

CHAPTER FOUR

CREATING CONTEXT: INNOVATION AS A WAY OF LIFE

The great use of life is to spend it on something that will outlast it.

—James Tuslow Adams

CHAPTER OBJECTIVES

At the completion of this chapter, the reader will be able to

- Identify three key contextual characteristics necessary to create a frame for innovation.
- Name the central obligation of the critical roles of leadership in creating a framework for innovation.
- Outline the various role obligations of leadership in building a structure of innovation across the network.
- List the components and elements of the innovative infrastructure of the organization that supports the activities of innovation at every place in the organization.

In these early decades of the 21st century in health care, innovation is no longer an option to the success of healthcare organizations and systems. In almost every arena of health service, leaders are confronting the need for transformation and invention (Association of College and Research Libraries, 2005). The almost daily impact of emerging and new technological applications makes it almost impossible to either conceptualize or to afford them. Technological applications today are continuously altering the delivery of healthcare services (Cassey, 2007). Technological innovations have become their own “disruptive technologies” insofar as each succeeding generation of clinical technology makes the preceding generation obsolete (**Figure 4-1**). This is the state and these are the conditions that healthcare leaders and providers must function in every day.

CREATING A CULTURE OF INNOVATION

The elements and requisites of innovation require an entirely different cultural context from the one that has been in existence in health care for the past 100 years. The compartmentalized, hierarchical, rigidly ordered, unilaterally medically controlled hospital and healthcare service model is no longer seriously relevant as a frame for sustainability in

DISRUPTIVE TECHNOLOGIES

- Innovations
- Unanticipated
- Threaten existing products/realities
- Represent unexpected competition
- Fills roles unfilled previously
- Revolutionary and often destructive

FIGURE 4-1

legally and functionally limited the role of other provider disciplines. Although this did much to strengthen the scientific and academic basis of clinical practice, creating a positive trajectory for clinical science, invention, and applied technology, it has also had some negative side effects. Three major negatives persist: (1) a lack of interdisciplinary collaboration, linkage, and interaction; (2) unilateral educational pathways for each discipline duplicating

HISTORIC FOCUS OF WORK

- Emphasis on function
- Policy and procedurally driven
- Characterized by control
- “Employee” oriented and managed
- Active, not reflective

FIGURE 4-2

both content and resources; (3) social, cultural, and professional barriers and boundaries between disciplines resulting in both identity and relational conflicts. Each of these existing negatives is the precise social and cultural constraint impeding the creation of a dynamic and responsive organization in need of being available and ready for innovation (Hall, 1993).

The historic culture of functionalism and process-fixed notions of work has also created an existing frame that makes it virtually impossible to embed a dynamic of innovation represented by high levels of integration, interaction, and relationship. Indeed, the focus on functionalism and work processes actually removes the more professionally driven urge toward sustainable impact, outcome, and evidence of making a difference (Figure 4-2). These latter characteristics are more commonly associated with the social mandate of professionals rather than the functional processes of an “employee workgroup” orientation. The historically delineated “external” role of the physician and the predominantly “internal” orientation of other developing disciplines have created a significant wall

contemporary healthcare service structures (Porter-O’Grady & Malloch, 2010). The complexity and breadth of knowledge that are now inculcated within a wide variety of clinical practices in health care call for reconceptualization of the infrastructure and framework that have historically defined and directed the actions and relationships between and among the various key players in health service delivery.

The historic culture of medical subsidiarity and subordinateness that has driven health care for the past 100 years clearly delineated the primacy of the physician’s role and both

legally and functionally limited the role of other provider disciplines. Although this did much to strengthen the scientific and academic basis of clinical practice, creating a positive trajectory for clinical science, invention, and applied technology, it has also had some negative side effects. Three major negatives persist: (1) a lack of interdisciplinary collaboration, linkage, and interaction; (2) unilateral educational pathways for each discipline duplicating

between them. By maintaining its independence and unilateral locus of control, the medical profession has been able to develop based on the separate and unique needs of its members (Moore, 2005). The nursing profession and other emerging disciplines, on the other hand, have not had the same opportunity by virtue of their more dependent location as both subordinates and employees (Baer, 2001). Although the nursing profession has led the way in creating a unique body of knowledge and an academic frame for knowledge creation, generation, and utility, it has not moved with the same degree of dispatch toward professional independence by virtue of its two historically subordinating factors: that it predominately comprises women, and that it has been historically employee based (Porter-O'Grady, 1990). Both of these circumstances have been well documented, the conditions of which parallel the historic journey to equity of women and of the profession of nursing (Ashley, 1976; Porter-O'Grady, 2003).

EQUITY

Creating a culture amenable to innovation is necessarily based on the relative understanding and application of equity within an organizational framework. Equity is a statement of value and suggests to all the specificity and clarity of value that each role plays in contributing to the life and integrity of an organization. Equity assumes equality, but it bases that assumption on notions of value. Equity suggests that in any membership community, the members are there because of their unique capacity to contribute to the effort of the community as a whole (**Figure 4-3**). Indeed, the whole community is defined by the aggregate contribution of each of its members. In the case of professionals, it is not the obligation of the community to demonstrate value for the member. It is, instead, the obligation of individuals to demonstrate their specific and unique contribution to the aggregate contribution of the whole. This classic interdependence between members of the community sums the value of this contribution in a way that demonstrates the significance of the community. In short, the professional community represents the sum of the value of the contributions of each member. It is vital for professional communities to recognize the centrality of value to the life of the profession (Porter-O'Grady & Malloch, 2007).

EQUITY

- Value-based
- Reflects accountability
- Characterized by equality
- Horizontal relationships
- Inclusive, suggesting ownership

FIGURE 4-3

It is further important for each profession to recognize its unique and significant contribution to the life of the system in concert with other disciplines and workgroups. Sustainability depends on the notion of value as much between disciplines as within them. Equity suggests that each discipline represents its essential interdependence with the other disciplines necessary to the achievement of impact and outcome (Mazur, 2003). In contemporary health care, no single discipline can operate effectively and achieve sustainable value independent of its relationship with the other disciplines that it depends on for its own contribution or success (Rapport, McWilliam, & Smith, 2004). This intensity of interface

and degree of interdependence is the earmark of contemporary healthcare service. However, in order to make these essential principles live in current healthcare service systems and networks, the organizational infrastructure and leadership capacity must be constructed to reflect these more relevant tenets.

Equity therefore suggests that the following considerations be reflected in the organizational constructs necessary to establishing a creative and innovative organizational infrastructure:

1. Each discipline makes an equal and unique contribution to the work of other disciplines and to the evidence and impact of patient care.
2. Accountability is the centerpiece of the role and obligation of each discipline and demands clarity of understanding regarding ownership and expression of it.
3. Partnership, not subordination, represents the essential character of horizontal connection necessary to determining and obtaining value and for the synthesis of effort necessary to sustain it.
4. The fact that nursing as a discipline is located at the center (nodal point) of the clinical network or system is a statement of location not of control. However, it demands an understanding of the centrality of the nursing role in coordinating, integrating, and facilitating both the structure and the continuum of care within the organized healthcare system.
5. Each discipline must know the contribution it makes in relationship to other disciplines and their contribution to equity. It is the aggregation and mutuality of the unique contribution of each discipline that create this aggregate of effort that is ultimately more viable and sustainable.
6. Contemporary health systems are networks, not hierarchies. They are successful to the extent that relational clarity is established between them. Positional control (lines and boxes organizational charts) no longer adequately describe the nature of the relationship or the interaction between elements of the network and players in the system.
7. Evidentiary dynamics drive clinical actions and relationships and demand the synthesis and integration of interdisciplinary effort in order to legitimately define and sustain clinical value and viability.

Creating an equitable clinical infrastructure demands an understanding of how networked professional organizations operate and function effectively (**Figure 4-4**). Using shared

THE PROFESSIONAL MANDATE

For the professions, the direction of obligation is from the professional to the professional community. The profession is not obligated to the member. It is the members who owe obligation to the profession, enabling and sustaining it in its value and work. The profession is defined by the collective action of each member, committed in his or her own life to represent its values and social mandate in every thought, action, and impact.

FIGURE 4-4

decision-making principles and practices, the organization must reject approaches based on positional control and build instead on decisional locus of control (Porter-O’Grady, 2007). For the foundations enumerated here to become a normative part of the organizational dynamics, the healthcare system must confront, resolve, and better identify a structural frame based on decisions rather than positions (Porter-O’Grady, 2009a).

DECISIONAL STRUCTURES

One of the first steps necessary to building a context that truly stimulates and sustains innovation is the reconfiguration of infrastructure based on decisional accountability rather than positional authority (Figure 4-5). The traditional hierarchical organizational structure created positional management structures that authorize in the manager certain power and authority for controlling and administering components of the organizational structure. Although that traditional business construct brought order and form to the delivery of healthcare services, it did so at the expense of staff decisional ownership, investment, and appropriate locus of control. It invested in the hands of the manager accountabilities belonging to the disciplines that, once surrendered by them, guaranteed the absence of the ownership necessary to achieve and sustain value. Indeed, it created an illegitimate locus of control for authority and autonomy that could only legitimately rest in the hands of the professions that owned it. Once divorced from this accountability, the professions lost legitimacy (some suggest they may have never obtained it), and the managers to whom these accountabilities had gone could never achieve legitimacy because their role could not obtain or sustain the outcomes attendant to legitimate ownership. These could only be achieved and sustained by the disciplines who owned these accountabilities (Alberto & Colacino, 2008).

FROM POSITION TO DECISION	
Positional Control	Decisional Control
• Hierarchal	• Relational
• Reductionistic	• Multilateral
• Vertical	• “User driven”
• Locational	• Value centric
• Directive	• Direct impact

FIGURE 4-5

This management-driven illegitimate locus of control can often be seen in the endless cycle of new initiatives that become necessary to engage workers. Because of the intense effort of managers to obtain ownership in the interests of the organization from its staff, a constant need for a culture of “buy in” must be created in order to both get and keep workers interested in the goals and initiatives of the organization as defined, directed, and controlled by its management structure. The problem with these initiative-driven activities is that they become increasingly more difficult as more effort is directed to them. Staff demonstrate decreasing interest in investing in an endless array of new initiatives and become less excited and interested the more of these initiatives are created for them (Figure 4-6). Buy-in is not ownership. Investment is not simply engaging staff in issues with which they do not personally identify. Engagement means enrolling people by incorporating their own perspectives and personal values in decisions and actions that affect their lives (Nohra, Groysbery, & Lee, 2008).

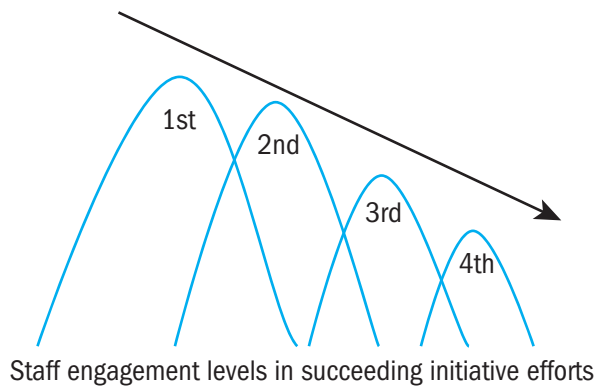


FIGURE 4-6 Trajectory of Diminishing Successive Initiative Efforts

Personal value means more than the hygienic factors of pay and benefits. Pay and benefits will certainly get addressed through the foundations and basics of work activity. Beyond that, there is no evidence to suggest that interest, ownership, investment can be obtained or sustained through those same means (Nohra et al., 2008). A stronger connection between personal values and goals and those of the organization must be made in a manner that evidences and represents a convergence of meaning and value between the organization and those who comprise it. This is especially true for professionals. Because professionals see their work as a social mandate rather than as an employee-driven activity, the kind of engagement necessary to sustain them cannot be obtained simply by initiative and hygienic incentive (Gkorezis & Petridou, 2008). As indicated earlier, if professionals are seen and treated simply as an employee workgroup, their commitment to the values of the profession as well as their interest in the external goals of the organization will diminish. This loss of professional identity has a greater impact for professionals in ways other than the fact that they are simply becoming another employee workgroup. This loss of professional attachment and value is accompanied by a loss of meaning, commitment, and purpose—a loss that ultimately affects their relationship to the workplace, to each other, and to the work of the profession.

This focus on alignment of decisional structures with appropriate locus of control for the decisions is a critical element in the configuration of structure in a way that supports creativity, innovation, and professional commitment (Porter-O’Grady, 2009b). Locating decisions in the places where they are most effectively exercised and configuring them in a way that represents the expectations and activities unfolding at that place in the organization are a critical centerpiece in the alignment of structure and process with work systems. Some of the greatest impediments to creativity and innovation are the organizational and structural barriers that limit this sense of ownership and that have control over decisions that directly affect what people do (Humphrey, 2008). Innovation demands the kind of infrastructure support that allows ownership, freedom, and investment on the part of

GROUP DISCUSSION

Differentiating professions from employee workgroups is an important consideration for leaders as they work to more clearly establish the relationship between the organization and the professional. Professionals are driven by accountability, which incorporates in its framework the elements of autonomy, authority, and competence. As you refine your understanding of the role of the professional, consider and discuss the following key questions:

- What do professionals need that is different from employee workgroups?
- Name at least two leadership behaviors essential in leading professionals differently from employee workgroups.
- Identify at least two structural changes in the organization necessary to adapt to the needs of professionals as differentiated from employee workgroups?
- Is it possible to be both employed and professional in the contemporary healthcare workplace? What might have to change in order to make the organization more supportive of the life and action of a professional?

innovators to control their circumstances, undertake creative processing, and maintain dynamic interaction in a way that can yield genuine benefits unconstrained by illegitimate control that is exercised from outside the immediate “circle of innovation.”

This notion of the circle of innovation simply enumerates a context within which the innovative dynamic unfolds in a way that eliminates the traditional structural impediments, operational practices, traditional processes, and operating role expectations that preclude the necessary flow of interactions that feed the innovation process (**Figure 4-7**). Line controls and positional decisional authority and expression do little to facilitate the “out of the box” constituents necessary to innovation and do much to shut down those very processes. Certainly, there must be an awareness of the necessary constraints and parameters influencing the dynamic of creativity and innovation. However, these realities are incorporated into the process itself and are not successfully managed in an innovative organization outside the circle of innovation. When exercised in this manner, the only outcome is to shut down the innovative process, turn off the innovators, and reestablish rote, ritual, and routine (Covne, Clifford, & Dye, 2007).

Innovation is by definition unsafe. Not unsafe in the traditional sense but in the sense of being willing to undertake risk, to open doors not previously breached, to threaten processes hanging on the edge of irrelevance, and to open possibilities not previously perceived as a part of the emergent reality of the organization. To address these characteristics, the historic and traditional structural frames need to be seen as a part of the control mechanisms of the traditional system. A more effective perspective representing the network mosaic of intersections and interactions that more effectively sustain a dynamic and responsive human system (organization) needs to emerge.

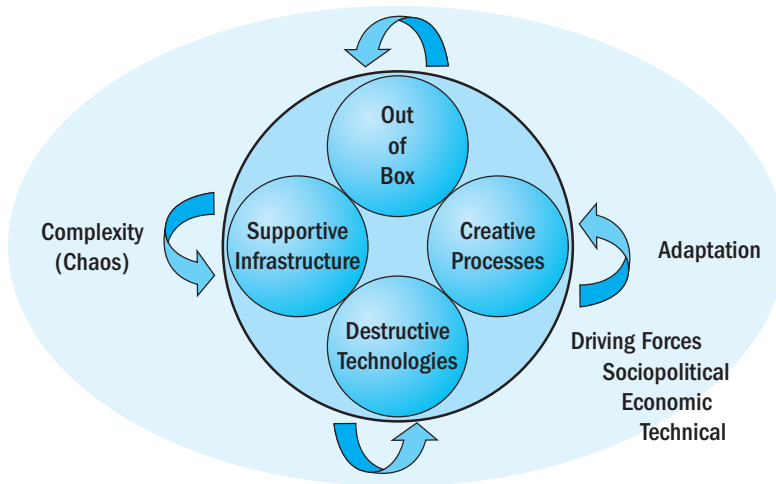


FIGURE 4-7 Circle of Innovation

DRIVING FROM THE POINT OF SERVICE

Networked organizations and systems constructs are more relational entities and less organizational hierarchies. Hierarchies are always present and their value should not be diminished: they represent breadth of relationship rather than intensity of control. In all living systems, homeostatic mechanisms represent and demonstrate the essential linkage between smaller elements and larger systems elements to which the interaction and convergence of the smaller elements contribute (Ang & Yin, 2008). This hierarchy is a representation of relatedness, interdependence, and synthesis rather than compartmentalization and control as has been evident in traditional organizational structure. The control in networks is exemplified by the enumeration of their points of intersection and the nature of their interdependence (**Figure 4-8**). These factors contribute to each element's definition of its value and significance as well as its specific role in contributing to the accelerating value of the whole as visualized in the integrity and operation of the network. The saying "a brokenness in any part of a network is a brokenness in the entire network" is the best definition of this principle of synthesis. All networks and organizations represent the sum of the integration and synthesis of the efforts of each of its parts and their convergence where individual contribution joins with the whole to create truly symphonic action (Anderson & Willson, 2008).

This notion of the centrality of value out of the "point of service or point of productivity" is critical to an understanding of the distribution of decision making in a way that best exemplifies both the kinds of decisions that need to be made and the nature of the resulting actions that need to be taken. Seen from the perspective of the whole (the network), each point of action recognizes its unique function and contribution within the mental model of the whole (**Figure 4-9**). In this way no compartments, departments, services, or

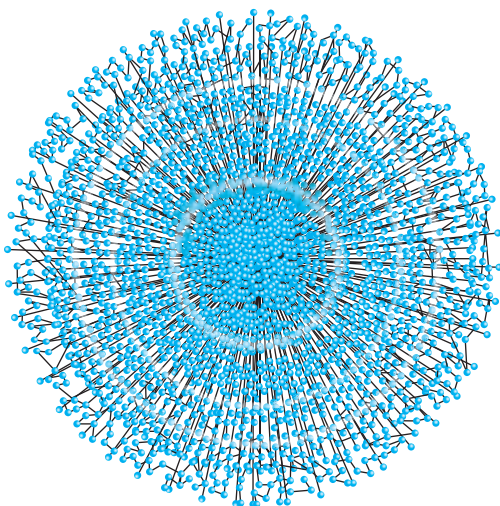


FIGURE 4-8 Network of Intersecting Nodes and Links

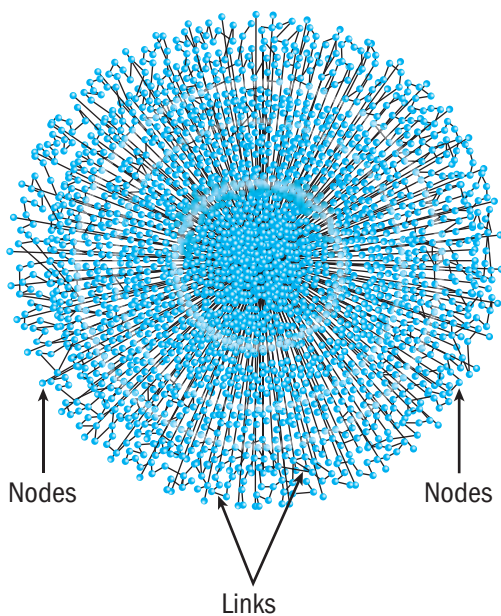


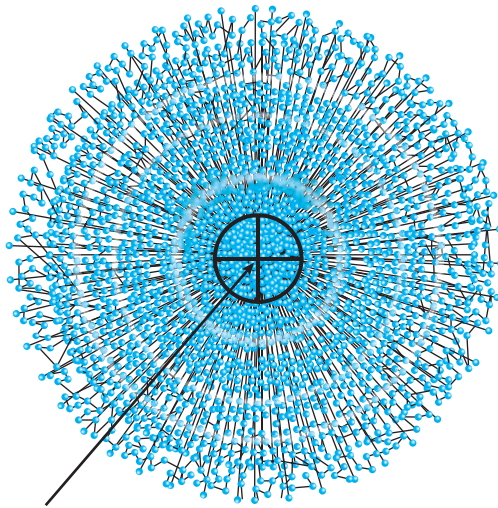
FIGURE 4-9 Network of Intersecting Nodes and Links

local actions can ever be undertaken without a clear sense of the effect such action will have on the integrity of the network. This perspective sees decisions distributed in a way that represents the appropriate locus of control so that people at key “nodes” or locations in the system know what decisions belong to them and also the effect that exercising those decisions has on the network that depends on effective exercise. From a network perspective, part of the real work of leadership, therefore, is clearly and appropriately delineating a “grid of accountability” that carefully enumerates the location of specified decisions in a way that creates a mind map of the decisional loci of a network (Nelson, 2009). In this way, leadership creates a visual view of the mosaic of decision points across the network that represents the relational, interactional, and synthesis dynamics of the system in a way that best shows both the integrity of the system and the concert of its actions converging together to meet goals, to advance purpose, and to strive in the larger environment. Wise executive leadership understands human systems operate in this manner and consciously recognizes the importance of creating the structural configurations within the context of the dynamic vision of a network. The executive, rather than looking for control or the management of organizational ego (line hierarchy), instead seeks integrity, convergence, and synthesis of the entities of the network around mission, vision, purpose, and strategy—all of the central components necessary to the ability of the system (network) to thrive in a larger ever-changing contextual environment. In such an organizational view, those in the executive suite effectively see themselves as purveyors of the goodness of fit between the ever-moving demands of the external environment and the operating and internal dynamics of the organization. The innovative element embedded in this scenario is demonstrated in the organization’s opportunity to create new responses, processes, and products in a way where innovators challenge the realities of the external environment and create conditions and configurations that can push the walls of new thinking and generate opportunities to redefine action and outcome by what they create from within (Erwin, 2009).

The effective and wise leader of innovation recognizes that the life of the system operates predominantly from its point of service. At the heart of the system is where the intensity of the life of the organization is best visualized. It is here that the executive recognizes that all prevailing structure and support converge to either advance or impede life lived at the point of service and, ultimately, advance the effectiveness of the system. This leader recognizes that it is not at the top or at the periphery of an organization or system that its life is sustained. Certainly, the goodness of fit between the internal life and dynamics of the organization and its appropriate and sustainable interface with the external environment is managed and refined in the C-suite. However, if the system is to live and be sustained, the determining factor for this sustenance is delineated by how well strategy is transformed into action at the point of service and how this action drives the tactics that lead to organizational thriving (**Figure 4-10**).

ALIGNMENT, NOT MOTIVATION

The leader of innovation sees the critical value of good alignment between the various loci of control and decisions in the organization. This leader seeks to ensure that the greatest degree of empowerment is enabled close to the various points of service so that as much



Core of the network: The point of service where all structure and effort converge to fulfill the purposes of the system.

FIGURE 4-10 Network Convergence at the Point of Service

freedom, ownership, and investment in the life and work of the system can unfold in those places. This leader sees the organization as a membership community and has a high level of understanding of the rights of membership and the obligations of ownership. In this frame, the leader of innovation is constantly building partnerships, interfaces, relationships, and points of convergence in the network that, when aggregated, move the system effectively in a direction that ensures its long-term viability (Busch & Hostetter, 2009).

This notion of alignment is a critical element of creating context for innovation (Fine, 2009). The alignment of motives is a much more powerful and viable strategy for engagement that is the constant leadership emphasis on motivation. Much has been written about motivation, very little of it factual. Often, when one reads and researches motivation, a heavy emotional overlay for it begins to appear. Usually, the suggestion is that if leaders can only help staff feel more excited, energized, and spirited, these workers would demonstrate more investment, engagement, and commitment. If leaders could only make workers feel better, they could make them produce more. Although it is important that workers feel good and be happy, much of what produces those feelings comes from *them*, not from leaders or the workplace. It is

Key Point

Alignment is the key element in understanding the leader's role in motivation. Aligning staff motivation with organizational goals is the only sustainable way of ensuring staff investment and ownership. It is more work, but motivation lasts longer.

Key Point

Leaders cannot motivate anyone to do anything. Motivation is always internally generated. The role of a leader is to create congruence between external realities and internal motivation. Doing this, the leader focuses more effectively on creating good alignment between personal motives and organizational goals.

the height of leadership arrogance to suggest that the leader is so influential and demonstrates such exceptional personal persuasiveness that he or she can permanently excite and motivate others by force of personal charisma. These perspectives underpinning much of what is written on motivation remain essentially invalidated by any real, disciplined, or formal research. In fact, the research demonstrates that motivation is internally generated (intrinsic), controlled by the individual, and reflected by personal perspectives, experiences, challenges, and opportunities. Motivation externally man-

dated or generated is simply not effective unless it is generated from within and connects with a set of values and intentions derived from an individual's own life.

Simply said, it is not possible to sustainably motivate anyone to do anything in the long term. So many organizational resources and efforts, enamored by idealization of motivation, waste time and effort on motivating individuals to undertake activities for which these workers have no interest, investment, and ownership. Each time an organization attempts to stimulate worker excitement with regard to a new initiative whose origination, engagement, and ownership reflect little investment, participation, and origination on the part of the staff, workers demonstrate decreasing interest, involvement, and excitement. More often than not, many of these ideas intended to motivate staff originated in the minds of those who don't have to personally implement them or add them to their own existing

ELEMENTS OF MOTIVATION

- Internally generated
- Must be consistent with personal values
- Characterized by engagement
- Connects with personal ownership
- Gains are mutually advantageous

workload, or even devote the necessary time and energy to them. The frequently additive nature of the new initiative is like grinding salt into the open wounds of past attempted initiatives from which workers have not yet fully recovered. Clearly, it is no wonder that so many initiatives are either short lived or are an outright failure: they fail to understand the real elements of engagement and undertake inappropriate use of the mechanics of motivation (**Figure 4-11**).

FIGURE 4-11

Alignment, on the other hand, is an entirely different leadership skill that yields infinitely more viable outcomes and value. Leadership alignment creates a context for innovation by suggesting the necessary configuration of personal response to the demands of the external environment and the need for personal ownership of that response. In the process of alignment, the leader sees the demand for change through the perspective of ownership and engagement. The leader recognizes that any demand for change has a dramatic and immediate impact on all elements of the organizational

network and will require the configuration of response that integrates and links every component of the network in a consonant and collaborative process that adequately addresses the challenges and growing demand of the change process. For the leader, the much harder work of sustaining organizational effectiveness and integrity is looking from the perspective of goodness of fit between the demand for significant change and the responses necessary to effectively address it. In the management discipline of alignment, the leader is constantly looking at issues of impact and effect of the change on the community and individuals. Here, the leader looks at the change from the perspective of the various constituents by asking questions: how does this change affect them, inform them, challenge their current circumstances and conditions, and call them to action in a way that has meaning for them? Furthermore, the leader is concerned with using the most appropriate language to present the issue and the need for response that reflects the values of those who must respond. When alignment has been established, the leader becomes concerned with how the language of the issue driving change best fits the involved constituents. The leader then uses a frame of reference that the involved community or individuals can identify with and personalize. Within this frame of reference, the leader, having established alignment, can engage those who feel the impact in a way that challenges them to reflect, respond, and act (Colbert & Witt, 2009).

In creating alignment, the leader never divests ownership and partnership in change issues or events from any member of the community affected by the change. The assumption of alignment doesn't reflect divorce of ownership from stakeholders in the network (organization). This basic understanding of membership in the work community drives the leadership mental model and expression in a way that includes all members of the community sharing a stake in its life, direction, and decisions. Although decisions are differentiated by their characteristics—strategic, tactical, process, and personal—the leader recognizes that every member of the community has a stake in all of them and will, ultimately, play some meaningful role in the exercise of any of them. In the process of alignment, the leader understands that participation in decisions is differentiated by role, not by position. Each player in the membership community (network) plays some role in relationship to every decision. Through this application of alignment, differentiation in role and decision making requires a different set of competencies, not a different level of engagement and ownership. In creating a context for innovation, the leader in this set of circumstances recognizes community ownership of the work of the system and further acknowledges the need to clearly delineate the attributes, skills, content, processes, and actions of the various stakeholders based on the expression of their stakeholding represented by their locus of control. The leader understands it is appropriate for the board to make decisions about strategy; it is necessary for executives to make decisions about priority; it is essential for managers to make decisions about tactics and budget; it is required for staff to make decisions about process and action. Each has his or her role, yet, in a network, the role of each is cross-referenced and intersecting. Each informs the role of the other and is represented at each other's decision-making table so that the decisions are fully informed with regard to their impact on other places in the system including the effective challenges and opportunities related to successful implementation. This is especially true in organizations predominated by professional workers (knowledge workers),

where every decision at any place in the system has an impact on the integration and activity of each discipline with its own members and with each other. It is this understanding of alignment of stakeholders that drives many of the principles and structures of shared governance that have been detailed and articulated in other works (Porter-O'Grady, 2007, 2009b). Although creating structures and processes that represent the principle of alignment requires more organizational competence and management talent, it yields more relevant and sustainable results.

To create a context for an energizing and innovative workplace, leaders need to articulate the foundational principles that guide the constructs necessary to point-of-service ownership and investment in the innovation process. Not considering the principals associated with good alignment considerably challenges the leader's ability to create a context for innovation and to sustain the innovation dynamic as a way of doing business in any setting. The following are the key foundational principles related to creating this framework:

1. It is virtually impossible to undertake the activities of innovation in a "closed" environment with rigid hierarchy, tight control, compartmentalized structure, and narrowly vertical organizational structures.
2. Creativity and innovation are stimulated and encouraged in environments where network configurations predominate, reflecting strong horizontal alignment, relational configurations, decisional synthesis, and a highly collaborative organizational construct.
3. In work environments predominately composed of professionals (knowledge workers), shared governance structures that ensure that stakeholders are represented at the variety of decision tables demonstrate the strongest construct for engagement, creativity, and innovation.
4. Effective innovation occurs closest to its point of impact. The context for innovation reflects this understanding and makes it possible for the structural elements that support innovation to operate effectively in the places where innovations are created.
5. Innovation is a dynamic with clear components and processes. Leaders must understand the elements necessary to advance innovation and competently create conditions that make the innovation dynamic possible in their settings.
6. Motivation occurs where good alignment is established. Leaders, therefore, must focus on creating an understanding of alignment between required change and appropriate response to it. Ownership of the response to change is directly related to the perceived value of that change and the effect it has on the life of the community and its individual members.
7. Successful alignment occurs when individuals, struck by change, can articulate their ownership of change with language and action that reflect the personal impact on them and engagement by them.

8. Innovation is also a discipline. It is important that innovation be appropriately supported with sufficient resources, time, technique, and focus in a way that ensures that the activities of innovation have a place in the work of the organization.
9. Sustainable innovation demands good leadership. Every leadership role in the organization should have as a part of its performance expectations the facilitation, coordination, and integration of innovation processes at every point of decision making in the system.
10. Innovation is driven from every place in the organization. The innovation contextual framework for the organization must be reflected in the decisions and processes made in the board room to the bedside. Every stakeholder in the organization must see him- or herself as a part of the dynamic of innovation that defines the organization.

These foundational principles provide the content and contextual frame necessary for innovation to become a way of life in the organization. Each comprises a portion of the elements necessary to attain and sustain an innovation framework that leads to a continuum of successful responses to the demand for innovation. What is important for leaders to keep in mind is that innovation is merely the response to the constant demand for adjustment and reconfiguration of the relationship between the eternally changing external environment and the continuously responsive organizational and human response to this demand for change.

GROUP DISCUSSION

If motivation primarily comes from within and is generated by individuals, different strategies for engaging staff must be utilized. The leader's personal charisma and personality characteristics are not sufficient to create the context for consistent and constant staff engagement. Aligning staff's personal motivation with organizational goals is critical to generating investment and ownership on the part of the staff. It is important for the leader to take time to delineate the sources of staff motivation in order to help staff align their personal goals with the goals of the organization. As a group, discuss how some of that can occur as you respond to the following questions:

What techniques might the leader use to get a sense of individual staff members' personal work motivation?

How might the leader determine what themes or consistency exists between individual motivators and the capacity to motivate the staff as a group?

What information must the leader delineate or make available to staff about the organization and organizational decisions as a first step in engaging with them in both responding to the organization and advancing both personal and organizational agendas?

CREATING STAKEHOLDER VALUE

The notion of value is a critical element in the consideration of innovation. Stakeholder value is of special concern. Organizations are made up of structures, processes, and persons in a networked mosaic of interdynamics that operate in a way that sustains the action of each element and the synthesis of the whole (Basole & Rouse, 2008). This reality provides the frame for understanding the operation of value in the organization. A fundamental underpinning of the notion of value is the reality that each element of the enterprise must be a part of both the experience and the expression of value. People especially look for meaning in what they do as a reflection of their place in the world. This need for value operates in every individual and therefore is present at every place in the organization.

The central tenet of value recognizes that every human being is involved in personal activity that seeks to validate and even extend his or her value in the world. In the search for personal meaning, individuals seek out a means of expression of who they are or what they do. This, of course, is no less important in the workplace. The historic and industrialized notion that workers are subsets of the work and therefore either do not reflect or give up their personal identification of value when they walk through the workplace doors is simply unsupported. The basic need for meaning and its expression and value exist in the hearts and minds of people regardless of where they may be located and are simply not surrendered when they enter the organizational door. Furthermore, the idea that individuals surrender personal identity, desires, and goals and subordinate them to the externally determined values, strategies, and actions of the organization as defined by selective others is also invalid. It is simply not possible to give up personal identity, meaning, and value and mindlessly subordinate them to those constructed by others. Yet, in the vast majority of work organizations in the United States, this is precisely the expectation and framework upon which workplaces are organized (Gkorezis & Petridou, 2008; Hertzberg, 1991). The idea that organizations are membership communities made up of a diversity of individuals, each with a unique set of values, has simply been a foreign notion in the traditional construct of organizations.

The wise leader understands that the individual needs to find meaning and express value, even in the workplace. This leader knows that relationship at work is a constant and dynamic negotiation between individual values and choices and the strategic imperatives of the organization. In this regard, good leadership is simply a successful effort to converge these forces into a synthesis that represents organizational mission and strategy and individual value and purpose. This “dance” between the individual and the organization reflects the essential skill sets of alignment that are critical to the success and sustenance of an entrepreneurial and innovative organization. In short, the leader works to create equilibrium, a “value equation” that represents the effort to coherently link and integrate the personal and organizational variable into balance in a way that sustains both organization and individual (**Figure 4-12**).

THE CONTEXTUAL ROLE OF THE BOARD

Each role in the organizational network is a unique set of characteristics and functions that must perform effectively to create a sustainable context for innovation. As previously

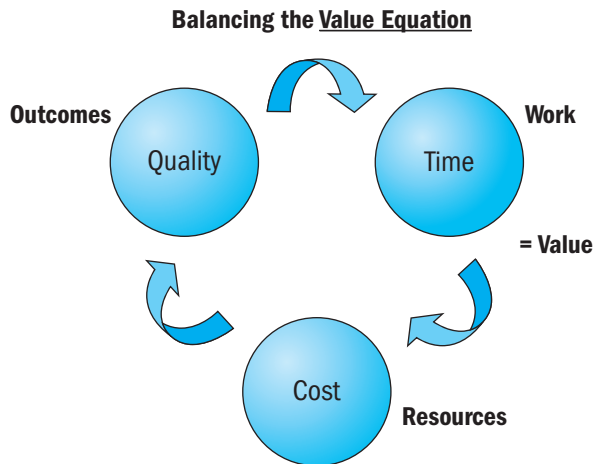


FIGURE 4-12 Creating Sustainable Value

stated, every level of the organization is required to demonstrate its obligation in the creation of a context sufficient to support and sustain innovation throughout the organization. The role of the organization's board is unique in this regard because it must not only be responsive to the external demand for creativity and innovation, but must also make that demand operate as a key component of organizational life (Colley, 2005).

It is the obligation of the board to be able to create the strategic fit between the external demand for change and the internal organizational response to it (Nadler, Behan, & Nadler, 2006). It is here where leadership makes decisions about the unique characteristics of the organization, its mission, purpose, and strategic response to its place in the broader social context. This focus on mission, purpose, and strategy provides the peripheral frame of the organization with regard to its place with others in a larger social and economic context. Through the strategic process, decisions about the response of the organization to collaboration and compatibility with external demands versus decisions related to stretching the mission and parameters of the organization to push into unexplored territory are actions that fall under the capacity for innovation coming from the board.

In the innovative organization, the board ensures that its members have access to and are aligned with external and internal stakeholders. It is this alignment with appropriate

Key Point

The innovative board recognizes its central role in linking the system or organization to the external environment, which influences its ability to thrive and sustain. The board constantly works to translate through predictive and adaptive capacity, changes, and challenges in the external environment and the many ways they are attempting to challenge and transform the life of the system/organization.

stakeholders that, at the board level, represents a critical contextual accountability within an innovation framework. In this dynamic, the board seeks to have both members and additional stakeholders from the larger community as well as those from within the membership community. Effective, innovative boards create a fluid relationship between board membership and other stakeholders within the organization. An effective, innovative board seeks to create a dynamic connection between the point-of-service stakeholders and those operating at the governance level. Innovative boards recognize the need to be informed from a variety of real perspectives: those that reflect environmental concerns and the internal responses to them related to social, economic, budgetary, and process realities. In addition, the board recognizes the need for interaction and communication with those from the point of service in the organization who share the board's perspectives with an eye to translation, design, processes, and application realities that can only be articulated from their perspective.

The effective, innovative board overcomes the historic isolation of board members and the practice of decision making referencing only the most senior levels of the organization as its source of contact and information. The historic justification for this has been to maintain the board focus on governance, not operations, as though exposure to other members of the organization would somehow taint this obligation and diminish its "purity." Of course, nothing could be further from the truth. Exposure to essential stakeholders who share information that can't be as effectively communicated through other means does not diminish the obligation of the board to act in the strategic best interests of the organization.

GROUP DISCUSSION

There is always much discussion regarding nursing membership on organizational or systems boards of trustees. Much of this discussion reflects the historic perception and relationship of nurses to the healthcare organization, creating a frame of reference that challenges notions of nurses at the governance table. Yet nurses make up 60 percent of patient care providers in the organization, representing the largest single stakeholder group offering healthcare services. Tradition allows that physicians are generally always at the governance table, yet nurses are excluded. As a group, and in recognition of the significance of the profession of nursing and healthcare organizations, it is now time for you to make the argument for nursing representation on your healthcare systems board of trustees. By responding to the following questions, how might you construct this argument:

What unique value will the nurse representative bring to the board different from that already present?

What area of expertise would you expect the nurse to contribute as a member of the board?

What skills and credentials would you suggest the nursing board member bring and how would you make sure this nurse represents the larger community?

In fact, it accelerates that obligation while making it more effective to design mechanisms that communicate to the board information it needs to hear in a language that represents the people and places in the organization where strategy formation becomes real, is translated, and either succeeds or fails. As Chris Argyris has indicated, many American organizations falter strategically simply because the “designers were rarely the implementers and the implementers were rarely the designers” (Argyris, 1999).

Innovative organizations are well recognized by the ease of access to information, individuals, and ideas. This fluidity is represented in a strongly horizontally oriented organizational construct that diminishes the impact of positional hierarchy and extends the exposure to broad-based role differentiation and accountability. In these more horizontal constructs, power is differentiated by the requisite of roles, not by the designation of positions. Relational and access power in innovative organizations are more highly valued than positional or control power. Here again, this effort in the innovative organization to build and extend relationships and access represents the struggle to create stronger applications of role accountability, impact and intersection, and ready access to people and processes that will facilitate both creativity and work effectiveness.

It is at the governance level of the organization that construct and context for innovation originate. Through defining expectations of relationship and access and setting the decision-making table to include relevant stakeholders prior to making strategic decisions, the board creates both the frame and the behavioral pattern for an innovation context that can be replicated throughout the organization. The board simply sets the tone for both the expectations and the behavior of the organization it governs. As it demonstrates the creative and innovative in its own structure and processes, the board serves to evaluate its effectiveness and efficacy through the strategic lens.

THE C-SUITE AND THE CONTEXT FOR INNOVATION

Is the obligation of senior executives to lead the translation of strategic imperatives and tactical obligations? As officers and agents of the board, they serve to link strategic decision making with tactical response and join strategy with the operating life of the organization. Senior executives are uniquely located between governance and function as a way of ensuring effective translation of strategy and the incorporation of it into the life of the organization in a way that meets the external demands for continuous change and relevance and the internal design that ultimately ensures alignment between strategy and action.

In the preparation of strategy, the senior team informs the board of the external and internal factors influencing priority setting and decision making, helping to guide decision makers with information and tools that represent the most accurate and relevant data foundation for decision making (Marshall, 2009). Once strategic decisions are made, the senior team is obligated to connect the links and nodes in the network in a way that effectively and successfully translates strategy into decisions and actions that move the organization toward a positive and successful response to strategic choices (**Figure 4-13**).

The senior team is the first link in the chain connecting organizational alignment to the strategic goals. Executive leaders focus specifically on the linkage and connections between key stakeholders and the nodes and networks in the system. These leaders seek to

CENTRAL ROLE OF C-SUITE LEADERS

- Link and bridge between board and staff
- Informs the board and translates strategy to the system
- Provides good linkage between the “nodal” loci of control
- Creates a positive context for worker relationships
- Builds the infrastructure for decisions and action

FIGURE 4-13

nodes of the network. They ensure that the essential and appropriate stakeholder structures, resources, and processes are aligned so that the strategic effort is both in the right hands and has what it needs to succeed. The oversight role at the executive level is responsible for determining and evaluating whether the appropriate focus, relationships, infrastructure, resources, and processes have aligned appropriately to ensure that the elements necessary for successfully translating strategy into action are in place and operating effectively. In the innovative organization, the executive continually asks the question: is the right decision being made by the right person in the right place at the right time, and is it fulfilling the right purpose? From a quantum systems perspective, the senior executive is interested in the effectiveness of the system of decision making and action, not the decisions and actions themselves. From the executive perspective, if there is alignment between the infrastructure and systems supporting effective translation of strategy into action, the outcomes of innovation should be evidenced in the successful products of innovation (**Figure 4-14**).

FIRST-LINE LEADERS: THE PIVOT POINT OF INNOVATION

The most important and most highly skilled management leader lives at the intersection between the system and its point of service. It is here where translation meets reality and where the critical interface between design and action occurs. Here the most dynamic evidence of lived innovation must be most visible, and here is where the skill sets necessary to ensure that innovation occurs are most apparent. From a quantum systems and innovation perspective, the first-line leader is often the unsung hero. The need for effective and successful management skills is most critically evidenced in this role. This role defines the location that represents the interface between the structural and process dynamics of the system and the functional and action dynamics of those who do its core work.

“set the table” and connect key stakeholders whose role is to engage particular strategic goals and translate them into operational decisions and actions (Goodman, 2009). In the innovative organization, executive leaders primarily provide access, linkage, forums, and format for connecting critical stakeholders in a way that invests ownership at the appropriate locus of control and engagement with the various decisions and actions necessary to successful design and implementation.

Unlike traditional allocations of executive skills, in the innovative organization, executives are primarily seen as points of linkage, intersection, and connection between the various constituencies and

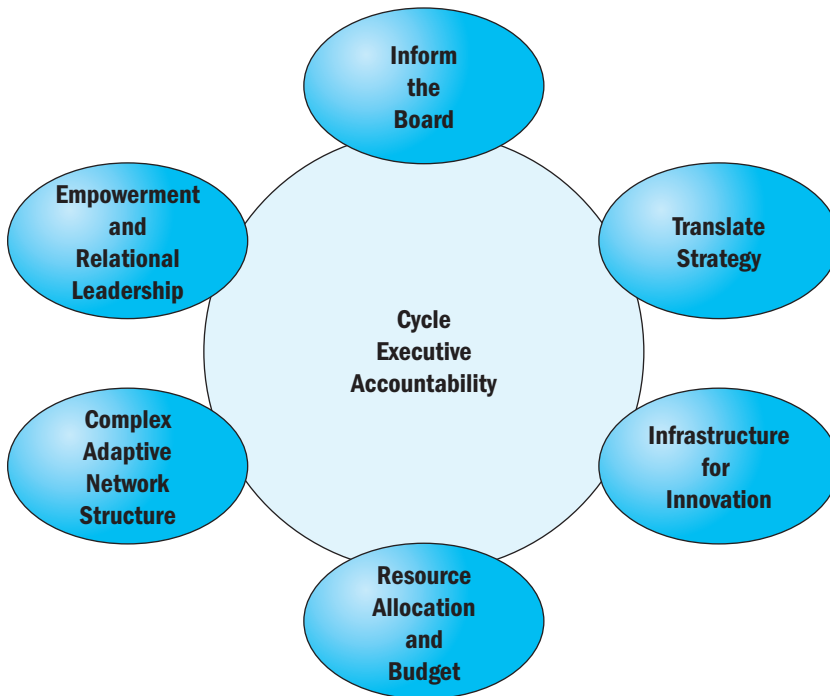


FIGURE 4-14 C-Suite Roles

The first-line manager is obligated to create an operating milieu, a context, that most evidences the frame and its interface with the action of innovation. It is here where the dance between stability, risk, and the challenge of change is fraught with the most difficulty, yet it is here where the most opportunity is seen. Here, the leader must demonstrate the skills necessary to facilitate the creative impulses and activities that push the parameters of stability, yet still ensure that those processes can be translated into action that makes a difference and gives life to the strategic imperatives of the organization. Here, the leader can ask the strategic and the tactical questions and translate them to the actionable and help ensure that the translation works, demonstrates real value, and is sustainable.

The first-line manager needs to establish real and effective partnerships between the stakeholders; set the right table for deliberation and design; ensure the right configuration and mix of stakeholders at the table; and determine appropriate human dynamics and group processes are used in such a way as to move innovation from table to workspace. Ultimately, these elements ensure that timely, appropriate, effective, and viable outcomes are achieved (Carey & Von Weichs, 2003). This leader is most fully connected to the points of service and, horizontally, to the nodes and networks in the system that reflect the points of reference and intersection necessary to creating the linkages and

Key Point

The first-line leader is the key leadership role upon which the organization or system is most dependent. It is this role where the strategic, tactical, and actionable converge. Here the symphony of the organization and its members is constructed and conducted by the only leader who has both place and capacity to ensure its success.

partnerships essential to successful design and action. The first-line manager must demonstrate the ability to successfully manage uncertainty, diversity, and differing degrees of stakeholder diligence.

Especially important to the first-line leader is the talent associated with selecting and setting the deliberative table where stakeholder partners will engage each other in the innovative process, using a discipline that guarantees results. Skill sets related to strategic translation, group construction, deliberative dynamics, the creative use of the tools of innovation, and the disciplines of decision making are all essential to the role of the first-line leader.

All too often in traditional healthcare organizations, this role has been understated and underresourced. Often the most skilled clinical provider has been appointed to this role without the requisites to excel. The results of this rather serendipitous and relaxed selection process have been disastrous to both the advancement of the role of leader and the competencies necessary for engagement and innovation. The truth is, this is perhaps the most important role in the organization with the greatest demand for skill capacity and maturity. Selection here cannot be incidental or accidental. Preparation for this role should include the most critical elements of skill development and the greatest focus of succession planning. In an innovative organization, this role becomes critical to the vitality and the success of the innovation process.

In addition to basic skill, development of the following additional requisites of the role of the first-line leader in the innovative organization is not optional:

- The first-line leader has an ability to identify the creative in others and to recognize the unique characteristics of the “out of the box” thinkers, those who challenge current notions, the idea generators, the tinkerers, first engagers, and persons who seem to live in the question “why.”
- The first-line leader possesses leadership skills of curiosity and information gathering reflected in the ability and willingness to read broadly, listen carefully, perceive subtleties in the changing environment, recognize and take advantage of good timing, challenge and raise questions that generate new insights, and willingly engage others who do the same.
- The first-line leader is able to set aside real time for conversation and exploration that challenge ritual and routine, barriers, inadequate or unnecessary processes, and ideas that raise issues about being or doing differently.
- The first-line leader can create a safe space for debate and dialogue to engage differences in insight and align differing notions in a way that both translates and transforms them into positive and actionable items.

- The first-line leader is determined and focused on pursuing the innovation process through its various stages, helping stakeholders to successfully move idea to action and process to outcome.

An important part of creating a context for innovation at the point of service is the character and behavior of the first-line leader. Leaders, by virtue of their role, create the context for worker experience. The leader can either make it exciting, interesting, and challenging work or simply represent and reflect operational focus and the status quo. In a time of great change such as that currently experienced in health care, the status quo, although all too common, is unsustainable.

Each category of leader must do his or her part in creating context from the places where strategies are formed to the places where they are transformed into action and outcome. In a networked organization, each player must do her or his part, fulfilling the accountabilities of each role in order to create the interface and synthesis in these roles necessary to generate a living and sustainable context for the innovation dynamic (**Figure 4-15**).

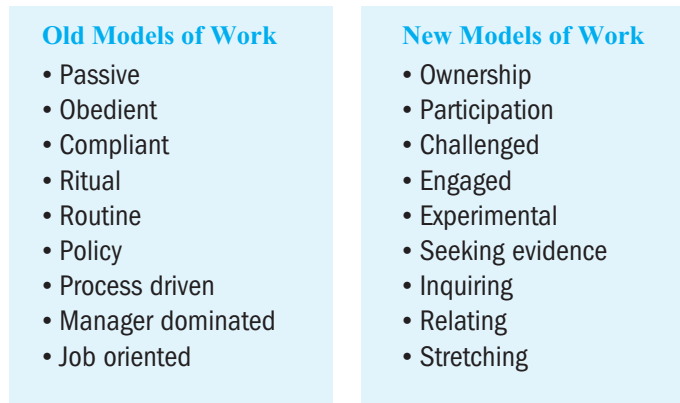


FIGURE 4-15 Creating a Context for Innovation

CREATING A CONTEXT THAT SUPPORTS THE INNOVATOR

Everyone has a role to play in the processes associated with successful innovation. Although the innovator is often perceived as a person who stands out by demonstrating a unique personality, role characteristics, and patterns of behaviors, this is rarely correct. Invention is often mundane and serendipitous. Invention most frequently generates out of frustration, the unworkable, and barriers to successfully doing what one thinks is necessary. The notion of the innovator and inventor as a dreamer or mad scientist working alone in some dark and chaotic space creating something out of nothing is more myth than reality.

Innovation is rarely a unilateral process. The vast majority of innovations are the products of the collective wisdom and effort of many stakeholders gathered together around the commitment to produce something new or different (Estrin, 2009). It takes a community of diverse and committed individuals to create a truly viable innovation. This reality is what most drives the demand for effective leadership and coordination of stakeholders in both the creation of a context that makes it safe for innovation and the generation of a

GROUP DISCUSSION

Building a community of innovation requires significant talent on the part of the leader. Creating a context that makes innovation possible involves a great deal of work in transforming the system in a way that values innovation. Every member of the work community brings something to the innovative process. It simply requires leadership to determine the particular and unique characteristics of individuals, discern the contribution these characteristics can make to the innovation process, and build a community of innovators that balances the skills and talents in a way that makes the innovation process work. As a group, think of a specific innovation that would improve the life of practice in your department, service, or unit. After having identified a specific innovation, reflect together on the staff that makes up the service; list their unique attributes and characteristics with a mind to what role they would play in innovation. Identify the individuals and their unique characteristics, placing that information on a flip chart, using a mind mapping or concept mapping approach. Think about how each might contribute, the role he or she might play, and the manner in which you might organize the innovation initiative to best make use of member skills and to serve and advance the innovation idea. Once the design is concluded, test it out and see where it takes you.

process that actually produces innovations. The leader's ability to obtain the best thinking and most committed processes within an innovation dynamic is the best indicator of the existence of an appropriate process supporting innovation in the workplace.

Innovators must have a sense that it is safe to innovate. Safety in this case means that the environment for work reflects an abiding respect for the individual represented and the willingness to be heard and fully engaged in the decisions and actions of the unit or service. The importance of engagement cannot be understated in creating a context for innovation. The leader's ability to create an environment of ownership and investment in the decisions and actions of the workplace lays the critical foundation upon which safety and openness depend. This is especially true in working with a professional or knowledge worker. These individuals already have a sense of ownership with regard to their knowledge and the work they do that is a reflection of it. If the workplace environment and the leader behaviors understate or undervalue that sense of ownership, the knowledge, energy, and commitment necessary to translate that into deliverables are simply missing. If they go missing long enough, both the creativity and inventiveness associated with them go missing as well. And once lost, it takes a great deal of effort to reengage ownership and to generate the potential value embedded in it. This is one of the classic challenges of contemporary clinical organizations. Many clinical professionals do not have a sense of partnership, engagement, and ownership of their practice sufficient to respond with enthusiasm, interest, and creativity to the huge number of initiatives generated by organizations without their consent, involvement in design, and

commitment to the additional activities necessary to obtain outcome.

It is incumbent upon the leader to create a context for creativity and innovation that reflects a more horizontal and adult-to-adult relationship between all members of the service and unit. The challenge for the effective leader is to confront existing boundaries of roles that reflect a more parent-child, superior-subordinate, manager-staff, boss-employee set of relationship parameters that result in prescribed perceptions and role interactions. Breaking past these highly vertical patterns of behavior is essential to effective leadership of professionals. If the leader can effectively translate his or her role of manager partner with staff colleagues and clarify expectations of the role in a way that reflects specific accountabilities embedded

in that role, a more normative relationship can be generated in a way that supports the requisites of innovation. Here, the leader generates a clear understanding of the accountabilities of the role in delineating the frame for those accountabilities in the requisites associated with the management of human, physical, material, support, and system resources. These management definitions and the roles and decisions associated with them need to be as clear to staff partners as they are to the manager. One of the greatest impediments in developing the partnership role between management and staff is the ambiguity around issues of locus of control and the uncertain possibility that those parameters are malleable, personality dependent, and can change at a whim's moment, totally dependent on the feeling and temperament of the manager at any given time. Clarity around manager role expectations and patterns of behavior creates a level of consistency and trust in the role that allows stakeholders to have an accurate perception of expectations and actions upon which they can both depend and build real partnership.

Key Point

The leader of innovation must see staff as partners. This is especially true in the professional organization where knowledge work is the center of the profession's activities. Here, the leader engages the staff as peers, as owners of their practice. Out of this sense of ownership and the obligations associated with it the professional demonstrates commitment to advancing care and the innovations necessary to make the processes associated with it better, more effective, and more sustainable.

INNOVATION AND THE MEMBERSHIP COMMUNITY

Once the foundations of manager consistency and role expectation are well established and clearly performed, the expectations of staff member roles in an innovative organization can be explored and clarified. Sustainable organizational innovation depends on the ability of leaders in the system to create a heightened awareness of the system as a membership community made up of the individual relationships and networks of relationships necessary to advance the purposes of the organization (Day, 2008). It needs to be understood and embedded in the culture that when any member comes on board the organization, the obligations of membership and the expectations for the exercise of it form the foundation of role value, performance, and behavior.

Just as there can be no ambiguity with regard to the parameters of the manager/leader role, ambiguity with regard to membership in the organization must also be eliminated. This is especially true in professional or knowledge worker–driven organizations. As pointed out in other chapters of this text, managing professional/knowledge workers requires a significantly different leadership frame of reference and capacity (**Figure 4-16**). These expectations must be clearly pre-

Employee Workgroup	Professional Community
<ul style="list-style-type: none"> • Vertical relations • Manager-driven • Function-focused • Process-oriented • Time bound • Work is central • Getting work done • Check-off tasks • Job-oriented 	<ul style="list-style-type: none"> • Horizontal relations • Expectation-driven • Partnered • Engaged • Invested in impact • Making a difference • Community member • Focus on value • Role-oriented

scribed and described upon an individual's entry into the organization in a way that signifies an adult contract between the individual and the organization that reflects principles of membership. Associated with the idea of membership are two elements: rights and obligations. Both must be enumerated clearly. The rights of membership are the personal benefits and recognition that comes with engaging other

FIGURE 4-16 Creating a Professional Practice Community

members in the system in a way that advances the net advantage of each and of all. Obligations are the individual's requisites for contributing to the mission and purposes of the community, the work expectations necessary to obtain outcomes and sustain the community, and the performance and behavioral expectations that reflect the actions of membership and the functions that contribute to it.

The assumption that underpins the notion of creating a context for innovation is that each member of the organization plays a role in the innovative dynamic embedded in the culture of the system (Kalisch, 2008). This allays the idea that innovation is a special talent or unique capacity of a very few individuals with distinct personal characteristics. In an organizational culture of innovation, the expectation is that all members of the network are full participants in the organization's processes of innovation and that each member contributes to sustaining the dynamic of innovation embedded in the character of the organization. As a result, the following fundamental role expectations are embedded in each member's participation in the innovative life of the organization:

- Membership in the work community is not simply a job. From the outset, membership implies commitment and alignment of personal goals and actions with those of the organization and an agreement to fully participate in advancing them.
- Each individual recognizes the unique skills and talents they contribute to the community and can articulate precisely what those are along with the commitment that they would be fully accessed and utilized in the best interest of the community.
- Mechanisms in the organization clearly articulate processes that assess, value, and evaluate the goodness of fit between the personal characteristics of the individual and

the collective values of the community. Creating goodness of fit is the critical first-stage emphasis of developing a value-based relationship between the individual member and membership community in which members seek to participate.

- Policy and documentation of the system clearly state membership rights and obligations as well as expectations for participation and engagement in the creative and inventive processes of the innovative organization. These foundations present a clear position for the new member regarding the organization's expectations that members will be creative and fully participate in activities that advance the viability of the system in a constantly changing external environment.
- A full and clear explanation and demonstration of the processes and activities associated with the innovation role of the individual in the system is detailed at the outset of the relationship and incorporated into the fundamental orientation experience of new members.
- Mentorship of new members includes activities associated with the innovation dynamic and the member's participation in it along with an evaluation of and developmental plan for developing and refining individual members skills and competencies associated with fully participating in the activities of innovation.

Creating a culture of innovation is purposeful work. Both the infrastructure and the processes of the organization must reflect the characteristics of innovation and these must be fully embedded in the expectations, operations, and functions in every place in the organizational network. Skill development and innovation attributes are neither obtained by nature or accident. This purposeful work must be reflected in every level of the network in a way that can be seen from governance to service, from policy to practice, from decision to action, and from person to product. Creating a context for innovation means creating the culture within which innovation is a normative behavioral expectation, not the exceptional gift of the relative few (Viney & Rivers, 2007).

BALANCING INNOVATION WITH VALUE

Creating a culture for innovation requires more than simply creating an environment where innovative processes can freely unfold. It is equally important to ensure that the focus on innovation connectivity actually advance the interests of the organization. The organizational network, the actions and coalitions converging around the purposes and goals of the organization, must reflect a consistency of focus and energy directed to truly meeting the interests of the organizational community as a whole. From the strategic imperatives established through the governance process for the focused activities of delivering outcomes directed by those at the point of service, each component of the organization must demonstrate the convergence of plans and actions around those priorities that represents significant value for the organization.

While leaders are creating the infrastructure and conditions that make the creative processes an operational characteristic of the work of the organization, they must discipline this creativity with the value creation process, which is just as essential to the

Key Point

Innovation is not merely a process. It is a dynamic. Innovation has a strong connection to the energy necessary to give a new meaning and direction and establish a growing value for it in a way that challenges the historic, the expected, and the routine. It calls innovators to an attitude which reflects that all work processes and activities are subject to constant inquiry and reassessment, inevitably and constantly on board the train of change and transformation.

dynamic integrity and sustenance of the organization. Developing in the system and individuals the creative processes associated with idea generation, valuing experimentation, developing good predictive capacity and intuition, building processes that move people and systems out of the box, innovative group dynamic processes, and translating idea into action is the critical foundation for innovation as a way of life at each and every node and network interface in the organization. Each of these need not only be valued but must be developed and refined as the foundational skill sets of the innovative organization that are truly reflected in the operation of the organization.

At the same time, these creative and innovative elements need the discipline of direction. All innovative processes and organizational systems should respond to the organization's relationship with its external communities and the strategic demand of the organization to excel and to thrive (Salge & Vera, 2009). This means that leadership and staff must be as cognizant of and as fully engaged in the value creation processes that brings form and substance to innovation and the creative frame within which the creative endeavors unfold. Although this is a delicate dance, viability requires insightful balance and continual review of the components of value creation: mission, vision, value, trade-offs, priorities, resources, risks, markets, margins, and outcomes. Leaders, therefore, have the obligation to continually and carefully balance the vagaries of the innovation process against the discipline of organizational direction and goals.

The innovation dynamic should be as much a part of ensuring the integrity and sustainability of the system as it is responding to the ever-challenging and changing demands of the external environment. No system can be all things at all times; this is why systems are disciplined by mission and purpose. Although mission and purpose may be altered over time as the organization is reviewed in the context of a changing environment, they do give the organization a sense of self and place, and they call members to more clearly see themselves in that place. Mission and purpose further call leaders to raise the questions of innovation in light of how it advances the integrity and sustainability of the system given its position and role in the greater social, political, and economic context. Leaders of innovation remain constantly aware of this strategic balancing act and deal with the ambiguities and vagaries inherent in innovation. This is reflected in the struggle between operations and innovation and the ever-present potential of self-transformation in an ever-changing environment (**Figure 4-17**).

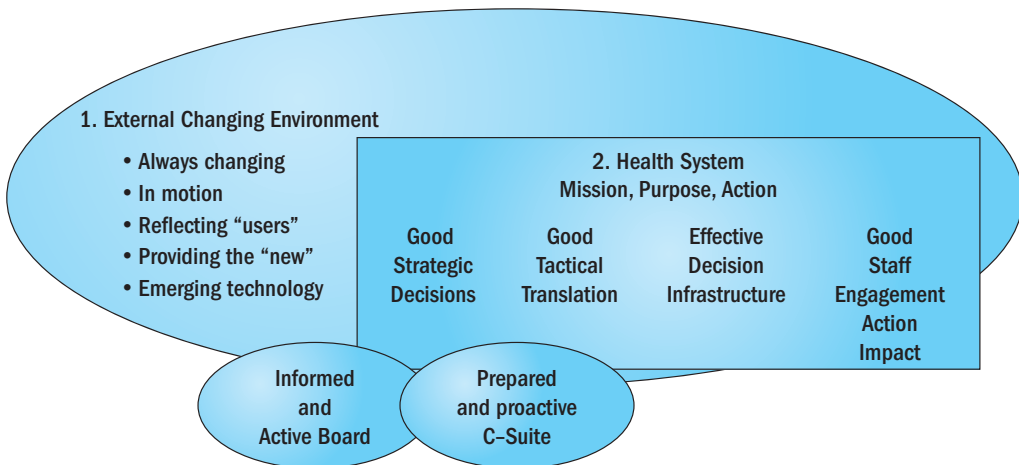


FIGURE 4-17 External “Fit” and Role of Mission

DIFFERENTIATING ROLES IN INNOVATION

Different locations in the organization or system focus on different kinds of innovation. Clearly, leadership does not want administration to be undertaking activities associated with clinical innovation and neither does it expect clinical leaders to lead physical plant innovations. Although there must be a point in the organization where a range of innovations undertaken by the system is assessed and determined, specific innovations should reflect the content and character of the innovators who will lead them. At the same time, “setting the table” for specific innovations may necessarily include interdisciplinary and multifocal membership at the table in order to address the full range of elements associated with a particular innovation. Whatever the case, the infrastructure and construction of models and processes of innovation should be located and reflect the character of the obligation of those to whom the innovation is related. Providing leadership opportunities in innovation at the places in the organization and with the people located there is a centerpiece of structuring effective innovation.

A part of creating the structure and context for innovation is the development of an interdisciplinary forum whose primary obligation is to act as a clearinghouse for establishing innovation priorities and the linkage of those priorities with the strategic imperatives and direction of the organization. The primary purpose of this group is to help discipline and direct the innovation process in the organization in ways that prevent the organization from dissipating its energy and resources and, instead, help focus resources and processes on those innovations that most likely address the strategic and directional priorities of the system (Figure 4-18). The infrastructure for this process should be as important and central as any decisional process in place in the organization. It is here where the integration of strategic choices and innovation priorities takes place and where the challenges of ambiguity,

external driving forces, internal service demands, and the interface of mission, operations, and practice are deliberated and delineated. Also, this forum serves as a centerpiece for evaluating the various elements of innovation and innovation projects in the system to determine their continuing viability, progress, and efficacy in light of the changing circumstances and conditions that drive the need for innovation in the organization.

FORUM FOR INNOVATION PRIORITY MANAGEMENT

- Tie innovation initiatives to strategic priorities
- Represent organizational arenas and stakeholders
- Create format, structure, process, and evaluation
- Integrate innovation activities to advance system's viability
- Assess process, competence, progress, and impact
- Champion innovation structure, learning, and action
- Communicate all innovation progress to system

Important also is a clear delineation of role expectations and work processes with regard to innovation. Although it is the role of governance to establish a firm strategy, that process cannot be successful if it is not appropriately informed.

Clearly, the work of being fully and appropriately informed cannot be thoroughly and adequately undertaken unilaterally by the board. The officers of the corporation, those that occupy the C-suite, have a significant role to play in ensuring that the board is appropriately informed regarding the conditions and circumstances that influence decision making around strategy. With regard to the innovation process in the organization, the interdisciplinary forum whose obligation is to coordinate, integrate, and facilitate the various innovation tactics and processes in the organization informs senior leadership and the board. They do this by providing them accurate and up-to-date information with regard to the place, progress, and impact of current innovations. Furthermore, they share information they have garnered about issues of organizational fit with the external environment, potential challenges to organizational integrity, and predictive-adaptive indicators of a shift in the external environment. Finally, they articulate the resource implications and demands affecting innovative choices made and the potential for future innovations. Consistent with these contextual accountabilities are the activities associated with the various innovation projects enumerated in the organization. Incorporated into the innovation process and the activities located in these places are mechanisms that define methodology, decision making, work process, design progress, and the activities associated with successful implementation. Equally important are the evaluations that determine whether particular innovations and the processes associated with them are making progress or are stalled or even blocked. Activities and progress with regard to these local innovation processes need to be reported back to the network innovation forum for review and their decision making. The forum needs to indicate their continuing support or indicate a need for altering processes, direction, or goals for the innovation (**Figure 4-19**).

FIGURE 4-18

Creating a culture of innovation is both easier and wiser than simply attempting to change culture as a way of responding to external demands. If the infrastructure and the culture of the organization are grounded in innovation and innovation is a part of the operation and

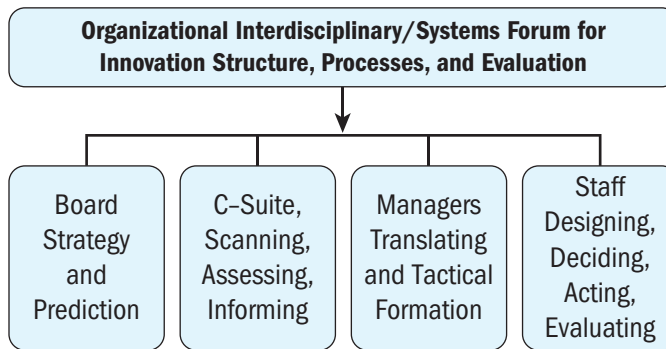


FIGURE 4-19 Role Alignment for Organizational Innovation

functional mechanics of the system, adaptation to change becomes incorporated into the DNA of the system. Whereas the processes, mechanics, and techniques of innovation can be found in other resources, it is important here to emphasize innovation as a way of doing business. If innovation is seen as a role obligation of each member of the network community, it is easier to actualize the processes associated with innovation and to build them into the organization's work processes (Perel, 2005).

LEADERSHIP AND THE WILL TO INNOVATE

If we've learned anything over the past decades with regard to people at work, it is the vital importance of leadership. If the leader is not willing, neither is the staff. This notion of will and its congruence with the innovative dynamic is critical to the understanding of the contextual demand of a truly innovative organization. Many organizations "missed the boat" because their leaders were so operationally and functionally fixed. The real obligation of vision and predictive and adaptive capacity was simply ignored, the competencies associated with it never developed, and the readiness of the organization lost under the burden of myopia, stability, and internal fixation.

Innovation is a dynamic, not simply a process. As such, innovation demands full awareness on the part of leaders and organizational members of those circumstances and conditions that call each to discern the reality of their work, the challenges associated with doing it, and the changes necessary to sustain it. Interestingly, though, individuals bring to organizations a whole range of cognitive, behavioral, and perceptive skills that, when appropriately and successfully converged, create the very synergy necessary to appropriately respond to shifting demands that affect person and organization. The issues related to this understanding frequently have to do with the capacity of the leader to engage human diversity, the organization's continuing challenge to respond to an ever-shifting environment, and the competencies necessary to implement processes that effectively address and appropriately respond to the convergence of these forces in a way that ensures individual and community thriving.

Human systems have a natural tendency to stability and rigidity. Human organizations tend to work diligently to control the ambiguities and vagaries of the internal environment as a way of advancing normative and stable work processes, relationships, and organizational routines. Through such mechanisms, people and organizations determine that they can better handle the stressors of permanent “white water” by eliminating all risk associated with it. The problem with this perspective is that the chaos, complexity, and uncertainty of organizational life in the larger context of reality are normatively uncertain. Attempting to eliminate the uncertainty and to create stability as the prevailing mechanism for organizational integrity and viability is both inadequate and inappropriate as a strategic, organizational, or operational activity (Walumbwa, Lawler, Aviolo, Wang, & Kan, 2005).

Key Point

Innovation is a skill set and a contemporary capacity for the leadership role. Innovation is no longer an option with regard to organizational vitality and the construction of the future. Innovation is now a way of life for organizations that seek to advance and to be sustained. The ability to both understand and express predictive and adaptive capacity has become a subset of leadership competence and can be no longer optional if the role and the organization to which it relates seek to be successful.

Truly innovative organizations fully understand the inability to create any sense of permanent contextual frame for their work and life. These organizations seek to harness these dynamics and create the processes of response to them as the normative vehicle for organizational life. Chaos, complexity, and uncertainty need not be permanently accom-

panied by stress, reaction, and the feeling of being continuously overwhelmed. Once leaders recognize the constituents of the dynamic context of change, they begin to discern and to articulate the appropriate mechanisms that harness this energy and give insights into the behavioral modalities that best inform the life of the organization and its response to these prevailing circumstances. Once this is understood, the organization becomes imbued with the very life that it represents and incorporates in it the energy that reflects the congruence between its internal life and the external conditions and circumstances to which it must always respond if it seeks to continually thrive.

The leader seeks to both meet this challenge and to address it within structure and role. Leaders at all places in the organizational network seeking to create the innovative dynamic are a part of the construct of the network’s operation and pattern of behavior. These leaders seek to align the innovation dynamics with the operational processes of the organization. Here, leaders construct the organizational framework, the operational modalities, and the decision and action processes in a way that reflects creativity and innovation as the normative response to the organization’s place in the larger culture. In doing so, leaders heighten the awareness of the organization as a system and of its individual members about the fundamental necessity to be fully engaged in the life of the organization and to be involved in the work process in ways that are inherently innovative and creative (Hildreth & Kimble, 2004). In these organizations, leaders and members are constantly looking for the challenges to historic and current ways of being and doing, seeking to

inform organizational action in a way that alerts them early enough in the dynamic to respond to these challenges appropriately. In this way, they avoid the critical reaction that comes from the late awareness, inadequate response, and an existing infrastructure that narrows people's focus on function and action rather than on purpose, value, and outcome.

GROUP DISCUSSION

You are leaders of innovation. As a leadership group, you are charged with developing a program of learning for all of the management leadership in your health system. The health system has committed as a part of its vision and leadership expectation that a strategic imperative and an infrastructure for innovation will be constructed to help transform the organization into a truly visionary and innovative enterprise. Your group has been charged with helping to develop leaders with the innovative insights and capacity necessary to build a truly innovative enterprise. You are putting together a 12-month education program that will ensure that each level of leadership understands its role and that each leader has the capacity to fully engage and express confidence in the exercise of his or her innovative role. Respond to the following questions about how you might structure this innovation leadership development program:

Based on this chapter, what are the various role expectations for innovation of board members, C-suite members, managers, and professional staff?

What might the content of the program be if emphasis must reflect the construction of policy, principles, protocols, structures, and processes associated with making the organization an innovative enterprise?

In your attempt to be innovative in the design of leadership education, what innovative learning dynamics and processes might you incorporate into this learning program as a mechanism for more deeply embedding innovation in the patterns of leadership in the system?

CONCLUSION

This is a value-driven time. The question of the age is no longer "What are you doing?" The real question of the time is, "What difference are you making?" The answers to these questions are as different as the questions themselves. The innovative organization asks the questions related to whether the organization matters, has value and impact, and whether, indeed, it makes a difference sustainably. It is a system's own sustainability and its continuing need to make a difference that define the relationship and the synergy between the external environment that constantly grows, adapts, and changes and an internal environment that accepts the challenge of change, creates modalities that incorporate change into its way of life, and creates structure, process, and relationships that embrace its own becoming. In this way, both the person and the collective of the organization advance the life of the system, its purposes, and the integrity and synergy between the innovative work of the organization and the creation of its own future.

References

- Alberto, P., & Colacino, P. (2008). Motivation strategies for knowledge workers: Evidences and challenges. *Journal of Technology Management & Innovation*, 3(3), 12–16.
- Anderson, J., & Willson, P. (2008). Clinical decision support systems in nursing: Synthesis of the science for evidence-based practice. *CIN: Computers, Informatics, Nursing*, 26(3), 151–158.
- Ang, Y., & Yin, S. (2008). *Intelligent complex adaptive systems*. Chicago, IL: IGI.
- Argyris, C. (1999). *On organizational learning*. New York, NY: Blackwell.
- Ashley, J. A. (1976). *Hospitals, paternalism, and the role of the nurse*. New York, NY: Teachers College Press.
- Association of College and Research Libraries. (2005). Currents and convergence: Navigating the rivers of change. *Proceedings of the Twelfth National Conference of the Association of College and Research Libraries*, April 7–10, 2005, Minneapolis, Minnesota. Chicago, IL: Association of College and Research Libraries.
- Baer, E. D. (2001). *Enduring issues in American nursing*. New York, NY: Springer.
- Basole, R., & Rouse, W. (2008). Complexity of service value networks: Conceptualization and empirical investigation. *IBM Systems Journal*, 47(1), 53–70.
- Busch, M., & Hostetter, C. (2009). Examining organizational learning for application and human service organizations. *Administration and Social Work*, 33(3), 297–318.
- Carey, D. C., & Von Weichs, M.-C. (2003). *How to run a company: Lessons from top leaders of the CEO Academy* (1st ed.). New York, NY: Crown Business.
- Cassey, M. (2007). Keeping up with existing and emerging technologies. *Nursing Economics*, 25(2), 121–125.
- Colbert, A., & Witt, L. (2009). The role of goal-focused leadership in enabling the expression of consciousness. *Journal of Applied Psychology*, 94(3), 790–796.
- Colley, J. L. (2005). *What is corporate governance?* New York, NY: McGraw-Hill.
- Coyne, K., Clifford, P., & Dye, R. (2007). Breakthrough thinking from inside the box. *Harvard Business Review*, 85(12), 26–34.
- Day, C. (2008). Engaging organizational support for the Magnet journey. *Nursing Management*, 39(12), 44–48.
- Erwin, D. (2009). Changing organizational performance: Examining the change process. *Hospital Topics*, 87(3), 28–40.
- Estrin, J. (2009). *Closing the innovation gap: Reigniting the spark of creativity in a global economy*. New York, NY: McGraw-Hill.
- Fine, M. (2009). Women leaders discursive constructions of leadership. *Women's Studies in Communication*, 32(2), 180–202.
- Gkorezis, P., & Petridou, E. (2008). Employees psychological empowerment via intrinsic and extrinsic rewards. *Academy of Health Care Management Journal*, 4(1).
- Goodman, J. (2009). Strategic customer service. *Business Book Review Library*, 26(26), 1–9.
- Hall, B. (1993). Time to nurse: Musings of an aging nurse radical. *Nursing Outlook*, 41(6), 250–252.
- Hertzberg, F. (1991). *Hertzberg on motivation*. New York, NY: Penton Media.
- Hildreth, P. M., & Kimble, C. (2004). *Knowledge networks: Innovation through communities of practice*. Hershey, PA: Idea Group.

- Humphrey, W. (2008). *Managing for innovation: Leading technical people*. New York, NY: Prentice Hall.
- Kalisch, B. (2008). Transforming of nursing organization: A case study. *Journal of Nursing Administration*, 38(2), 76–83.
- Marshall, J. (2009). Jeff Immelt and the new GE Way: Innovation, transformation and winning in the 21st century. *Financial Executive*, 25(5), 13.
- Mazur, D. J. (2003). *The new medical conversation: Media, patients, doctors, and the ethics of scientific communication*. Lanham, MD: Rowman & Littlefield.
- Moore, D. A. (2005). *Conflicts of interest: Challenges and solutions in business, law, medicine, and public policy*. New York, NY: Cambridge University Press.
- Nadler, D., Behan, B., & Nadler, M. B. (2006). *Building better boards: A blueprint for effective governance* (1st ed.). San Francisco, CA: Jossey-Bass.
- Nelson, M. (2009). A cloud, the crowd, and public policy. *Issues in Science & Technology*, 25(4), 71–76.
- Nohra, N., Groysbery, B., & Lee, L. (2008). Employee motivation: A powerful new model. *Harvard Business Review*, 86(7–8), 78–84.
- Perel, M. (2005). You can innovate in hard times. *Research Technology Management*, 48(4), 14–24.
- Porter-O’Grady, T. (1990). *The reorganization of nursing practice: Creating the corporate venture*. Rockville, MD: Aspen.
- Porter-O’Grady, T. (2003). Of hubris and hope: Transforming nursing for a new age. *Nursing Economic\$,* 21(2), 59–64.
- Porter-O’Grady, T. (2007). *Implementing shared governance*. Atlanta, GA: Tim Porter-O’Grady Associates.
- Porter-O’Grady, T. (2009a). *Interdisciplinary shared governance*. Sudbury, MA: Jones and Bartlett.
- Porter-O’Grady, T. (2009b). *Interdisciplinary shared governance* (2nd ed.). Sudbury, MA: Jones and Bartlett.
- Porter-O’Grady, T., & Malloch, K. (2007). *Quantum leadership: A resource for healthcare innovation*. Sudbury, MA: Jones and Bartlett.
- Porter-O’Grady, T., & Malloch, K. (2010). *Innovation leadership*. Sudbury, MA: Jones and Bartlett.
- Rapport, M., McWilliam, R., & Smith, B. (2004). Practices across disciplines and early intervention: The research base. *Infants & Young Children: An Interdisciplinary Journal of Special Care Practices*, 17(1).
- Salge, O., & Vera, A. (2009). Hospital innovativeness and organizational performance: Evidence from English public acute care. *Health Care Management Review*, 34(1), 54–67.
- Viney, M., & Rivers, N. (2007). Front-line managers lead and innovative improvement model. *Nursing Management*, 38(6), 10–14.
- Walumbwa, F., Lawler, J., Avolio, B., Wang, P., & Kan, S. (2005). Transformational leadership and work-related attitudes: And the moderating effects of collective and self-efficacy across cultures. *Journal of Leadership & Organizational Studies*, 11(3), 2–16.

Suggested Readings

- Cristiansen, C., Johnson, C., & Horn, M. (2008). *Disrupting class: How disruptive innovation will change the way the world learns*. New York; McGraw-Hill.
- Skarzynski, P., & Gibson, R. (2008). *Innovation to the core*. Boston, MA: Harvard Business School Press.

QUIZ QUESTIONS

Select the best answer for each of the following questions.

1. Disruptive technologies can best be defined as
 - a. normal changes that alter the way things work.
 - b. radical changes that result from normal evolution.
 - c. significant shifts that alter how we think, act, and behave.
 - d. the results of changing how an existing product or service looks and works.

2. Medical subsidiarity and subordinateness have directly affected the nursing profession
 - a. by creating a lack of interdisciplinary collaboration, linkage, and interaction.
 - b. through creating practice boundaries limiting nursing scope of practice.
 - c. by creating political and legislative limitations to clinical practice opportunities for nurses.
 - d. All of the above
 - e. None of the above

3. Focus on functionalism and process-oriented work affects innovation by
 - a. eliminating a broader focus on purpose and outcome, resulting in more responsiveness to innovation-based solutions.
 - b. encouraging practical foundations for innovation.
 - c. tying innovation to real work issues.
 - d. keeping people's imagination focused on innovation as a part of their work.

4. Equity is essential to innovation because
 - a. everyone does equal work in the organization.
 - b. equity reflects the value placed on an individual and his or her work.
 - c. it is important to acknowledge that not everyone's work has equal value.
 - d. knowing what work contributes to innovation and what work does not is important.

5. Professions are different from employee workgroups in which one important way?
 - a. They make more money.
 - b. They are more important to the work of the organization.
 - c. Professions are directed by their social mandate to the people they serve.
 - d. Professionals are not obligated to the organizations with which they relate.

6. Worker motivation can best be described as
 - a. increasing monetary rewards to get better work performance.
 - b. identifying the internal values that direct and satisfy individuals in their work.
 - c. encouraging, directing, and reinforcing workers to be more productive.
 - d. making workers feel better about their work so that they will do more of it.

7. Innovation is always driven from the point of service because
 - a. that is where investment, engagement, and ownership of the outcomes of work are directly located.
 - b. people do more work there and that is where the money is made.
 - c. people are more creative and innovative when they're in the front lines.
 - d. it is always easier to get people to do new things close to the places where they do the work.

8. Partnership between the board, executives, and managers is critical to innovation because
 - a. the staff are required to do what the board and managers determine.
 - b. executives and managers must always do what the board directs.
 - c. managers are solely accountable for making sure the organization works.
 - d. each has a specific role to play in the innovation process in order to make it successful.

9. The most important leader in the innovation process is the first-line manager because
 - a. he or she knows more about what is really going on in the organization.
 - b. this manager's proximity to the point of service exemplifies the strongest partnership with the staff closest to the place where innovation becomes action.
 - c. this manager does what he or she is told and translates that best in order to get the staff "on board."
 - d. this manager can make the most sense of the change and translate it in a way staff can best understand.

10. An innovative organization is best demonstrated by
 - a. its willingness to always change and be ready for the next change.
 - b. constantly creating new products and ways of doing work.
 - c. the collaboration and integration of all of its members demonstrating their commitment to their organization's vitality and sustenance in the presence of constant change.
 - d. the staff making sure that their organization can survive, constantly change, and produce new products and ways of working.

