

# IS YOUR GOVERNMENT BOARD STIFLING INNOVATION?

## *12 Tips to Promote Smart Risks*

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In our disruptive environments, innovation is an imperative for local agencies. Communities are confronted with economic distress, demographic and social shifts, and opportunities posed by new technologies. Therefore, governing board members often spur on staff to innovate for a variety of reasons:

- Constituents want better, cheaper, faster approaches.
- The big challenges (realignment, congestion, affordable housing, gangs, and economic vitality) all require shared service approaches, cross-sector partnerships, public engagement, new technologies and processes, and other creative solutions.
- Board members want to make a positive difference for their communities and leave a legacy.
- Innovation creates an attractive record for re-election.

## The Elephant in the Board Chambers

The elephant in the room is that governing board members in word and deed can discourage if not crush innovation because elected officials do not like risk and failure... and there can be no innovation without them. A zero-risk environment is antithetical to creative and innovative approaches.

## Picture This

At a regular board meeting a resident gets up to blast a traffic calming program that staff is proposing along a particular corridor. In response to a board priority to improve bike and pedestrian safety, the plan calls for elimination of car lane, installation of a bike lane, and a round-about. The resident calls the plan a stupid idea, claims that the plan will cause cut-through traffic on his street, and says that the chief transportation official is an idiot. One of the other board members also joins in criticizing the proposal and the staff.

### Related Resources

Learn how local agencies are incorporating innovation and taking risk on the Institute's website. Read case stories, local agency best practices and more:

#### Public Engagement

[www.ca-ilg.org/public-engagement](http://www.ca-ilg.org/public-engagement)

#### Sustainability

[www.ca-ilg.org/sustainable-communities](http://www.ca-ilg.org/sustainable-communities)

For more from Frank Benest and the Institute, see "Leadership Strategies in Times of Economic Meltdown" available online: [www.ca-ilg.org/post/leadership-strategies-times-economic-meltdown](http://www.ca-ilg.org/post/leadership-strategies-times-economic-meltdown)

## What is the Message?

The message for staff is that they will get criticized for recommending any creative approach that may result in any mistake or failure or opposition, and no one will protect them. So it is better to play it safe.

## Innovation Requires Risk

Innovation requires risk-taking. Not wild gambles, but calculated risks. For innovation to occur, staff must risk money, other resources such as time, and their reputations. Most importantly, they must risk mistakes and likely criticism. Staff will not innovate when any misstep or mistake is criticized by top management or elected officials. They will try to make any recommendation or proposal perfect with no chance of failure before trying it out.

That's not how innovation occurs. Innovation occurs by taking a challenge (for example, traffic congestion) without a proven solution (or a problem for which every stakeholder group has a different preferred solution) and experimenting with different approaches, making mistakes and fixing things up as one goes along.

Unless board members and top management create an environment that encourages "smart risks," there will be little if any innovation regardless of how much innovation the board desires.

## Strategies for Board Members

What can elected officials do? The task is to go beyond exhorting staff to innovate. Governing board members must help create a "safe" environment for responsible risk-taking. There is no perfect way but here are some suggestions:

1. **Don't allow people to personally criticize staff for well-intentioned efforts.** This is critical if your board is serious about promoting innovation. Residents can criticize ideas or policies but not the people involved. The best way to do this is to model this behavior and create rules of decorum that inhibit staff-bashing. For more information about decorum and civility at public meetings, see [www.ca-ilg.org/civility](http://www.ca-ilg.org/civility).
2. **Call everything a "pilot" (even if it is not a pilot).** Why? Residents will more likely expect some mistakes or failures if it is a trial from which the local agencies will learn what works and what does not.
3. **Do a risk assessment in public.** Discuss in public that innovation does not occur without some risks and inevitable errors. Require that staff do a risk assessment as part of an innovative proposal. Then, at a public meeting, governing board members can discuss what is a responsible risk versus what may be a gamble or reckless risk and thoughtfully balance potential "downsides and upsides."
4. **Tie the innovative proposal to the larger agenda.** It is easier to promote a risk if it can be linked to the board's already approved priorities or strategic plan, or it can be discussed as an extension of another public or private investment already underway.
5. **Create a small "seed" innovation or risk fund.** Ask the chief executive to budget a small pool of money that groups of employees and perhaps community partners can compete to spend on creative ideas. Build in reporting requirements on lessons learned. Identify wherever possible the "return on investment" over time. The net "gain" (for example, cost savings, productivity improvements, crime or traffic reduction) will offset the losses from other projects that do not pan out.
6. **Engage in proactive media communications.** While there is never any guarantee about fairness given the "gotcha" bias of local media, it is always a good idea to proactively meet with media representatives so they understand the rationale for the innovative approach, what is being proposed

and what is not, and the risk assessment that is being conducted. See [www.ca-ilg.org/media-relations](http://www.ca-ilg.org/media-relations) for more information about working with the media.

7. **Take action before every question or concern has been addressed.** The great organizations in the private and public sectors have a “ready, fire, aim” orientation. They try to get things “roughly right,” knowing that any creative approach will need fixing-up as efforts unfold. Oftentimes, in the face of controversy, a board decides to send an innovative proposal back for more staff work countless times until the idea dies or staff just gives up.
8. **Partner with a non-governmental group and spread the risk.** Collaborating with a non-governmental partner can generate more and better ideas on how to address the challenge. Given what can be the “trust deficit” experienced by many local agencies, the partner can also take the lead and “front” a particular innovation. This approach also spreads the risk and some of the costs to more groups.
9. **Take an incremental approach to risk and innovation.** If the local government takes a few incremental steps in starting a project, it is easier to back-off a risky project if things go terribly wrong or if the agency gets hit with significant opposition. Typically, such initial steps do not require a heavy financial investment at the beginning. In other words, it is “reversible.” Conversely, if the initial efforts create positive results, the local agency can slowly build momentum and public support for the endeavor.
10. **Be transparent about any results, especially about any mistakes, yet be reasonable in any criticism.** Ensure that the staff discloses any failures and what is being done to correct the situation. Express any concern about the lack of progress or any failure to achieve what was intended and make any helpful suggestions.
11. **Debrief the experience with staff and the community.** At key points along the way, as well as at the end of an experiment, ask the following questions:
  - a. Given our goals, what has gone well?
  - b. What has not gone so well?
  - c. How did we respond to inevitable problems?
  - d. What did we learn for the future?
12. **Celebrate “fabulous flops.”** Certainly boards should take a moment at the local agency board meeting to recognize a successful project and the staff involved. However, it is even more powerful to celebrate audacious efforts that fall flat. Such “fabulous flops” awards encourage staff and community partners to experiment even if they fail.

## Professional Safety Net

Governing boards set the tone in part for the organization. Staff will not take risks to innovate in a culture of fear. Unless elected officials provide a “professional safety net” for smart, responsible risk-taking, there will be little if any innovation regardless of how much innovation talk comes from the board dais.