

# **The Role of Innovation Awards**

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**The Public Sector Innovation Journal, Ottawa, Canada.**

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### **Introduction**

Innovation and other types of awards are becoming a common means for organizations to acknowledge their membership and point the way to positive behavior and outcomes. In Canada, The Institute of Public Administration of Canada (IPAC) has had an innovation award since 1990, the Canadian Intellectual Property Office (CIPO), an alternate service delivery (ASD) agency, introduced one in 1996, and the Association of Public Service Executives of Canada (APEX) created one in 1997. In the U.S.A., Harvard University and the Ford Foundation jointly host an Innovation in American Government Innovation Award, for federal, state and municipal governments and the Global Information Infrastructure Awards offers an innovation in information technology award. In the non-profit sector, the Peter F. Drucker Award also acknowledges innovation. Internationally The Commonwealth Association for Public Administration and Management (CAPAM) introduced an innovation award in 1998. The Baldrige Award of the National Quality Institute in the U.S.A. and the Canada Awards for Excellence of the National Quality Institute in Canada acknowledge quality through awards, and numerous other organizations offer their own. The criteria for many of these awards are listed in The Public Sector Innovation Journal under Awards.

On February 19, 1998 the Innovation Salon discussed the role of innovation awards. Many of the key issues around awards were discussed.

### **The Process**

Both public sector and voluntary sector innovation awards are typically assessed by volunteers who can devote a limited amount of time to the exercise. The IPAC Award, for example, typically involves a deputy minister from each of the municipal, provincial and federal public sectors, plus a university professor of public administration or political science. Most volunteers, in whatever activity, have a limited capacity to devote time to complex processes. Consequently, most awards are assessed on the basis of written submissions; among innovation awards IPAC is unusual in requiring an in-person presentation by each of the finalists. The Canada Awards for Excellence applicants, on the other hand, are assessed by certified examiners of the National Quality Institute, who are also volunteers, and make on-site, day-long visits.

Most organizations seek private sector sponsors for their awards, to pay the costs and in turn receive credit for their involvement. In the U.S.A. these have tended to be foundations, in Canada public sector sections of international consulting firms.

Award winners are typically celebrated at a gala of some sort, which gives visibility to the sponsoring organization, the award winners, and the sponsors. IPAC sponsors a day-long session, which is held in a different, major Canadian centre each year. All of the finalists present their cases and the winners are announced. A press release is prepared and interviews offered, aimed to the local press. A few months later summaries of all the submissions plus a page-long description of the projects of each of the gold, silver and bronze winners are published in the

IPAC magazine, *Public Sector Management*, accompanied by a reflective piece by the academic who participated in the review.

At the February 20, 1998 Innovation Salon, two award winners and the chair of an IPAC Award Committee discussed the role of innovation awards and their experiences. Roy Sage spoke as winner of a regional quality award. He is Director, Materials Technology Laboratory, Canada Centre for Mineral and Energy Technology (CANMET), Minerals and Metals Sector, Natural Resources Canada. Vance McEachern is currently a Director in the Canadian Food Agency and spoke as an IPAC award winner. Robert Giroux is currently President of the Association of Universities and Colleges of Canada (AUCC) and spoke as Chair of the 1996 IPAC Innovation Award Review Committee.

## **Criteria**

Each award has slightly different criteria. The *Public Sector Innovation Journal* section on Awards lists the criteria for most of the innovation awards mentioned here. One of the interesting differences among awards is whether they emphasize the newness of the change (APEX, for example, requires that the innovation have been implemented within the past year) or the impacts of the innovation (IPAC requires that the innovation have been in place long enough to allow its impact to be assessed).

The participants in the Innovation Salon noted that some kinds of issues get missed by innovation and other awards, especially accomplishments requiring major mobilization by entire sectors and populations. An example was the heroic, coordinated and effective effort of the public sector in responding to the 1997 Manitoba Flood. The manner in which government, the voluntary and private sector responded to this flood showed people at their best. It demonstrated, first of all, the long-term vision and wisdom of the controversial 1970s decision to build the Winnipeg waterway, "Duff's Ditch", a huge and expensive dike surrounding the City of Winnipeg, capital of Manitoba, Canada. Southern Manitoba is the basin of an ancient lake which floods to some extent every year and periodically very substantially. Every hundred years or so it creates a new, temporary lake, covering most of the southern part of the province. This was the first time a North American city chose to protect its territory this way, with a gigantic dike. It was followed by the City of Regina, Saskatchewan. Both capital cities have effectively protected themselves from their periodic prairie floods through this strategy. Winnipeg, lying in the middle of a flood plain, was almost completely saved, in a once-in-100 years flood. Immediate efforts were able to be aimed primarily at protecting small towns and isolated farmsteads through sandbagging. Some of these fell, but not even all of them.

Public protective mechanisms worked. Weather and flood level predictions and their timing were correct. People remained civil: there was no looting. The Emergency Measures Plan worked. Coordination among agencies was effective. Public servants demonstrated their capacity to be flexible and to work together among government departments and across levels of government. There was very little loss of property and life compared to what happened in the USA and compared to what could have been. The term "bureaucrat" was never heard, only "public servant".

Canada faced a similar once-in-one-hundred years experience three times within two years, with the Saguenay Flood in 1996 in Quebec, the Manitoba Flood in 1997, and then the Eastern Ontario-Quebec-New Brunswick ice storm in January 1998. This same capacity of civil and military government agencies to work effectively together was repeated all three times. Each time the military was called out to help, and public servants of all governments and the public as a whole threw themselves into doing absolutely everything they could to help. These are the kinds of innovative efforts and effective public sector action that are typically not recognized by innovation awards.

## **Impacts**

Above all, the purpose of these awards is to reflect the responsiveness, good management, and effectiveness of the public sector today. IPAC, for example, seeks in part to improve the image of the public service as innovative, and to highlight some of that innovativeness. Whether they are successful at this level is difficult to assess.

More clear is the role they play in the organization. Agencies which create innovation awards are presumably signaling to governments, if they are professional organizations like IPAC, or to themselves and to their employees, if they are a government departments or ASDs, that they value innovation (or whatever the award is for). Do they in fact encourage further innovation in the organization or do they create jealousy on the part of those not rewarded?

## **Two Examples**

Two examples were reviewed at the Innovation Salon. These awards raised the profile of the individuals involved and of the functions in a time of downsizing. Overall, their experience was that the award was sometimes good for individual careers but that it was no protection for the organizational unit involved.

### ***Canmet***

CANMET was a metals and energy research organization, employing about 850 researchers in the middle of the 1980s. By the end of the 1980s, they had become a highly quality-oriented organization. They took the additional step of adopting Total Quality Management in 1991, using a consulting firm to support them in the transition to TQM. In year two of the TQM program they planned to do an external audit. At this point they heard about the Outaouais Quality Association Quality Award, which did a free audit. Instead of using a consulting firm, as they had planned, they used the audit process to find out what they were doing/not doing well. Somewhat to their surprise, they won a Merit Award. Moreover, they were the only public sector organization to win an award. The other winners were Ottawa-area high technology companies, Mitel and Newbridge.

### ***Fish Inspection***

The fish inspection program of Fisheries and Oceans Canada adopted a Quality Improvement Program in the early 1980s. Their program was prescriptive, dictating to industry specific actions they were required to take along the processing chain - this in an industry that was extremely diverse.

## **The Role of the Innovation Award in CANMET and Fish Inspection**

The impacts of winning an award, for the two agencies whose awards examined here, CANMET and Department of Fisheries and Oceans (DFO) fish inspection, were both similar and different. Neither reported the kinds of problems described in the literature (e.g. Grady, 1992), of competitiveness developing within the agency, and an unwillingness to acknowledge the right of the receiving agency to the award. In the short term, morale was not reported to have improved, in a difficult environment of constraint, but it did not decline either. In both, the individuals involved were acknowledged within their organizations, and both leaders of the quality initiatives were promoted to the executive category, becoming directors. Each then faced Program Review, the tough, centralized, review the Canadian federal government did of all its programs in 1994-95 (Program Review I) and 1995-6 (II).

Organizationally, as a consequence, they did not do as well. CANMET was split into two parts, research for minerals and research for energy. Total budgets were reduced by 20%. Staff became demoralized by these losses, wondering why they had bothered to put themselves through the strenuous quality review that led to the quality award, if this was the result. While initially pleased by the award, and the opportunity to partner with their clients in making the award presentation to IPAC, fish inspection also lost its organizational identity by being amalgamated with the food inspection sections of two other departments, Agriculture and Health. The three sections were formed into a new food inspection agency. Fortunately for fish inspection, the methodology they used to develop their quality program, the Hazard Analysis Critical Control Point (HACCP) program, developed by Pillsbury for the American space program, had by then become the international standard for food inspection. The new agency was exceedingly interested in the approaches taken and experience gained by fish inspection. As a result, fish inspection was given the lead in developing the inspection model for the new agency. Morale in the long term was not, however, enhanced by winning the awards.

**Innovation Award Issues** Several interesting issues were raised about innovation awards at the Innovation Salon: Should people whose job it is to be innovative be eligible for innovation awards? CIPO has struggled with this issue, being inclined not to reward them. IPAC does not draw a distinction in this regard.

Should awards go to individuals or teams? APEX awards only teams, IPAC usually awards teams, sometimes even whole departments.

What is an innovation? Is it something unique, an invention, or a variation on current practice? Should it be unique to the country/ region/ organization/ department? Should it have demonstrated an effect or be a recent invention? How new should it be?

Why doesn't the federal government win more IPAC innovation and quality awards? A number of possible reasons were suggested. Employees of municipalities and provinces are more active than federal government people in IPAC. On the other hand, federal employees have submitted large numbers of applications (224 of 740 from 1990 to 1997). Municipalities, which both provide a great many services to the public, and would seem to have been quite innovative in modifying their service delivery, did well in the early years of the Award.

But one participant suggested, and several concurred, that the federal government doesn't have an environment that encourages innovation. The group raised numerous examples of ways in which individuals or organizations have created environments that support people and innovation.

- In terms of physical space, the federal government sets people up in separate cubicles, with a computer. This discourages communication and therefore innovation. Northern Telecom, on the other hand, occupies no more than three floors of a building, so that people have access to each other without using elevators (their new building is an exception to this rule).
- Fish inspection had a cramped corner and a big boardroom with a large bay window and a big table. Offices were distributed around the boardroom. They did their work on the table, using flip charts and organizing material on the table. There were no dividers, talk was facilitated, not discouraged. Many other people who are dynamic and taking risks have the same kinds of facilities, for example, publishers, fish processors, stock traders.
- A math teacher ran his class that way. In a room where students were taking four different mathematics courses at the same time, students were told they could work on any math they wanted. They were told they could talk if they had a problem, and they were encouraged, if they had one, to go to the blackboard, write it out as far as they could get, then to turn to the group and raise their arms and shoulders in a silent gesture of questioning. Anyone in the room who was interested and who could see how to do the question could then go up and help the person complete the problem. Others would be able to see how to do it - in a peer learning environment.
- Statistics Canada used a similar group problem-solving approach by developing a pool hiring system for its working level economists. A team of directors would go across the country each year and hire new economists from universities into a pool. Competing with more credible, high profile and powerful agencies like the Bank of Canada and Department of Finance for new graduates, Statistics Canada offered something which lead to much higher rates of acceptance of offers - 70% compared to 50%. They assured economists that they would not be trapped in one job, but would have a career at Statistics Canada. They could assure this because managers competed for members of the pool by offering the economists things they wanted - content, working conditions, terms of assignment - and the assurance that they would have the opportunity to move on. Each employee was thereby offered a variety of assignments and experiences and the potential for promotion later on. A job with Statistics Canada meant the opportunity to learn and to have a career, not just one job.
- Similarly, Fish Inspection calls itself an Accordion Organization. It offers 2-6 month assignments in Ottawa for people from the field. After a few years of doing this, it now has networks across the country.

## **What is the Role of Innovation Awards?**

Innovation awards play many roles, among them:

- to reward individuals
- to reward teams to reward organizations
- to encourage innovation
- to improve the image of the public sector

Although awards can have personal benefit, neither the "givers" nor the "takers" have career advancement or personal benefit in mind when participating in an awards program. They do so to "spread the word" and to showcase excellence. Because the individual or the team work in an organization, however, the latter cannot help but share in whatever the reward may bring. Even a mention of the organization is sufficient. One participant said, "the primary objective of rewards should be to encourage innovation in an environment that generally feels comfortable with mediocrity." Another noted: "I think that the most difficult thing in innovation is to get Ministers comfortable with the concept and by showing them the benefits, help them accept the risks." and suggested: "If you could find a way to involve Ministers in awards ceremonies it could go a long way to advance the cause."

### **Conclusion**

The two organizations studied here saw the individuals do well who received the awards, but winning awards was no protection against the forces rationalizing organizations and cutting budgets. Innovation awards such as the CIPO and APEX awards do not look beyond the nomination itself to examine whether the innovation actually accomplished what it was set up to do in the long run. The IPAC award, at least in 1997, did ask about the effectiveness of the initiative, and thus had more potential to deal with the larger questions addressed by the program. The impact of the Award on the organization in question has never been addressed by any of the award programs. Nor have they asked the values question Michael Fullan (1982) suggests be asked: "Who benefits from the change (who are the winners and losers from the innovation)?"

### **About the Author**

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