

Public Organization and Management
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Lecture – 59
Innovation in Public Sector Organization - IV

Hello dear learners, let me continue discussing about the concept of innovation in the public sector organization. In the previous session, I have talked about the process of innovation as mentioned in the book entitled Public Innovators Playbook, Nurturing Bold Ideas in Government by Eggers and Singh. I will continue to build on the frameworks on the strategies of innovation proposed by them in this session. Let us look into the strategies for innovation. So, they talked about these five broad strategies of innovation on a scale of having internal orientation towards external orientation and these strategies as you move from the cultivate stage to the open source stage, the orientation move from the internals to the external one. So, each one has its own process.

And which particular stage of strategy of innovation the organization will follow depends upon the circumstances and the situations they are confronting and I'm going to talk about that in detail. So, cultivate is the more internal oriented strategy of innovation followed by replication. So, as you move from cultivation stage to the open source stage, you'll see that the orientation moves toward the internal within the organization to the external orientation. So, Cultivate, Replicate, Partner, Network and Open Source, there are five strategies which have been talked about in terms of the strategies for innovation.

So, we will look into this one by one and we will also have lot of Indian examples and some of the cases to be discussed to elaborate on these strategies. So let's first of all look at the aspect of cultivate. What is the meaning of cultivation of ideas within? You see that cultivate if you look at as a strategy of innovation, it has internal orientation. meaning you are looking at the alternatives within the organization by making use of your employees. So, it is important that you have engaged employees, you are putting in place the mechanisms where people are engaged.

Now, we have to look into the various aspects, how do you cultivate? Tap on TASIC knowledge. What is the TASIC knowledge? TASIC knowledge is the knowledge gained through experience. You know, you are working with the organization, you have seen organization grow from one stage to another stage and you have experienced various processes. You have interacted with the citizens, you have worked under the leadership of various leaders, you have acted as a leader and have worked with subordinates, so you have gained immense knowledge within the organization. So, when you try to cultivate the ideas within We have to tap on the internal knowledge because these are the

employees who have a lot of wisdom in terms of understanding the functioning of the public organization and what is going to work in the situations like this.

So we need to tap on the tacit knowledge of our employees. So keep the employees engaged, involve them in the process, work on the participation mechanism. So they can they have also a feeling of meaningful contributions in terms of contributing towards better you know effectiveness and efficiency of the organization and they will feel that their contributions are really leading towards the you know better outcomes You also have to develop emerging ideas through safe havens. I'll talk about what is the idea of safe havens. So, develop emerging ideas through safe havens.

It means that to create these separate departments or the group of people, who you are freeing from the unnecessary bureaucratic burden. You give them the resources and you give them the kind of environment where they are coming up with the ideas. So, they need not to go through the hassles of the bureaucracy. So, you are trying to create those important groups which have been given enough freedom to think about the ideas. So, you create that safe havens for people, so that people feel like contributing to this thing.

And then, drive organizational change. Because you have to, you are talking about cultivate ideas within the organizations, you also have to drive the organizational change. Now, who are the motivators and which are the enablers for the cultivation? For cultivating the ideas within the organizations, you establish two-way communication and we are talking about the participation and you are free. You are creating the environment where people are actually free to have their viewpoint presented to the managers, to the community of the organization. Give ownership of the ideas whosoever is proposing.

So, it relates to the kind of rewards, satisfaction. It is more of psychological satisfaction with respect to rewards. So, when you give ownership that this person and so and so has come up with the idea and they are the owner of the ideas and they enjoy that psychological satisfaction because these are the kind of rewards that they enjoy. You also align incentives because how do you align incentives? It is to do with performance linkage. So, if the important behaviors for the organization is to work on idea generation, okay and because you have to cultivate inside so you have to have a performance matrix which actually have a very strong linkage of rewards of people with respect to performance which has a direct linkage with the kind of outputs that you would want from people in terms of idea generation right also allow people to make mistake except failures right and of course no blame game because ideas will come from people when they have very free environment where they will not be embarrassed or put blame for the things.

So, you have to have that kind of thing where you are, the environment where people are allowed to fail. In terms of enablers, enablers for the cultivate strategies of the ideas

within the organization, create safe havens as I have already talked to you about. That, you know, keeping group of people or create separate units which will be free from any kind of administrative burdens, bureaucratic delays, there's funding available, resources available. There's an environment for these people to continue to think about this. There's another way of looking at is employee prediction markets.

This basically mostly work in the private sector organization. The authors have talked about the example of HP where employees have been asked of what kind of products will in future will excel in terms of sales and so on. So the employees will bet on that. So, this aggregation of people's perception in terms of what product is going to excel in sales. So, depending upon that, the ideas would come in which particular direction the organization can take in terms of the marketing of products and services.

Little tricky for the government sector organization because it looks like more of the aspect of bet and the gambling. So, the authors also have highlighted this limitation that in order to have these kind of things, you also have to have mechanism in place which is allowed and legal within the organization. Also, use tools for collaboration between the people. Make use of the online platforms. where people are openly sharing their thoughts with the others within the organization.

So, you have to have these kinds of concepts working in to cultivate the ideas within. As I mentioned, engage tacit knowledge of seasoned government employees. people with lot of experience they are actually the veterans people who are actually having the frontline experience of dealing with the citizens understanding the demands of public at large. Create heterogeneous teams with mission mode rather than expert teams at one field we talked about also uh right these uh creating safe heavens and one of the ways of doing it team create teams cross-functional teams give them more uh you know a power, remove the hurdles for these people engage encourage and empower people by creating in-house knowledge repositories of best practices case studies and so and so so they can refer to it and they get excited to think about more Encourage more peer-to-peer communication rather than strict protocols.

Put system in place. Create informal networks of information flow where people are interacting with each other. See that managers are ready to honest feedback if employees are giving suggestions. We talked about we have to have system in place where you are open to being manager, you are open to criticism. Let the honest feedback come back to you and you try to improve the functioning of the organization. Generating good ideas need acknowledgement, feedback and rewards.

You make sure that you are doing that, give ownership of the ideas, provide people feedback and align rewards and incentives with the performance outcomes. Now, build failure into system of innovation. The idea is fail, offer to succeed sooner. So, you allow

that kind of the environment where people are allowed to fail. Because if they are embarrassed or you are putting blame on them, so what you are doing is you are inhibiting that behavior of generation of idea, cultivate the idea within the organization.

Now, because it is more of an internal orientation, the author states that the cultivate strategy is going to work when government organization they are in the belief that they have importance for sustained innovation they just want to continue with the existing line and then there are concern about privacy and security and you cannot share the risk with others outside the agency And also, when innovation requires a very contextual understanding of the public sector organization. So, in that way, this cultivate strategy works only under these conditions. This is what the authors have mentioned because it's more of an internal orientation. Internal orientation will work because when you have these many conditions, you cannot share your things with others. There is a concern with respect to privacy and security.

And risk cannot be transferred and shared to the other parties and there is specific something to be done with the aspect of public sector organization only. Then is the idea of replicate. So, in case of replication, you see that there are core group of employees and there are internal partners. So, you have to uncover and apply what works in the other situations. Again, it has more internal orientation, you are adapting to the local context. We have seen something work in the different situation, discover certain lesson, learn from there. and then adapt it to the environment that you want to do it. So, there is always external partners involved in terms of giving you what has worked in the other setups. For example, Bhutan to accept UPI transaction through BEAM app. So, replication is the example which has been given there.

So, what is there? Uncover and apply what works. keep the context in mind while adapting innovation because you have to do some kind of modification in terms of adapting to this. So, this strategy talks about contextualizing the replication, the innovation strategies that have worked in there. Discover general lessons and implementation plans. So, this strategy works according to authors when discovery costs are high.

You cannot build in and could not, you know, you cannot have that kind of high cost in terms of cultivating within. So, you get it from the others and it only works when innovation is transferable. It is worth replicable and it can be replicable. So, you have to see this, this strategy is going to work when it is replicable. And also, idea is simple and easily understandable and there is a direct cause and effect relationship. Meaning, A leading to B in terms of that's what we are looking at in terms of solving problems. If that replication is having direct cause and effect relationship, in that case, the replicate strategy really works well. then comes the partner now if you see that in terms of moving from the internal orientations to the external orientation so we are moving with the

partner towards more external orientation so with this what we are saying is we are forming the partnership with the people outside the organization this could be a partnership with private organization it could be the partnership public and public government to government, between the organization and the government departments within public organization, public and non-profit organization. So, what are the benefits from the partnership? You seek new solution through partnership and collaboration.

People can offer something in there. You test new approaches overcoming internal constraints. So, if you are facing some kind of constraint internally, so ultimately what happens when you partner with somebody, you try to overcome those constraints and you get benefit from cross-border diffusion. The case that what the authors have mentioned is very interesting case study. You can have a look at this case study. Example of Kerala Tourism Development Corporation joint venture with Taj Group to create God's own country brand.

So, in the form of partnership, in the form of joint venture with Taj Group, Kerala Tourism Department Corporation has been able to revive its functioning and it's now been well known as a God's own country brand. So, look at this case study and try to learn more about the impact of the partnership in that particular way. When you seek new solutions, what you see is you focus on citizens. You deploy cutting edge technology. In terms of focus on citizens, you see that, for example, auto dealership handling vehicle registration on Parivan portal.

So in this case, we say where we are partnering, with the public-private partnership. So, auto dealership, they are also handling the vehicle registration on Parivahan portal. So, you see this partnership is also helping the citizens in terms of enhancing their overall experience. You deploy cutting-edge technologies, for example, usage of UPI apps for paperless tickets on metros. You seek new solutions, again, with partnering with other organizations.

Test new approaches. pilot best ideas for viability see we also talked about you know in partners also help mitigating the risk in terms of financial burden and the implementation of one particular agency right you can also share that risk with others gain funds and mitigate risk. For example, government roping in ISKCON to cater to its midday meal scheme. So, when you partner, you are actually seeking funds and also try to mitigate the overall risk only. You try to overcome internal constraints and of course, benefits from cross-border partnership in that particular context. Now, this particular strategy of partnership, you know, as the authors mentioned, it actually works when there is a need for more customer-focused solutions.

You are partnering with the other organization, for example, public and private partnership. So, you need to have that kind of mindset that what private sector is doing to

enhance the experience of the customer and if the same is required from the public sector, you partner with them. When the future is uncertain, this partnership really works. And, when the organization is seeking the diverse experience of the other entities and which can help you in improving the functioning of your own organization, then partnership work. Also, in terms of solving the difficult problems, when the organization will not be able to solve it alone, they partner with the other entities to come up with the solution.

And also, when public sector organization is trying to overcome the difficulty of the overcoming the constraints of the scale and cost. You have to provide the services at the best possible cost, cost-effective public service and also you want to scale it up to the broader, higher level scale. So, you need to have those kind of partnership being formed. So, this particular strategy is going to work in these situations.

Then comes the networks. So, network we already talked about, a lot of people, entities are coming together to actually come up with the process of collaborative, collaboration partnerships. It goes one head more to the partnership where a lot of people are involved in this. So, in-source ideas, ideas can come from anywhere. Idea scouts, network partners and there are open networks which can provide you that edge in terms of sourcing the ideas, right.

Develop solutions to complex problem. Identify and fund solutions. I will talk about some of the strategies which are being used here by the various organizations and authors have talked about this. So, identify and fund solution. Focus on outcome. The network, we develop a solution to complex problem, we have talked about this already, wicked problems, the problems that cannot be solved by the expertise and the resources of one organization, so you have to reach out to the others in terms of enhancing your capacity and capability to focus on the solutions there.

Predict ideas worth pursuing. I talked about prediction markets, aggregation mechanisms. You ask people what is going to work. So, when people are going to share their perception about what is going to work, it's the aggregate perception of the people there. So, you know that what people think and what is going to work and you go by that instinct to go ahead with that ideas which are going to be helpful for the organization and effective for the organization. Engage citizens and outside groups, discovery studios, social networks, citizen innovators, create a learning organization's mechanism to collect reactions, timely access to wide knowledge.

Now, let's look into the little more detail about these issues in little more detail. Now, source ideas from anyone. In case of academics, you can have funding, cheer professorships in academia. So, when you give grants and engage agencies to test and prototype technologies, this is another way of sourcing ideas from anyone.

Develop solution to complex problem. Disclose internal problems to the outside solvers because individuals are more than organizations. When people come together or maybe they look at the problem from a different perspective, you will see that they are going to give you lot of edge in terms of understanding your problems better and provide you lot of different perspective and alternatives to solve those problems. Engage citizens and outside groups in policy development and program delivery. Establish discovery studios where you try to find out more and more about what people have to offer.

Harness social networks. Example, innovative use of these movie memes on Twitter handle of Hyderabad city police to create awareness on traffic rules. And also, boost responsiveness and create more learning opportunity with the help of the networks there. Okay, so this particular strategy of network works best when the government wants to find out the best solution to solve their problems. So the authors mentioned that this particular strategy because it has more external orientation in comparison to more internal orientation. So this is going to be work best in case of finding solution, best solution to the problem and they want ideas to keep flowing in because networks allows you that freedom when lot of people are giving you the inputs, the ideas keep flowing.

And actually you want the aggregate information from the lot of people out there because you want to go with the instinct of the people there. Also, you want to design solution that best meet the needs of the people there so your networks can help you there. And also you want to take advantage of the knowledge which is widely dispersed in the networks. People coming from different expertise, organization coming up with different competencies. So knowledge which is widely dispersed, you want to tap on that particular knowledge.

That's why you are making use of the networks here. Finally, they talked about open source as a strategy, which is more an external orientation. So now, whenever we talk about the concept of open source, largely we talked about softwares and IT. Open source means softwares which are available and the people can always contribute in bringing amendments and bringing in changes there. But this particular strategy we are talking about from the innovation in the organization, especially in public sector. So open source model of innovation talks about creating repositories of ideas.

We'll talk about the examples of Indian platforms also. Enhances quality when people are available to make amendments to the things that you are sharing. Engage broader community to public service. Attract special contributions and lower the cost. For example, if you look at this particular website data.gov.in which offers multiple APIs for developers to build apps. Because this data is immense data of a large country which is available with respect to health, education, employment, poverty and others. So, this data can be used and help building the apps. For example, where is my train, etc. Now, let's look into what is the meaning of these five open source model of innovation strategies.

See, build repositories and ideas and tools. For example, Yukti, which is National Innovation Repository of the Government of India. Look at this particular website. Just go to this website and see what this website has to offer. So, if you go to yukti.mic.gov.in, you will see this is a Yukti Innovation Challenge. It's Ministry of Education's innovation cell. So, this is basically a national innovation repository. These institutions will create and maintain a repository of innovation by identifying, scouting and evaluating innovations and startups developed by faculty members, students, alumni and incubated startups on a regular basis. There is a National Innovation Challenge, National Forum for Technology Transfer and Innovation Commercialization, So, if you look into the details of this, you see the objectives, you look at the various themes, then you look at the role of institutions, innovation councils established in higher education institutes.

The framework, basically, this particular repository is an initiative of the Ministry of Education. which is implemented by Ministry of Education's innovation cell. So one way of it look at in terms of open source is that anybody can contribute, anybody can come here, you look at the innovation repository and see what kind of contributions are being made by people. There are dashboards available. It is loading. Let's wait for a moment. You see that area-wise, you see that how much is available. Prototypes, startups, institutes, ideas, you see, lot of are available. See, in case of healthcare and biomedical devices, look at the ideas, prototypes, startups. in terms of education, defense and security, renewable and affordable energy. So, you see, this platform allows you to contribute. It's an open source. You have that kind of platform where you can always contribute into this. So, you can always have this thing in terms of region-wise, state-wise, domain-wise, innovation type. Multiple filters are available to have a look at it. So, this is another way of looking at the open source in terms of creation of repository online.

That's what we have discussed here. Also, build mechanisms for continuous development, continuous improvement. For example, India Stack, which empowers people to build on its technology. Look at this particular link, indiastack.org and you see that what is they are mentioning. I have also mentioned the video link of this particular video on the slide for you to have a look at and try to see that what they are trying to do is a collection of APIs empowering people and business.

You can make use of this information in terms of further building technologies and helping the businesses, organizations, people, and of course, nation. So, you please scroll through this particular website and try to explore what they have to offer in terms of bringing in improvement. Also, gain customized solutions with minimum investment. For example, Smart Idea Hackathon. So, you have systems in place where you are declaring these hackathons competitions and where you ask people to come participate.

For example, they talked about it's the premier nationwide initiative designed to engage students in solving some of the most pressing challenges faced in everyday life. This is what the website is mentioning. I'm just reading it from here. It launched to foster a culture of innovation and practical problem solving. So these kind of platforms, they are actually helping creating the ecosystem and the environment and the culture in such a way. Where you are trying to enable the open info innovation you enable students anchor for hackathons in the country enabling a cultural shift so you also can have a look at this particular video there are themes such as fitness and sports space technology heritage and culture media biotech healthcare agriculture food tech and rural development a lot of things smart vehicles a lot of things are available for which the hackathons are available. So, it leads to why it is important for the government department. As I mentioned, it provides innovative solutions because the information is coming from the open source. Anybody can contribute.

When people compete and participate, they come up with the best of solutions. It gives a lot of recognition and visibility. to the company or the premier institutions out of the box solution because the young generation which are full of who are full of ideas and they are enthusiastic about it they are contributing to this thing and they think out of box because they have different perspective fresh minds innovation movement opportunity. So, it's a wonderful way of how the government is trying to bring in that kind of ecosystem and create the kind of ecosystem which is required. Attract specialist contributor contributions, people who are expert can actually review the various innovative ideas.

Engage broader community to serve a public purpose. For example, bringing innovative people together and connect diverse organization which can leverage strengths and produce better policy outcomes. So, they have talked about that when you bring people together who are innovative, they can actually with the complementary strengths they are coming in. So, one can leverage each other's strengths to come up with better policy outcomes which are going to be effective for citizens and of course for the nation development. So, this is the YouTube link I was talking about. If you want to understand more about India Stack, you please watch this YouTube video to get more understanding of this thing.

Finally, sustaining a culture of innovation. If you really want to continue to sustain the culture of innovation, you have to redefine organizational boundaries. Meaning alter traditional organizational structure, otherwise innovation get mired in bureaucracy. You have to come up with the adapting to the newer ways of working, becoming more flexible, make innovation of organization in every possible direction in terms of creating the culture. bringing in performance metrics which aligns with the rewards with the important employee behaviors. So, you make it like innovation is to stay and if people will not be able to change then it is difficult for them to survive.

So, you have to bring in some kind of performance metrics in here which will help. take an integrated view for example anusandha national research foundation so it allows a lot of collaboration between academia and the industry to find out innovation solution with respect to science and technology so when you are bringing people together and try to fund the organizations to come up with the research and test the prototypes and experiment with the ideas so you get that kind of integrative view We also work on capabilities versus strategy, how you become more competent, how you are developing capabilities within the organization and what are the strategies you need to think about it. Flatten the organization, change the organization from tall hierarchical structure to more flatter, understand the requirement of Gen Z and Alpha because they are the one who are innovative They are talented, they are enthusiastic about it. So, if you put them into the tough hierarchy, they can lose their morale and may not be able to provide that kind of edge to you. And create a culture of innovation, define a concrete shared vision. You have to, as a leader in an organization, top leaders have responsibility to connect with people.

And contribute in a way that people understand that the shared vision of the organization is to drive change and innovation for the better outcomes for citizens and of course for the nation. So, I will close here. I will continue the discussion on techniques and tools of innovation and we will conclude with some of the interesting case studies in the next session.