of designing the agenda for innovation and carrying it out. Diversity, of course, also has costs; the work of innovation stewardship requires negotiation, for establishing norms, defining the work that is to be carried out, and getting it done.

Related to the inclusion issue is that of authority. Does the team in question have appropriate authorization, for example from the head of state, governor, mayor, etc.? Do they have appropriate levels of responsibility and skills to undertake the process? And, do they have access to adequate resources relative to the expectations that have been placed on them?

The next agenda involves the societal narrative around innovation and stewardship. What is the societal purpose – the local, national or global idea – that innovation is an answer to? What are the central competitive issues and why are they important? Having a story is key; talking about it well is equally important. Have the stakeholders taken the time to figure out the vision and narrative for innovation? Have they aimed for the highest possible goal or are they content with a narrower result? Are they competent in strategic communications and do they have the aegis to engage in it? Are they able to make a link between the national innovation narrative and the societal brand?

Then there are a host of issues pertaining to process, roles and responsibilities.
Generally speaking, I look at the stewardship process as having three levels. At the top, there are senior stakeholders. Without the buy-in of the person in the top seat, whether their role is mayor, head of state or chief executive, little of substance can happen. Their most important responsibilities include commissioning the process, identifying some of the key people, empowering them, provisioning the process, setting ambitious goals and then avoiding the tendency to micromanage. In that sense, their role is somewhat akin to that of the traditional head of a film studio, whose job is to pick teams and projects, to set levels of standards of quality and then to avoid undue interference.

The role of senior leadership is that of championing and protecting new initiatives; they must adjudicate conflicts among sibling agencies, so that the innovation agenda does not get lost in the shuffle or suffer from intramural rivalries. Senior leadership may also need to protect the innovation process from excessive public scrutiny. The press, by triggering a premature negative reaction or conclusions about the process, can derail it. Senior leadership must also be involved in telling the story of innovation and evangelizing for the importance of this agenda.

It’s a plus if senior leadership has relevant domain expertise, because that provides understanding of and empathy for the work of innovation. The majority of senior government leaders in Singapore and China, for example have advanced degrees in science, mathematics and medicine, and this facilitates their understanding of the innovation process.

It must also be pointed out that senior stakeholders are an important and necessary, but not a sufficient, condition for innovation to occur. There is also a bottom-up component to the innovation stewardship process, which contributes to its quality by increasing its inclusiveness, diversity and comprehensiveness. Experience shows that large scale innovation efforts will not succeed without mechanisms to encourage the bubbling up of input from civil society, “the body politic.”

Then, there is what one might call the middleware; what John Kotter\(^2\) has called “a coalition of the willing” in his work on change management. This is the team that becomes responsible for the strategy, that receives resources to make it happen, that works in an entrepreneurial and integrative manner. This is the notional operating level for innovation stewardship and many countries evolve an innovation council or an innovation office for this coalition of the willing, where the innovation strategy, as articulated by the top and the

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many inputs to that strategy as articulated by the bottom via some form of open innovation process, can become operational and integrated.

Once the players are in place, the details of the stewardship process itself must be designed. Is it clear how strategy is currently formulated and how the innovation stewardship process links up with the strategy process? Are the context and audience for the work clear? It is important to ensure that the innovation process has some clear objectives. These need not be all inclusive and all encompassing but should serve to define the trajectory of the work. These objectives set the stage for determining the appropriate model of creative process. This is critical because the literature on “wicked problems” suggests that it is an intensive, creativity-friendly, open-minded process that will bring diverse perspectives together.

The process issues involved range from conceptual to practical. What model of facilitation is appropriate? How often should the team meet? Who sets the agenda and holds responsibility for facilitation? What should the overall process look like? Is it effective in the sense of bringing diverse players under a common “roof,” with a robust interactive process? Is the process loose when it needs to be loose, and tight when it needs to be tight? Is it is divergent when it needs to diverge and convergent when it needs to converge? Is the process cognitively diverse enough? Does it balance intuition with attention to detail, values with analytical frameworks? When should the process turn outward for input and is it able to go far afield when needed and bring unusual forms of input in? Are there overall mechanisms for increasing the effectiveness of the process? How are they applied? How are they enforced? Is the work supported by the right kind of platform? Environment? Quantity of white space? Is the process courageous enough? Is there an appropriate sense of urgency? Pathologies of the creative process are legion and can include too rapid convergence, poor problem definition, inattention to expectations, and many others.

Perhaps the most important question is: how to move to action. How can the stewardship process resolve what organizational behavior specialists call the knowing-doing gap, the disconnect between knowing the right answer and doing the right things? How can one balance the need for reflection with an appropriate bias towards action? And how does action taken on the innovation agenda relate to other societal concerns? How, from an operational, administrative perspective, does innovation connect with a national investment agenda? What are the criteria to be used for evaluating new initiatives? What are the relevant metrics? Is there a robust connection between innovation strategy and national strategy, and how are they integrated?

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So in summary, to be successful a stewardship process must first have conceptual clarity in order to be successful. It must have a clear definition of what innovation means and what the mission and expectations of both an innovation stewardship team and its sponsors are. Crucial to a successful outcome is an effective process, which must be designed and pursued with intention, not simply allowed to unfold. Facilitation must guide the evolution of a new team culture that will trump the cultures of origin of each participant. Team members must have cognitive diversity with the agility to change perspectives and must be able to use intuition and imagination, not just analysis and facts. The process must be inclusive of external input; it must be an outside in, as well as an inside process. A sense of urgency must be cultivated if timely action is to occur. Facility with prototyping and experimentation will also be a plus. Adequate funding is clearly important as is the orchestration of the overall process to achieve momentum and early wins. Negative spirals must be dealt with and the process overall must be ambitious.

The question of innovation stewardship at a global level requires particular attention going forward, since the issues of process and inclusion are that much more complex. At present, no one has described how innovation stewardship can work at the level of global civil society, despite the importance of the topic. What would a global innovation agenda look like? If one adopted a systems perspective in looking at global talent flows, patterns of investment, innovation infrastructure development, education resources, etc. as global issues, what new perspectives and capabilities for action might result? Specifically, what kind of innovation “emergency response” capability might be desirable to deal with emerging challenges?

Global innovation stewardship is important because it may be argued that the most pressing issues of the day are in fact global, wicked problems that by definition will require global, i.e., large scale, innovation. Yet mechanisms are often lacking or inadequate to address such issues head on at a global level. Such challenges as climate change and capital market stability are global systems problems that are still largely dealt with at the level of parochial, local systems of regulation. And the history of innovation stewardship at a global level suggests that there have only been ad hoc approaches at best, despite occasional wins such as the successful implementation of a global ozone layer policy. Now we have an opportunity address the question of how innovation - as a skillset and portfolio of global capabilities - can be of value in the efforts of global civil society to deal with wicked problems.

One hopes that global civil society will have the wisdom to invest in large scale innovation capability - in a sense to pre-position it in time - in order to address the challenges of the
day and not simply react in a haphazard and inefficient way to the pressures of the next impending crisis.