

# **Innovation in the Irish Public Sector**

By

Orla Mongey

for the award of

Master of Arts (Research)

At

Institute of Technology, Sligo

Research Supervisor

Doireann O'Connor

Submitted to the Higher Education and Training Awards Council, (June, 2013)

## *Abstract*

The following document provides an investigation into innovation in the Irish Public Sector (IPS). To facilitate this, a number of areas had to be studied first in order to understand the origins of innovation. These included research into entrepreneurship and also corporate entrepreneurship. These were investigated through the literature review.

The IPS employs 360,000 across twenty different Offices and Departments. These Offices and Departments include:

- The Departments of Arts, Heritage and the Gaeltacht
- Department of Education and Skills
- Department of Enterprise, Jobs and Innovation
- Department of Justice and Equality
- Department of Social Protection to name but a few.

(Please see Appendix A for a full overview)

This study investigates the role of innovation in the IPS. It researches innovative initiatives that currently exist in the public sector and the effect and implications of these initiatives on public sector staff. The study also highlights the elements that are necessary for innovation to be successful in a public sector organisation and also the challenges that public sector organisations face when implementing an innovation or innovative initiative. The study also highlights previous potential innovative projects that have failed in the IPS in the past. i.e. PPARS. The research also includes management's and staff's perceptions of public sector organisations that they believe champions innovation.

The key findings of this study arose from interviews with management of public sector organisations and also from a survey completed by employees of the public sector organisations where interviews were conducted. A comparison of both the interview and survey was also carried out. The data uncovered showed that although innovation is important to the public sector leaders and management it fails to be supported by the public sector leaders and management. The findings also reveal that

there are not enough efforts being made to reduce the challenges and barriers that prevent innovation practices becoming the norm in the IPS.

There is limited research on the topic of innovation in the IPS and this thesis will be a valuable source of information on the topic. There are numerous changes that must be made for the progression of the IPS including the reduction of bureaucracy and organisations structure. There also has to be improved leadership from senior politicians and management. The amount of political influences into public sector organisations by politicians has to be monitored and restricted. The major findings from the research evolved from questions based on rewards and support. A new structure of both has to be established if the public sector is to fully commit to bringing innovation into public sector organisations.

## *Acknowledgements*

I would like to thank my supervisor Doireann O'Connor who was a constant source of support, knowledge and advice, and without your encouragement, patience and understanding, this masters would not have been completed.

To my family, thank you for your continued support and encouragement since I returned to college and even more so since I began the journey of this research. I thank you all with all my heart for helping me through my research journey especially when we have faced difficult family situations along the way.

Thank you to my friends and fellow postgraduates whose humour and peer support helped me throughout my research journey and made the experience more enjoyable.

I would like to thank my son's grandparents and father for their continued support throughout my studies; without it, my research would not have been possible.

To the ACE team; Doireann O'Connor, Perry Share, Roisín McGlone and Cathy O'Kelly, for your support and opportunity to undertake my research.

I would like to extend a sincere thank you to all the respondents who took the time to complete my survey and meet with me to be interviewed. This work would not have been complete without your cooperation.

Finally, I would like to thank my special little boy, Tiernan, who has been the greatest motivation for me to succeed. He always brightens up the toughest days and he makes the good days even brighter. Thank you T-man!

## ***Declaration***

The work in this thesis, 'Innovation in the Irish Public Sector' represents research carried out by Orla Mongey under the supervision of Doireann O'Connor and does not include work by any other party, with the exception of acknowledged sources.

Signed:

---

Orla Mongey

## *List of Abbreviations*

CEO	Chief Executive Officer
ESOMAR	European Society for Opinion and Marketing Research
HSE	Health Service Executive
IBEC	Irish Business and Employers Confederation
IDA Ireland	Industrial Development Authority Ireland
IPRT	Irish Prison Reform Trust
IPS	Irish Public Sector
KPI's	Key Performance Indicators
NIMTO	Not In My Term of Office
PAYE	Pay as you Earn
PMDS	Performance Management Development System
PPARS	Personnel, Payroll and Related Systems
PRAI	Property Registration Authority of Ireland
ROS	Revenue Online Service
SPSS	Statistical Package for Social Science
USP	Unique Selling Point
VEC	Vocational Educational Committee
VRT	Vehicle Registration Tax
WDC	Western Development Commission

## ***Table of Figures***

Table 2.1 - Types of Corporate Entrepreneurship .....	12
Table 2.2- Fostering Innovation.....	35
Table 3.1 - Research Questions and Methods .....	52
Table 3.2 - No. of respondents from each organisation.....	54
Table 3.3 - Interviewees and Organisations.....	54
Table 3.4 - No. of respondents from each organisation.....	71
Figure 4.1- Staffs Awareness of formal initiatives in their organisation.....	105
Figure 4.2- Staff awareness of informal initiatives in their organisation.....	107
Figure 4.3- Averages of Employees perception of the effectiveness of management in communicating new policies, procedures and initiatives.....	108
Figure 4.4- Availability of Monetary Rewards for staff with innovative ideas.....	109
Figure 4.5- Promotion as a reward for staff with innovative ideas.....	110
Figure 4.6- Support Available for staff with innovative ideas.....	111
Figure 4.7- Averages of employees views on the likeliness of management to support employee's innovative ideas.....	112
Figure 4.8- Availability of company resources as a support for staff with innovative ideas.....	113
Figure 4.9- Availability of time off as a support to progress innovative idea.....	113

Figure 4.10- Availability of financial resources as a support for staff with innovative ideas..... 114

Figure 4.11- Averages of employees perceptions to whether their organisation’s structure encourages innovation..... 115

Figure 4.12- Averages of Employees perception of bureaucracy preventing innovation in their organisations..... 116

Figure 4.13- Averages of employee’s perception of management’s willingness to take risks with innovative ideas..... 117

Figure 4.14- Employees perception on the impact of local or national politics on their role..... 118

Figure 4.15- Overview of public sectors employee’s perspectives to the levels of innovativeness of their organisation..... 119

Figure 4.16- Averages of employee’s perception on how innovative their organisation is..... 119

Figure 4.17- Employees perception to the public sectors efforts to encourage innovation..... 120

Figure 4.18- The levels of importance of innovation to management..... 121

Figure 4.19- Average of employee’s perceptions of the importance of innovation to management..... 122

Figure 4.20- Employees who have worked in the private sector..... 126

Appendix A- Offices and Departments of the Irish Public Sector..... 222

Appendix B - Organisations that champion innovation according to public sector employees..... 223



## ***Glossary of Terms***

**Croke Park Agreement** is an agreement between the Irish Government and various public sector unions. *‘It is a commitment by public servants and their managers to work together to change the way in which the Public Service does its business so that both its cost and the number of people working in the Public Service can fall significantly, while continuing to meet the need for services and improve the experience of service users’.* (Department of Public Expenditure and Reform 2010)  
The public sector unions agreed to co-operate on wide scale reforms set out by the government instead of the government imposing public sector layoffs or further pay cuts.

**Fiúntas Awards** were open to all staff in the Department of Social Protection, irrespective of grade before the Awards were shelved in February 2011. Staff nominated other staff members or a team for an award at any time during the year. The Scheme was designed to recognise and reward high levels of individual and team performance.

**INPUT Awards/Scheme** is the Civil Service’s Staff Suggestion Scheme. Its aim is to facilitate and encourage the submission of suggestions whose implementation improves the operations of a Department, office or service.

All Civil Service grades up to and including Principal and equivalent grades can submit suggestions.

Input Awards are granted for suggestions which:

- Save the Department money;
- Improve customer services;
- Improve business process;
- Are not suitable for implementation, but are original and well researched;
- Cannot be implemented but highlight a problem or an issue which is subsequently addressed.

The minimum award is €100 and the maximum is €7,618.43.

**An Taoiseach Public Service Excellence Awards** are held every two years and recognise innovation and best practise in the public service. It also helps share innovative ideas across numerous public sector organisations. (Department of Public Expenditure and Reform 2012)

**Ireland's eGovernment Awards** are the recognised benchmark for excellence in Irish eGovernment services and standards. The Awards raise awareness and recognise the innovators, developers, forward thinkers and experts who are pioneering the changes happening in how the Irish Government delivers services to its citizens.  
<http://irishegovernmentawards.ie/>

**Public Service Cards** provide public service organisations with verification of an individual's identity. The card aims to reduce fraudulent claims and makes it more difficult for people to use false identities. The card will incorporate identification features including a photograph and an electronic signature.

**Moodle** stands for Modular Object-Oriented Dynamic Learning Environment. It is a software package for producing internet based courses and web sites. It is a commonly used resource in educational institutes by both staff and students as documents, exam papers and lecture notes can be uploaded by the staff member and accessed by students at a later date.

# *Table of Contents*

## **INTRODUCTION.....1**

<i>1.1 Introduction.....</i>	<i>1</i>
<i>1.2 Thesis overview .....</i>	<i>2</i>
<i>1.3 Rationale, Aims and Objectives .....</i>	<i>3</i>
1.3.1 Rationale	3
1.3.2 Aim and Study Purpose	4
1.3.3 Objectives	5
<i>1.4 Chapter Overviews.....</i>	<i>5</i>
<i>1.5 Conclusion.....</i>	<i>7</i>

## **LITERATURE REVIEW .....8**

<i>2.1 Introduction.....</i>	<i>8</i>
<i>2.2 Defining the Concepts .....</i>	<i>8</i>
2.2.1 Public sector definition	8
2.2.2 Entrepreneur definition	9
2.2.3 Intrapreneur definition	10
2.2.4 Corporate Entrepreneur definition	11
2.2.5 Innovation definition	13
<i>2.3 Advantages of Innovation Practices.....</i>	<i>14</i>
<i>2.4 Factors Affecting Innovation.....</i>	<i>14</i>
2.3.1 Internal Factors	15
2.3.2 External Factors	28
<i>2.5 Barriers to Effective Corporate Entrepreneurship and Innovation</i>	<i>30</i>
2.5.1 Bureaucracy and Media Spotlight	30
2.5.2 Lack of competition	30
2.5.3 Regulations and accountability	31
2.5.4 Political Intrusion	31
2.5.5 Staff as a barrier to Innovation	32
2.5.6 Technology as a barrier to Innovation	33
<i>2.6 Fostering an Innovative Culture .....</i>	<i>33</i>
<i>2.7 Why Innovations Fails.....</i>	<i>36</i>
2.7.1 Why Innovation Fails- An Irish Example	38

2.8 <i>Creating Competitive Advantage</i> .....	39
2.8.1 Intellectual Property .....	42
2.9 <i>Relevance of Corporate Entrepreneurship and Innovation</i> <i>in the IPS</i> .....	43
2.10 <i>Measuring Performance in the Public Sector</i> .....	46
2.11 <i>Case Study: A Public Sector Organisation that embraced</i> <i>Innovation</i> .....	47
2.12 <i>Conclusion</i> .....	48

## **METHODOLOGY ..... 51**

3.1 <i>Introduction</i> .....	51
3.2 <i>Research Objectives</i> .....	53
3.3 <i>Research Approach</i> .....	53
3.4 <i>Epistemology</i> .....	55
3.5 <i>Relationship between Quantitative and Qualitative</i> .....	58
3.6 <i>Sampling</i> .....	60
3.7 <i>Data Analysis</i> .....	61
3.8 <i>Qualitative Research</i> .....	62
3.8.1 Data Collection Methods .....	62
3.8.2 Qualitative Sampling Plan .....	66
3.8.3 Data Analysis Plan .....	67
3.9 <i>Quantitative Research</i> .....	68
3.9.1 Data Collection Methods .....	68
3.9.2 Quantitative Sampling Plan .....	71
3.9.3 Data analysis and Measurement .....	72
3.10 <i>Reliability and Validity</i> .....	73
3.10.1 Reliability .....	73
3.10.2 Validity .....	74
3.11 <i>Triangulation</i> .....	75
3.12 <i>Limitations of this research</i> .....	76
3.13 <i>Ethical considerations</i> .....	77
3.14 <i>Conclusion</i> .....	79

**FINDINGS.....81**

*4.1 Introduction..... 81*

*4.2 Interview Findings..... 81*

4.2.1 Public sector initiatives	82
4.2.2 Management's role in initiatives	83
4.2.3 Challenges in developing innovative initiatives	84
4.2.4 Communication	86
4.2.5 Rewards	89
4.2.6 Support	91
4.2.7 Organisation Structure	92
4.2.8 Bureaucracy	93
4.2.9 Risk taking and accountability	94
4.2.10 Intellectual Property	97
4.2.11 Politics in the public sector	97
4.2.12 Public sector as an Innovator	98
4.2.13 Recommended Changes	98
4.2.14 Public and Private Sector comparison	100
4.2.15 Public sector Champions of Innovation	101
4.2.16 Conclusion	101

*4.3 Survey Findings..... 104*

4.3.1 Public sector initiatives	105
4.3.2 Communication	108
4.3.4 Rewards	109
4.3.5 Support	111
4.3.6 Organisation Structure	115
4.3.7 Bureaucracy	116
4.3.8 Risk Taking	116
4.3.9 Politics in the public sector	118
4.3.10 Public sector as an innovator	118
4.3.11 Management	121
4.3.12 Recommended changes	122
4.3.13 Public & private sector comparison	126
4.3.14 Public sector champions of innovation	128
4.3.15 Conclusion	129

**DISCUSSION AND ANALYSIS ..... 132**

*5.1 Introduction..... 132*

*5.2 Existing Innovative Initiatives to support innovative practices  
and staff perceptions of such initiatives ..... 132*

5.2.1 Formal Innovative 132

5.2.2 Informal Innovative Initiatives 138

5.2.3 Managements role in supporting innovating practices and staffs  
perceptions of this role 141

*5.3 Challenges faced in the development of innovative initiatives..... 148*

5.3.1 Bureaucracy 148

5.3.2 Risk Taking, Decision Making and Accountability 152

5.2.3 Organisation Structure and Culture 157

5.2.4 Politics in the Public Sector 159

*5.4 The role of the communication system for the progression of  
innovative practices..... 162*

5.4.1 Communication 162

5.4.2 Procedures for Ideas Submission 164

*5.5 What incentives exist to support innovative practices in the IPS?167*

5.5.1 What support is available to employees with innovative ideas? 167

5.5.2 Rewards, awards and recognition 170

*5.6 Staffs perceptions of the IPS in comparison to Irish private sector174*

5.6.1 Civil servants recommended changes for an improvement to  
innovation practices in the IPS 179

*5.7 Conclusion: Public Sector as an Innovator ..... 183*

**CONCLUSION AND RECOMMENDATIONS ..... 190**

*6.1 Introduction..... 190*

*6.2 Research Question..... 190*

*6.3 Research Questions Answered ..... 191*

6.3.1 What innovative initiatives are currently in operation to support  
innovative practices in the IPS? 191

6.3.2 What are the challenges faced by the public sector in developing  
and instilling innovation initiatives in its organisations? 192

6.3.3 What incentives exist to support innovative practices in the IPS? 194

6.3.4 How do public servants compare their working practices  
with those of the IPS? 195

6.3.5 What changes would public servants recommend in order to improve innovation practices in the IPS?	195
6.3.6 What organisations in Ireland’s public sector champion innovation?	197
<i>6.4 Recommendations</i> .....	<i>198</i>
<i>6.5 Personal Reflections</i> .....	<i>201</i>
<i>6.6 Suggestions for Further Research</i> .....	<i>202</i>
<i>6.7 Conclusion</i> .....	<i>203</i>

<b>BIBLIOGRAPHY</b> .....	<b>205</b>
---------------------------	------------

<b>APPENDICES</b> .....	<b>222</b>
-------------------------	------------

<i>Appendix A</i> .....	<i>222</i>
Offices and Departments of the Irish Public Sector	222
<i>Appendix B</i> .....	<i>223</i>
Organisations that champion Innovation according to public sector employees	223
<i>Appendix C</i> .....	<i>225</i>
Interview Confidentiality Contract	225
<i>Appendix D</i> .....	<i>226</i>
Interview questions	226
<i>Appendix E</i> .....	<i>229</i>
Staff Survey	229
<i>Appendix F</i> .....	<i>232</i>
Themes	232

<i>End Notes</i> .....	<i>233</i>
------------------------	------------

# Chapter 1

## *Introduction*

### **1.1 Introduction**

Public sector innovation is defined by Kearney *et al* (2007 p. 279) ‘*as an individual or group of individuals, who undertakes desired activity to initiate change within the organisation, adapt, innovate and facilitate risk. Personal goals and objectives are less important than the generation of a good result for the state enterprise/civil service.*’

This research aims to investigate innovative work practices and initiatives in the Irish Public Sector (IPS). Initiatives are few and far between and both management and staff agree with this, as they were unable to identify any that affect them. There is also some confusion as to what initiatives exist in organisations, with management naming some initiatives that staff are unaware of, both formal and informal. This is corroborated by Manimala *et al* (2006), whose research suggests that public sector companies can lack an effective and purposeful innovation strategy.

Innovation is essential in the current climate in order to ensure value for money and the best practices are being availed of in the IPS. The challenges that face the IPS in adapting to or changing innovative practices are numerous and are outlined and discussed throughout this research.

There are many gaps in existing literature in relation to public sector innovation but literature on innovation in the IPS is practically non-existent. Therefore this research aims to bridge the gap and to make it relevant to an Irish context.



## 1.2 Thesis overview

This research seeks to answer the following question “What role does innovation play in the IPS?” To answer this question the following questions will also have to be researched.

- What innovative initiatives are currently in operation to support innovative practices in the IPS?
- What are the challenges faced by the public sector in developing and instilling innovation initiatives in its organisations?
- What incentives exist to support innovative practices in the IPS?
- How do public servants compare their working practices with those of the Irish private sector?
- What changes would public servants recommend in order to improve innovation practices in the IPS?
- What organisations in Ireland’s public sector champion innovation?

In order to answer these questions the researcher had to study existing literature, of which there was little relevant to the IPS. This further suggested that the research was needed. While carrying out the literature, particular themes and factors emerged that are required for innovation to occur and also some which act as barriers to innovation. These themes helped form the interview and survey questions. The themes are

- Management
- Communication
- Support
- Rewards
- Risk taking
- Accountability
- Decision making
- Organisational structure
- Organisational culture
- Bureaucracy
- Politics and
- Resources.

These themes form headings in the literature review, findings and discussion and analysis chapter, as well as being a guideline for the conclusion and recommendations chapter.

The epistemology, which is outlined at section 3.4 of the methodology chapter, helps the reader understand why the researcher is the researcher they are and why some of their personal and professional experiences have influenced the methods chosen and used throughout the research.

Interviews were conducted with 17 senior or middle managers, one Minister and in excess of 400 surveys were circulated. Once the interviews and the survey were completed by the selected sample, the researcher could begin to interpret the findings. In doing so, this gave rise to many new lessons and some topics for future study and debate. There was a lot of interpretation of gathered findings, especially survey findings. This was because the graphs had to be interpreted into words. Not every element of every graph was discussed but the most significant findings were.

It became apparent through the interpreting of the graphs and survey findings that staff in some organisations are more content with their organisations and managements approach to innovation.

It also became evident that often management's and staff's perceptions of the same theme are drastically different. This also gave for rise for interesting discussion.

The research concludes with a summary of the entire research and also with recommendations that the IPS may adopt in order to encourage, promote and instil innovation and innovative practices in the entire sector.

## **1.3 Rationale, Aims and Objectives**

### **1.3.1 Rationale**

To date there is very little research on the topic of innovation in the public sector in Ireland and this research will prove a valuable source of information for the public sectors progression and success in the future. Nowadays, entrepreneurs and innovators are being targeted and encouraged in an attempt to turn the current economic climate; however, this research will investigate if innovation exists within the public sector.

This research, on completion, will be a valuable source of information on Innovation in the IPS.

This topic was chosen as the researcher studied business studies at an undergraduate level and had a keen interest in the study and effects of innovation. However, this was limited to the private sector and multi nationals in particular. The researcher found it interesting that as the recession emerged, politicians were encouraging innovation as a way of overcoming the effects of the recession. Yet, there were no studies or openly available research into IPS innovation.

This study will add to the very limited research on public sector innovation and will be one of the first research studies into IPS innovative practices.

### **1.3.2 Aim and Study Purpose**

The aim of this research is to gauge the role of innovation in the IPS and also the perceptions of innovation from those who work in the sector. This study will uncover the role, the impact and implications of innovation and innovative initiatives in the public sector and on its staff. This study will also reveal how innovation is managed and communicated in the public sector as a whole and will unearth the most innovative organisation in the IPS.

Taking into account the changes that have occurred since the Celtic Tiger, the researcher believes it was timely for this research to be conducted, as the media and politicians have said since the downturn began that innovation is a necessity to overcome the hard times.

The purpose of the study is to explore and analyse the role of innovative practices in the IPS. A clear understanding of the impact of having innovative practices and initiatives, or the impact of the lack of such practices in the IPS will be gained. The vast size of the IPS and the number of IPS organisations meant the researcher had to use sampling in this research. This research seeks to fill the gaps that exist in current literature on innovation in the IPS.

### **1.3.3 Objectives**

The objectives for the research are:

- To identify, if any, innovative initiatives that exist in organisations in the IPS.
- To establish what are the implications of these innovative initiatives, if any.
- To ascertain the attitudes and perception of all staff to the innovative policies, procedures and initiatives of their public sector organisations.
- To identify the effect of innovative practices on staff.
- To identify organisations that champion innovation policies
- To recommend how organisations can implement an innovative policy to their benefit.

### **1.4 Chapter Overviews**

The following research is an attempt to uncover the underlying factors required for innovation in the IPS and to see if those factors outlined in theory exist within the reality of the IPS. Each chapter begins with a brief introduction and ends with a conclusion, which summarises the chapter just discussed. Information is displayed in bar chart format where charts are required to help clarify the information given by staff in the staff survey.

The ambitions of this research were, to analyse and collect the most valuable information possible. Having chosen the research question, the author researched and collated the literature relevant to the study to form the literature review chapter. This helped to identify what literature existed and where there were gaps that this study should fill. It also outlines the definitions of terms that are included in the study. A thorough research of literature helped gain a better understanding for the project. The literature was scarce in some areas, namely public sector innovation but especially with regard to its relevance in the IPS. The literature review outlines a brief history of innovation practices within organisations, including corporate entrepreneurship and intrapreneurship. The literature review reveals themes that are necessary for innovation to exist and these themes form the backbone of this study.

The methodology chapter explains the research questions in further detail and presents the research methods used to gain the information needed to answer the research

questions. Qualitative researchers study the everyday, while quantitative researchers are seen to remove themselves from the everyday and are much more concerned with a science based approach to research. Quantitative researchers like to study large cases that are randomly selected whereas; qualitative researchers like to study particular cases. Quantitative researchers seek their descriptions through hard facts and let the numbers and statistics speak for themselves whereas qualitative researchers value the 'rich descriptions' they get from the everyday.

A mixed methods approach was used in this research. The researcher used a mix of qualitative and quantitative research methods as they felt that both methods were needed to give the research a well rounded, more thorough and more reliable results than using one method in isolation. This triangulation makes research more reliable and valid. These terms are all explained in more depth in the methodology chapter on page 75.

The findings chapter is divided into interview findings and survey findings and is presented under the themes discovered through the literature review. The interview findings were revealed through a series of interviews with senior management in public sector organisations and the survey findings were collated after distributing the survey to all staff in offices of the organisations where interviews had been held. The headings are the same in both parts. This was done for the ease of the reader rather than mixing the managers and staffs perceptions and it also facilitated the combination of both with the literature review for the discussion and analysis chapter. The headings are namely; initiatives in the public sector, management's role in initiatives, challenges in developing innovative initiatives, communication, rewards, support, organisation structure, bureaucracy, risk taking and accountability, intellectual property, politics in the public sector, public sector as an innovator, recommended changes and public and private sector comparison. Finally, both management and staff were asked to give the name of the public sector organisation they feel is the most innovative. The survey sought to investigate the staff's perceptions of the role of management in innovation practices and of the public sector as a whole.

The findings of both the interviews and survey were compared and contrasted with each other and the literature review to form the discussion and analysis chapter. This chapter allows for the interpretation and discussion of the findings, and any possible explanation as to why some results are the way they are. A study of where literature,

survey and interview findings were in agreement and contradictory of each other was discussed, as was information that existed in some but not all sources. There is rich discussion here that will undoubtedly engage the reader.

The document finishes with a conclusion and recommendations chapter which summarises the research and its findings. Conclusions take each of the research objectives detailed above and outlines what has been achieved during the research process. It summarises the main findings of the research from the literature chapter through to the discussion and analysis chapter. The recommendations are the improvements the researcher feels could promote and grow innovation practices in the IPS and those who work in it.

## **1.5 Conclusion**

This chapter has outlined a brief synopsis of what this research will include. It introduces the research topic and questions to the reader and it also justifies why the study is necessary. This chapter also highlights the aims and objectives that will be met in order to answer the research questions.

A mixed method approach to research was undertaken to ensure the most reliable and valid study was produced. An in-depth discussion surrounding why such methods were chosen are outlined in further chapters. The literature available was researched and helped give a basis for the remaining study. The literature study gave rise to the themes that are the backbone of this study. These themes helped in the collating of interview and survey questions which the results of formed the findings and analysis and discussion chapters. The conclusion and recommendations chapter outlines the recommendations that can help instil innovation in the IPS.

The epistemology gives the reader a better understanding of why certain techniques were used and what makes them the researcher they are today. This chapter has addressed the parameters of the study and limitations therein. The research will identify if the public sector has rich potential for improvement and development of innovation in Ireland and if initiatives exist and are utilised to their best ability. Theoretically there is insufficient information available and therefore the results of this study will add to the body of literature on innovation in the IPS context.

# Chapter 2

## *Literature Review*

### **2.1 Introduction**

This chapter defines the concepts used in this study and outlines the factors that exist that affect innovation. This study also discusses the advantages to an organisation by operating innovation practices. The barriers to effective corporate entrepreneurship and innovation are also highlighted. The research also outlines why innovation fails in organisations and how organisations can foster an innovative culture in an organisation. The study also describes how organisations can create competitive advantage and the relevance of innovation in the IPS. The introduction chapter briefly outlines the importance of being able to measure performance in the public sector and also details a case study of a public sector organisation that has embraced innovation. Firstly, it is important to define relevant terms of the study.

### **2.2 Defining the Concepts**

#### **2.2.1 Public sector definition**

The public sector can be defined as *‘the part of the economy concerned with providing basic government services. These services may include healthcare, public transport, public roads, education’* (Investorwords 2010). Public services are services that are partly or completely, funded by the tax payers money (Humphreys 1998). Public services do not usually operate for financial profit but to supply services that are essential to the public (Humphreys 1998, p. 8). Public sector organisations exist to fulfil the responsibilities of government to the service user (Matthews & Shulman 2005). In Ireland, this includes the Health Service Executive, Civil Service departments, Education Sector and An Garda Síochána to name but a few.

Koch & Hauknes (2005) give three definitions of the public sector from different stances. There is the legal definition, financial definition and functional definition. The legal definition of the public sector revolves around the inclusion of the government and organisations governed by the government and by public law. The financial definition stems from the fact that the public sector and its organisations are funded by the public and its taxpayers. The functional definition outlines the types of public sector organisations and that the public sector organisations are responsible for *'the public administration, social security, law and order, education, health care and social and cultural services, irrespective of their funding source and legal form'* (Koch & Hauknes 2005).

In 2008, the then Tánaiste and Minister for Enterprise, Trade and Employment, Mary Coughlan TD stated in the Department Enterprise, Trade and Employment report *'Innovation in Ireland'*, that to progress in the future Ireland needs to encourage an entrepreneurial culture. For this to become a reality she suggests that each individual in the workforce should be empowered and be considered a potential entrepreneur. Mary Coughlan also said we must overcome obstacles such as the fear of failure (Entemp 2009). Mary Coughlan's words relate to new enterprises, however, this research will study the entrepreneurial activities within existing organisations in the IPS. This study will investigate the challenges facing public sector workers and whether working in an established public sector organisation impacts on their innovativeness. The research will also identify if workers are encouraged to be innovative within a workplace through initiatives, rewards or supports.

### **2.2.2 Entrepreneur definition**

It is important to define an entrepreneur in order to be able to develop any other entrepreneurial concepts that are necessary for this study. The word entrepreneur is a term used to describe a person who sees an opportunity and takes a risk to set up a new venture that they believe will be successful and perhaps, earn them a living (Jones & Butler 1992). It stems from the French word *entreprendre* which translates as 'to undertake' or 'enter into'.

An entrepreneur is always looking for new ways of doing things and when possible will exploit the opportunity (Drucker 1985). While an entrepreneur can be an individual with an idea; they can only be successful if they are able to persuade others



of the value of their vision and the potential of added value (Mack *et al* 2008). Entrepreneurs are always acting in a high risk environment as it is difficult to foresee the future of their venture as it is often new and never seen before and therefore hard to predict the outcomes of decisions (Jones & Butler 1992). Phan *et al* (2009) also states that results of innovation or entrepreneurial activity are difficult to predict and plan for (Phan *et al* 2009).

### **2.2.3 Intrapreneur definition**

Next, it is important to define the role of an intrapreneur. Existing literature gives many variances of a definition for intrapreneurship. Intrapreneurship is also referred to as corporate entrepreneurship, internal entrepreneurship, strategic renewal and corporate renewal, depending on the author.

An intrapreneurial approach is characterised by individual employees working beyond their normal responsibilities to develop a specific potential product or process (Drucker 1985). These employees are dedicated to a particular project and often are responsible for all activities during said project. They use existing resources in a different capacity to create a new way of doing things or a new product (Lengnick-Hall 1992).

In some organisations, the employee is permitted to work on their project idea through to the final stage, while in other organisations the employee suggests their idea and have no further input. Knight (1986 pg. 285) states an intrapreneur is '*a corporate employee who introduces and manages an innovative project within the corporate environment, as if he or she were an independent entrepreneur.*'

In 2001, Antoncic and Hisrich developed a broad definition of intrapreneurship. They believe it is simply entrepreneurship within an existing organisation. It is a way in which an organisation makes the most of their staff and resources by encouraging innovation at all levels of the organisation whether it is by an individual or group of individuals (Sharma and Chrisman 1999). Most recently Richardson (2005) stated intrapreneurship is the innovation activities that organisations need to keep them competitive while Vesper (1984) believes intrapreneurship is doing new things that are different from the organisations usual procedures, thus creating a competitive organisation.

An intrapreneur can also be referred to as a corporate entrepreneur or innovator.

#### **2.2.4 Corporate Entrepreneur definition**

Until the 1970's, studies on entrepreneurship concentrated on actions of individuals, entrepreneurs, rather than that of the collective. However studies since this time realised that organisations themselves can undertake entrepreneurial activities. This saw the coining of the term 'corporate entrepreneurship'. Corporate Entrepreneurship is used by an organisation to exploit possible profit opportunities (Kirzner 1973).

Corporate entrepreneurship is the way in which teams can develop new procedures, products or services that are new in comparison to the original parent business but uses the parent company resources (Wolcott & Lippitz 2007). The new innovation can be a new method of delivery of the same service, or even rebranding of some products. Innovation can create a competitive edge for an organisation, leading to profitability from the new product, service or procedures adopted.

It is important to note that corporate entrepreneurs can have a huge impact on an organisation at many levels. They are often the first to see opportunities at many levels and aspects of the organisation, not just in product development but also in procedural efforts (Wolcott & Lippitz 2007). Sathe (1989) defined corporate entrepreneurship as a method of reviving an organisation. Corporate Entrepreneurship however requires a lot of organisational resources and commitment in order to be able to be innovative or entrepreneurial in all areas of the company. Corporate Entrepreneurship can also be described as the method by which organisations notice and pursue opportunities and act to provide a profit (Jones & Butler 1992). Corporate entrepreneurship involves the pursuit of creative or new solutions to challenges confronting a firm. It can include the development or enhancement of old and new products and services, markets, and administrative techniques and technologies within an organisation (Bhardwaj & Momaya 2007).

*'Corporate Entrepreneurship is a tool that allows companies to rejuvenate and revitalise and to create new value through innovation, business development and renewal'* (Thornberry, N, 2001 cited in Bhardwaj & Momaya 2007, pg. 131).

### 2.2.4.1 Types of Corporate Entrepreneurship

There are many forms of corporate entrepreneurship an organisation can chose from to ensure innovative success in the organisation. It must be reported that the following table is not exhaustive but includes the most common forms of corporate entrepreneurship.

**Table 2.1 Types of Corporate Entrepreneurship**

<p><b>Internal Corporate Entrepreneurship</b></p>	<p>Internal corporate entrepreneurship can relate to entrepreneurial efforts within one firm, or the level of entrepreneurial behaviour in the organisation. They may include; individual staff members, traditional research and development units or through units dedicated to the development of new products or technologies.</p>
<p><b>Outside Entrepreneurship</b></p>	<p>Outside entrepreneurship refers to the entrepreneurial behaviour of other industry firms or competitors (Jones &amp; Butler 1992).</p>
<p><b>Organisation-wide entrepreneurship</b></p>	<p>Organisation-wide entrepreneurship is a managerial approach to creating corporate entrepreneurship across the entire organisation. This approach sees the managers create a shared value and drive among all staff. <i>‘Institutionalising the elements of entrepreneurship is crucial to building and sustaining competitive advantage in today’s business environment’</i> (Ramachandran <i>et al</i> 2006, pg. 85). This is the approach a public sector would need to adopt for corporate entrepreneurship to be successful.</p>
<p><b>Focused Entrepreneurship</b></p>	<p>Focused entrepreneurship entails specific innovation initiatives being developed while the rest of the organisation maintains separate from them.</p>
<p><b>Innovation</b></p>	<p>Corporate entrepreneurship can also be achieved by innovating, risk taking and when an organisation has proactive and competitive behaviours (Guth and Ginsberg 1990). All mentioned types of corporate entrepreneurship have innovation at their core and for this reason innovation</p>

	is explored exclusively throughout the rest of the research.
<b>Public Sector Entrepreneur</b>	A public sector entrepreneur is any person who is hired or elected to work in the public sector and is seen by colleagues or managers to be influential in creating innovations or innovative practices that add to the successful operation of the public service (Mack <i>et al</i> 2008).

### 2.2.5 Innovation definition

Innovation is at the heart of entrepreneurship (Stevenson and Gumpert, 1985, cited in Ramachandran *et al* 2006). Innovation sees an organisation introduce new ways of doing things or introducing new products, processes, new use of technology, systems, resources or a new capability (Covin & Miles 1999). Innovation can be a new product or service, system, or a new plan or programme (Damanpour 1991). It may be adopted to respond to an environmental event or it may be used to ensure survival of an organisation.

Innovation is defined by Spence (1994), as something new for a given situation, while West and Farr's definition cited in Kearney *et al*, (2007, pg., 282) is '*the sequence of activities by which a new element is introduced into a social unit, with the intention of benefiting the unit, some part of it, or the wider society.*' Innovation can lead to an improvement in a company's performance, profitability and fuel its growth (Kearney *et al*, 2007). An innovation in one company may actually be an imitation of another company's innovation. However, it can be called an innovation if it is seen as new by the individuals involved. Also, an innovation can only be called an innovation if the innovative idea is put into practice and implemented.

Innovation can allow an established organisation to revive itself. Organisations must not be innovative just for the sake of it. It must be of value to the organisation. Careful considerations must be sought in order to get the balance right between doing what the company is already good at and challenging themselves to undergo new and risky ways to revive themselves.

The four key concepts in innovation are; new ideas, people, relationships and institutional context. These concepts can however cause limitations and challenges when trying to manage corporate entrepreneurship. Such problems can be people

management issues, bureaucracy, the organisations culture, the wrong leadership (Van de Ven and Engleman 2000). These are discussed in detail later in the chapter.

### **2.3 Advantages of Innovation Practices**

As mentioned previously, innovation can create and improve the competitive positioning of an organisation. Innovation can also create a temporary monopoly (Kanter 2011). Stark 2000, reports that innovative organisations have increased employee motivation and morale in comparison to organisations that are not innovative. Innovation can also improve a company's growth and profitability (Kanter 1985; Brazeal 1993; Zahra 1991). Innovation can bring an organisation more efficient work processes which in turn can save time and money. In the case of the IPS the saved money is the tax payers, which could be used for other public spending needs. Innovative activities create new knowledge that enhances the company's competencies and therefore competitive advantage and profitability. Competitive advantage created by innovation ensures the security and growth of the firm's enterprise value (Phan *et al*, 2009). Successful firms that foster innovative practices have excellent information and control procedures. (Ramachandran *et al* 2006). An innovative organisation can also increase customer satisfaction which should be a focus for all organisations, public or private.

The Revenue Commission is an IPS organisation that has proven that innovation can transform an organisation practices. The innovative changes the Revenue Commission carried out led to a substantial increase in customer satisfaction to the quality of customer service. There is greater discussion of this example at 2.11.

For innovative practices to become the norm, an organisation has to overcome many barriers.

### **2.4 Factors Affecting Innovation**

The nineties saw a lot of research being conducted on the topic of corporate entrepreneurship and innovation within organisations. Factors that can both inhibit and promote innovative practices were unearthed through these studies (Sadler 2000 p. 29). These factors can include control systems, culture, structure and managerial support. There is no universal agreement on which factors are most important in promoting innovative or corporate entrepreneurship efforts or what factors can

guarantee success. That said; from research there are many common themes that have emerged time and time again. The themes can be divided into two sectors; internal and external factors.

### **2.3.1 Internal Factors**

The majority of the studies found that internal organisational factors affect the rate of innovation in an organisation. Internal influences on innovation are outlined below and are not definitive but give a strong basis for continued research. For successful corporate entrepreneurship a firm needs a comprehensive understanding of the internal conditions of the organisation that can affect innovation.

#### **2.3.1.1 Management**

It is the management's role to provide innovation initiatives and create an entrepreneurial vision throughout the organisation as a whole. Management have numerous roles one of which is ensuring successful creation of an innovative culture across the organisation. Management must provide leadership and be able to facilitate their employees to act and think different. Management need to be able to deliver results through their staff and across the entire organisation (Leslie & Canwell 2010). Effective leadership can be facilitated by removing barriers such as bureaucracy and by developing better leadership abilities throughout the organisation (Leslie & Canwell 2010).

Management have direct communication with staff, and have the power to influence and shape strategies that are to be implemented (Bhardwaj & Momaya 2007). For successful corporate entrepreneurship to be established, all levels of management need to be available to be called upon. The level to which there is reliance on the management structures will depend on the organisation's culture and attitude towards knowledge sharing (Phan *et al* 2009).

Change management is a huge element in manager's roles when introducing innovative practices. Managers must try to avoid staff becoming resistant to change and being able to overcome this resistance if needs be. Change management is discussed in more detail later in the chapter.

### ***2.3.1.1.1 Senior Management***

It is senior management's role to work in such a way that it solves problems, especially those relating to innovation, in an effortless and effective manner so innovation thrives in the organisation (Seshandri & Tripathy 2006). The entrepreneurial environment in an organisation has to be set by top management and senior management must be seen as facilitators of intrapreneurship in the organisation.

Senior management should be prepared to take some risks instead of being risk averse. Management must also be able to identify, mentor and encourage people who demonstrate innovative abilities (Seshandri & Tripathy 2006). Management must recognise work well done, reward innovative ideas and constantly remind employees of their vision and mission of the company in order to create and harness an intrapreneurial culture in the organisation. It is the responsibility of management to enable innovation within their organisation. They must develop the conditions that allow innovation to thrive (Kanter 1996).

Senior management must make innovation a part of the company, not just exploiting it on a one-off basis. Consistency is the key for setting the standard which management aim to establish as the norm. Isolated initiatives will not create an innovative organisation or culture (Manimala *et al* 2006). Top management who want to embrace innovation need to; provide a sense of direction to staff and provide innovating initiatives while also providing the necessary resources for potential successful initiatives (Ramachandran *et al* 2006).

If an innovation fails senior management should not see it as a failure but focus on solving the problems that led to failure and not wasting time looking for who to blame. We learn more from our failures than from our successes (Carnall 2003). It is critical that management portray to staff that they have the freedom to fail and have the support of management.

In start-up companies, the founders are seen as the entrepreneurs however, in an established company, like in the public service, there are so many employees, managers and departments that a clear leader of innovation is often difficult to identify. Senior management must be committed to the concept of innovation and must convey this commitment to all staff members in order for it to have a chance to

succeed. It is vital that top managers work with staff and through the organisations structures to embed an entrepreneurial culture through the whole organisation.

Dess *et al* (2003) emphasises the role of senior management leadership in shaping the internal organisation towards one of innovativeness. Hornsby *et al* cited in Phan *et al* (2009), suggested that higher managerial levels provide an ability to create organisational factors that support innovative action throughout the entire organisation. Innovation in today's terms means that public sector organisations must have leaders who can introduce spending cuts while also being able to deliver the same service with less money through innovation (Leslie & Canwell 2010).

#### ***2.3.1.1.2 Middle management***

Middle managers play a pivotal role in encouraging innovation. It is the middle managers role to encourage and develop an environment that assists innovation. 'A substantial proportion of public-sector innovation comes from middle management and the front lines' (Borins 2002, p. 469). Middle managers also have the task of influencing their employees. Middle Managers are change agents within an organisation and therefore it is their responsibility to encourage any innovation that may better their organisation. Middle managers are involved in day-to-day activities of the organisation and so have more insight than senior managers who can be isolated from actual day-to-day activities (Hornsby *et al* 2002).

Middle managers also play an essential role in communication of the organisations missions, goals, and priorities (Hornsby *et al* 2002). Alongside encouraging innovation, middle management must work with other traders, observe the market and analyse the competition. By working with others in this way, they can learn from others in similar organisations. Often, the middle managers will see competitors with new innovations and must relay this information back to their organisation in the hope of gaining some of its competitor's market share. Or in the case of the public sector, middle managers from the public sector may see how the private sector operates and learn from them.

It is commonly reported that large organisations have rigid structures that can inhibit staffs innovations. However, middle managers have the ability to create an



environment in their organisations that will allow innovations and entrepreneurial activities to flourish (Bartlett and Ghoshal 1996). Middle managers can have the role of reviewing, developing and supporting initiatives in their units whether in large organisations or subsidiaries of international organisations (Hornsby *et al* 2002). Middle management may come across factors that can limit their co-operation with innovative practices. These factors may include resources, work schedules and senior levels receptiveness to innovation in general. Middle managers may have a struggle with obtaining resources that are essential to facilitate innovation. They may also have demanding work schedules that can leave little time for innovativeness.

Senior managers need to listen to and understand the middle managers position with regards to innovation. They also need to give their full support to the whole process of innovation. *‘Understanding middle management perceptions about the internal corporate environment is crucial to initiating and nurturing any entrepreneurial process’* (Hornsby *et al* 2002, p. 294).

For innovation to be successful an organisation needs passionate managers, at all levels of the organisation, who are excited about championing entrepreneurial and innovative initiatives (Ramachandran *et al* 2006). Managers must be able to recognise individuals that can also champion these initiatives, and although it may take time, the correct people will eventually shine.

#### ***2.3.1.1.3 Change Management***

Change Management involves recognising that something is no longer effective in an organisation, being able to see where the ineffectiveness stems from and being able to question why, how and what can be done instead (Carnall 2002). This is the first step to change in an organisation.

It requires patient management, a strategic vision and change agents. Change agents or change champions *‘might be the risk taker, strongly achievement orientated, with the capability of ignoring or at least settling for one-side constraints until ideas are shaped through the process of early trials’* (Carnall 2002, p. 264). Often it is middle managers that act as change agents (Hornsby *et al* 2002). O’Donnell and Boyle (2008) state managers need to consider the organisation’s culture when reacting or planning major change. They also state that it is management who determine the effectiveness of the change. Politics also plays a part in change management and

Kawalek (2007) reports that the political process in change management are under-emphasised in literature. He also state that '*organisational outcomes emerge from the interplay of political forces*' (2007, p. 180). This is another factor management must consider in their change management plans.

Senior management must be able to understand the impact the changes will make on the individual. This can ensure senior management provide the correct supports to staff undergoing change and can avoid creating constraints on people (Carnall 2002). Change must be desirable and feasible to all involved if it is to be accepted. Staff must see the need for the change in order to accept it. It is also important that the customer is the focus of the change process (O'Donnell and Boyle 2008).

#### 2.3.1.1.3.1 Resistance to Change

With change comes a resistance to change. Resistance to change is really a resistance to uncertainty (Carnall 2002). The resistance therefore is caused from '*the process of handling and managing change, not from the change as such*' (Carnall 2002, p. 2).

There can be different resistances to change in a single organisation. Every individual who resists change may be doing so for many different reasons in comparison to their colleagues. It can range from '*resistance as disloyal behaviour to resistance as heroic and morally justified*' (Hughes 2010, p. 164). In organisations group cohesiveness, social norms and participation in decision-making have been identified as potential group factors that can lead to resistance to change (King and Anderson 2002). Management need to help employees remove their anxiety sensitively as staff will have doubts over whether their jobs are threatened and the future of the organisation (Carnall 2002).

It is management's role to ensure the process of handling and managing change is dealt with correctly for their organisation. Management need to embed an enthusiasm for the change among their staff. Only then can management begin to deal with staffs anxieties and uncertainties. '*By being a little more careful about how we handle change, doing it a little more effectively, we can ensure earlier and more effective implementation, creating the capacity to manage change more effectively in future*' (Carnall 2002, p. 239).

The Pareto principle was established to describe the spread of wealth among a population, where 20% of the population had 80% of the wealth. Putting this rule into a management change context, within an organisation, 20% of the population will receive the change enthusiastically, 60% will need some convincing to adapt to the change and the remaining 20% will strongly resist the change (Soendergaard 2011). The 20/60/20 rule is a derivative of the Pareto principle.

#### 2.3.1.1.3.1 Change Communication

There is a view that without effective communication, change is impossible and will fail (Barrett 2002). This statement places communication at the centre of the change processes (Hughes 2010). Change communication should seek to '*obtain individual buy-in, obtain commitment to change, minimise resistance and reduce personal anxiety*' (Goodman and Truss 2004 cited in Hughes 2010, p. 152).

Communication of change can be through different channels in different organisations. With the vast range of options available to management, it is vital they choose the correct method for their organisation. A change communication strategy can be developed by management. The factors which affect this strategy can be: the type of change, the degree of urgency, the speed of change and reactions to the change (Quirke 1995).

Employers must consider that staff prefer hearing about potential change from management rather than in rumour from others and early communications of change allows employees time to understand and adjust to the suggested change. (Balogun, J & Hope Hailey V., 2008)

Employees want to know how the change is going to affect them and what will they gain from a change. Management may be required to communicate their message on change numerous times to ensure it has been received and understood. Management must also be willing to receive communications from staff in relation to the change also.

Barrett (2002) believes in an assessment of current communication practices as a necessary precursor to communication major changes.

All in all, communication is a powerful tool that is essential to the management of change. Management must be aware that choices about when the message is released and by who can impact on staff's enthusiasm for the change (Hughes 2010).

### **2.3.1.2 Management Support**

Management support is crucial if an organisation is going to achieve success in their innovative activities. Managers at *all* levels need to commit to the process. They can assist staff by supporting innovative ideas, providing necessary resources and expertise, or institutionalising innovative activity within the firm and the firm's processes (Hornsby *et al* 2002). Management support levels in an organisation show the willingness of managers to facilitate and promote entrepreneurial activity in the firm (Hisrich & Peters 1984). It is important to remember that management support can include many forms and can include: championing innovative ideas, providing resources or expertise, training, providing rewards, training and promoting innovative within the firm's system and processes and acknowledging staff with innovative ideas (Bhardwaj & Momaya 2007). Thornberry (2006, p. 189) believes that '*workers have more freedom, even within bureaucracies, than they think they do. It's all about how you position things and who who find to mentor and back you up*'.

### **2.3.1.3 Communication and Vision**

Along with change communication, management have to ensure that there is excellent communication between all parties in the innovation process including, both internal and external parties. This communication is hoped to help highlight the areas that work and the areas that do not work with these parties (Ramachandran *et al* 2006). Excellent communication among parties can stimulate transfer of information and encourage a culture of innovation. Not alone this but '*a lack of dialogue between different parts of the public system, horizontally or vertically, between different professional groups may also hinder innovation and its dissemination*' (Koch & Hauknes 2005, p. 40).

For innovation to be successful managers have to share their vision and the idea to staff before it is implemented. For organisational-wide corporate entrepreneurship, managers must involve lower levels of staff. They must trust the employees and must give them freedom, however management must monitor this freedom to ensure it is used productively and does not deduct from the organisations primary function (Ramachandran *et al* 2006). Middle managers must listen to staff as it is often them that recognise a problem that may be solved by innovative thinking or new technology.

Vision of the employee and also of management is vital in the development of innovative activities. Vision plays an important role in the processes and success of innovation. Management need to be able to see an individual's vision, and if this is successful, the management must be able to get everyone else in the organisation to share the vision. Management must realise that staff in their organisation can have a vision for the long term of the organisation, not just their own career, and management must know and understand the role they have and play in an organisation (Seshandri & Tripathy 2006).

#### **2.3.1.4 Rewards**

In March 2010, in his speech at the launch of the Innovation Ireland Taskforce report, Eamonn Ryan T.D. said that Ireland needs to support risk taking and reward new thinking in an effort to maximise innovation in Ireland.

Literature claims that innovation can be encouraged through rewards. It is therefore up to management to offer rewards which are motivational to staff. There is very limited information available on rewards that are of value to civil servants (Boyle 1997).

Boyle (1997) also states that employees in the civil service value rewards differently than their counterparts in the private sector and it also depends on the staffs ranking in the sector and their personal preference. Public sector human resource departments do not reward successful innovations but punish unsuccessful attempts (Borins 2002). The punishment can be that an employee's name gets blacklisted or is not allowed pursue further potential innovative ideas in the future.

Rewards could be a monetary bonus, flexible working hours or an awards ceremony to name but a few. It is crucial however, for a company to choose a reward that matches the innovativeness and is valued by the innovative staff member (Skovvang Christensen 2005). Public sector Innovation Awards can be established to argue against the public's perception that the public sector is not innovative. The awards would also help encourage the innovativeness and best practices across the public sector (Borins 2002).

An Taoiseach Public Service Excellence Awards are some awards highlighted in literature. They are held every two years and recognise innovation and best practise in the public service. It also helps share innovative ideas across numerous public sector organisations (Department of Public Expenditure and Reform 2012).

It is stressed in literature that managers must be aware that financial rewards are not the only rewards staff expect. In the public sector monetary rewards are not the norm but can be in the private sector. Managers sometimes do not see pay increments as rewards as they are granted automatically, whether staff deserve them or not (Boyle 1997). Further rewards can include recognition, feedback, sabbaticals and financial returns. Job progression can also act as a reward for staff. They may be put forward for promotion or gain more responsibility in the workplace. Some staff may also be included on panels in the organisation to gain their perception of potential innovations. As much as rewards are used to encourage innovation in organisations, a major point that must be realised is that, it is just as important not to penalise failures as it is to reward successes. By penalising failures staff will lose confidence in their future attempts at innovativeness for fear of being penalised again. They may also not want it on their record.

There is a difference between the rewards systems in the public and private sector. The private sector has more freedom than the public sector. This is because the public sector is using the citizen's money to reward their staff. '*Rewarding good performance is a challenging task. There is not the same freedom as in the private sector*' (Boyle 1997, p. 3). Reward systems must consider goals, feedback, an individual's responsibility, and results-based incentives if they want to encourage entrepreneurial activity (Hornsby *et al*, 2002). If there is an effective reward system, middle managers are more likely to predict the risks associated with innovative activity (Hornsby *et al*, 2002). Goals should be clear for all staff. It is thought that in many organisations, innovation achievements are not recognised enough during performance appraisals. The appraisals are more concerned with target achievements. An organisation may believe they are strong innovators but may forget this aspect in performance appraisal, or if there are no performance appraisals, there should be some form of routine evaluation of innovative practices (Hubbard 1986). For many innovative staff they want their innovations to be rewarded and lead to possible career development.

Many innovative staff members feel that it is not worthwhile being innovative if there is no recognition or if the recognition is not given in a timely manner. Rewards must be timely, as a long delay in reward for staff may encourage them to move out of the organisation with their business idea, and become an entrepreneur (Jones & Butler, 1992). It is important for organisations to have a clear progression chart that

employees can use and can expect to follow. Boyle (1997 p. 15) states that *'If an effective rewards system is to operate in the civil service, action needs to be taken in a number of areas. The central departments (Finance and the Taoiseach) need to review practices and procedures operating across the civil service to ensure that an appropriate rewards framework is in place.'*

It can also help motivate staff when they can see there is a procedure in the organisation that is followed and set in stone not just talked about (Jones & Butler 1992). *'Rewards are interlinked with motivation'* (Boyle 1997, p. 3). If staff are given both motivation and resources, it is reported by Pinchot and Pellman (1999) that employees are likely to initiate innovation. This said it is known that it takes hundreds or even thousands of ideas to achieve one success that enables the company the chance of growth. It is stated that employees in public organisations have less commitment and motivation to follow through with innovative policies compared to those in private organisations (Kearney et al 2007). As mentioned above rewards can enhance the motivation of individuals to be more entrepreneurial, if managed correctly. However, at the moment the *'level of extrinsic rewards on offer in the public service is not sufficient to provide additional motivation'* (Boyle 1997, p. 7).

#### **2.3.1.5 Risk-Taking**

In the public sector, avoiding mistakes takes precedence over taking risks. Also, there are lower financial incentives offered to those in the public sector than in the private sector. In the private sector, the organisations identify the potential risks, try to minimize them and then take calculated risks. Also, the private organisations offer higher financial rewards (Kearney et al 2007). A manager in the public sector may be scrutinised more than those in a private sector organisation. For this reason, many may not put themselves in a predicament that may see them being highly criticised. A tolerance for failure is needed and risks taken must be calculated (Hornsby et al 2002). Management need to be in a position to reassure *'staff that it is alright to take a risk and that management will support them both in successful endeavours and during failures'* (O'Donnell and Boyle 2008 p. 62). Innovation overall is a risky proposition. Success requires a blend of old and new organisational traits. Companies must be able to look to the past and the future at the same time to ensure success of new innovations

(Garvin & Levesque 2006). Innovation thrives when management support is highest and risk taking is moderate.

A company must be able to manage risk. This does not mean taking no risks, but being able to carefully weigh up the disadvantages and advantages of each one as it arises. A company must be able to accept the fear of failure (Manimala *et al* 2006).

Taking no risks at all can be as harmful as taking a large risk that has not been researched. A private company must monitor the external market and innovate in order to stay afloat next to its competition. Also, allowing staff to take risk without worrying about consequences if it fails will encourage innovative thinking in an organisation. Staff will learn what works and what doesn't and may discover their best idea through this process. Management must know when to 'pull the plug' on stalemating projects even if there was passion for the project at the start of the project. Royer (2003) even feels there is a need for an organisation to have people specifically to call the end of failing projects. This is because managers or staff may be too heavily involved in the project to give it up. Management must also be able to weigh up risks that may arise on the projects growth. Managers may need to allow risky strategies or may need to ignore normal procedure in order to get innovations up and running.

### **2.3.1.6 Organisational Structure**

Seshandri & Tripathy (2006) suggest that an organisations main reason for innovation may be an attempt to cut costs and to improve customer focus. It is reported that this can be achieved by an employee identifying and removing unnecessary layers in the organisations hierarchy structure and also finding other ways to improve efficiency and effectiveness in their organisations. Structures are used in the public sector to maintain control and accountability. When accountability is low, innovative practices will reduce and the firm's ability to create value reduces (Phan *et al* 2009).

Public sector organisations have rigid pay scales and are very hierarchical. This can limit a public sector use of motivation mechanisms to foster innovation. An organisation should be structured in such a way as to support innovation, but not too structured as to inhibit employee's innovativeness (Lengnick-Hall 1992). As the structural layers in an organisation increase, studies have shown that employees become less motivated to take responsibility of a new project and these projects are also more difficult to get signed off on due to the increased number of management levels (Jones & Butler 1992). These hierarchy levels can encourage managers to pass



responsibility of the suggested innovative project to managers at other levels; no one will take responsibility (Jones & Butler 1992).

A supportive organisational structure must exist. This structure will embed an innovative spirit through the organisation and also will outline the procedures employees must follow when ideas are being created, shared, reviewed, selected and implemented (Burgelman & Sayles 1986). Control systems provide strategic direction to a firm. However, control systems that are too tight can demotivate staff to take risks and to be creative. Therefore control systems need to be flexible and less formalised.

It is suggested that smaller organisations are capable of being more flexible and are more innovative whereas larger organisations are often very rigid in their approach to tasks and procedures. This may be the view as it is much more difficult for large organisations to be spontaneous with innovation. Large and established firms can be disabled in a way when it comes to innovation on account of the very fact of them being large and established (Manimala *et al* 2006). Large organisations can lack the flexibility that is required for successful innovation.

### **2.3.1.7 Bureaucracy**

Bureaucracy in organisations may actually encourage people to leave their public organisation to join a private organisation where there is more trust and fewer questions and where also they do not have to justify every minor activity they do (Manimala *et al* 2006). McFadzean *et al* (2005) states the role of the corporate innovator has many dimensions. They should challenge bureaucracy, assess new opportunities and exploit resources in attempts to progress the innovation process. This in turn can lead to greater benefits for the organisation.

Bureaucracy is the classical organisation of government. Bureaucracy is a formal organisational structure, featured by differentiation, hierarchy and position held is based on expertise. Such a system can hinder innovation as it does not allow flexibility or adaptability (Manimala *et al* 2006).

Bureaucratisation tends to occur as firms become large and established (Peterson 1981, cited in Jones & Butler 1992). An increase in bureaucratisation lowers motivation among staff (Jones & Butler 1992). Innovative staff are less favourable toward authority figures and less assertive than the typical top-level manager in a large organisation. This suggests that these staff would find it difficult to manage an organisation once it would require a bureaucratic system (Smith & Miner 1983).

### 2.3.1.8 Organisational Culture

From the studied literature it is apparent that an organisations culture plays a vital role in innovation of any organisation, public or private. Culture gives an organisation a sense of identity. (O'Donnell & Boyle 2008 p. 4) The culture should; see all staff members as innovators, applaud failures as well as successes and must provide staff with the help required to be innovative. The culture must also encourage regular communication across all departments. This is especially important in the IPS due to its' size and number of layers in the organisation. It is also important that a culture which supports creativity and creates a passion for innovation among staff is developed. This will be successful if the change in culture is driven from the top and if management are willing to acknowledge suggestions for change or improvement from all staff (O'Donnell and Boyle 2008). If the correct culture can be successfully developed it can lead to competitive advantage and successful work practices (Ramachandran *et al* 2006).

An established culture can inhibit innovation, especially if the organisational culture is one that favours low risk change, therefore hampering staffs innovative ideas. O'Donnell and Boyle (2008 p. 14) state that strong cultures have need shown to hinder performance. O'Donnell and Boyle (2008) state that culture is something public sector managers need to pay attention to as it affects the performance of the organisation. It is also managements responsibility to ensure the '*culture is effectively managed and aligned with the cultural assumptions of the organisation as a whole*' (O'Donnell & Boyle 2008 p. x). Senior managers must be committed to managing culture and ensuring the development and sustaining of organisational performance while middle managers are responsible for the culture's development (O'Donnell & Boyle 2008).

Another factor that is essential in a company pursuing an innovative culture is the availability of resources. Resources can include physical items but also things like time. Time set aside by management to meet or even correspond with employees with innovative ideas can prove fruitful in the long run.

O'Donnell and Boyle (2008) state there are few examples of major attempts to change culture in organisations. They believe it is the lack of management training of senior personnel in the civil service that has led to the lack of enthusiasm for change from management. They also believe that in the past change has been top-down and not participative and with little or no follow through or support (O'Donnell & Boyle 2008).

The old bureaucratic culture of the public service must be *'dismantled and replaced by a more private sector like entrepreneurial culture'* (O'Donnell & Boyle 2008 p. 13).

Hatch (1997) reports that organisations should take the approach to manage with cultural awareness rather than just manage culture.

### **2.3.1.9 Decision Making**

For the public sector, authors believe that there is less decision making autonomy and flexibility and also the decisions are more likely to be scrutinised by the public than private sector decisions. Decisions in the public sector have to be transparent. In the private sector, there is a much greater degree of flexibility (Kearney et al 2007). Managers in public organisations face limitations that are forced upon the sector by external factors. Ultimately the public sector managers are trying to be entrepreneurial and innovative in a non-entrepreneurial environment. There is a greater emphasis placed on the rules rather than the goals the managers desired to achieve. There is a greater need for decision making to be decentralised. When top managers are involved in decision making it can help foster innovation. However, it can also hinder innovation as management in their role for many years may not see the benefits of suggested innovations. Managers can become locked into the way things have always been done and may ignore the possible opportunities suggested by staff (Leslie & Canwell 2010).

There is a view point that peoples innovative ideas change as a company matures. In a company's early stage of the life cycle many innovations are product based. However, as a company matures most innovations tend to be inclined towards cutting costs and improving performance and procedures (Kanter 1996). Also companies may not want to take as many risks and therefore many innovations are simply improvements on existing products or services rather than radical new innovations.

### **2.3.2 External Factors**

Along with internal factors, external factors must be examined if innovation is being practiced. The public sector is now, more than ever, increasingly affected by the external environment in which it operates. There is a need for a far more open system within the public sector. Henry Chesbrough first used the term Open Innovation in 2003 to describe large organisations challenges in *'keeping track of and accessing external knowledge rather than relying on internally generated ideas'* (Bessant &

Tidd p. 265). The open innovation model opens an organisation to allow knowledge to flow in and out of the organisation. It creates new channels of connecting with the external world.

The following were identified as the external factors that have a major influence on innovation; and as with internal influences, they are not exhaustive but give a strong basis for continued research. They are political, complexity, munificence, dynamism and funding (Kearney *et al* 2007).

Every public organisation is operating in an environment with heavy political considerations (Nutt 2005). Due to political constraints, policies are often changed, which means that IPS organisations need to be able to change and adapt as quickly as the Irish political system and policies rather than change to suit their customers need.

Along with politicians as stakeholders, public sector organisations have a wide variety of stakeholder and the organisation can easily fall under questioning about any decisions made that may affect these stakeholders. The stakeholders can include governing bodies, the public, legal bodies and lobby groups. Also, public sector organisations are easily affected by many external events, including foreign trade, national budgets and strikes.

Zahra (1993 p. 329) states '*Environmental munificence can be identified as a multidimensional concept that incorporates dynamism, technological opportunities, industry growth, and the demand for new products*'. Increased munificence will lead to fundamentally different approaches in managing the public sector organisation, therefore public sector organisations need to be able to adapt to increased environmental munificence.

Dynamism refers to the level of environmental predictability; it is manifested in the variance in the rate of market and industry change and the level of uncertainty about forces that are beyond the control of individual businesses (Kearney *et al* 2007). The public sector has a certain amount of control over the sector however international industry changes can have a dramatic impact on their work practices and budgets; as has been seen in recent months with the restructuring of Ireland's debt payments.

It is easier for public organisations to raise large capital however funding received may be determined by political or social objectives. In the private sector, it is more difficult to raise capital and their decisions are profit orientated, in comparison to the public sector where there are not as many profit motives but social responsibility. However, the public sector raising large amounts of capital comes at a cost. It can upset the taxpayers and therefore the electorate may not elect the same government into power at the next election (Kearney *et al* 2007).

## **2.5 Barriers to Effective Corporate Entrepreneurship and Innovation**

Factors that inhibit innovation in the public sector as outlined by Sadler (2000) are: bureaucratic processes, the media spotlight if a project fails, lack of competition, lack of resource control, regulation and accountability and political intrusion into management. Koch & Hauknes (2005) feel that barriers to innovation are mainly internal.

### **2.5.1 Bureaucracy and Media Spotlight**

Bureaucratic processes can inhibit innovation for the fact there are so many processes an innovation must go through to satisfy management. Even then managers have to spend a lot of time reviewing and analysing the ideas. Bureaucracy is a major inhibitor to innovation and is a major factor in why staff may not proceed or suggest innovative ideas. Bureaucracy increases with the size of the organisation so it is inevitable that bureaucracy is prevalent in the public sector. The media spotlight that a public sector organisation has potential to be under is a factor that can demotivate management to run with potential innovations. This is in case it fails and the media publicise it to the nation and perhaps upset tax-payers. The managers possibly feel there is too much pressure to succeed and failure will not be tolerated in the public service. Koch & Hauknes (2005 p. 29) say '*the media really does function as a watch dog revealing incompetence and systematic failure in the public sector. The problem is that their scrutiny is likely to make public sector employees less likely to take chances.*'

### **2.5.2 Lack of competition**

The lack of competition in the public sector can also prevent the public sector from engaging in innovative work practices. There is no pressure for many of the public sector organisations to have to compete with rival firms unlike the private sector. E.g.

Motor Tax Office, Social Welfare. Every private sector organisation has competition so there is a necessity, desire and greed of sorts to be the most innovative. The lack of competition in the public sector can possibly be why managers and staff can and do shy away from change. Innovative ideas and practices have to become part of appraisals and be seen as the expected behaviour of all staff not just the innovative few. Public sector organisations have to exist in order to serve the states citizens; if they are not innovative, or they are innovative they will still exist. As Koch & Hauknes (2005 p. 30) state '*why should the public organisations innovate, when they are not challenged by competition in the market or confront a need to expand in order to survive in the market?*'

### **2.5.3 Regulations and accountability**

Regulations and accountability is a major factor that prohibits innovation in the public sector. There are so many rules and regulations that they can inadvertently create a barrier to innovation. Public sector managers and staff are not questioned as to why they have not innovated but rather are scrutinised into why they did, especially if an innovative idea fails. (Sadler 2000) Management must face auditors, regulatory bodies and the public's scrutiny if there is a discrepancy in any of the practices and procedures of their organisation. Management are those that are meant to be held accountable for poor work practices and therefore this may add to why they are reluctant to think and act more innovatively. In recent times there has been an increase in management coming under enquiry from questionable work practices, especially in the banking sector so managers in the public sector do not want to bring their organisations into such volatile environments, for their personal and professional sakes, but also the reputations of their peers and colleagues. (Sadler 2000)

### **2.5.4 Political Intrusion**

Political intrusion plays a major role in creating a barrier to innovation, and is much more relevant in the IPS than in the private sector. Management may have set out plans to run the organisation in one way but may have to change plans to suit the politics of the country. While there is a lack of competitiveness in the public sector as a whole, there is major competition among the political environment. All politicians want to be in power and politicians win votes by '*being seen to perform better than opposing political actors*' Koch & Hauknes (2005 p. 31). Politicians will not get re-

elected if they upset the electorate. Politicians however can try to show they are on the public's side and force changes into a public sector organisation to keep the public satisfied, when in fact their actions can cause long term damage to the organisation and in turn the taxpayer.

It is mostly politicians that make senior management appointments and their selection must be validated and transparent (Borins 2002). They must also be held accountable for their selection if required. The selection should be based solely on the candidates experience and vision for the organisation and not due to personal issues.

### **2.5.5 Staff as a barrier to Innovation**

Staff can also act as a barrier to innovation. This is because very few staff can continue to be innovative or maintain an entrepreneurial attitude over their careers (Jones & Butler 1992). This can be a hindrance to an organisation in the long run. Management have a crucial role in securing the right staff that will continue to add to the innovative activity of the organisation throughout their career in the organisation.

Some organisations try to bring and maintain innovation in their business by hiring employees who have a proven record of innovative activities. Perhaps, they may have run their own business in the past. While this may seem to be an advantage to the organisation, it also has its disadvantages. These entrepreneurial and innovative people may not be used to a large organisations procedures or culture and may also not realise the possible lengthy wait for an innovation to be introduced, leading to frustration in their role (Ramachandran *et al* 2006). Staff involved in an innovative role at all levels of an organisation must realise that they must work together and cannot act independently of other employees. It is up to management to ensure employees comprehend this. Another element is that staff may be reluctant to adapt to change or to work in a role that they would traditionally not have had to.

Some staff in public sector organisations attitude's do not favour innovative practices and some have the opinion of; if it isn't broke, don't fix it (Koch & Hauknes 2005). It is stated that the more specialised and stable an employee's job is, the less likely they are going to recognise innovative ideas or recognise a need for change (Van de Ven & Engleman 2000).

### **2.5.6 Technology as a barrier to Innovation**

While organisations can be hugely reliable on technology in initiating the innovative ways of the company, they must keep up with technologies to ensure they continue to meet customers' needs while simultaneously creating new innovations. By overcoming technology as a barrier, a firm can create competitive advantage. Many firms recognise the importance of overcoming technology as a barrier and therefore it can further speed up the competitive business environment (Ansoff 1988).

As technology is constantly evolving the organisation needs to ensure that they are gaining the most from their technologies. Management must not adopt new technologies for the sake of doing so. If the new technology has programmes that are unnecessary to the organisation, the existing technology is still the most suited.

Existing companies tend to create focused initiatives that solely concentrate on identifying and exploiting new opportunities. While this approach can stimulate innovation, it can also create barriers. This is due to a conflict of existing and new organisation climate (Ramachandran *et al* 2006). Staff and procedures are established and trying to change these can cause tension. It is the management's responsibility to ensure these tensions can be eliminated in order to ensure innovations can be implemented. The IPS is responsible for ensuring the best technology available for the public sector organisation is used and that research is thoroughly conducted into new technologies for their suitability to the public sector. An example of bad technological advances in the public sector is the PPARS. This is explained in detail at 2.7.1.

### **2.6 Fostering an Innovative Culture**

Having outlined the barriers to innovation, we can now look at the factors that facilitate innovation. Koch & Hauknes (2005 p. 51) believe that innovation would not happen '*without facilitating and hindering forces*'.

Institutionalising innovativeness is a major challenge. Fostering such an environment can be difficult especially when senior management and politicians are unsure of the goal they are trying to achieve (Morris *et al* 2009). If top level management are unsure how are they to communicate the goals to staff? Borins (2002) outlines that successful innovation requires numerous elements including the establishment of clear organisational goals that encourage staff to achieve by using innovative methods. Successful innovation also requires management to consult with staff, relax constraints on resources and staff and to support staff by ensuring all ideas are fairly treated.



There are further suggestions that innovation can be fostered by establishing Innovation Awards in organisations and recognising innovative staff members.

Some organisations which are successful in fostering an innovative culture use a number of methods to encourage it. They use: selective rotation of talented managers, resource allocation at various stages and healthy communication of commitment to entrepreneurship. Selective rotation of talented managers exposes different business territories that can be used to help identify new opportunities, which they can then bring to another department (Ramachandran *et al* 2006). This does not happen in the public sector as in general when a staff member joins the organisation they can stay in that organisation until retirement, even if their skills are better suited to other public sector organisations. Resource allocation at various stages means that the budget or other resources are not given in one lump sum at the project start, but at increments throughout the project. This may mean that the budget or other resources are strictly managed at all stages (Ramachandran *et al* 2006). Leaders throughout the organisation should clearly communicate to all staff about the organisations long term vision and commitment to innovation and show that it is not just a one off commitment to a single project. '*Entrepreneurial activity should be the norm, not the exception*' and every employee should be seen as an entrepreneur (Morris *et al* 2009, p. 431). Staff should be informed of what is expected of them for innovation projects to be successful (Ramachandran *et al* 2006).

There are five further methods for fostering innovation highlighted in literature. These are; forming innovation teams and task forces, recruitment of new staff, application of strategic planning, use of customer focus groups and use of in-house research and development (Rule & Irwin 1988).

**Table 2.2 Fostering Innovation**

<p><b>Forming innovation teams and task forces</b></p>	<p>By forming innovation teams and task forces you can get collaborative work from staff at different rankings which can result in a strong proposal for innovative changes. (Rule &amp; Irwin, 1988)</p>
<p><b>Recruitment of new staff</b></p>	<p>Newly recruited public sector staff often have an alternative approach to work practices that could change the existing work practices for the better. These staff may have fresh ideas and see things from a different perspective than staff that have become institutionalised by the organisation. (Rule &amp; Irwin 1988)</p>
<p><b>Application of strategic planning</b></p>	<p>Management must have a strategic plan in place and must refer to it when making decisions. Strategic plans can be complicated to develop but can act as a map of where the organisation wants to be in years to come. This focus can help innovative practice thrive. (Rule &amp; Irwin 1988)</p>
<p><b>Use of customer focus groups</b></p>	<p>The use of customer focus groups allows an organisation to gauge their service user’s perceptions and opinions of potential innovations. This can assist an organisation in deciding whether the innovation is seen as adding extra value for the customer. (Rule &amp; Irwin 1988)</p>
<p><b>Use of in-house research and development</b></p>	<p>An organisation can help foster a culture of innovation by using the in-house research and development department. While not all organisations have such a department, those who do should utilise it. Those who work in the department are skilled in the field and can take time to decide if an idea is viable or not, instead of using inexperienced staff who developed the idea. (Rule &amp; Irwin 1988)</p>

Other elements that help foster innovation are systems, shared sense of purpose, staff history and customer focus. Both bottom up and top down processes are important in the implementation and fostering of an innovative culture. Organisations have to have

systems in place that allow for employees to focus on innovation and staff must feel that innovation is an expected activity of their role in the organisation (Russell 1999). Innovation must be seen to staff as an accepted method of overcoming arising problems (Russell 1999). This creates a shared sense of purpose across the organisation. Some organisations encourage people who have shown innovative practices in the past, to take leadership of potentially new innovations. These employees champion innovation to their colleagues who can learn and aspire to be more innovative. Companies must create new value for customers to succeed. This value must be maintained and exceeded in order to maintain current customer and win over new ones. An organisation that does not foster innovation will, more than likely fail in their innovative pursuits.

## **2.7 Why Innovations Fails**

In some cases a company may create too much pressure on its' staff to develop new innovations. This can hinder a business's profits, e.g. Enron rewarded its executives for launching new business for the organisation. This led to a huge increase in trading businesses. Of all these new businesses, very few became profitable, and thus led to the company's demise (Garvin & Levesque 2006).

A certain amount of unconventional thinking is needed for new innovations to be successful (Garvin & Levesque 2006). However, ideas created using this type of thinking must be analysed and evaluated thoroughly to prevent unsuccessful ventures taking off and draining the organisation's resources.

Corporations can take two different approaches to implementing new innovations. They either implement it into existing divisions or create new 'special-purpose divisions' (Garvin & Levesque 2006, pg. 104). However, some companies that create new innovations that are unsuitable to the existing business have trouble finding the new innovation a home in the organisation at all. These innovations should be shelved instead of rushing into the innovation (Garvin & Levesque 2006).

Companies need to be definitive in their approach to innovation and innovative practices. It is important that organisations do not let old and new cultures conflict with each other. To avoid this from occurring, a company must create a middle ground, one that unites both cultures, rather than being heavily dependent on one

culture (Garvin & Levesque 2006). A company needs to ensure there is a balance between new and old culture. If a balance is achieved, an innovative culture can flourish (Garvin & Levesque 2006).

Kanter (2011) highlighted the issue of the innovation trap. This is an assumption that people at the top have all the answers. Another trap is when an organisation waits for a 'blockbuster idea' and may overlook small but effective innovations. In doing so, the organisations customers will not wait and move to a competitor (Kanter 2011). In large companies, where resources are limited, and where spin-off companies are not viable, staff may have no option but to bring their innovations to the public domain in the form of their own business. When a parent company lacks the expertise and knowledge to further develop a successful project they must give this project greater autonomy (Phan *et al* 2009).

Five methods an organisation can use to create and check the viability of new innovations have been outlined in literature, namely narrowing the playing field, learning from small samples, suspending judgement, using prototypes to test business models and tracking progress through nonfinancial measures (Garvin & Levesque 2006).

To narrow the playing field a company needs to restrict the options available to it and be able to cull bad ideas at an early stage and be able to judge whether a technology or market presents as an advantageous opportunity (Garvin & Levesque 2006). A company may identify a particular sector that seems promising and then executives may use their knowledge and gut feeling to decide on whether to pursue the idea. Executives will ensure that the organisation has all the necessary resources before embarking on a new initiative. A company may use brainstorming against a corporate criteria when reducing the number of ideas. It is better to interact with a small number of customers and gain a proper insight into their thoughts, practices and opinions, rather than survey a large number of potential customers (Garvin & Levesque 2006). Prototypes give life to emerging products and allow an organisation to make informed decisions and gain better responses from potential customers than not using a prototype. Definitive goals are essential, but in uncertain environments, like in the development of a new innovation, goals must act as milestones and targets must be measurable (Garvin & Levesque 2006).

It is important that the trial and error phase does not continue for too long. Companies need to understand and have clarity on when they should draw the line under a potential innovation (Garvin & Levesque 2006). This may include an exit champion as discussed previously. Some companies may call time on a project after a certain budget has been spent or if too much time is being focused on the new initiative. Companies must realise that although they may want to be able to provide the whole of the innovation themselves, they may need to become open to the fact they may need to buy some resources rather than providing them all themselves; outsourcing (Garvin & Levesque 2006).

If a project does fail it is important the organisation evaluates the project and its failures in order to make those people involved understand why the failure happened. This can prevent future projects failing and acts as a lesson for all involved.

Rosabeth Moss Kanter (2011) stated in a speech at Queens University Belfast, '*To get more successes, you need more failures.*' This means that learning should occur at every unsuccessful attempt. She also raises an issue of '*how will you know if you have an innovation if you don't try!*' As previously mentioned, an innovation cannot be called an innovation until it is implemented. Kanter also stated that '*innovation is a failure if you do not see it to the end*', which can be an issue for the public sector, where potential innovations get abandoned at the first hurdle.

In addition to the above, a company pursuing an innovative strategy, needs to ensure that while pursuing new innovations it still maintains its' attention to existing business. '*Not everything we pay attention to succeeds, but things that we don't pay attention to nearly always fail*' (Davenport & Beck 2002, pg. 54). A balance needs to be established.

### **2.7.1 Why Innovation Fails- An Irish Example**

An Irish example of when innovation fails is the Personnel, Payroll and Related Systems (PPARS). It was a computer system intended to be used in the HSE in an attempt to streamline and manage their systems.

However, the national rollout of the system had to be stopped as the costs of the project went from an estimated €9 million to a cost in excess of €220 million. Even after the drastic spending, the system was only able to cope with a fraction of the

anticipated work. *'It was hoped it would provide detailed information on its 136,000 staff for human resources as well as draw up rotas. However, it is only capable of paying 30,000 staff and storing information on 70,000.'* (independent.ie 2009)

Some of the costs incurred that lead to the significant difference in the budget to the actual spend was of the project included €57 million went to consultants and contractors, €20 to project infrastructure, €17 million to national administration and €37 million on local agency costs. The Deloitte firm was also paid €38.5 million for their advice and support of the project. (Hunter 2005)

The project was meant to be completed within 2 years however the work load was underestimated by management and so the costs increased. After three years of the project only the personnel administration elements of the system had been implemented. (Hunter 2005)

The failure of the project came from the desire of the Department of Health to implement the project as quickly as possible. This overstretched their resources and resulted in a failure to fully complete two declared pilot sites before moving on to new sites as was initially planned. The failure to learn from experiences with pilot sites and adapt this to subsequent sites impacted negatively on the project and led to a huge increase of finances being wasted (Hunter 2005).

Some of the greatest failures of PPARS included *'a failure to develop a clear vision of what strategic personnel management actually meant for the health service; substantial variation in pay and conditions and processes between and within health agencies; and the lack of readiness of health agencies to adapt to the change management required'* (Hunter 2005).

## **2.8 Creating Competitive Advantage**

Having outlined why innovation fails, the next focus is on the importance of innovation to create competitive advantage. On the launch of the Innovation Ireland Taskforce report (2010) IBEC Director General, Danny McCoy said, innovation is essential if Ireland's is to become more competitive and see economic success. He also stated that innovation friendly initiatives can encourage sustainable growth and an increase in sustainable growth for Ireland's economy.

There are several themes that arise when researching innovation and competitive advantage.

To create competitive advantage innovations should be difficult to copy, accurately reflect market realities, timely, and, finally innovations should be able to access the resources and technologies readily (Lengnick-Hall 1992). Bhardwaj & Momaya (2007) further concludes that competitive advantage can be secured if a firm can provide an innovation that is rare, valuable and difficult to imitate.

The harder it is for a company to copy or imitate a product the more competitive advantage the company will earn. It is important to remember that it is not just products that can be imitated, but managerial innovations and information-based innovations can also be imitated. Changes that give rise to new innovations and competitive advantage have to be monitored as these new changes may cause the company to lose focus in areas they thrived in previously. Innovation is, and should be seen as, an important return on human resource investment by management.

Market issues and opportunities are driven by the customer value chain. Market realities introduce two requirements for successful corporate entrepreneurship (Porter 1985). The first is creativity. The second is that innovations should exclude undesirable features (Lengnick-Hall 1992). Innovations must be customer focused and be desired by customers. A company which is able to respond to the changing interests and needs of its customers will be able to create a competitive advantage for themselves. For this to happen, however, a company must invest in research to ensure the company remains informed on their customer and technologies or other resources that may benefit innovations.

Timing is the third element that links innovation and competitive advantage. Choosing the right time to begin a venture can have a major impact on the cost (Lengnick-Hall 1992). If a company is first to market they can gain competitive advantage and experience over their competitors (Lengnick-Hall 1992). However, it can be costly on a company, especially if they have launched a product and the market isn't ready. In this case, a company could gain advantage from being a follower of a new innovation. Requisite capabilities for exploitation are the capabilities a company needs to exploit and sustain innovation. This may involve cross-functional or cross-product integration. Effective management is also an essential requirement. Management must allocate

resources correctly to ensure maximum production and efficiency. Schroeder (1990) cited in Lengnick-Hall (1992) believes innovation breeds more innovation.

Innovation is the leading factor for changing the competitive landscape between organisations. Innovation is a way of promoting and sustaining corporate competitiveness (Covin & Miles 1999). It can also act as a tool to help an organisation improve its competitive positioning (Guth & Ginsberg 1990). Innovation can also be used as a growth strategy and innovative activities often increase when organisations are attempting to generate revenue. Competitive advantage can be gained through creating value within an organisation by developing a new product or adapting an existing product or service (Pinchot & Pinchot 1978).

Companies need to adopt an entrepreneurial strategy, one that creates competitive advantage by innovating continuously in order to exploit identified opportunities, if the organisation wants to grow (Ramachandran *et al* 2006). Creating competitive advantage by using innovation in a firm means that a firm must be able to multi-task, by being able to focus on desirable product or services features while at the same time being able to avoid possible irrelevant opportunities. If an organisation can do this, competitive advantage can be obtained as the organisation is not wasting time or resources. The organisation must also be able to concentrate on both the new innovation and the existing business (Lengnick-Hall 1992).

Innovative behaviour is vital for any organisation, regardless of its' type or size, to gain competitive advantage and also to improve its' performance (Covin *et al* 2000). A proactive and quick response to customer and market needs will also add to the success of an organisations path to competitive advantage.

Innovation is vital nowadays more than ever due to globalisation, radical changes in business operations and markets and technology (Richardson 2005). Due to increased competition caused from globalisation and technological development, organisations should encourage staff to create new norms and test boundaries in an attempt to create competitive advantage. An organisation that encourages innovative activities, allow their staff to realise their potential by being allowed to follow and develop their passion (Seshandri & Tripathy 2006). Successful innovation implementation improves organisational performance by increasing the organisation's proactiveness and



willingness to take risks, and by pioneering the development of new products, processes, and services (Kearney *et al* 1997). The basis for sustained competitive advantage in a knowledge based economy is the ability to manage people and energies towards creating distinctive competences and knowledge that will help create innovative products and services (Van de Ven & Engleman 2000).

To enhance the competitiveness of an organisation, there is a need to identify the sources of competitiveness. By focusing and improving on these sources, an organisation can achieve competitive advantage. A company's competitiveness can come from tangible and/or intangible assets and processes within an organisation (Momaya 2001). Innovation aims at creating new value for a firm with their assets. These assets can be financial, physical or technological (Bhardwaj & Momaya 2007). However, it is important that companies realise that assets on their own do not give rise to any sort of competitive advantage (Bhardwaj & Momaya 2007). They must be utilised correctly by management and staff in order to create a competitive advantage. When innovation is used to create competitive advantage it must not be a last desperate attempt of keeping an organisation afloat but rather should represent all of the organisations' strengths the organisation has built over its lifecycle (Ansoff 1988).

### **2.8.1 Intellectual Property**

Creating competitive advantage can be assisted by using IP measures. Bessant and Tidd (2007) define Intellectual Property (IP) as all formal legal means of identifying or registering rights, including patents, copyright design and trademarks. IP is relevant in the IPS if there is an innovation that is developed and used in the Sector. IP is not only for technological innovations but also covers publications that departments and offices may develop over time. This research will seek to gauge the importance of IP in public sector organisations.

IP costs vary from country to country and while the initial IP cost may appear modest, an organisation must consider the costs of renewal and professional agents. These agents can include patent agents and official registration (Bessant & Tidd 2007).

Some may question the use of IP in the public sector as it can be a costly venture. The IPS organisation must be able to justify the use of public funds for such measures.

A warning from Bessant and Tidd (2007) is that care must be taken when using IP as it can “divert scarce management and financial resources and can expose an organisation to imitation and illegal use of IP.

## **2.9 Relevance of Corporate Entrepreneurship and Innovation in the IPS**

Definitions of public sector innovation are limited and varied. However, Kearney *et al* (2007 p. 279) developed the following definition: ‘*Public sector entrepreneurship refers to state enterprise/civil service, and is defined as an individual or group of individuals, who undertakes desired activity to initiate change within the organisation, adapt, innovate and facilitate risk. Personal goals and objectives are less important than the generation as a good result for the state enterprise/civil service.*’

Much of the research that is carried out on the topic of innovation seems to ignore the idea of public sector innovations, however, innovation is found in both public and private sector organisations. Drucker (1985) stated that innovation and entrepreneurship is as popular in the public sector as it is in the private sector.

Koch & Hauknes (2005) state public innovation entails using existing resources to change the way products, services or procedures are carried out in order to achieve a better service for staff or the service user. Koch & Hauknes (2005) gave the example of a civil servant doing their existing role differently with the goal of providing an improved service as an innovation, even if that practice is carried out in other organisations already. It is new to their organisation so can be called an innovation. Innovation in the public sector may also be the result of a public sector organisation buying and implementing new technology, machinery or competences, even if they were initially developed for the private sector (Koch & Hauknes 2005).

Innovativeness has been highlighted as a means for public sector organisations, institutions and the government to transform themselves into more adaptable and efficient organisations that provide the public more effectively (Mack *et al* 2008). Morris and Jones, 1999, studied innovativeness in the public sector and feel that this will tend to be more concerned with novel process improvements, new services, and new organisational forms. A public organisation must learn to manage innovation and

must learn to cope with the challenges that innovation can cause for a public organisation.

O'Donnell (2006) states the major challenge for the public sector is to develop a culture of innovation and to move from ad hoc initiatives to developing a comprehensive strategy for innovation. This should entail funding arrangements, leadership from senior management and using rewards for managers who lead by example, drive innovation and provide support for staff when they encounter project success and failure. The public sector must develop a strategy and culture of innovation which will allow for enterprising leaders rise to the front. The public sector operates in a different environment and with different pressures than those in the private sector. The private sector is profit driven while the public sector organisations must deliver public services. Both public and private sectors have had to reduce costs due to the increasing pressure from efficiency drives in recent times.

Koch & Hauknes (2005) suggests that the public sector do not recruit the same kind of risk taking staff that the private sector does. Profitability is a main motivator for innovation in private sector (Mulgan & Albury 2003). This motivator encourages the private sector to innovate in order to reduce costs and create new products and services. This compares to the public sector which does not necessarily use innovation to gain profitability or any financial return (Boyett, 1996).

The public sector may have some of the same motivating factors as private sector companies (Mulgan & Albury 2003) however; the results of innovative practices are far more difficult to measure in the public sector.

The public sector is often seen as bureaucratic, conservative and disingenuous (Sadler 2000). This hierarchal system can be viewed as being oversized and expensive and questions if this is worth the tax payer's money (Halvorsen *et al* 2005). The culture in public organisations is well established and the people working in the public sector for a length of time can resist change. Michael Bichim, director of Britain's Institute of Government, said that the IPS needs to challenge the existing culture of the entire public service and ensure that innovation becomes part of the means of the service. Public sector companies can lack in an effective and purposeful innovation strategy which needs to change and also become a norm of every public sector organisation (Manimala *et al* 2006).

As previously reported, public sector organisations must provide the vision, remove unnecessary administrative and bureaucratic practices and create simple measures for staff to submit ideas regardless of their ranking or department. The public service must also allow cross functional and cross departmental cohesion if they intend to encourage innovation and entrepreneurship. Furthermore changes to budgeting and accounting procedures by the government are needed in order to allow funds to be available for innovative projects (Kearney et al 2007).

Research of innovation in the corporate world is still in the early stages of development, and is in its infancy in the public sector, and only in recent years has started to appear in mainstream literature. While studies on public sector innovation are few and far between, a recurrent theme in the studies is that governments often lament the fact that there is a noticeable absence of entrepreneurial and innovative behaviour in the public sector. (Sadler 2000)

Entrepreneurial and innovative behaviour cannot just be copied from a private sector organisation and put into a public sector organisation (Sadler 2000). Public sector innovativeness is concerned with broader matters than simple commercial aims (Sadler 2000). Public sector innovations require *all* staff to want to change. They all must be willing to adapt to change and be comfortable to innovate and to accept risk. Innovativeness in the public sector depends totally on a group commitment rather than individual efforts as seen in the private sector.

It is common in the public sector for innovations not to come from leaders, managers or politicians but from the public servants at the front line. Innovative practices in the public sector need to be managed differently than those practices in the private sector (Sadler 2000).

Koch & Hauknes (2005) state that innovation in the public sector can be divided into different types of approaches. These include; a new or improved service idea, a change in the way the organisation manufactures a product, an administrative innovation, a system innovation, or a new way for public sector employees to look at a project or existing way of doing something. Public sector innovation also requires people who are enterprising and who are change agents. These people do not have ownership of their innovations and often have limited rewards for work done.

Factors that foster a culture of innovation in the public sector differ from those in the private sector (Sadler 2000). Public sector innovation involves making decisions on matters which occur, '*without bureaucratic or legal precedent, and which are innovative and have the potential to achieve more or improve what exists*' (Dobell 1989, cited in Sadler 2000, pg. 32). Public sector innovations can involve the organisation being able to adapt and having the ability to break up large enterprises and establish new enterprises or goods that were not previously available (Sadler 2000).

One initiative that was highlighted in literature to encourage innovation among public sector staff was the Input scheme. It is an initiative that is organised and run by the civil service, where they can give small cash rewards to individuals for innovative ideas that have helped improve the efficiency or quality of service in the organisation (Boyle 1997).

## **2.10 Measuring Performance in the Public Sector**

Measuring performance in the public sector is very challenging in comparison to measuring performance in the private sector. It is suggested that performance in the public sector could be measured in terms of economic profit, (Schumpeter 1934; Zahra 1995) product innovation, or new venture growth (Baum *et al* 2001 cited in Kearney *et al* 2007). Although all of this will prove costly to the organisation, it is essential for an organisation to know if their innovative efforts are working. Researchers need to study incentives, rewards, time available and the support offered to employees by the organisation in order to successfully measure middle managers influence on innovation in the public sector (Hornsby *et al* 2002). As in the private sector, innovative activity must be evaluated at routine appraisals. This will assist the firm in embedding a culture of innovation across the whole company as a normal activity (Hubbard 1986).

An example of measuring performance in the IPS could be explained better by looking at the Third Level Education sector. This sector uses Key Performance Indicators (KPI's) to measure their performance. Such KPI's include the number of Central Applications Office (CAO) applications, the number of registered students (full-time, part time or distance) and progression rates of students from one year to the next.

All organisations must be able to develop KPI's for them to benchmark against other organisations and measure their innovative performance.

### **2.11 Case Study: A Public Sector Organisation that embraced Innovation:**

The following highlights from a case study show the extent a public sector organisation must go through to create an effective innovation.

A case study of the Office of the Revenue Commission was carried out in the Discussion Paper 7 from the committee for Public Management Research on Improving Public Service Delivery (1998). It discussed the role of the Revenue Commission, what the public expect of the Commission and the transformation to its' current state.

There was large scale dissatisfaction with the old system. The management of the Revenue Commission felt that they had to make changes instead of waiting for the government to act. The changes they wanted to make were not to the tax rates but rather to the system itself, which is their responsibility. The management highlighted the weaknesses of the existing system and realised that it was process focused instead of being customer focused. Other problems the Revenue Commission had to overcome were the public's poor perception of the Office, their low staff morale and the fact the Office was failing in its core business.

Management had to show strong leadership and had to share their vision with 6,000 staff members and get their approval before changes could be made. The first step was to renew the Offices mission statement. There was huge pressure in doing so as the Revenues activities impact on every household and business in the country. It was a massive transformation to undertake, but a necessary one. The overall ambition was to make the service more user-friendly. The customer was the focus of Revenue Commissioners change process as O'Donnell and Boyle (2008) suggested. This included redesigning and simplifying forms. To assist in the drastic changes staff were given more responsibility in the planning process. Other advancements included the development of integrated Revenue information offices and the use of modern telecommunications for both the Office and the customer.

A culture of innovation was been facilitated by moving senior management closer to operations and thereby facilitating decision making on new ideas and possible approaches without a long communication channel. The Revenue also gave ‘people the freedom to make mistakes in pursuit of better ways to do things’ (O’Donnell & Boyle 2008 p. 42). They also acknowledged the effort of failed pursuits ‘rather than condemning the outcome’ (O’Donnell & Boyle 2008, p 42).

The changes led to a substantial increase in customer satisfaction to the quality of customer service. The entire transformation was guided by the leadership style that facilitated and consulted with staff through the process. This confirms O’Donnell and Boyle’s (2008) belief in participative collaboration with staff in the management of change.

The case study concluded that there is little comparison between the general public’s perceptions of the Revenue Commission between now and in the early 1980’s, which in the eyes of the Revenue Commission is a successful comparison.

## **2.12 Conclusion**

It is evident from the literature studied that there are many influences on innovation in every organisation. These influences can be internal or external.

The role of management in creating an innovative working environment is essential. Management, both senior and middle, play a pivotal role in the co-operation of staff to innovate and also in embedding innovativeness throughout the entire company, creating a culture that facilitates and supports innovation. Innovation must become the norm in overcoming challenges the organisation face. Good communication, both top-down and bottom-up is essential. Management must consult staff and encourage them to see the benefits of new innovations. They have to be able to share their vision for the future of the organisation with staff. This includes all staff at every level of the organisation. In the public sector it can be difficult to do this due to the many tiers of the hierarchy. The larger the organisation becomes the more tiers and the more difficult it becomes to communicate with staff.

Also as the organisation structure grows, so too does the amount of bureaucracy. Bureaucracy is needed in public organisations in order to justify some decision making and to ensure all work is carried out to the same standards and procedures are

followed. Sometimes the vast amount of bureaucracy can stifle innovation and can also make management and staff avoid innovative suggestions. Management are held accountable for every decision the organisation make and so use high levels of bureaucracy to ensure the systems and policies of the organisation are followed in case the organisation is reviewed.

Due to the accountability of management, risk taking in the public sector is rare. If a calculated risk was to fail, the organisation and its management would face criticism from the public which all managers want to avoid in case it would tarnish their own and the organisations reputation.

While managers manage the everyday activities of the organisation, politicians are responsible for selecting senior management and the signing of new policies into legislation. Politicians should work closely with senior management and staff to ensure the policies drafted will work at ground level and ensure that staff have the correct training and responsibility to carry out the new work practices.

Rewards are also essential to the motivation of staff to participate in new innovative activities. It must be remembered that rewards must be timely and there should be no punishment for unsuccessful ventures. By punishing unsuccessful attempts, staff will not risk making another innovative suggestion for fear it is unsuccessful also.

If innovation is an avenue an organisation wants to explore, they must research the types of innovative available to them. There are many forms available and thoroughly research should be done before selecting an option. Some of the choices could involve new work practices on the way a service is delivered or may include the addition of new technologies. Even when a type of innovation is selected by an organisation they must be aware of the barriers that they may have to contend with. These can include staff, technology and specialisation, to name but a few. If and when barriers are overcome, the organisation must learn to foster the new culture, thrive from each successful initiative, and learn from unsuccessful ones.

Innovation must be continuous throughout the lifecycle of the organisation if it is to stay competitive. Innovations can easily drain an organisation of resources such as finance, energy and staff commitment if they are badly managed as highlight in the PPARS example. For this reason it is important to have an exit champion; someone who can stay objective to the project and assess how much time and finance should be



invested, once this limit is reached they must put an end to the project if it is unsuccessful. This prevents more resources being injected to the project which could be used for other projects. Failure should not be encouraged but organisations should expect that not every innovation will succeed.

An organisation can use innovation to create competitive advantage by developing a new product or adapting an existing product. Innovation can be used as a growth strategy and this can also be an effective method for an organisation to achieve competitive advantage.

Organisations in the public sector must realise the differences between themselves and organisations in the private sector before embarking on innovative activities. It is not just as simple as identifying a private sector firm that is successful in innovation and implementing the initiatives of this private sector firm. There are many elements a public sector organisation must take into consideration, including political standing and pressure from the public eye.

While all employees should be looked upon on as an innovator, a striking statement that was made in the literature was that not all employees can be innovative for their whole career. Management must work hard to get the most from their staff throughout their careers.

In today's economic climate innovative activities may prove an invaluable resource to the Irish public organisations. The primary research will seek to ascertain whether the Irish experience upholds the literature on innovation. It will also attempt to fill the information gaps or expand on the information through the literature review by conducting personal interviews and also questionnaires. The major gap in literature was the lack of content on innovative initiatives in the IPS.

# Chapter 3

## *Methodology*

### **3.1 Introduction**

This chapter identifies the researcher's research approach to the study and discusses primary and secondary research methods. The methodology chapter also describes the limitations of this research and also the ethical considerations that researchers must think about when researching.

This chapter explains the research methods which are utilised to conduct the research with relative stakeholders. In undertaking any research and selecting the methodology, the researcher had to consider the research question and decide which methods suit the study from past studies or relevant literature on the topic as well as any possible limitations on the study such as time and resources.

Resources may be human, monetary or research tools. Teddlie and Tashakkori (2009 p. 21) define a research methodology as a '*broad approach to scientific inquiry specifying how research questions should be asked and answered*'

This study is exploratory in nature and involves a mixed method research approach to a qualitative and quantitative study exploring innovation in the IPS. Primary data was collected through identifying and holding in-depth interviews with senior management and surveying staff in public sector organisations. Secondary research involved examining all the available literature including academic journals, books, publications, newspaper articles and use of the internet in the area of innovation in Ireland.

The following are the questions and the methodologies used for each research question.

**Table 3.1 Research Questions and Methods**

	<b>Research Question</b>	<b>Research Method</b>
<b>1.</b>	What innovative initiatives are currently in operation that supports innovative practices in the IPS?	Internet based Search (Documentary evidence) Qualitative and Quantitative research Survey Interviews
<b>2.</b>	What are the challenges faced by the public sector in developing and instilling innovation initiatives in its organisations?	Qualitative and Quantitative research Literature Review Survey Interviews
<b>3.</b>	What incentives exist to support innovative practices in the IPS?	Qualitative and Quantitative research Literature Review Survey Interviews
<b>4.</b>	How do public servants compare their working practices with those of the Irish private sector?	Qualitative and Quantitative research Survey Interviews
<b>5.</b>	What changes would public servants recommend in order to improve innovation practices in the IPS?	Qualitative and Quantitative research Survey Interviews
<b>6.</b>	What organisations in Ireland's Public sector champion innovation?	Literature Review Survey Interviews

### **3.2 Research Objectives**

The objectives for the research are:

- To identify, if any, innovative initiatives that exist in organisations in the IPS.
- To establish what are the implications of these innovative initiatives, if any.
- To ascertain the attitudes and perception of all staff to the innovative policies, procedures and initiatives of their public sector organisations.
- To identify the effect of innovative practices on staff.
- To identify organisations that champion innovation policies
- To recommend how organisations can implement an innovative policy to their benefit.

### **3.3 Research Approach**

In order to competently address the research questions both quantitative and qualitative research methods were used. A combination of individual and collective views was required to obtain a comprehensive understanding of public sector organisations and individual's attitudes and perceptions to innovation. A mixed method approach was adopted as many research methods are required to research each question. A researcher using the mixed method approach uses both qualitative and quantitative research methods to collect and analyse relevant data to the research questions. Using the mixed method approach allowed for a triangulation of the findings and therefore strengthens reliability of the study. Triangulation is the use of multiple research methods used to compare and contrast data collected and the means in which data is analysed in research (Teddlie & Tashakkori 2009).

By using triangulation, a more in-depth conclusion to the research question can be reached, as it goes beyond the limitations of one single research method approach.

Triangulation tests the consistency of findings obtained through different instruments. Triangulation is further explained later in this chapter.

A mixed method approach also allowed the best research method for each question to be identified and increased the validity of the research. Using the mixed method approach gave more comprehensive answers to the research question. It prevents the researcher from being affected by the possible weakness of one approach. Careful

thought must be put into selecting and combining the multiple methods by the researcher (Mason 1996).

**Table 3.2 No. of respondents from each organisation**

<b>Organisation</b>	<b>No. of respondents</b>
Local Authority	8
PRAI	29
Dept of Agriculture	6
Enterprise Ireland	4
Dept of Social Protection	29
HSE	8
Primary Education Sector	5
Second Level Education sector	23
Third Level Education sector	25
An Garda Síochána	7
Prison Service	15
<b>Total</b>	<b>159</b>

**Table 3.3 Interviewees and Organisations**

<b>Public Sector Organisation</b>	<b>Interviewee</b>
Local Authority	County Manager Housing Manager Dept of Community and Enterprise Manager
PRAI	Divisional Manager
Dept of Agriculture, Food and the Marine	Regional Manager
Enterprise Ireland	Regional Manager
Dept of Social Protection	Regional Manager
HSE	Assistant General Hospital Manager Child care Area Manager Regional Co-ordinator for the Community Welfare Services

Primary Education Sector	Education Centre Regional Manager
Second Level Education sector	CEO of regional VEC's
Third Level Education sector	Institute of Technology President Institute of Technology Head of Department x 2
An Garda Síochána	Superintendent
Prison Service	Governor
Government	Minister

All organisations were selected using the Public Affairs Ireland Directory 2012 which outlines every public sector Department and Organisation.

### 3.4 Epistemology

It is important to recognise that there are many ways of doing research. Epistemology *'is concerned with ways of knowing and learning about the social world'* (Ritchie & Lewis 2003, p. 13). Many issues surround epistemology. Some include the relationship a researcher has with what they are researching. There are two fields of thought; the first being that the research elements are independent of the researcher and are not affected by the researcher's behaviour (Ritchie & Lewis 2003). Therefore a researcher is objective and the research is viewed as free of value. The second school of thought is that people are affected by their circumstances and it in turn affects their research. There is interaction between the researcher and what or who is being studied and therefore some believe the researcher cannot be objective (Ritchie & Lewis 2003). It must be noted that Ritchie and Lewis (2003) suggest that qualitative and quantitative methods should not be seen as conflicting methods by a researcher but instead should be seen as complimentary research methods for use when answering different research questions.

By acknowledging potential biases, caused by background, political views, experience or otherwise, it helps the researcher provide the most ethically and balanced researched document possible.

Ritchie and Lewis (2003 p. 20) state that '*Reflexivity is important in striving for objectivity and neutrality*'. Reflexivity is the practice of when the researcher looks at where possible bias may impact in their research methods or findings or interpretation of data. The researcher must recognise that their background and beliefs can affect these. The aim of reflexivity is for the researcher to be aware of the impact of the conscious and unconscious influences that can affect their methods of conducting research. These conscious or unconscious influences can stem from personal, cultural, historical and academic experiences and beliefs. The researcher must analyse how these influences can affect all aspects of the research from choosing the research question to the methods chosen to gather data to how the findings are presented and whether feelings and thoughts throughout the entire process has impacted on the work.

The researcher had to interpret some of the findings of the staff survey and management interview. They also had to ensure that they were not biased in their interpretation. Every researcher has bias, whether it is known to them or not. By being aware of bias that the researcher may have, they could analyse the findings honestly and thus limits any potential bias.

The authors' selection of research methods can also have been influenced by their work as an enterprise intern under the national Accelerating Campus Entrepreneurship (ACE) initiative. This initiative sought to bring enterprise to non-business students in Higher Education Institutions. The work carried out as an intern had to meet the aims and objectives of the national ACE plan, the local ACE plan and also work around the student calendar. Having worked with a team for the ACE internship, it was clear that those with different backgrounds, both personally and educationally, can influence people differently. People have very different approaches to a lot of work and research practices. This led to the interpretive epistemology of the researcher.

The influences on the development of the author's epistemological position however are not restricted to their educational and professional experiences. The researcher's personal life has shaped their realist epistemology. The author believes that they espouse a realist and interpretive epistemology due to developmental growth milestones within their personal life. The two largest events impacting on their

epistemological development from a personal perspective have been their early entry into motherhood and their mother's debilitating Alzheimer's illness.

Having had a son after one year of a degree in Dublin and having to move home, the researcher had to become more responsible and start to build a future for their son. This is why the author undertook a course while pregnant and transferred and returned to a local college 6 months after having a son. It gave the researcher a focus which was used to ensure their progression through college. Returning to college also allowed the researcher to put into practice a lesson learned after their Leaving Certificate exams; everything must be right first time. In their Leaving Certificate year, the researcher was unsure as to what course they wanted to pursue in college so they repeated the Leaving Certificate, even having received good results. Having repeated the year and researched many courses by speaking with friends and family, the researcher was focused on the course they wanted and learned that if you want to do something, do it right first time. This is why the more research one can do to validate a decision before making it, the better and more confident the researcher will be.

The authors mother's illness of Alzheimer's, which was diagnosed in 2007, when she was 54, has forced the researcher to grow up quickly, become more responsible and adapt to a change in family dynamic. While also being responsible for their son, the researcher also felt a new responsibility to their father and younger brother. This responsibility increased when their mother was placed in a nursing home full time two years ago. The increase in responsibility led to the researcher being unable to 'live life on a whim' like their peers and so enforcing a realist epistemology, or a view that 'you just get on with it' when faced with challenges. While not everything can be planned the researcher always likes to have a backup plan, where they are prepared for all eventualities. This life experience has assisted the researcher in the justification of the selection of research methods. Where the researcher was unable to obtain interviews from selected senior managers, middle managers were approached as an alternative. This realism and interpretive approach to the evolving methodology was epistemologically underpinned by the researchers approach to all things.

Life has shaped the author as a researcher and is the underpinning motivation to the realist epistemology. It is this epistemology which was the foundation of the



methodological choices of including both qualitative and quantitative research thus ensuring triangulation and greater validity within the research findings.

### **3.5 Relationship between Quantitative and Qualitative**

Qualitative and quantitative research methods are often put at different ends of the spectrum however, they can be complimentary of each other. In many cases, quantitative research can be carried out before or after qualitative research in order to defend the findings or give a basis for further research. It is due to this symbiotic relationship that the mixed method approach was formed and used in this study. Researchers are able to question and further test some of the information gathered through quantitative methods by adopting qualitative methods. This increases the accuracy of the study for the researcher. Qualitative researchers use ethnography, historical narratives, first person accounts, photographs and biographies whereas quantitative researchers use statistics, mathematical information, graphs, and tables and write their research in the third person.

While both quantitative and qualitative research methods respect the individuals view point, they differ in their approach. Qualitative researchers use interviews and observations while quantitative researchers use more experimental methods. These experimental methods are viewed as not objective and unreliable by qualitative researchers (Denzin & Lincoln 2005).

Qualitative researchers are much more likely to face these constraints compared to quantitative researchers. Qualitative researchers study the everyday and while quantitative researchers are seen to remove themselves from the everyday are much more concerned with science based route of research. Quantitative researchers like to study large cases that are randomly selected whereas qualitative researchers like to study particular cases. Quantitative researchers seek their descriptions through hard facts and let the numbers and statistics speak for themselves whereas qualitative researchers value the 'rich descriptions' they get from the everyday.

Qualitative researchers believe quantitative researchers limit themselves using their scientific methods. Qualitative researchers trust that by using their methods they get a

deeper and better understanding of their research rather than using only statistical data (Silverman 2003).

From the researchers epistemological form it is felt that neither qualitative nor quantitative research should be used in exclusivity. The realist background is why the author selected the interview process. It also allowed the researcher to gain vast amounts of information that otherwise would not have been collected. However, the interpretive side to the authors researching composition led them to require a heavily qualitative survey. By using both interviews and surveys allowed the researcher to use triangulation to support their findings.

With regard to the interview, which this study involves, a realist believes in 'what you see is what you get: the senses portray the world accurately' (Boeree 1999). Silverman (2003) advises that a researcher should choose the interview sample by random selection and all interviews should include the same questions and same style of questions. Silverman also highlights two other ways a researcher can approach an interview. These are namely; emotionalism and constructionism. A researcher who adopts the emotionalism approach builds a relationship with the interviewee in order to understand and be given access to their personal experiences and perceptions (Silverman 2003). This is the approach this study used, as it involves an interview with open-ended questions. This approach was necessary as the research questions for this study involve gaining the perceptions, attitudes and knowledge of management and staff. While the same questions were asked, some interviews gave rise to further questions that needed to be asked to clarify matters that arose. This approach however, makes the analysis of the interview much more difficult and a lot more time consuming than interviews that have a standardised approach (Silverman 2003). Constructionism is a model which encourages researchers to focus upon how particular phenomena and research factors and elements are put together through the close study of particular behaviours (Silverman 2003). When interpreting the findings it was important that the transcripts and note taken during the interview were analysed and interpreted in the way the interviewee meant them to be interpreted.

Silverman (2003) feels open-ended questions may put words into people's mouths. He goes on to say that when the interviewer lets the interviewee continue talking, even though what they are saying may be irrelevant, it may lead to the interviewee believing

*this is what the interviewer wants to hear, so I'll keep talking!* The researcher felt that the use of open-ended questions was necessary in this research to obtain the information they required. Dichotomous or closed questions would not have been substantial enough. The author understood that it was important to ensure the interviewee did not keep talking if the topic was irrelevant or if they had misunderstood the questions. However, this was not a problem that was encountered by the researcher at interviews, probably due to the fact that a practice interview was conducted to identify any such problematic questions.

Humanism is a term Silverman (2003) developed in which the researcher is meant to ask themselves: how are we to believe what the interviewee is telling you? How valid are the experiences? Silverman (2003) states that the interviewer must have some common sense when conducting the interview and says that they may need to be tactical in their approach of asking a certain question at the correct time during the interview. Once again this did not prove to be a problem at the interviews for this study. Management were willing to fully cooperate in answering all of the questions and the fact that they were going to be anonymous in the research helped the above issues stay theoretical.

An epistemology was included earlier in this chapter in an attempt to outline and eradicate where any conscious bias may have arisen. By removing personal opinion and stance, the research will be more reliable. As it was deemed necessary that both surveys and interviews were required for the research it concludes that the researcher used both interpretive and realist research. Both methods were used so that the study is balanced. This gives further validity to the study.

### **3.6 Sampling**

There are many different forms of sampling which a researcher can choose from when selecting their population to research. A population is the people who are the focus of the research (Macionis & Plummer 2002). A sample is a selection of the population that represents the whole (Macionis & Plummer 2002).

Sampling allows the researcher to target a proportion of the entire required population. Researchers rarely target the whole population due to issues such as cost, feasibility and quality. Cost includes the cost of the researcher's time, the cost of equipment and materials. As in the majority of studies, a budget will restrict the whole target

population being used; therefore the researcher must use sampling (Greenfield 2002). In a lot of cases it is not feasible to use the entire population, as in this research. It was impossible in the researcher's time frame to target the entire 360,000 employees (Boyle 2011) in the IPS.

There are many methods of sampling which a researcher can choose from. Firstly, there are two approaches one may take; probability and non-probability.

Qualitative research has different 'objectives than quantitative research' (Daniel 2012 p. 77) Sampling in quantitative research is designed to facilitate the description of population parameters and the testing of hypotheses. Probability sampling is more suited to research using surveys whereas non-probability sampling is more suited to research using interviews, focus groups and case studies. Non-probability sampling is much less demanding on resources than probability sampling (Daniel 2012 p. 76). All sampling techniques used in this study are outlined at sections 3.8.2 and 3.9.2.

### **3.7 Data Analysis**

Analysis gives the data collected its significance to the study. Data analysis is the process where data collected for research is ordered and organised so it can be interpreted (Conjecture Corporation 2003). It involves gathering the data from all surveys, interviews and literature and using it to answer the research question. The way people interpret data differs from person to person. '*More than one story can be created from data*' (Corbin & Strauss 2008 p. 50). Every data source used by a researcher should not be taken for granted and the results from each source should be highly questioned and critiqued. This is the reason this study uses triangulation.

The author had to exert caution when it came to interpreting the data, both qualitative and quantitative. Interpretation is when the researcher puts their own meaning to data that has been collected. It was important not to lose the intended meaning from the interviewee or respondent when the researcher is interpreting the data. Interpretation is not an exact science (Corbin & Strauss 2008). It was important to realise when enough analysis has been carried out. Too much analysis can make reading the research boring. The researcher had to learn what to research, how far to develop it and when to let go. The research question was always on the mind of the researcher, in order to get the correct information.

Data analysis was conducted on surveys, interviews and notes from interviews, as well as documents sourced. More specific detail is provided on these further in the chapter.

### **3.8 Qualitative Research**

Qualitative research can be classified as a primary source. This approach is concerned with insight to a topic and further enhances quantitative findings. Stringer (2007) states that qualitative research allows the respondents' opinions, views and realities to be brought to the fore and allows for rich insights for the researcher. Corbin and Strauss (2008) see qualitative research as a method of studying and understanding data in order to understand and obtain meaning from the collected data in order to answer the researcher's questions. Qualitative research facilitates perceptions and interpretations of events of the people being studied rather than measuring established facts which are determined through quantitative research. To the researcher qualitative research gives meaning and context to the data rather than statistical answers (Jankowicz 2005). Qualitative research allows for the researcher to gain clarity on matters that may not be able to be established through quantitative methods. This study employed a semi-structured interview with the selected management as its' qualitative research method.

Qualitative research uses words rather than numbers and is relatively newer in comparison to quantitative research.

#### **3.8.1 Data Collection Methods**

Primary research is the method of unearthing original data. It can be quite expensive and time consuming to conduct. However, the data which is sourced is original. In this research the primary research methods take the form of interviews and surveys. Interviews were conducted with 17 managers in IPS organisations and one serving Minister for State in Ireland.

The interview is a two-way conversation initiated by the researcher in order to obtain information that is relevant to their research from a participant, the interviewee (Cooper, D., Schindler, P., 2003). Denscombe (1998) however states that interviews are much more than a conversation. Stringer (2007) states the interview is a reflective process that allows the researcher to delve into the experiences of the interviewee through an informal conversation. Interviews are a typical data collection tool. They can be structured, semi-structured or unstructured and can be conducted in a formal or

informal manner; and provide more in-depth data on views and experiences. Good qualitative interviewing is a skill. Mason (1996) believes the qualitative interview is a much more complex and exhausting task to plan and carry out than developing and using a structured survey.

There are numerous positive and negative aspects when using interviews as a method of data collection. They provide much deeper insight into certain topics and provide more information than could be obtained from a survey. They are useful for capturing the true reaction of a respondent to certain issues. Interviews also allow the interviewee to raise relevant issues that may help in furthering the research that could not be raised through a survey. Interviews permit the interviewer to gain the perspective of the interviewee and get an understanding of their world.

The possible challenges that an interview can generate is that, when transcribing interviews, the interviewer may not give the intended meaning. It is important that pauses, stressed words and tone of speech are taken into account to ensure the correct interpretation.

There were 18 interviews conducted for this study. The majority of them were held with senior managers in public sector organisations. However when senior managers were unavailable, middle managers suggested by senior management were interviewed. The interviews allowed the researcher to gain information on the manager's collective views of innovative practices in the public sector and also their own personal views on innovation within their organisations. Each interview contained questions which sought to answer each of the research questions. Interviews also allowed for a great amount of information to be received and allowed for some points made by management to be expanded upon when required.

The organisations interviewed for the research were

- An Garda Síochána
- Local Authority (3 interviews)
- Enterprise Ireland
- Property Registration Authority of Ireland (PRAI)
- Department of Agriculture, Food and Marine
- Department of Social Protection
- Health Service Executive (HSE) (3 interviews)

- Primary Education Sector
- Second Level Education sector
- Third Level Education sector (3 interviews) and
- Prison Service.

An interview was also conducted with a Government Minister who has a strong background in innovation and which affects his role as Minister today.

Due to the scale, and diverse roles and responsibilities of some of these organisations, more than one interview was held within some of them. These are namely the HSE, the Third Level Education sector and the Local Authority.

Cooper and Schindler (2003) state that for an interview to be successful the participant must possess the information being targeted by the investigative questions, the participant must understand his or her role in the interview as the provider of accurate information and also they must perceive adequate motivation to cooperate. Interviews were perceived to be the most appropriate form of research to answer the research question.

A lot of thought and skill was put into the developing questions for the interviews. The phrasing of questions was considered as were the wording of the questions. This was to avoid confusing the interviewee and being suggestive of a response to the questions. The questions asked were analysed to ensure they didn't portray the opinions of the researcher on the topic. Questions asked at an interview must not imply judgement or criticism (Stringer 2007). The questions were arranged so that a free flowing conversation could ensue. This was to make the interviewee more relaxed and more willing to disclose information. A copy of the interview questions can be found in the Appendix D of this research.

All interviews were arranged in advance to allow the participant to plan and organise before the interview. A semi-structured guideline of questions covering the main themes obtained from literature was used. A brief outline of the themes was sent to the interviewee prior to the interview so they could have information to hand. This structure ensured that the researcher's main issues were discussed and also allowed for exploration on issues which arose (Denscombe 1998).

The one to one interviews allowed for a more relaxed atmosphere and also allowed the interviewees to be more unreserved and to talk more freely. The open ended questions gave the interviews a conversational tone. Interviews began with a statement of purpose of the research, and written consent was sought from the interviewees that they were willing to proceed with the interview. This consent form also gave permission for the use of audio equipment at each interview and gave permission for notes to be taken if required during the interview. Interviewees also signed a confidentiality statement so their name would be withheld from the study. This form can be found in Appendix C.

A semi-formal approach to the interview was used to allow the researcher to ensure that the interviewee was confident that they could trust the researcher to keep information confidential.

It was important to foresee any challenges that may have arisen for the researcher as the interviewer and that the interviewer was able to think on their feet in case challenging issues arose during the interview. Mason (1996) suggested recording practice interviews and scrutinising them before the 'real' interviews, which was done. It was important at all times to remember what people have said to you and what the researcher had asked them. This saved the embarrassment of asking the same thing twice. In the interviews some managers answered more than one question at a time, so it was important the researcher was able to move through the question guide accordingly. It is also important for the researcher to not interrupt the interviewee and to achieve a good balance of talking and listening. Observing, picking up verbal and non-verbal cues (looking at body language and demeanour) can also add to the interview. This is why note taking was used at interviews. Mason (1996) also suggests that being able to manage the social situation the interview involves is important for the researcher. It was important to have a practice interview, not only to ensure the questions worked and were understood but also so that the interview situation could be managed.

It is often the case that the mere presence of the researcher may alter the behaviour of those being studied. This requires a lot of skill on behalf of the researcher and both empathy and intuition are needed. Some theorists and researchers suggest that the researcher should only *wear their research hat*. While this was felt to be important to the researcher, it was also felt it was important to build a rapport with the managers being interviewed.



### **3.8.2 Qualitative Sampling Plan**

Qualitative research primarily employs non probability sampling. (Daniel 2012, p. 14)

#### **3.8.2.1 Sample Population**

The target population of a study is the ‘set of elements one desires to apply the findings of the study’ (Daniels 2012, p. 9). The population for the qualitative research approach of this study were managers in IPS organisations and are outlined at Table 3.2.

#### **3.8.2.2 Sampling frame**

A good sampling frame would identify all members of the target population only once, and have no other entries, but also include auxiliary information that may be used on making sampling choices. ‘A good sampling frame would be complete, accurate, up-to-date, reliable, and convenient to use’. (Daniel 2012, p. 13)

The availability of an appropriate sampling frame is critical in making sampling choices. ‘It can help the researcher determine whether to use non-probability sampling or probability sampling’ (Daniel 2012, p. 12). ‘Qualitative research primarily employs non probability sampling’ (Daniel 2012, p. 14).

A sampling frame for the IPS was not available to the researcher and time and budget resources did not allow for the construction of one. ‘*Locating, generating and cleaning a sampling frame may be very time consuming and expensive*’ (Daniel 2012, p. 76). A sampling frame is ‘not required for non-probability sampling’ (Daniel 2012).

#### **3.8.2.3 Sampling Methods and Techniques**

Non-probability sampling includes; accessibility sampling, purposive sampling, convenience sampling, quota sampling, snowballing sampling. When a researcher uses accessibility sampling they do so in an attempt to select the sample of the population that is easily accessible (Greenfield 2002). While this approach is common due to its benefits such as cost and administration, it also has drawbacks. The main drawback is the chance of bias. If a researcher wishes to eliminate this bias they may choose purposive sampling instead. Purposive sampling is used when the subjects selected seem to meet the needs of the study (Baker 1994). Purposive sampling was used in this

research as it was essential for the research that those interviewed and surveyed were members of an IPS organisation; the public sector was the researcher's defined group. Convenience sampling is when people are selected on the basis of their availability and willingness to respond. An element of this was also used in this study. This was due to the size and geographical locations of IPS organisations. Convenience sampling allowed for the local and regional departments to be utilised in the study as the researcher's budget would not have allowed travel to other regional IPS organisations. Quota sampling selects respondents from a clearly defined group. Quota sampling was used as the researcher knew the group that was needed to be interviewed and surveyed i.e. the management and staff of the public sector. Snowballing sampling allows the researcher to find a few suitable respondents for the research and then asking them for people's names who they feel have the same or similar qualities as themselves and would benefit the research if these people were interviewed or surveyed. In other words, a snowballing sample is built '*from the subjects suggested by previous subjects*' (Baker 1994). Snowballing is often used in studies of elite groups. However, snowballing may limit the diversity of the respondents. Snowballing sampling occurred at some of the earlier interviews, where some managers suggested other managers within the organisation itself or other organisations. It is suggested by Ritchie and Lewis (2003) that when a subject gives you another name; do not interview them but simply ask them for another name who fits the criteria. It is also recommended by Ritchie and Lewis (2003) that snowballing sampling be used in conjunction with another sampling approach, which was adhered to in this study.

### **3.8.3 Data Analysis Plan**

Once interviews were conducted, the audio recording from each interview was transcribed. This involved typing, word for word, everything said at the interview. It also had to include any note taking that was taken into the recording document.

Once everything was transcribed, the researcher could begin to interpret the information received at each interview. It was important that the researcher interpreted the interview in the manner the interviewee intended, which is why it was important to also take notes during the interviews.

The research questions and themes helped form the interview questions and so rather than analysis the interviews by organisation, the interviews were analysed by themes.

These were the themes that were derived from the literature review. By analysing in it this way, the researcher could compare the manager's opinions and perceptions on themes with those of their staff, as the survey had been analysed this way also.

While analysing both surveys and interviews, it was important that the researcher always had the research themes and questions on their mind. This guaranteed that the research remained on topic.

### **3.9 Quantitative Research**

Quantitative research is a formal, objective, systematic process in which numerical data is utilised to obtain information about the world. Quantitative research was used to answer all the research questions as the staff survey was used to gain IPS employees opinions on all research questions.

#### **3.9.1 Data Collection Methods**

A quantitative approach was undertaken by allocating surveys to each public sector organisation in which interviews had been completed. Surveys allow for the collection of information on the respondents personal opinions, attitudes, experiences or knowledge (Graziano & Raulin 2000). Graziano and Raulin (2007) also state the major goal of a survey is to learn about the ideas, knowledge, feelings, opinions, attitudes and self-reported behaviour of a defined population. Surveys are the most common technique for collecting quantitative data however, the aim of the researcher's survey was to facilitate the qualitative interviewing process and to be able to compare perceptions of both interviewed managers and surveyed employees in the IPS.

Graziano and Raulin (2007) give a table of steps involved in survey research. The steps included determining what area of information is to be sought, defining the population to be studied, deciding how the survey is to be administered. They also suggest constructing the first draft of the survey instrument, then edit and refine the draft. It is also important to pre-test the survey with a subsample; refine it further if necessary. They believe when this is done the researcher should develop a sampling frame and draw a representative sample and then administer the final form of the

survey to the sample. Finally, Graziano and Raulin (2007) comment that the researcher must analyse, interpret and communicate the results.

Care had to be taken when developing the survey as the correct style of questioning had to be used in order to achieve its maximum potential. Surveys allowed for a wider response to be received and were far less time consuming than interviewing each possible respondent (Graziano & Raulin 2000).

Administration of the survey involved layout, decisions on length of survey, types of questions to be asked, implementing the survey, observing the quality of answers, response rates and ethics issues. Poor administration of a survey can lead to a low rate of responses and generally poor data. The style of questions used also had a big impact on the information given by the respondents. Open ended questions can be discouraging for some respondents. However, at the same time they can provide information the researcher would not have received through closed questions and so limited open ended questions were used (Graziano & Raulin 2000).

The questions asked had to be carefully thought about in order to avoid confusion and to ensure there were no double meanings. Careful thought also had to be given to ensure the researcher got the information they require for their research questions. Questions were kept as short as possible. Caution was taken to avoid bias in the wording of the questions. The survey was designed with the research questions in mind and with the easiest questions at the start. This was highly recommended to engage and get the respondents attention (Graziano & Raulin 2000).

A mixed method survey includes both open ended and closed questions. They can be asked in a variety of methods, e.g. asking an open ended question, followed by numerous close-ended questions. The survey was tested on a sample population before issuing it to the selected population. This ensured any mistakes or discrepancies were edited before distributing to the selected audience.

400 surveys were issued to individuals within the companies where management had been interviewed. This allowed for easy access to the necessary parties required to answer the research questions.

Online surveys were not utilised due to the lack of budget. Although free surveys are available online they limit the number of questions you can have which would not have suited this research. If management had not been willing to allocate the surveys to staff, other staff representatives or union leaders would have been approached. Survey questions included both open and closed questions, and also contained Likert scale questions and multiple choice questions. The survey questions were designed in order to be able to clearly identify staffs attitudes and perceptions toward innovation and the themes that stem from innovative behaviour. The questions were also designed in such a way that comparisons could be drawn between the staff survey and management interview responses. This led to the survey being heavily qualitative.

These surveys were anonymous so as to facilitate more accurate responses. Surveys allowed information to be gathered without ever having to meet the respondents. Denscombe (1998) identified that response rates for a survey, depending on the nature of the research and length are usually about 20%. Denscombe (1998) also raised the issue that sending out surveys with no warning to potential respondents will result in a low response rate. For this reason, senior management were contacted in an attempt to notify potential respondents in the organisation before sending out the surveys. This enabled the researcher to yield a response rate of 39.75%. Some organisations yielded a higher response rate but the average response rate is much higher than Denscombe's suggested average. The responses to the survey allowed for statistical data to be received and analysed which in turn allowed for facts on the research question to be gathered.

Focus groups may possibly have opened up wider issues on the research topic and have allowed participants to express their opinion freely without a time scale. However, focus groups are very difficult to master, are very timely and difficult to run. The researcher was not confident that staff would be as open and reliant when being publically asked about their perceptions to management and other opinions on their organisation as they could be when answering the survey. Staff may have felt obliged to answer certain questions with what they feel they are expected to say. Also, it could have been possible that some staff members would agree with the general consensus rather than voicing their own opinion for fear of being ridiculed by their peers. Another justification for not having chosen focus groups was that it would have been

very difficult to get managers to give staff permission to take time off from their duties to participate.

### **3.9.2 Quantitative Sampling Plan**

#### **3.9.2.1 Sampling Population**

The population for the researcher's quantitative research were employees of the IPS.

*Table 3.2 No. Of respondents from each organisation*

<b>Organisation</b>	<b>No. of respondents</b>
Local Authority	8
PRAI	29
Dept of Agriculture	6
Enterprise Ireland	4
Dept of Social Protection	29
HSE	8
Primary Education Sector	5
Second Level Education sector	23
Third Level Education sector	25
An Garda Síochána	7
Prison Service	15

#### **3.9.2.2 Sampling Frame**

As previously reported in 3.8.2.2 a good sampling frame would be complete, accurate, up-to-date, reliable, and convenient to use'. (Daniel 2012, p. 13)

The availability of an appropriate sampling frame is critical in making sampling choices. A sampling frame for the IPS was not available to the researcher and time and budget resources did not allow for the construction of one.

#### **3.9.2.3 Sampling Methods and Techniques**

As previously outlined, probability sampling is more suited to a quantitative research approach. Probability sampling includes simple random sampling, systematic sampling, stratified sampling and cluster sampling. Random sampling is where

members of the population have the same chance of being selected by the researcher. This was the method used in this research. Systematic sampling can be used by the researcher deciding they will select every second; third, fourth etc. person once the study had a random start (Baker 1994). Stratified sampling is a combination of both systematic and random sampling. *'The sampling frame is divided into one or more strata, based on sex, region etc. Then the sample is drawn from each of the other strata'* (Baker 1994, p. 152). Cluster sampling occurs when the researcher uses a sample that naturally occurring, or can be called a community of its own. For example, neighbourhoods or schools (Teddlie & Tashakkori 2009). This method was also used, as the public sector can be viewed as a community.

### **3.9.3 Data analysis and Measurement**

Generally survey data is now analysed by computer and this is how the researcher carried out the survey analysis. The results of the survey yielded both qualitative and quantitative results. This meant that the quantitative information in the survey must be coded.

Coding is a way of selecting and grouping words, data and concepts that arise during the study. Coding involves converting data into numerical codes and organising it in a structured, 'machine readable' approach. Different procedures apply to pre-coded and open ended questions. This study used both pre-coded and open ended questions. Each question on the survey was given its own number. For closed questions, using yes or no answers, *yes* was given one value and *no* was given a different value. In this research, *yes* was given 1 and *no* was given 2. Multiple choice options were given unique numbers also.

Pre-coded questions were rating scale questions. This is where the questions required a numerical answer on a scale of 1 to 5 or 1 to 10. Likert scale can measure levels of quality, frequency and satisfaction. The Likert scale used in this study measured employee's perceptions on different themes as each employee having to select an option on a scale of either one to five or one to ten. The number selected was the measure of that question. Some of the questions required more detail and so were inputted by the theme of the answer. These answers involved the selection of an innovative organisation in the public sector and also, recommended changes the staff member would like to see happen.

The survey was designed for analysis using the statistical package for social science (SPSS). Each survey was allocated an identification number. This allowed the researcher to see which organisation each survey was sent to. The analysis led to a large amount of statistical data being collected. The data was organised and presented according to themes. By doing so it made comparing the opinions of management and staffs easier for the researcher and the reader. Once coded, the data allowed for graphs to be developed using the SPSS software. Graphs were first organised into a general overview of the public sector. This gave the averages of each question by the whole of the public sector. The next graphs that were extracted from the information were the individual public sector organisations. Once the graphs were interpreted individually, they could then be used for comparisons of separate organisations and also comparisons against the sectors average.

### **3.10 Reliability and Validity**

#### **3.10.1 Reliability**

Reliability involves the accuracy of the research methods and techniques.

Greenfield (2002) states that reliability is the fact the respondent will give the same answer but on different occasions. Reliability should garner the same results if the same study was carried out again. Reliability is commonly linked more strongly to quantitative research methods.

Ritchie and Lewis (2003) state reliability is concerned with the ability for replication or how likely is it to get the same results for the same research by another researcher. Other words some authors use in relation to reliability are trustworthiness, consistency and the dependability of the information collected through the research. When speaking of reliability, Ritchie and Lewis (2003) highlight the terms internal and external reliability. Internal reliability refers to *'the extent to which assessments, judgements, ratings etc., internal to the research conduct are agreed or replicated between researchers'* Ritchie and Lewis (2003, p. 271). External reliability refers to the chances that the same results will be yielded if a similar study was undertaken.

There are methods of testing reliability of a study. One method is the test-retest method. This involves using the same respondents to a survey to complete the same survey after a period of time to see how stable the responses are (Litwin 1995). This



was not a valid method for this research as there was limited time. Alternate form reliability uses the initial respondents but they are given a second survey that has been slightly edited (Litwin 1995). It will still address the same themes but will rephrase questions. Interobserver reliability measures how well two or more respondents rate the same phenomenon (Litwin 1995). This is the approach this study used. It measured how employees of different IPS organisations perceive the same element of the survey. E.g. Rewards.

### **3.10.2 Validity**

Validity is commonly linked to quantitative research. Validity makes the researcher question if they are measuring what they are meant to be measuring. Kirk and Miller (1986) believe no research can be perfect or without room for error whether it is in the measuring of the research or the methods. Validity, stated by Greenfield (2002) ensures that the researcher asks a question that measures what the researcher wants to measure.

As with reliability, validity has internal and external aspects. Internal validity is concerned with whether the researcher is studying what they set out to research (Arskey & Knight 1999, cited in Ritchie & Lewis, 2003). External validity is *'the degree to which findings can be generalized to other settings than to the one in which the study occurred'* (Silverman 2001, p. 91).

Silverman (2001) states that reliability and validity are essential means of assessing research.

The validity type used in this research was 'face' validity. This is defined by Litwin (1995 p. 45) as a 'casual review of how good an item or group of items appear' by an individual with no formal training in the subject area. This was used instead of 'content' validity in which it is a person with expertise that assesses the group or item.

Ritchie and Lewis (2003) believe using qualitative and quantitative research together it can provide a new insight into previous findings and also makes the research more reliable and valid. When using both methods together, the researcher must have an open mind and not expect the same results from the findings. Ritchie and Lewis (2003) also say that when a researcher uses qualitative and quantitative data together

they gain a better understanding of their data than they would achieve through a singular application of either method.

### **3.11 Triangulation**

Different methods of research have different strengths and weaknesses. If they agree it can be assumed that we are getting a true picture. If they don't agree then we have to be cautious about basing our understanding on any one set of data. This doesn't mean that one or any set of data is wrong but that the picture is more complicated than we expected. This approach from different methodological standpoints is usually known as triangulation (Gillham 2005).

Triangulation has numerous strengths and it was used to better define and analyse the problems in the research. Using multiple research methods can increase the credibility of a study (Stringer 2007). Triangulation can help create a much deeper understanding of a topic (Denzin & Lincoln 2005). The triangulation method in this research incorporated information from qualitative research (interviews), quantitative research (surveys) and documentary evidence (literature). *'The multi-method approach allows findings to be corroborated or questioned by comparing the data produced by different methods'* (Denscombe 1998, p. 133). The post-positivism approach highlights the importance of the use of multiple approaches, as each one can bring additional errors but at the same time can bring a greater scope of information for the researcher (Trochim 2006).

Denzin cited in Teddlie and Tashakkori (2009) outlines four types of triangulation. They are data triangulation, methodological triangulation, investigator triangulation and theory triangulation. Data triangulation involves using multiple sources of information in a research project. Methodological triangulation is the use of numerous research methods in a single research project. Multiple researchers in a single study is called investigator triangulation and the use of multiple viewpoints to help understand data is called theory triangulation. This study incorporated data triangulation and methodological triangulation. The researcher used triangulation in order to gain confidence and validate their findings and pursue their epistemological approach to research. (Ritchie & Lewis 2003) However, for triangulation to be successful it was vital that the researcher was clearly focused on the research and research question throughout the entire process.

### **3.12 Limitations of this research**

This research encountered some limitations through the research process. A major limitation was the response rate to the surveys that were issued. 400 surveys were distributed to 11 different public sector organisations. Of the 400 surveys distributed, 159 were completed as outlined in Table 3.2. This gave a non-response rate error of 60.25%. Managers were contacted days before the surveys had to be completed in order to remind staff and also in some cases extended the deadline for completion. For future studies the researcher would bring the surveys with them to interviews and ask the manager to distribute them to all staff through line managers. Staff are more willing to complete a survey when it comes from management.

Difficulty was also faced in getting some managers to participate in the study, namely the Revenue Commission. Several attempts were made to contact the manager but access was a problem. The Revenue Commission was named as an innovative public sector organisation and an interview would have added to this research.

From this research on data collection, the interview is a great method because it enabled the researcher to collate a vast amount of information on the research topic from the essential stakeholders in the research. However, some managers feared they would be recognised on the tape recording and so this was a challenge that was overcome by the confidentiality agreement where the manager would remain anonymous.

Another limitation to this study may be the small sample size used in comparison to the actual size of the public sector, but a wide range of organisations in as many different areas as possible were used. In order to target the entire public service, more time and resources would have been required. The public service employed 360,000 in 2008 (Boyle, 2011 pg. 14) all over Ireland. Geographical constraints of accessing all employees would not have been viable within the time and budget constraints.

Also had more time and resources been granted, it would have been possible to travel further to interview more people in the same public sector body but in a different branch. For example, it would have been of great benefit and interest to compare different hospitals within the HSE or different Local Authorities to gauge a more

accurate opinion of the staff and managers of the organisation as a whole. Also if there had been more time, reliability testing could have been conducted.

Had more funding been available, the researcher would have been able to attend more conferences, seminars and other topic related meetings, where contacts and networks could have been established. Furthermore, unlike PhD research a Masters by research is restricted to twenty two months full time. If the research was a Ph D level there would be more time to explore the metrics of innovation in the IPS.

As mentioned previously, there is a limited amount of information on innovation in the IPS available in current literature. Current government departments have not developed written policy in this area and as a result this provided an additional challenge. This is a limitation which this research aims to reduce.

### **3.13 Ethical considerations**

Essential in all research is the right to protect the participants. This includes the right to privacy, anonymity, and confidentiality if so required by the participant. Baker (1994 p. 81) raises the point that the *'rights of the individuals to privacy and to freedom from harassment and harm supersede the rights of scientists to seek knowledge'*.

A range of strategies were used to ensure adherence to ethical principles regarding all aspects of the study, from data collection, analysis and dissemination. Bogdan and Bilken (1982) cited in Blaxter (2006) outlined ethical principles that the researcher used. These principles included that the subject's identities should be protected so that the information you collect does not embarrass or in any other way harm them. They also included that interviewees and survey respondents must be treated with respect and their cooperation in the research must be sought. A hugely significant ethical factor was the importance to tell the truth when writing up and reporting the findings.

Ethical research involves attaining permission from those who you need to survey or interview and ensuring that the participant is aware of what this permission is granted for (Blaxter 2006). Ritchie and Lewis (2003) believe informed consent means providing participants with all the information surrounding the study, who the researcher is, how the information they provide will be used and what is expected of them in the study. Mason (1996) also states that while you want your interviewee to be

informed of your study, you must think carefully about how much you can and should share with them.

As this study used employees of organisations, consent from management was required for the dissemination of surveys. This consent was received at interviews. A cover letter to the survey outlined that by returning the surveys the respondent was consenting to participate in the study.

Interview participants were contacted by email or telephone to partake in the study. The interview date, location and times were set up at the participant's discretion. The participants were requested to sign a consent form documenting their agreement to participate in the study. Consent for audio taping the interview was also sought from each interviewee. The researcher had to be able to define what the consent was being sought for. - Was it just for an interview? Was it informed consent? Did they know what they are consenting to? Did they have the consent to publish the answers? Did they consent to the researcher interpreting the information and analysing it? (Mason, 1996)

A consent form was drawn up and allowed the interviewees to remain anonymous. Participants were notified that any data provided would be used for this study only and for no other purposes. All data relating to the interview was stored on a password held computer. Lofland *et al* cited in Corbin and Strauss (2008) states that the researcher must offer their interviewees and survey respondents the guarantee of confidentiality. This may have meant that the researcher use pseudonyms for the respondents, their company or any other information that may be needed to keep confidentiality, if needed. However this was not necessary. As audio recorders were used for interviews, it was necessary to take care when labelling the recordings and also the interview transcripts. The recordings were stored on a password held computer and were labelled discretely as were the transcripts.

When carrying out surveys, Greenfield (2002) suggested the researcher is responsible to four groups of people. These are the public, the clients, the profession and the respondents. The researcher's responsibility to the public revolved around ensuring that the results and findings obtained in my research were represented fairly and

correctly. The researcher's responsibility to the clients, in this case, was that the respondents used for the survey must have their rights and confidentiality honoured. The author had to ensure that they didn't give researchers a bad reputation while carrying out the research in order to uphold their responsibility to fellow researchers. Finally, when issuing the survey the researcher had to ensure that respondents had given informed consent, were not being forced to partake in the study and had their confidentiality protected (Greenfield 2002).

Further measures were taken to ensure the code of ethics was adhered to. It meant that the participant, i.e. the interviewee or the survey respondent had the right to refuse to answer any questions and had the right to withdraw from the research if so requested. Finally the participant has the right to access the research that they helped build (Jennings 2001). Many managers have requested a copy of the completed document and survey participants were given contact details for the researcher.

All social research involves ethical issues because the research involves collecting data from people and about people. Therefore, the researcher will abide by all codes of ethical and professional conduct in line with IT Sligo European Society for Opinion and Marketing Research (ESOMAR guidelines). These guidelines set out global guidelines for self-regulation for researchers and has been undersigned by all ESOMAR members and adopted or endorsed by more than 60 national market research associations worldwide and is available in 15 languages ([www.esomar.org](http://www.esomar.org)).

### **3.14 Conclusion**

This chapter intended to clarify the following chapters, by explaining how and why information was obtained. This research adopted the mixed method approach due to the complexity of the research topic and to ensure all relevant information could be collected and to comply with the researcher's epistemological positioning. Triangulation was then used. Triangulation helps strengthen the reliability of the study. By using the mixed method approach, it allowed for each research question to use the most appropriate research method to answer the specific question.

Quantitative research included the use of surveys disseminated to staff in public organisations. As the researcher was not present for the completion of the surveys, extreme care had to be taken in designing the survey to ensure it was clearly understood by participants. The correct style of survey ensured the maximum and

most relevant information was collected. A mixed method survey was designed and included both open-ended and closed questions. However, open ended questions were kept to a minimum and placed at the end of the survey in an attempt for participants to have a feel for the subject by the end of the survey.

Qualitative research was used to enhance quantitative findings. Qualitative research facilitates obtaining the perceptions and interpretations of events for the people being studied rather than measuring established facts which are determined more so through quantitative research. Interviews were the most appropriate form of research. The interview allowed for more information to be collected than that of a survey. As with all other research methods, the interview has both negative and positive aspects. Along with a deeper insight into certain topics the interview also allowed the researcher to gain a true reaction of the respondent. However, while the researcher gained the true reaction it may be difficult to transcribe this in the interview transcript.

Both qualitative and quantitative approaches were used as they complimented each other. Quantitative research was used to defend information that was recorded with qualitative methods. The mixed method approach was used in this study due to this symbiotic relationship. While both quantitative and qualitative respect the individuals view point, they differ in their approach. Generally qualitative researchers use interviews and observations while quantitative researchers use more experimental methods.

The researcher made appropriate steps in order to ensure the research was as ethical as possible in all steps of the research. This included ensuring the right to privacy, anonymity and confidentiality of participants in the study and also ensuring the information collected would not embarrass or harm them. It was also ethically important to tell the truth when writing up findings and not to report untruths.

This chapter has also outlined this study's limitations. However, the outlined methods were deemed the most suitable for this research topic within the realms of budget, resources and time. Despite these limitations, the research process that was adopted answered the research questions and thus makes a useful contribution to the body of knowledge of this study on innovation in the IPS.

# Chapter 4

## *Findings*

### **4.1 Introduction**

The findings chapter was compiled from data received after conducting 18 interviews and also issuing 400 copies of the survey. The chapter is divided into interview findings and survey findings. The interviews were conducted with the most senior management available in the selected organisations. The survey was issued to staff in these organisations in order to be able to compare management's opinions and views with that of their staff. Both interview and survey questions covered the same themes<sup>1</sup> to make it easier to compare responses. The final question asked in both the interviews and survey required the respondents to select an organisation that they believe champion's innovation in the IPS.

### **4.2 Interview Findings**

Interviews were conducted with management at either middle or senior level in the public sector organisations. Interviewees were asked for their insights into different aspects of innovation practices in their organisations and also their insights into innovation in the IPS as a whole. Managers were also asked about their experiences of working in the private sector and, if managers had not worked in the private sector they were asked for their perceptions of the private sector. Interview findings will be compared and contrasted with survey responses from staff of the same organisations as the managers interviewed. The themes that arose from the literature review were researched at both the interview and the survey. These themes included; formal and informal innovative initiatives, communication, procedures for idea submission, rewards, support, organisation structure, bureaucracy, risk taking, intellectual property policies, politics, the public sector as an innovator and changes that respondents would like to see in the public sector.

---

<sup>1</sup> A complete list of Themes can be found in Appendix E



## **4.2.1 Public sector initiatives**

### **4.2.1.1 Formal initiatives**

Formal initiatives are not commonplace across the whole public sector. Within the current economic climate, innovation initiatives have fallen victim to the extensive budget and resource cuts.

There is a staff suggestion scheme and a mentoring programme in the Department of Agriculture, Food and the Marine but neither are actively promoted. The mentoring programme allows experienced colleagues to help champion innovative thinking among less experienced staff.

The Department of Children and Family have an initiative called the '*Identification of Need*' Project. This sees many agencies collaborating to meet the need of children's families before the case has to become the responsibility of social services. Management admit the Department focuses on its' own rules and procedures and in doing so, they can lose focus on the needs of the citizens who the organisation exists to help.

Initiatives in the HSE are also called strategies. Strategies in the HSE are heavily documented, including in the media, and are very procedural. The biggest initiative in recent years was the change from the old Health Board structure to the existing HSE structure. For a formal initiative to be applied in the HSE, it must compliment current strategies. The HSE have initiatives that help the client but these initiatives do not generate profit for the organisation.

The Prison Service of Ireland, with the Institute of Technology Sligo, created a new training programme for all new Prison Service recruits in recent years. The Prison Service decided it was necessary for staff to be professionally trained, to ensure they had the correct skills, knowledge and competencies that were required to fulfil the job responsibilities. Previously, there was a nine week training programme which was not accredited unlike the new training programme.

The formal innovation initiatives in the PRAI are their Ideas Committee and local transformation groups, which arose from the Croke Park Agreement<sup>2</sup>. These give staff a platform to suggest ideas and allow management to introduce new policies and procedures to staff at all levels.

Management in the Local Authority are wary of formal initiatives. If the Local Authority participated in initiatives it would be because it is the correct thing to do rather than adopting an initiative solely to reward staff. The remaining organisations do not have formal initiatives however some have informal initiatives.

#### **4.2.1.2 Informal Initiatives**

Enterprise Ireland have initiatives but they are informal. Management feel if there is a need for something, or they are faced with obstacles, they work their hardest to meet the needs and try to overcome issues they meet. However, this behaviour is not seen as developing initiatives but rather working to overcome challenges. Some of these challenges can be how best to approach new markets or developing new practices in a client organisation to increase productivity.

The Local Authority, as mentioned earlier is wary of formal initiative but do have many informal initiatives. There are informal initiatives in the Housing Authority and these include forums including a Tenancy Support Unit which was established in collaboration with the Homeless Forum and other community groups. This allows the Housing Department to concentrate on their role but also to work alongside other agencies to help prevent homelessness.

#### **4.2.2 Management's role in initiatives**

Managers are very important in the access for development of initiatives. It is managers who can encourage innovative thinking across their organisation or department. Managers can encourage innovative thinking through increased idea generation, getting feedback from staff on potential ideas and listening to staffs suggestions. Middle managers in the Third Level Education sector encourage staff to come up with new ideas but it is often unrecognised by senior management. Senior management in the Local Authority also encourage staff to develop new working

---

<sup>2</sup> Please see Glossary of Terms

practices in order to manage blocks of work or individual projects. Although the Heritage Department is a one-person department in the Local Authority Offices, the manager must push the boundaries of their job remit and must get staff members from other departments to work together using new work practices to bring new ways of thinking into the Heritage Department. So although there might not be formal initiatives there are innovative practices in existence.

PRAI management always encourage staff to be more innovative especially if ideas can save the department money. Managers believe that involvement with Transformation Groups and Ideas Committees motivate staff. *'When staff are involved in a new area of work they seem to be very keen.'* In the PRAI, there is a mix of what staff are willing to do when it comes to formal initiatives. Some will simply be doing things they had done in the past but now get recognition. Others will undertake the new methods because they have been told to so and the remaining employees will be resistant to change, and feel they have enough responsibilities. *'One third will want change, one third will go with the flow and the other third will be reluctant'*. It is the manager's responsibility to promote change and encourage reluctant staff to participate.

The same theory of one thirds applies to the staff in the Office of Community and Enterprise; some welcome initiatives more than others. In the Third Level Education sector the acceptance of initiatives will vary from different schools, different staff and departments. Councillors do not want to upset the electorate so if the Local Authorities want to be entrepreneurial and innovative the councillors will only pass initiatives if it will not affect their role as councillor.

#### **4.2.3 Challenges in developing innovative initiatives**

Issues that can prevent public sector organisations developing initiatives are numerous, and differ significantly between organisations and departments. The main challenges highlighted by management are outlined below.

##### **4.2.3.1 Resources**

Resources can vary from organisation to organisation and can be anything from money, time, access to other colleagues in an organisation or management support to name but a few.

Money is the main issue preventing the development of formal or informal innovative initiatives for organisations.

It is the lack of money and people resources that prevents the Housing Department from establishing initiatives. There is an increasing pressure on staff as experienced employees who leave the organisation through retirement are not replaced. This results in the remaining staff being given increased workloads and responsibilities, which have to be carried out in the same time as before the increase and for the same pay. This is the case in a lot of the public sector organisations. The lack of support, funding and engagement with other colleagues also makes innovative activity more difficult in the Heritage Department. The HSE managers cannot encourage innovative behaviour due to the lack of resources at the moment. *‘There is no money for equipment; there isn’t any money for training, so every manager is working to his or her collar’.*

An initiative can be rejected by management due to impracticalities. There may be a lack of IT solutions in the department or organisation to implement technological innovations. Other impracticalities could be the scale of the idea. The idea may be too big to carry out in a small department or the organisation may not have enough staff capable and willing to implement the idea.

While the lack of funding acts as a barrier to progressing with initiatives in some organisations, the Third Level Education sector highlights time as a major issue in the implementation of initiatives. Lecturer’s hours have increased and management’s time has to be spread across the increasing number of managements responsibilities, leaving little time for any employee to be innovative. The manager of the Office of Community and Enterprise believes there is money available if organisations look in the correct places; however, it is the lack of drive and ambition of employees that prevents the development of an initiative in a HSE organisation interviewed.

#### **4.2.3.2 Bureaucracy**

Bureaucracy can also play a part in preventing an initiative from being established. Bureaucracy was named as a challenge by numerous managers in organisations and departments however, a clear example was shown by the Third Level Education sector. A manager in the Third Level Education sector institution reported that in the past many staff in the Third Level Education sector were trying to undertake innovative projects without seeking permission from management. He felt this was

because the employees felt management would not prevent an employee from acting innovatively if the staff member had started working on a project. He also said that staff felt management were more likely to prevent a project at the start if permission was sought.

An interviewee in the HSE reported that bureaucracy *'makes it very difficult to be innovative because you have to have your ideas approved by many layers of management.'*

#### **4.2.3.3 Organisational Structure**

Another major issue that prevents the establishment of an initiative is the hierarchical structure of public sector organisations. Innovative initiatives are prevented in hospitals by the number of line management structures which have to grant approval for the idea before it can reach senior management. As in many organisations, managers themselves may disregard ideas from staff without sending it further up the line of command or managers themselves may be resistant to change. There is a strict hierarchical structure in An Garda Síochána also and management lead the way without much consideration for lower staffing grades opinions.

*'You may be the most innovative, entrepreneurial, bright spark but if you are the bottom of the ladder....'*

The Third Level Education sector management believe that the *'flatter the organisation is the easier it is to get change and get get innovating because people are accessible to their managers.'*

#### **4.2.3.4 Fear of Change**

The fear of change among management is another preventative measure innovative initiatives have to overcome to be successful in some organisations. Any suggestion in An Garda Síochána, regardless of its viability, is ignored. Management do not openly encourage innovative thinking among An Garda Síochána's staff. *'They never ask for your opinion or ask if you have any ideas or incentives or anything.'*

#### **4.2.4 Communication**

Communication in any organisation is important and healthy communication practices are vital. The scale of the public sector organisations structure and size means it is more important that communication methods are effective and established. The public

sector uses various measures to ensure good communication practices and the methods used vary from organisation to organisation.

Communication in the Department of Agriculture, Food and the Marine was a relevant concern at the time of the interview. It was highlighted that communication from top management needed to be improved. This concern led to the development of new strategies in the Department. While management-down communication was poor, inter-office communication was generally good.

There is both formal and informal communication strands in local offices which works well for the Department. However, the hierarchical approach to communication has failed to be effective as often staff on the ground level only found out about new strategies when reading the Farmers Journal. However, the Secretary General has now realised the problem and therefore, the communication issues are being resolved.

Staff newsletters and emails are used to communicate with staff in the Institute of Technology interviewed. Middle management have a huge responsibility to ensure all information is forwarded to staff from senior management. Newsletters were also used by the HSE but had to be withdrawn due to lack of funding.

The manager of the Department of Children and Family Support is strong in their belief that email should be avoided when possible. The manager feels it is important to grow initiatives within an organisation. They feel that the best way to introduce a new initiative is to have a conversation about it with staff and to gain their opinions. Also, the Second Level Education sector manager said there is a challenge in getting staff and students to use their email regularly.

If there are important changes to be implemented in the Department for Social Protection, they are communicated to staff at all levels at seminars at all locations and staff attendance is mandatory. The PRAI is another organisation who relies on meetings for communication. They have one or two staff briefings a year where senior management outline to staff what exactly the plans are for the year. Internal and divisional managers of the PRAI also meet every quarter. It is at these meetings that all major decisions are made and then are filtered down the chain; to divisional managers, team managers, line managers and staff. The PRAI work hard to ensure communication lines are strong. On the opposite side of the spectrum, the Housing department don't hold very frequent staff meetings yet this is where staff are required

to liaise with management and raise their ideas. Some managers recognise that staff often face information overload so try to keep the communication process as informal as possible.

#### **4.2.4.1 Procedures for idea submission**

Procedures for innovative idea submissions are very informal in most cases, if they exist at all. The process can be very slow and bureaucratic with different levels of management's approval being required before an idea can be implemented.

The Department of Agriculture, Food and the Marine have a staff suggestion box or staff members can always approach their managers. Managers are willing to listen but often apply their own cost benefit analysis to a situation and weigh the cost of implementation heavily against the benefit. The Prison Service also has a formal procedure for idea submission. Within their new training initiative there is a set of eight competencies. One of these eight competencies is '*making suggestions, openness to change and coming up with new ideas*'. This allows all staff to continuously be searching for new ways of doing things and questioning why things are done the way they are. When an idea is submitted in a prison, they bring it to the external management where a multi-disciplinary team consider the idea. The teams may be made up of a member of security, prisoner care, Health and Safety etc.

Alongside the Prison Service, PRAI staff are actively encouraged to develop new ideas and initiatives and to bring them forward at meetings or directly to their line manager. The PRAI used to have an annual business plan which saw line managers, divisional managers and senior managers drawing up an action plan for the following year. They now draft their plans quarterly in order to respond to the ever changing economic climate. This is to allow for any changes or solutions to be added. The PRAI also have an Ideas Committee which staff can approach with an idea. It acts as a help-desk, in that all the ideas are submitted to it and the committee then evaluate the ideas. Feedback is always given; whether the idea will or will not be implemented. The Ideas Committee meet every quarter. There is also a specific IT enhancement Committee where technology based ideas are considered.

Other departments, such as the Department of Children and Family Support, do not have a formal structure in place for idea submission. They believe they have a

structure which helps encourage teams to develop their own way of thinking and assist these ideas up to management. Colleague collaboration is also used in the Second Level Education sector. The manager does not want reams of paper explaining the idea but instead a few lines of an email with the idea. Once the idea is submitted, other staff are consulted with for their thoughts and if possible the organisation can begin implementing the idea. The organisation tries to keep the process of implementing ideas as short as possible. Staff in the Community Welfare department approach management to make their suggestions. If the idea has potential, a small committee will be formed to establish the idea and implement it if it is possible. Often, a trial period of 3 or 6 months will be monitored before full implementation.

After the budget cuts of 2010 and 2011, the HSE called hospital wide staff briefings where staff were asked to contribute their ideas on how the hospital could save money. Once an idea was submitted, the hospital had to decide if it was viable; if the idea could be supported by using existing resources; if the idea had a long term value for the hospital. If it was decided that the idea was viable on all those counts, the idea would be put through the correct channels for implementation.

Ideas can take several months before they are fully implemented depending on what the idea refers to and depending on the organisation. It could take a while longer if it relates to industrial relation issues, customer behaviours or loss of earnings for employees. *'The best ideas come up from staff or are generated by staff in their everyday work.'*

## **4.2.5 Rewards**

### **4.2.5.1 Awards**

There are numerous awards which staff in the Department of Social Protection used to benefit from if they have innovative ideas. Fiúntas Awards<sup>3</sup> were awarded to groups or individuals who come up with a new idea or some new way of doing things. The Department of Social Protection also entered the Input<sup>4</sup> scheme. Local Authorities

---

<sup>3</sup> Please see Glossary of Terms

<sup>4</sup> Please see Glossary of Terms



have no formal rewards but compete for the Taoiseach Public Service Excellence Awards<sup>5</sup>.

The Department of Agriculture, Food and the Marine used to operate a merit scheme, in which people could be nominated for an award for suggestions they made or a particularly good piece of work, but that is no longer in place due to budget restrictions. Rewards were monetary and up to €1,500 was awarded to an individual or group of staff who won. Enterprise Ireland used to have a merit system also, where the rewards were small fiscal rewards or vouchers, but these have also fallen away with recent budget cuts.

Some managers feel if there is no reward system in place, there is no incentive for staff to be innovative. Staff may not submit innovative ideas they have as there is no encouragement from management or the IPS in general to do so. As a respondent to the questionnaire stated, *'If the system doesn't reward or support people for taking risk, they are rewarding those who don't.'*

#### **4.2.5.2 Recognition**

All interviewees believe there should be some type of reward system. Management of the Department of Agriculture, Food and the Marine feel that even if the financial rewards must be cut, there should be recognition of innovative staff. The Third Level Education sector manager feels that recognition instead of a specific award or reward would be just as welcome from staff; even if it is just recognition in the monthly staff newsletter.

Recognition is the only form of reward available in Enterprise Ireland and the PRAI. This recognition takes place at a local level and regional meetings. The HSE do not have financial rewards but again, there is recognition of innovative work completed by an individual or team. This can include a ward or individual being recognised through the hospitals newsletter or an individual being offered the chance to present their idea to other hospitals.

In the Second Level Education sector there is a bursary award at the end of the year for staff that have shown innovative thinking and creativity. This award started in 2011, and received over 150 entries. There is no reward system in Third Level Education

---

<sup>5</sup> Please see Glossary of Terms

sector apart from a possible *pat on the head*. However, as in the Second Level Education sector, there is an annual award, which recognises groups of staff who have excelled in various areas or work and thinking, including innovation. The Department for Social Protection have participated in the Fiúntas Awards and the Input awards in the past. There are monetary prizes for both. Fiúntas can give up to a maximum of €1,000. The Input Awards prizes include money, a plaque and certificate. The Local Authority enters national awards for best practice, An Taoiseach Public Service Excellence Awards. The Local Authority also has a reward of sorts for departments that save the Local Authority money. The department which saves money gets to retain some of the saved money to invest in what resources the department needs.

#### **4.2.6 Support**

Interviewees believe they do their best to support employees with idea progression. However, economic changes have meant that the support they can offer has changed in recent times.

The Department of Agriculture, Food and the Marine and the Department of Children and Family Support can only offer non-financial support. The management in the afore mentioned organisations offer support through encouragement of staff and establishing networks that staff may not have been able to establish on their own. Management in the Heritage Department can provide support by making decisions quickly when possible and providing the necessary additional staff to help implement a project. However, the Heritage Department needs more than management support. They also need the representation of councillors. If the Department do not get the support of the councillors; which can only be achieved by briefing them properly, an innovation will be unlikely to succeed. Management in the Housing Authority are open to ideas and can help support the idea once the idea is within budget and is justified against the remit of the Housing Authority.

The HSE and the PRAI both encourage the employee that submitted an idea to stay involved in the implementation of the idea by either joining the implementation group or review group.

Management of the Local Authority can give moral support and can also give an employee time off their regular duties to work on an idea.

Management time constraints can prevent them from supporting ideas. This is very apparent in the education sector where lecturers have been given extra lecturing hours for no extra payment. Time constraints are also an issue in the HSE and initiatives that arise are concerned with making people work more effectively and reducing workloads.

While the majority of the public sector cannot offer financial aid, the Second Level Education sector has committed to help fund training through a teacher fund scheme. The Second Level Education sector also established a fund for the personal and professional development of staff each year. Management believe that if something can benefit an employee, it can benefit the organisation. Enterprise Ireland also has a budget available for ideas that arise that have potential.

While most organisations try to offer support of some nature, management interviewed in An Garda Síochána said there is very limited support offered to anyone who comes up with an innovative idea.

#### **4.2.7 Organisation Structure**

Management agree that the organisation structure of the Department of Agriculture, Food and the Marine is not designed to encourage innovation. Admittedly, it cannot be like the private sector but management feel *'it could be better, no question about it'*.

The Third Level Education sector manager feels there should be more responsibility given to Head of Departments. It was only in 2012 that Heads of Departments were given control of their department's budgets. Before this the Department did not have visibility on their resources. They can now be involved and take ownership of how best to use them. The hierarchical structure of the HSE and the Local Authority does not lend itself to helping innovation either. There are too many layers and people at the bottom or middle can feel the weight of bureaucracy on them. This leads to the workers withholding suggestions as there are too many layers to attempt to get through with an idea. The hierarchical structure can demotivate staff.

While most organisational structures inhibit innovation, the CEO of the Second Level Education sector, is strong in the belief that their structure helps innovation. *'If you can meet and come in and talk to the CEO the structure works!'* The manager of the PRAI also tries to have an open door policy. The PRAI manager agrees that their

structure is hierarchical but they are open to change and encourage people to come forward with new ideas.

Enterprise Ireland have very successful working groups within their structures. Communication can be slower for staff of Enterprise Ireland due to working with external organisations where you have people from different industries and working methods trying to work together.

The structure of the HSE is very hierarchical but management say the structure is there to define responsibilities.

#### **4.2.8 Bureaucracy**

The Housing Department feels it is one of the most bureaucratic agencies in the IPS. They are governed by so much legislation and housing regulations and acts<sup>1</sup>. However, the government are trying to '*unify the approach of all housing authorities across the country*'.

There are ideas in the Local Authority that may improve the bureaucratic issues but the Local Authority have to evaluate them. Sometimes implementing a cost saving idea is more expensive than the actual savings. Therefore it would not make financial sense to implement the idea. It was also suggested at interviews that there is probably a '*less bureaucratic way of doing it that would still get the job done*' but it would take time to establish the new method and it is time that organisations do not have. There are huge bureaucratic issues in An Garda Síochána. An idea has to go through every level of management for approval and if it was a legislative idea, it would have to go to the Minister and then through the Dáil. In the Department of Agriculture, Food and the Marine, an employee must be innovative to circumvent the bureaucracy in order to succeed with an idea. There is limited bureaucracy in the Prison Service and it is something that management strive to keep to a minimum. The Second Level Education sector has cut as much bureaucracy out of the organisation as is possible but as it is a public funded body, there is still plenty.

The Heritage Department feels that the bureaucracy in the public sector is justified because it is funded by public money.

Some managers believe bureaucracy is prescribed in the public sector. It is there to protect staff and clients. The HSE believe the public sector is bureaucratic to ensure that the work practices in the same department at different locations are reliable and fair. If a new idea is developed in one office it is trialled in that office before it can be implemented in the rest of the organisation.

There is no denying from management that *'bureaucracy stifles innovation.'*

#### **4.2.9 Risk taking and accountability**

Each department has different ways of handling risk. The Department of Agriculture, Food and the Marine believe there is not enough risk taking in their organisation. A risk assessment of all suggested ideas must be completed. This includes risk to human health, animal health and welfare and economic risk and finally reputational risk of the organisation. The organisation culture does not encourage risk taking of any form so new ideas become stifled as soon as they are suggested.

The Department of Children and Family Support also undertake very little or no risk taking. It is difficult to develop new methods of working because the emphasis in the public sector is on minimizing risk to the organisation. 'Stay safe' is the motto in the Department of Children and Family Support. This motto covers both the context of the department's business methods and also in protecting children. There are serious risks involved to the client for failed risk in social work. The Second Level Education sector know there is always risk in the public sector and organisations must always think *'what if this goes wrong'* in every decision. It is the public's money and the management team will have the final say. There is a risk management register for all functions in the Second Level Education sector. There are several audits over a year, both internally and externally. If there were any concerns raised by auditors, the CEO would be summoned to appear in front of the Control Auditor.

The Third Level Education sector feels there is a *'risk adverse culture in Ireland where people think they want to get a job in the public sector, and they don't have to be involved in risk.'* Another interviewee from the Education Sector said *'you are not particularly penalised for a failed risk but I think the problem is you are not allowed take risks in the first place.'*

Enterprise Ireland, like all other public sector organisations, measure all risk. If a high risk case or project is submitted by a client, Enterprise Ireland need to carry out

extensive research and have proof an idea will work in order to get a positive decision out of an investment committee. Enterprise Ireland are significantly less risk averse due to their role as an investor. Their aim is to invest in the company so money, employment and exports can be created from that company. Enterprise Ireland can invest in companies that normal investors cannot justify investing in due to the fact they look for other benefits and payback than fiscal. The Housing Department have established solutions to *what if* scenarios which try to cut the elements of risk should they arise.

HSE management feel that risk taking is inappropriate in the health service. The reasons outlined include that because the HSE is very patient and client centred they cannot take risks with people's lives. A failed risk can lead to somebody getting the wrong medication or that someone dies. There is also a risk with the new change of medical card procedures. This new procedure means all cards are now disseminated from Dublin but instead of taking two or three days, which was the old systems turn around for one, it can take up to eight weeks. There can be a huge risk to a client if they do not have their medical card. They may be unable to visit a doctor or collect prescriptions.

There is increasing recognition however that the department needs to consider greater levels of innovation within the roll out of its remit. The manager of the hospital believes a public sector organisation can take risks but sometimes it is more about being creative. Sometimes people have to circumvent certain financial regulations and procurement policies in order to get something quicker. There are however external audits that can spot the creativeness and there is a possibility of being brought to answer to committees nationally.

The management of the Office of Community and Enterprise feel that they are more fortunate than other offices as they have been given scope and space to work on projects where others were not. Sometime there is a risk if decisions are made centrally by government, and then disseminated to local offices. This can cause problems, as often what works in one area will not work in another.

The PRAI say that in changing times there has to be innovation and so, inevitably risks may arise. If an idea was unsuccessful the PRAI would take it as a learning

opportunity. There is always an evaluation process before a decision is made. This takes into account a cost benefit analysis and project management applications. Questions such as ‘what is the business case for the idea?’ and ‘what is the cost benefit?’ are asked before an idea can progress in an attempt to identify any potential risk. With every suggested innovation in any organisation, a decision must be made to ensure organisations ‘*maintain the commitment they give to citizens and still can provide*’ core details and core services to the customer.

As mentioned briefly above, there is the issue of accountability in all public service bodies. The Prison Service management highlighted the fact that very few people are actually held accountable for their actions. Prison Service senior management understand the term risk taking to mean if an innovation fails, the Prison Service will be in dire circumstances and be forced to deal with a major disaster. This is not the case as if something an innovation fails, the organisation still has the status quo. But because of the management’s perception to risk taking, employees do not push the boundaries or question the way things are done.

If a risk fails in the Local Authority, the management are criticised by the Councillors, public and often the media. Management feel there should be a ‘safety net’ of sorts for people to take risks. Each failure is a learning curve and the team become more intelligent and informed after a failure. The HSE also looks at an unsuccessful idea as a learning opportunity. Management of the Second Level Education sector also believe that you have to be able to learn from your failures. ‘*Nobody gets it right all of the time- you just do your best, and learn for the next time.*’

In the Department of Agriculture, Food and the Marine the main risk is one of reputational jeopardy, both on a personal and departmental level. A person may be very ambitious and want to climb the career ladder and they do not want negative remarks on their employment record. If Enterprise Ireland take a risk and it fails they must write off the investment. Enterprise Ireland admit that there will be failures. However they also feel that an organisation will not benefit or learn anything by avoiding taking risks. ‘*If you don’t take risks you achieve nothing.*’

#### **4.2.10 Intellectual Property**

There are no Intellectual Property (IP) policies in the majority of public service organisations. However, both education sectors have policies. In the Second Level sector, it comes into play with competitions, like Dragons Den. The Second Level sector manager says that rights of the idea entered into the competition remain with the individual. For internal ideas from staff, IP policy has never come up as an issue up to now. In the Third Level Education sector there is an Intellectual Property policy in the Science and Technology section of the Institute. There is a process for staff that develop something but there is no IP policy over teaching materials.

Enterprise Ireland do not have IP policies but they assist companies to develop their own IP policy. Most reports, booklets, leaflets etc. developed by the Local Authority or Heritage Department are copyrighted to prevent the information being used in an inappropriate way.

There are issues with IP policy when it comes to new computer developments and IT in the PRAI. If something new and beneficial is invented, it is evaluated and if it is worthy to progress an IP policy will be developed.

#### **4.2.11 Politics in the public sector**

Most public sector departments are subject to really powerful lobby groups, e.g. farmers in the Department of Agriculture, Food and the Marine. Managers agree it is important for an organisation to liaise with and follow local and national politics and politicians. They never know when they might need a politicians support. For example, new legislation brought in has had huge ramifications for the Heritage Department. They feel that as soon as one Act is interpreted and translated into the organisations policy another Act is introduced. Often there is political support, at a national level, in terms of policy framework, organisational framework and legislative framework but no support at local level to implement the frameworks. One interviewee stated *'the big downside to politics is that most politicians don't see beyond the next election'*.

Management agree there will be greater discussion of mergers in the future. FÁS and the Department of Social Protection have recently begun liaising with one another in an attempt to prevent duplication of work practices and to eliminate fraud. People think with change, things should improve but that is not in the case in the HSE.



Managers feel there has been no benefit of the HSE structure over the Health Board system and politics has destroyed the HSE.

#### **4.2.12 Public sector as an Innovator**

Ireland is a poor innovator in comparison to other countries around the world. Management in Third Level Education sector believe the public sector needs to aim towards a system like those in Denmark, Sweden or Holland but the IPS have no direction.

The Department of Children and Family Support feel that social work is governed by so many rules and procedures, that staff find it difficult to think or act innovatively. Ideas have several layers to permeate before a decision can be made. The manager of the Department of Children and Family feels the public sector is a system that passes blame far too easily. The public sector used to provide sufficient training however with budgets being reduced the training budget is often the first to be cut, e.g. the Housing Department can now only provide training for health and safety programmes. Another interviewee believes that *'in the IPS the political system sets the tone for everything.'*

#### **4.2.13 Recommended Changes**

Management at all interviews suggested changes that could be adopted to improve not only their department but the entire public service.

As mentioned previously in the chapter, reward systems are almost non-existent. Management feel, as it is relatively cost free, there should be more recognition for staff that are innovative in their approach to work. One manager suggested developing an event at the year end to recognise outstanding work and innovations for all staff; from canteen staff to management. All organisations need to be reminded of the awards that are available to all public sector organisations. The government may be required to revive and remarket the competitions to entice employees to be more innovative.

Where there is no procedure in place for suggested innovation, a format should be introduced to bring in a suggestion scheme. Also, if ideas are submitted to management there is a need for faster feedback.

The public sector needs to ensure that some activities are carried out by public sector organisations. This is to ensure the activities are carried out independently and to avoid conflict of interest. Self-regulation in some industries does not work as there can be vested interest. However the public service also needs to realise the importance of the private sector. There needs to be a connection between public and private sector organisations. The public sector need to appreciate that at times it is more beneficial to use a private sector organisation for some work or projects. Often private sector organisations are more specialised. For example, the Local Authority interviewed outsources the water treatment activities of the organisation to a private firm. Water treatment and water services is not the primary function of the Local Authority so outsourcing to the private firm provides the best service possible to their customers.

As well as the private and public sector working together, the public service could benefit from staff being able to work in other departments rather than being restricted to one public sector organisation your entire career. *‘There are good brains in the public sector that aren’t being used or allowed to innovate.’*

Another observation by various managements is the lack of negotiating skills that staff and management possess in the public sector. Training in other areas also needs to be offered, especially for staff on the front line. These staff have to deal with a lot of angry and aggressive members of the public confronting them on a daily basis.

Innovation needs to be introduced or restored in the public service and this can only come from taking calculated risks and practising innovative behaviour. Budgets need to be ring-fenced in organisations for potential innovative ideas by staff. Therefore, if a staff member has an innovative idea that would be beneficial to the organisation; the organisation has access to a budget.

There is also a need for greater maturity in public debate from the public service stakeholders. Stakeholders must want change and understand the importance of public service organisations being innovative.

Suggestions were made by some managers who recommended the development of an initiative that would see risky or challenging ventures be sponsored by investors. The initiative would entail an investor supplying part or all of the funds for the progression of an innovative idea. If the idea succeeds the investor gets to retain a percentage of the profits and if the idea fails the public service hasn’t lost money and may learn from

the risk. Managers in the HSE believe that a re-structuring of the HSE is inevitable and that the rest of the public sector is also at risk of being re-structured.

A final change that could be made is the time scale of the political system. The existing reign of politicians is too short, especially when the public service needs a long term vision to ensure progression and improvement. Some managers feel there is a lack of courage among politicians who use the motto 'NIMTO'- not in my term of office. Politicians need to consider all ideas and make decisions that are right for the public service.

#### **4.2.14 Public and Private Sector comparison**

The Department of Agriculture, Food and the Marine believe there is no culture of innovation embedded in the public sector like there is in the private sector and management do not expect one to be developed in the near future.

The Department of Children and Family Support feel that the private sector is better at innovation because its main focus is to make a profit. They are of the opinion that the public service focuses on the need of its service users over profit. A manager in the Third Level Education sector states that while private sector organisations can focus on innovation and product development more than a public sector organisation there are some private organisation that haven't changed since their establishment. This highlights that it is not simple to compare the public and private sector organisations. The range of innovativeness varies from one organisation to the next regardless of the sector they operate in. *'The most innovative bits in the public sector are probably as innovative as the most innovative bits in the private sector'*.

Enterprise Ireland also share the opinions of management previously mentioned but also feel there is much more pressure on the public sector to be innovative. Enterprise Ireland feel that some organisations in both sectors have increased their innovativeness but only because they have had to. The scope for innovation nowadays in the public sector is brought about by necessity.

The Heritage Department stated that innovation is about people pushing the boat out, and trying new things. But the public sector prevents this by being so cautious and risk averse. The manager of the Heritage Department believe there is an almost

resentfulness among private sector employees towards public sector staff who still have their job. Management feel the mind set in the private sector is very different. The private sector encourages innovation and rewards good initiatives. The private sector manages risk well, risks that perhaps the public sector would not be in a position to take.

#### **4.2.15 Public sector Champions of Innovation**

While each manager interviewed believes their organisation is innovative to some extent they all agree that they could be more innovative. Managers were asked to identify a public sector organisation that champions innovation.

The results were numerous but there was an outstanding response of the Revenue commission. The public sector organisations management's admired how the Revenue have embraced innovation and how they have transferred so much of its work and practices online.

Other organisations that were listed as a champion of innovation due to embracing technology were Institutes of Technology, in the Third Level Education sector, and Local Authorities. The Ombudsman for Children was suggested as an organisation that champions innovation because of their focus on the need of the service user. Further suggestions included the National Partnership Forum, The Arts Sector which has transformed in recent years and have made the Arts more accessible to the entire public, County Enterprise boards, the Heritage Council and the Marine's innovative approaches to their work practices. Many of the interviewed managers did state that they are aware there is innovation on-going in other departments but they are not exceptional.

#### **4.2.16 Conclusion**

In conclusion, innovative initiatives are very limited and any that were in existence have all ceased. Anyone interviewed believed the current economic climate has contributed to the ceasing of innovative initiatives. Formal initiatives are not commonplace, while informal initiatives are slightly more common but are far from established across the whole public sector. Managers say they are always open to ideas but that there is rarely a formal procedure in place for suggestions to be submitted.

Even if employees put forward an idea, it can take a lot of time, money and resources for the idea to come to fruition.

The public service uses various measures to ensure good communication practices and the methods used vary from organisation to organisation. Communication from management is very important. Management in the public sector seem to think that the procedure in place for communication within their organisations is the most effective one available to them. Many managers are strong in their belief that face-to-face meetings are more effective than sending out emails. They believe it gives them an opportunity to engage with their staff and also listen to their staffs opinions which is necessary for healthy communication.

Reward systems are non-existent in the IPS. Managers feel that recognition would make a great difference to staffs motivation and attitude towards innovation. They acknowledge that recognition doesn't exist as a palpable system and that it most certainly should, especially as it would be relatively cost neutral. While rewards that once existed are no longer in place, especially financial rewards, Public sector awards such as the Input Awards are still in existence, yet, many managers feel these awards could be promoted to increase employees awareness to the national awards<sup>ii</sup>.

There was an astounding response from managers that there is too much bureaucracy in the public sector. In some cases there is an overlap of information with both a paper trail and electronic trail required, e.g. An Garda Síochána. Managers do however, declare that while there is a lot of bureaucracy most do see the necessity for it but also admit it does take time away from perhaps other important tasks or potential projects. *'A lot of the innovation is getting around the bureaucracy!'*

The level of risk taking varies from organisation to organisation. However, management agreed there is never a large risk taken, due to the accountability and responsibility the public service organisations have towards the public. Another finding from interviews was the pressure of accountability organisations have for their budgets. Every cent spent has to be justified. This adds stress to management and also decreases the chances that some innovations will be undertaken.

There are no Intellectual Property policies in the majority of public service organisations. However the Third Level Education sector organisation does have IP

policy to cover Science and Technology products, developments and policies where necessary.

Politics impact on almost every public sector department but as manager's report it is not on a daily basis. Most public sector departments are subject to really powerful lobby groups. E.g. Farmers lobby the Department of Agriculture, Food and the Marine. The political system sets the tone for everything in public sector organisations. It was also agreed by numerous managers that the political vision is short-sighted and that politicians are afraid to make decisions if there is a risk of upsetting their electorate and of jeopardising their job. NIMTO, Not in My Term of Office was a new phrase that has been coined to describe this.

Innovation in the IPS differs from organisation to organisation. Often managers want to do more but are confined by lack of resources, staff, and political governance. All interviewees agreed the Public sector is somewhat innovative, but it does not do enough to encourage innovation in the public sector.

The findings in relation to the comparison of the public and private sector from a manager's point of view are that the private sector innovates to make a profit. The public sector innovates to meet the needs of the service user. The public sector is people and service orientated rather than profit orientated. Managers in the public sector all agreed that the private sector has less bureaucracy, financial regulations, and less procurement policies all of which makes profit orientation easier.

Management at all interviews suggested changes that could be made to improve not only their department but the entire public service. A brief synopsis of these suggestions are that there should be a reward system of sorts in all public sector organisations for innovative ideas, staff should have the option to work cross-department, public and private sectors may need to work together, some public sector organisations could work together to achieve a greater public service for the citizen and bureaucracy should be reduced. Managers were asked to identify a public sector organisation that champion innovation. They results were numerous but there was an outstanding response of the Revenue commission. The public sector organisations admired how the Revenue have embraced innovation and how they have transferred so much of its work and practices to online<sup>iii</sup>.

To summarise management's opinions, there is a lot more that could be done to ensure innovation is introduced and managed correctly in the public service. This could entail training for management or workshops for staff on how to be more innovative and how to try and look at things from a new angle. This could transform the public sector for the benefit of all staff in the organisations but also lead to an improved service for the citizen.

### **4.3 Survey Findings**

The survey was issued to employees in organisations where management had been interviewed. Both interview and survey questions covered the same themes and the survey comprised of 18 questions. The survey is included in Appendix E. This was in order to compare management's opinions and views with that of their staff. These themes included; formal and informal innovative initiatives, communication, procedures for idea submission, rewards, support, organisation structure, bureaucracy, risk taking, intellectual property policies, politics, the public sector as an innovator and changes that respondents would like to see in the public sector. The survey also included questions on employee's perceptions and attitudes towards management.

Some organisations had a very poor response rates however they were included in all future discussions. Staff were asked how long they had been in the organisation and these varied dramatically, from 1 month to 42 years. All survey questions are analysed below. There are graphs for the majority, but not all questions.

The survey included both qualitative and quantitative questions and a copy of the survey can be found in Appendix E. Qualitative questions gauged the perception of staff to their experiences between working in the public and private sector in Ireland. Staff were also asked if they believe the IPS is doing enough to encourage innovation and staff were also questioned on their opinions and recommendations on changes they think would make the IPS more innovative. As with management, all respondents were asked to choose a company in the IPS that champion innovation. There were many suggestions but again, the Revenue Commission was the most innovative in the

opinions of public sector staff. This organisation is discussed later in the chapter and the remaining suggestions of innovative organisations can be found in Appendix B. Some organisations had a higher response rates than others however all were included the study.

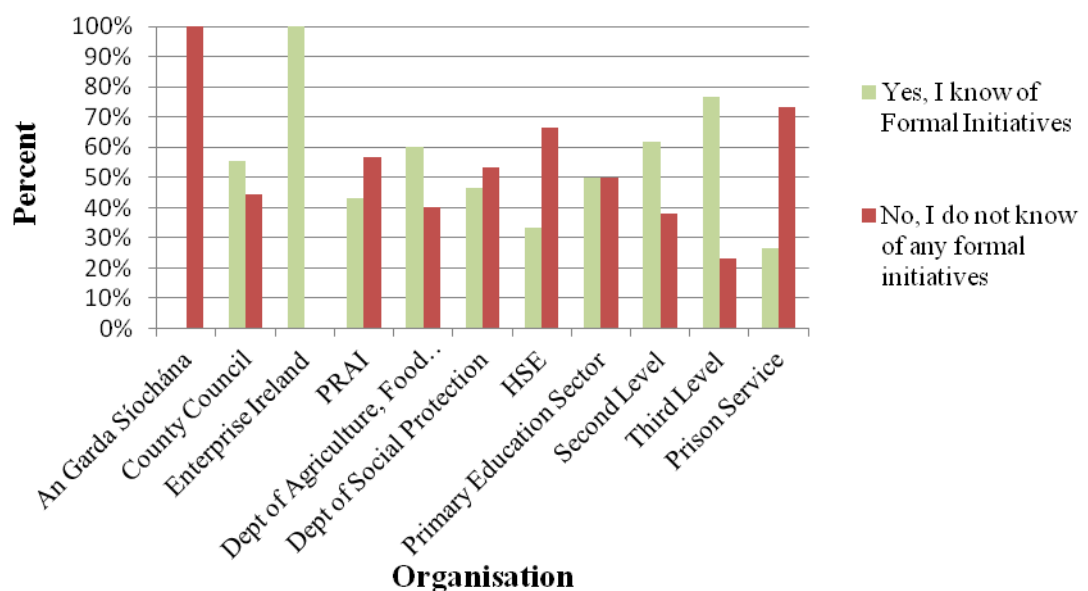
Each theme discussion begins with an overview of the public sector as a whole and then moves on to describe findings from specific organisations of note at each theme. Graphs are used to help explain some findings.

### 4.3.1 Public sector initiatives

#### 4.3.1.1 Formal initiatives

Formal initiatives were defined in interviews and on the survey, as initiatives that are set out by government, legislation or by an organisations’ senior management in which there are strict policies and procedures. Looking at all the public sector organisations together it tells us that 81 employees are aware of formal initiatives in their work place. While management at interviews are adamant there are some formal initiatives, many staff in most of the organisations were unaware of them at the time of survey completion.

**Figure 4.1 – Staffs Awareness of formal initiatives in their organisation**





Within An Garda Síochána, no employees were aware of any formal initiatives, while all respondents from Enterprise Ireland were aware of formal initiatives. There is a clear divide in employee's perceptions on formal initiatives in their organisation. The greatest divide is in the Prison Service, where 11 employees (of the Prison Service did not know of any formal initiatives. Inversely among the Third Level Education sector, 19 employees were aware of the formal initiatives in their organisation. The lack of clarity among staff is a possible sign of a communication break down between management and staff levels.

There are 5 organisations where almost equal numbers of staff are unaware and aware of formal initiatives. This raises concerns into how can one half of organisation's employees know of formal initiatives and the other half be unaware.

The staff that identified formal initiatives in the PRAI highlighted the organisational review programme, attendance management policy, transformation groups and the ability for public access to the Land Direct Services as the formal initiatives in their organisation. The Department of Social Protection's main formal initiative is the introduction of the Public Services Card<sup>6</sup>. The Third Level Education sector identified Innovation Vouchers and online learning as the initiatives, while Second Level Education sector highlighted the use of another technological based innovation, Moodle<sup>7</sup> and also Child Protection and Welfare. Both Third and Second Level Education sectors also choose Croke Park Agreement as a formal initiative that is playing a part in their organisation. A few organisations, namely, Department of Agriculture, Food and the Marine, Department of Social Protection, HSE and the Local Authority also highlighted the Fiúntas, Input scheme and the Taoiseach Public Service Excellence Awards as initiatives in their organisation. These however are also listed as rewards in further questions by other staff.

#### **4.3.1.2 Informal initiatives**

The knowledge of informal initiatives among staff is much more divided among staff in comparison to formal initiatives, with 110 employees of the 159 public sector employees not being aware of any informal initiatives.

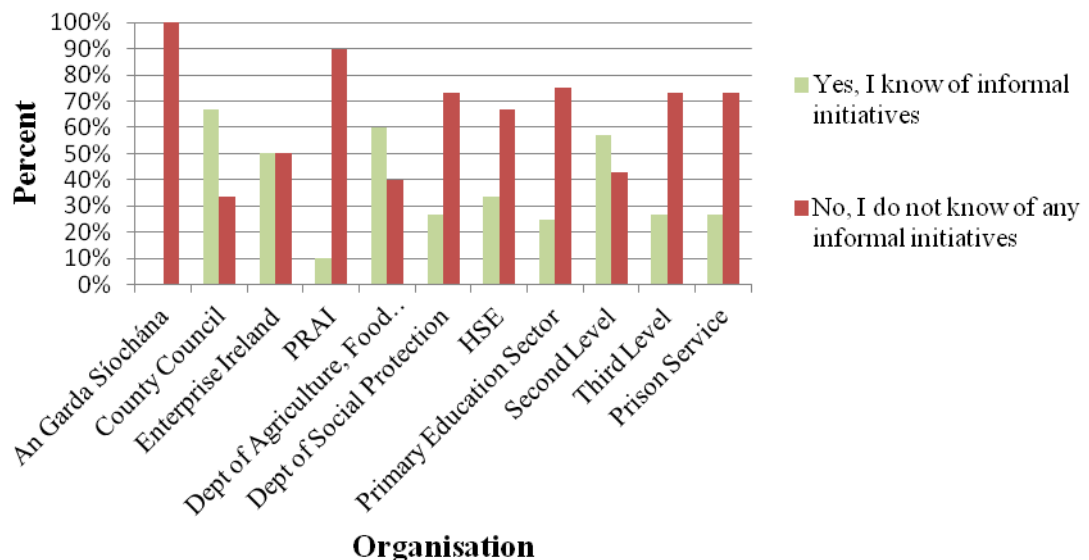
---

<sup>6</sup> Please see glossary of terms

<sup>7</sup> Please see glossary of terms

Informal initiatives are those initiatives that can be developed over time and where there are no strict obligations. As with formal initiatives, the staff are unaware of informal initiatives that management say exist. This may be due to staff and management have different views of what a formal and informal initiative is, although they were defined at interview and on the questionnaire.

**Figure 4.2 – Staff awareness of informal initiatives in their organisation**



As seen in Figure 4.2, the majority of organisations have over 60% of employees who are unacquainted with informal initiatives. Informal initiatives proved varied from organisation to organisation with some staff highlighting initiatives that were listed by colleagues as formal initiatives i.e. Input Award, Online learning. The Department of Social Protection also listed fraud initiatives under both formal and informal initiatives. The Department of Social Protection also state the sharing of information as an informal initiative.

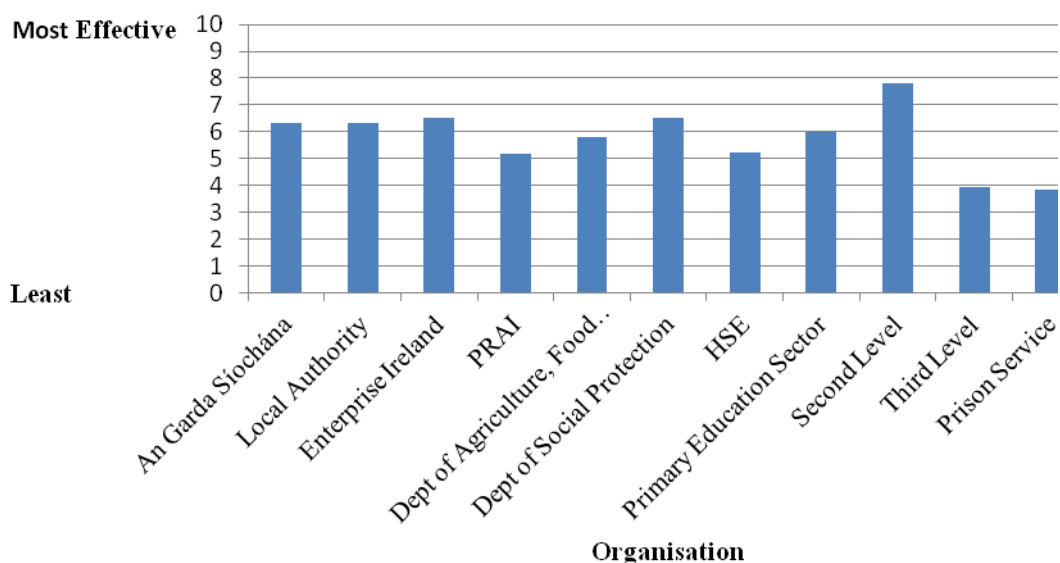
The Local Authority listed Online Planning Review, restructuring of filing systems and electronic transfer of data between statutory bodies as their informal initiatives.

The Prison Service however stated that informal initiatives were frowned upon in the organisation as there is too much room for error and unequal treatment of the same procedures over time. Second and Third Level Education sectors listed student projects and competitions and the Third Level Sector also highlighted teaching methods as an informal entrepreneurial approach to work.

### 4.3.2 Communication

Communication is a vital element in implementation of policies, procedures and initiatives. It could be a possible reason for such clashing of opinions among management and staff in their thoughts on formal and informal initiatives. 71 employees selected 5 to 7 on the ten point scale. This suggests that most staff are content with managements communications but believe there is still room for improvement.

**Figure 4.3 – Averages of Employees perception of the effectiveness of management in communicating new policies, procedures and initiatives**

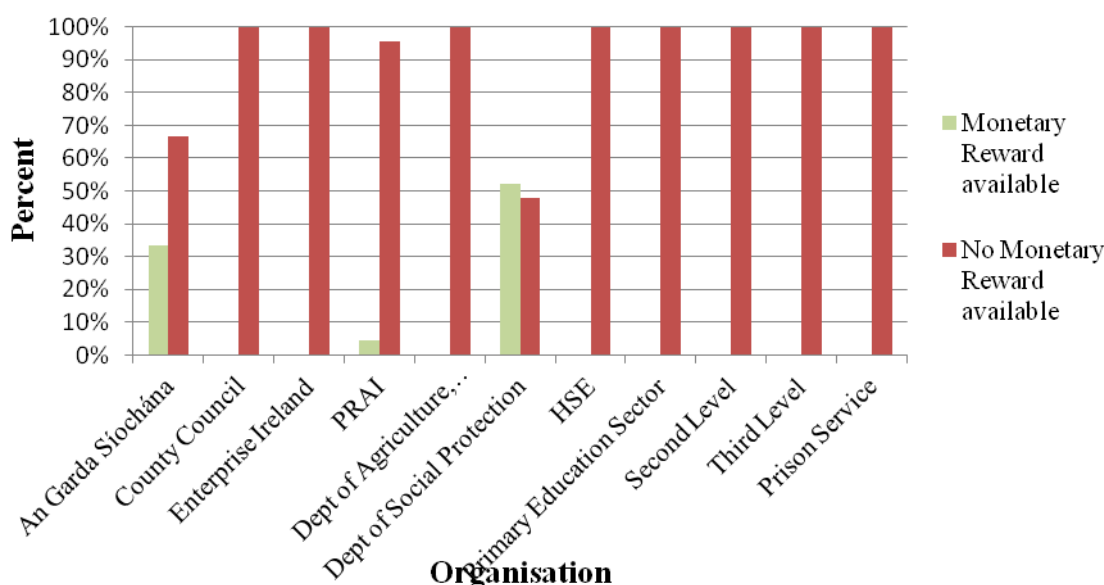


As seen in Figure 4.3, the Second Level Education sector scored their management the highest with an average of almost 8. Only 5 respondents in the Second Level Education sector scored their management less than 8, while the Prison Service, whose average falls at just under 4 on the scale, had almost a third of respondents who selected a 7 or greater. The Department of Agriculture, Food and the Marine average responses falls at almost 6 on the scale of effectiveness. However, only one third selected 1 and another third selected 9 so it the average is not a true representation of staffs opinions. It is fair to note that no organisation apart from Second Level, are confident to make a strong statement with their selections.

### 4.3.4 Rewards

Rewards are only on offer to 30 of the 159 respondents in the IPS. The lack of rewards is an emotive subject for public sector staff. Staff were asked how many rewards were on offer to them and also asked what these rewards were.<sup>iv</sup> Of the 30 responses that answered that they had rewards offered, 27 had one reward available to them and 3 believed they had 2 rewards on offer. The following is a breakdown of rewards on offer in each organisation.

**Figure 4.4 – Availability of Monetary Rewards for staff with Innovative Ideas**

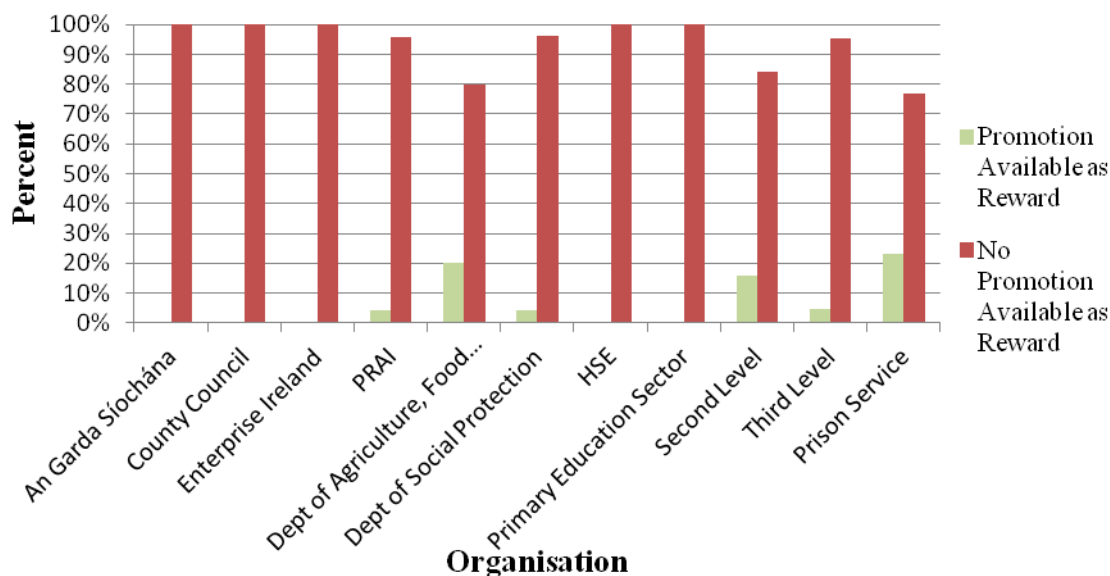


Monetary rewards are only available to 16 of all staff surveyed. These staff are from An Garda Síochána, Department of Social Protection and PRAI. However it must be noted that only a few employees from these organisations selected monetary reward as an available option. For example only 2 of staff in the PRAI said there were monetary rewards available to them. The Department of Social Protection is the only organisation where the majority of staff are conscious of monetary rewards.

Benefit-in-kind got a much lower response rate than that of monetary reward, with only 3 of all surveyed respondents being offered such a reward. These respondents fall into the PRAI, HSE, Second Level Education sector and the Prison Service.

Time off as a reward was offered to only 3 respondents and these were all in the Second Level Education sector.

**Figure 4.5- Promotion as a reward for staff with innovative ideas**



Promotion was another option that 11 staff felt could be used as a reward for innovative behaviour. The Prison Service has the largest positive response to promotion as a possible reward with 4 of the 15 staff believing it was a possible reward for being innovative.

In addition to above, employees were asked if there were any other rewards available to them. The responses show that rewards are practically non-existent among the public sector organisations, with only 16 being offered rewards other than those mentioned above.

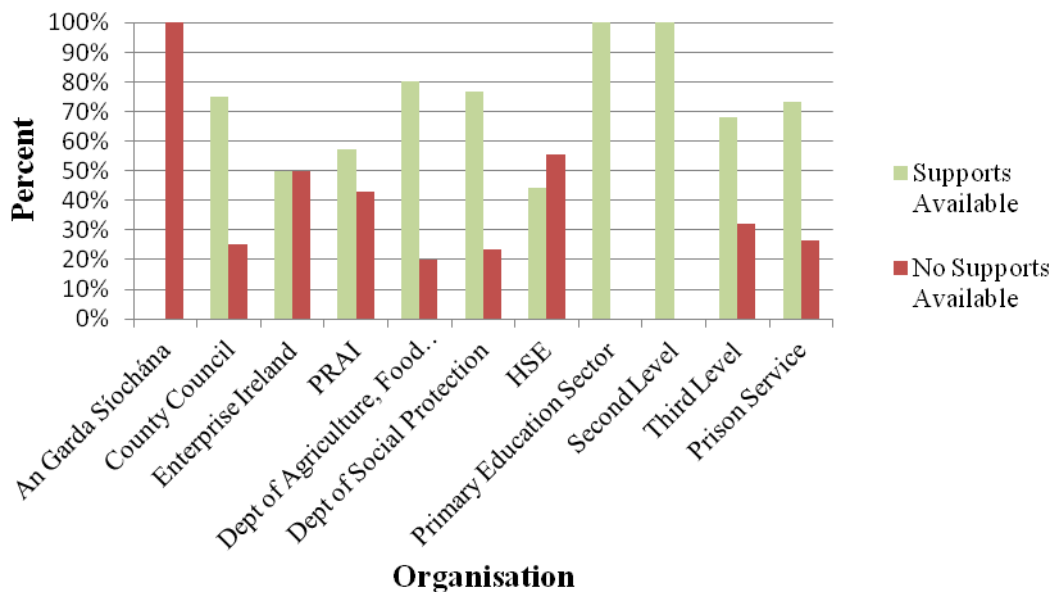
As discussed above, there are no rewards at all in An Garda Síochána, Enterprise Ireland, HSE, Primary Level Education, and Prison Service. The staff in these organisations said they were often made feel it was a reward that they were in a job. Both the Local Authority and the Third Level Education sector named their rewards as self-satisfaction. The PRAI and Department of Agriculture’s rewards are recognition of the work they have done and both the Department of Social Protection and Second Level Education sector name awards as possible rewards. These awards are the Input Scheme and the Fiúntas Awards.

The above information shows that employees within the same organisation have differing views on what rewards are available to them, if any. This could be to a breakdown in communication or staffs disconnection with the organisations policies.

### 4.3.5 Support

29 respondents in the public sector organisations said there were no supports offered by management to staff for the progression of innovative ideas. The supports that are available to the remaining 130 staff will be discussed. Employees who had supports available to them for their innovative ideas were asked to identify how many supports they had the potential of receiving. 92 of these respondents only have access to 1 support, 23 employees have access to 2 supports and 15 have access to 3 supports.

**Figure 4.6 – Support Available for staff with innovative ideas**



Similar to rewards, An Garda Síochána feel they have no supports available to them at all. The HSE is the only other organisation with a greater number of staff that feel their management cannot offer support than those who feel management can offer support. There are more supports available to employees than rewards.

**Figure 4.7 –Averages of employees perceptions on the likeliness of management to support employee’s innovative ideas**

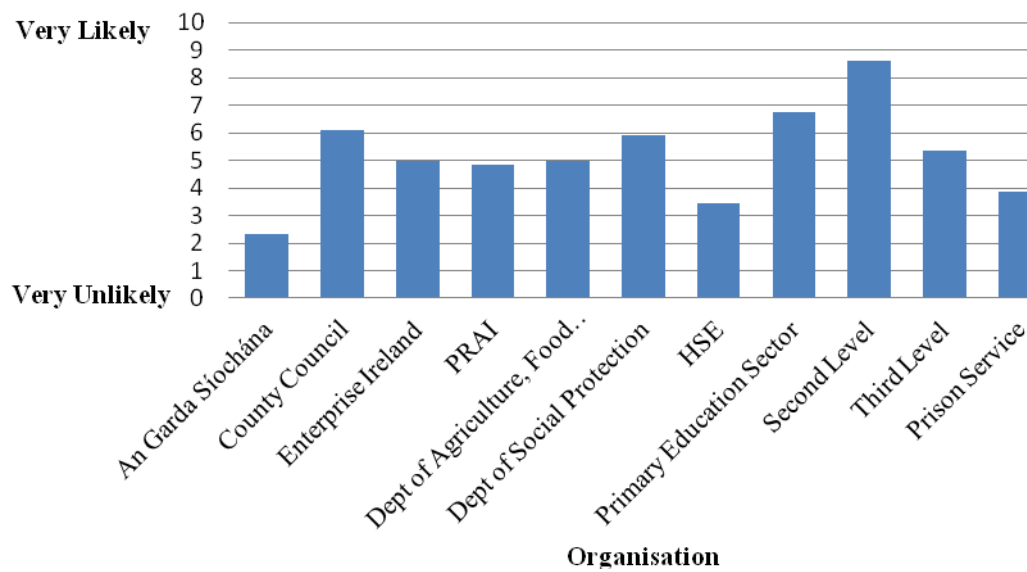
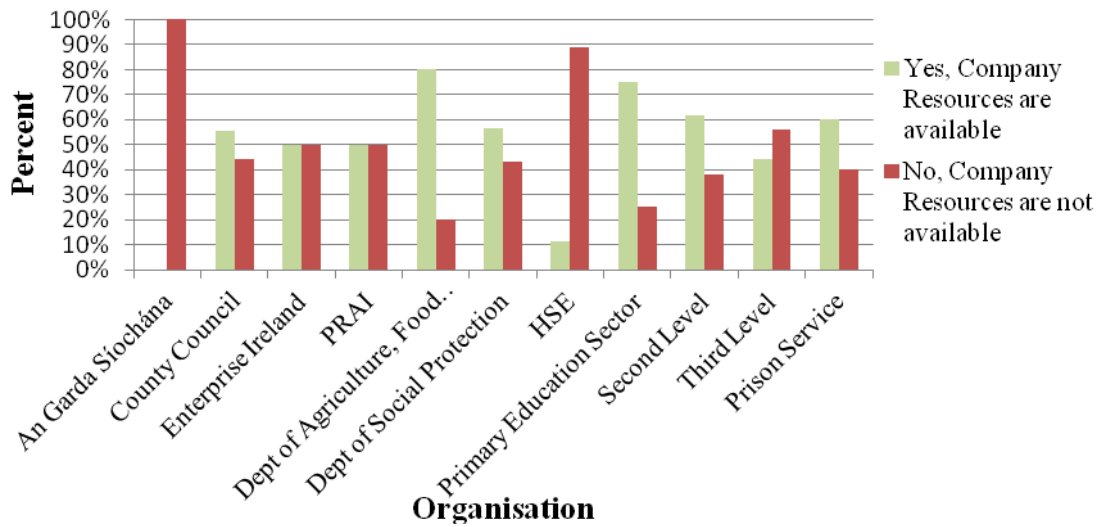


Figure 4.7 illustrates the average responses of each organisations employee’s opinions to the likeliness of management to support employees with innovative ideas. In the PRAI two thirds of staff choose a rating of very unlikely to unsure, with only one third selecting slightly likely to very likely. However this is enough to raise the average of the general staff opinion. The same can be said of the Third Level Education sector, where the average is slightly above 5, unsure of management’s likeliness to support employee’s innovative ideas. A quarter of employees answered between 1 and 3, very unlikely to somewhat unlikely. However over half selected 6-10, somewhat likely to very likely, yet the average is reduced because of a small number of responses.

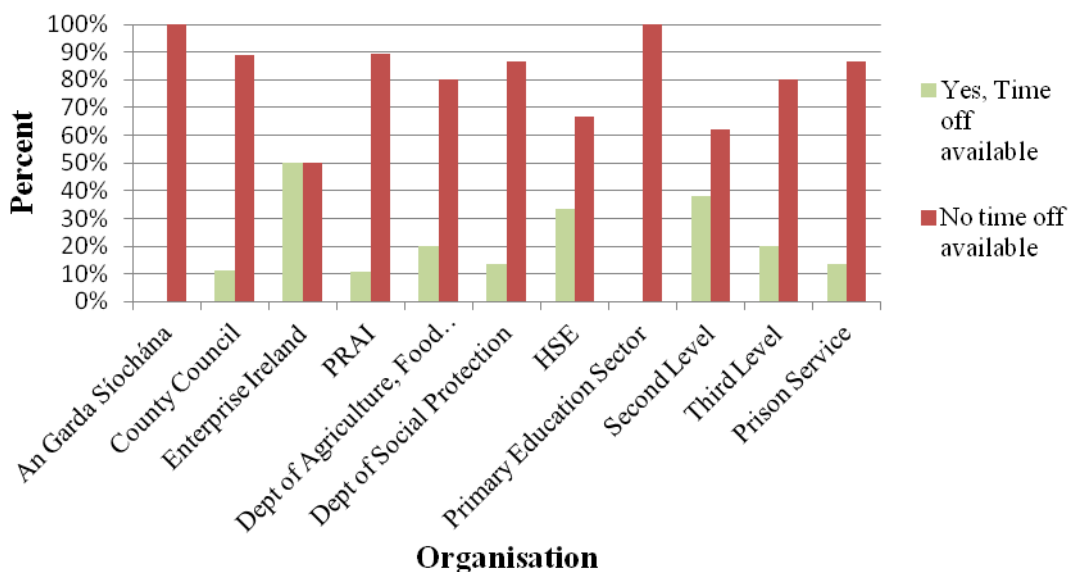
From Figure 4.7 it is evident that there are few organisations that believe their management are very likely to support their innovative ideas. As seen previously, the majority of responses lie along the middle of the scale. The primary education sector and Second Level Education sector are those that are notable with a selection of almost 7 and over 8 respectively. An Garda Síochána and HSE are at the other end of the scale, selecting scales that indicate their management are not willing to support innovative ideas.

**Figure 4.8 – Availability of company resources as a support for staff with innovative ideas**



Of those who had supports available to them to progress an idea, 68 had the organisation’s resources available to them. This is broken down in Figure 4.8. The majority of organisations have an almost fifty-fifty, or forty-sixty split. However, only 1 of the 8 HSE staff members feels they have company resources as a support. This is in comparison with 4 of the 5 Primary and 5 of the 8 Department of Agriculture, Food and the Marine staff, respectively, who feel they have company resources available to them to progress their innovative idea.

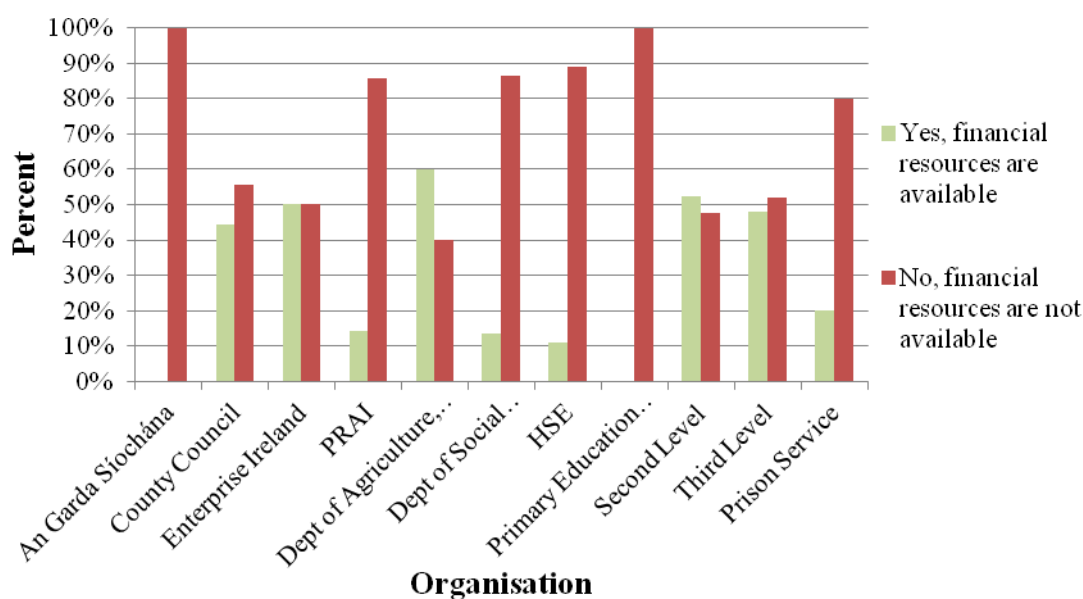
**Figure 4.9 - Availability of time off as a support to progress innovative idea**





Time-off from regular duties to work on progressing innovative ideas was granted to 29 respondents. As can be seen on Figure 4.9, Enterprise Ireland and the Second Level Education sector employees and the HSE employees are those in the public sector that are most likely to be granted time-off to progress their innovative ideas. Management cannot offer time off as a support to employees in the Primary Education Sector or An Garda Síochána.

**Figure 4.10 – Availability of financial resources as a support for staff with innovative ideas**



Overall in the public sector 115 replied that there were no financial resources available to staff for idea progression.

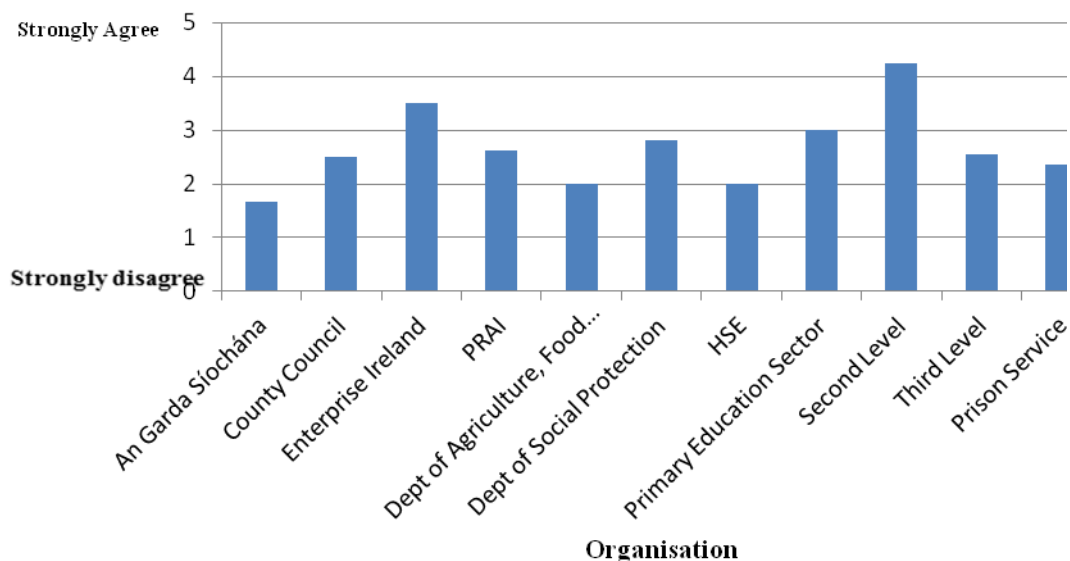
The majority of Department of Agriculture, Food and the Marine employees feel they could avail of financial support to progress an innovative idea. This is followed by Enterprise Ireland, with 50% staff being able to avail of the same. The Second and Third Level Education sector and Local Authority all have over 40% of their staff who feel financial resources are available to them. However at the other end of the spectrum, An Garda Síochána and the Primary Education Sector employees do not have financial resources available to them. The Prison Service, HSE, Department of Social Protection and the PRAI all have over 80% of staff that do not believe financial support is available for innovative ideas.

In addition to supports previously discussed, 20 staff have other supports available to them from their organisation. These supports vary from organisation to organisation. The supports that are available to staff are namely training and development, PMDS, mentoring and laboratory facilities. Over half of organisations listed training and development as a support. This could take the form of a one day training course or a more substantial support of being supported to return to part-time education to further develop their skills. Some staff at the PRAI suggested that their PMDS score can be positively influenced by carrying out innovative work. Another support that staff stated was available to them was the encouragement that management could offer.

#### 4.3.6 Organisation Structure

The statement ‘*The organisation structure of my organisation encourages innovation*’ was disagreed or strongly disagreed with by 69 participants. Only 13 strongly agreed with the statement.

**Figure 4.11 – Averages of employees perceptions to whether their organisation’s structure encourages innovation**

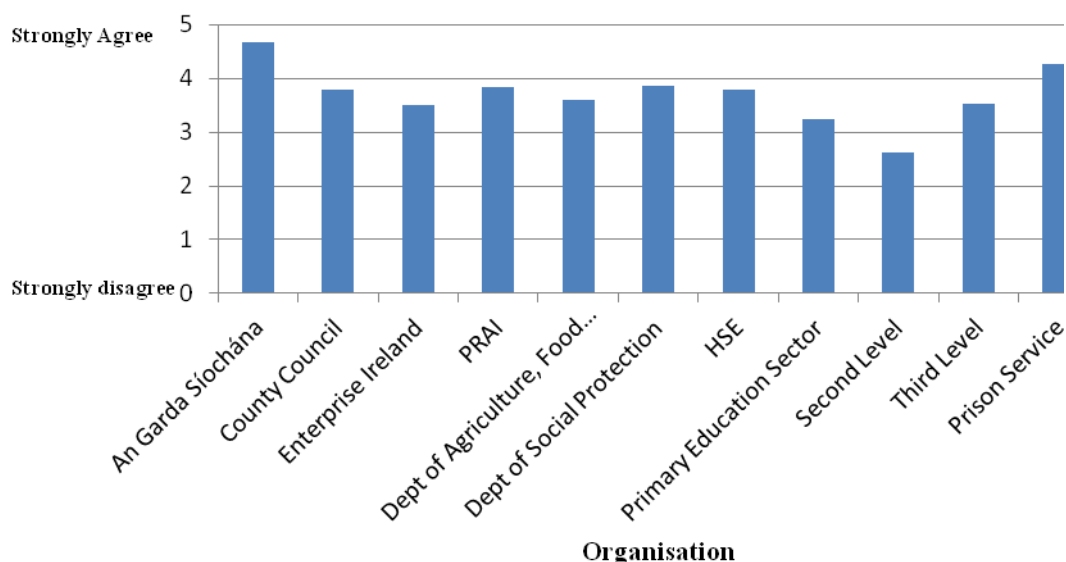


An analysis of each public sectors organisation shows that the Second Level Education sector averages the highest number on the scale selected, with an average of just over 4. This implies that the employees believe their organisation’s structure encourages innovation. The HSE, An Garda Síochána and the Department of Agriculture, Food and the Marine all select strongly disagree or disagree which explains staff feel their organisation structure inhibits innovation.

### 4.3.7 Bureaucracy

It was agreed or strongly agreed by 92 respondents that there is too much bureaucracy in their organisation, while 43 neither agree nor disagree. The remaining respondents were divided equally between strongly disagreeing and disagreeing with the statement.

*Figure 4.12 – Averages of Employees perception of bureaucracy preventing innovation in their organisations*

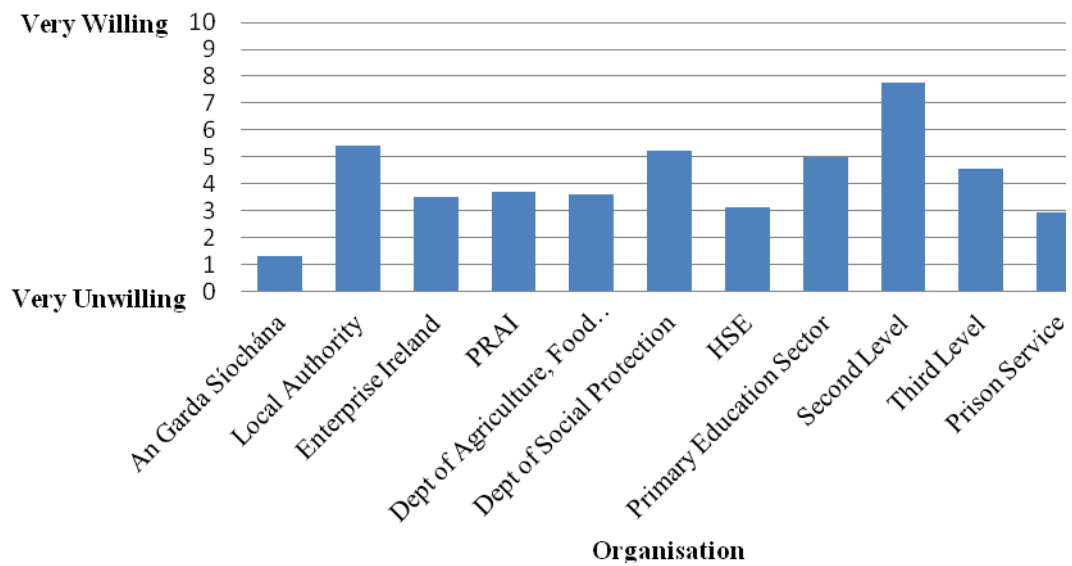


It is worth noting that An Garda Síochána average at 4.7 in their response and the Second Level Education sector average 2.6, suggesting An Garda Síochána are working in a highly bureaucratic environment and the Second Level Education sector are in the least bureaucratic organisation.

### 4.3.8 Risk Taking

From survey findings, it appears staff feel their management are against risk taking with new ideas. Of all the responses 40 selected on 5 which indicates uncertainty of staff. Of the remaining 89 responses, 39 fall between 1 and 4, which we can conclude as management are not willing to take risks. Innovations will not take place if some, measured, risks are not taken.

**Figure 4.13 – Averages of employees perception of management’s willingness to take risks with innovative ideas**

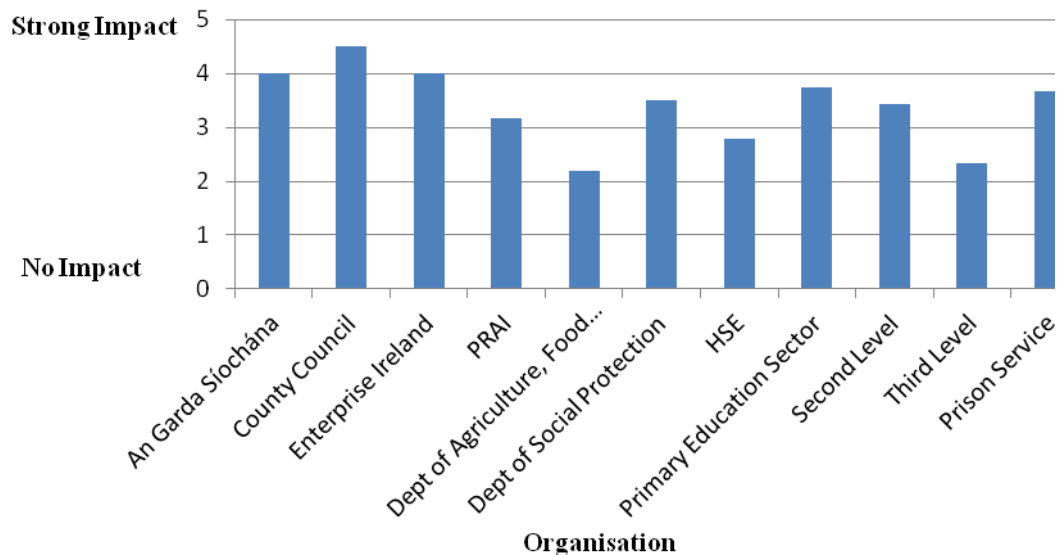


The general average of all organisations selection is 4.2, suggesting staff do not believe their staff are willing to take risks with innovative ideas. Once again, An Garda Síochána fall much below this with an average of 1.3. There is a huge comparison between this score and the average of Second Level Education sector at 7.8. This suggests the Second Level Education sector management are more willing to take risks with a new idea than any other organisation in this study. However the scale of the risk was not ascertained.

### 4.3.9 Politics in the public sector

The response to the statement ‘*Local or national politics affects my role in the organisation*’ was agreed or strongly agreed by 78 respondents while 32 respondents neither agreed nor disagreed with the statement.

**Figure 4.14 – Employees perception on the impact of local or national politics on their role**

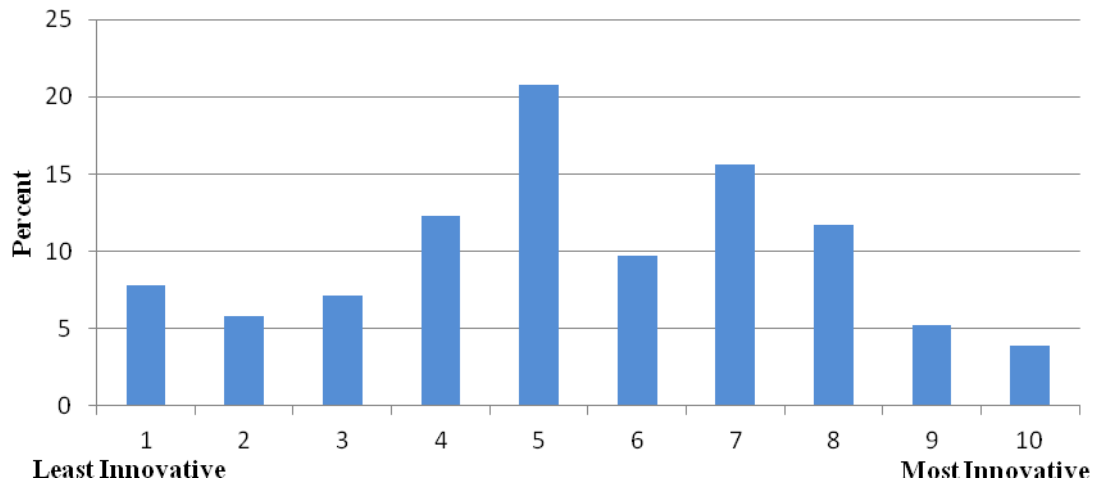


The average of all organisations responses falls just over the score of 3. This is in contrast with a score of just over 2 for the Department of Agriculture, Food and the Marine and the Third Level Education sector. This suggests politics has little or no impact on the employee’s role in the organisation. However the Local Authority average at 4.5 on the scale concluding they are heavily impacted by national or local politics.

### 4.3.10 Public sector as an innovator

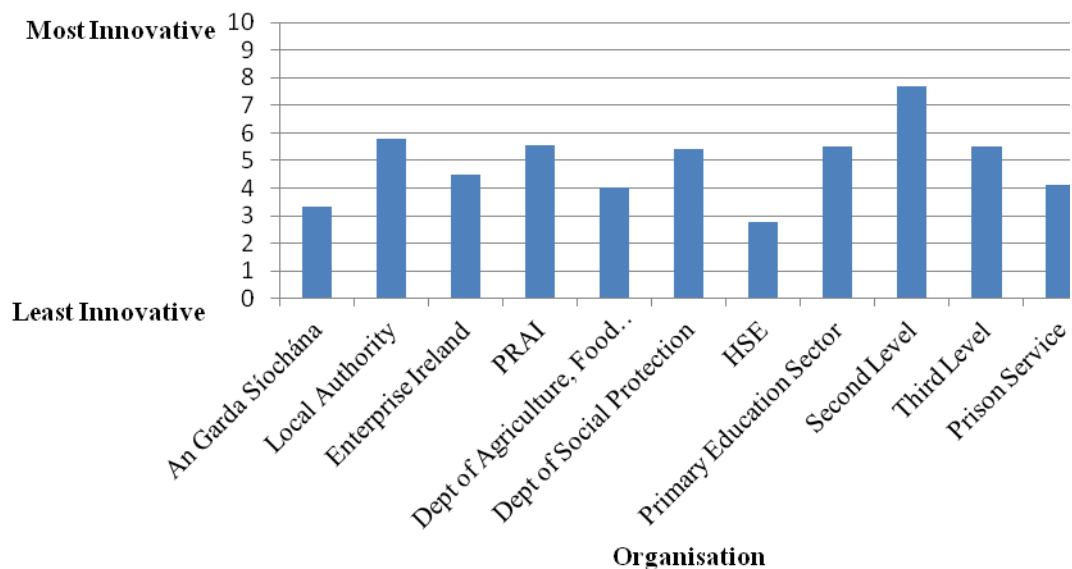
While 33 of respondents choose 5 as their response, this doesn’t give much insight into whether an organisation is innovative or not as it is the middle of the scale. This was followed by 25 respondents who selected 7, suggesting their organisation is, to some extent innovative.

**Figure 4.15 – Overview of public sectors employee’s perspectives to the levels of innovativeness of their organisation**



The scale of 4 was selected by 19 respondents, suggesting there is little innovation in their organisation. The scale of 8 was also selected 19 respondents. These 19 feel there organisation is somewhat innovative. 32 participants chose 3 or less suggesting there is very little innovation in their organisation. Only 14 employees selected 9 or 10. This shows that the majority of staff feels their organisation is only average in their innovativeness. Only 6 people believe their organisation is very innovative compared to 12 who feel there is no innovation in their organisation.

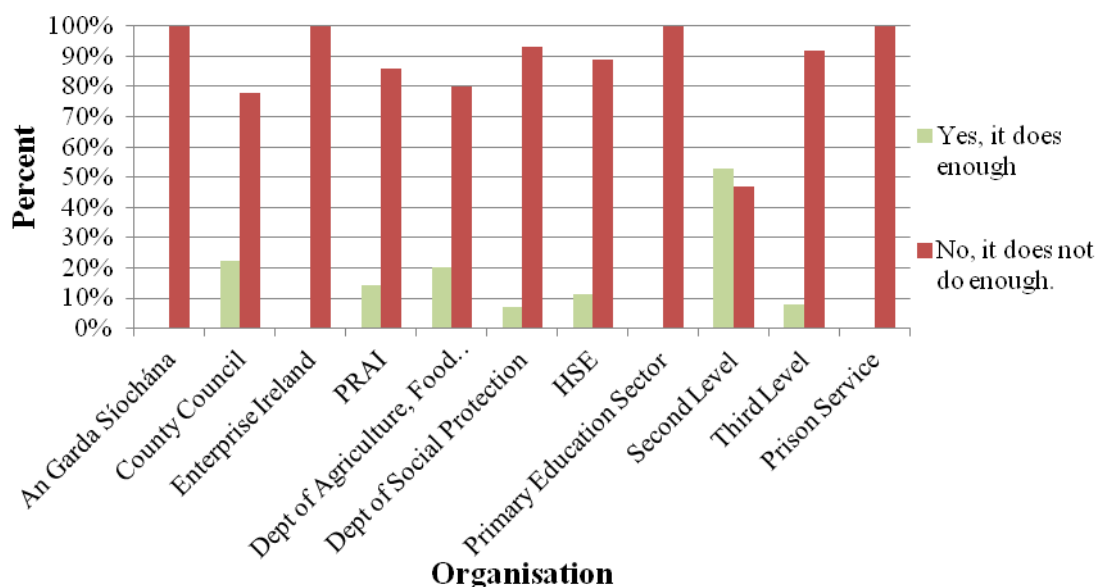
**Figure 4.16 – Averages of employee’s perception on how innovative their organisation is**



There is no great discrepancy between staff in a single organisation with regards to their selection on the scale of innovation, which gives a true average unlike previous findings. The staff of the Second Level Education sector believes their organisation is highly innovative, with an organisational average of almost 8, higher than the overall average of 5. The HSE and An Garda Síochána averaged at 2.8 and 3.4 respectively, which shows them as the least innovative organisations surveyed.

Employees were also asked if they felt the public sector as a whole was encouraging innovation. Of the respondents, 129 employees feel the public sector is not doing enough to encourage public sector innovation.

**Figure 4.17 – Employees perception to the public sectors efforts to encourage innovation**

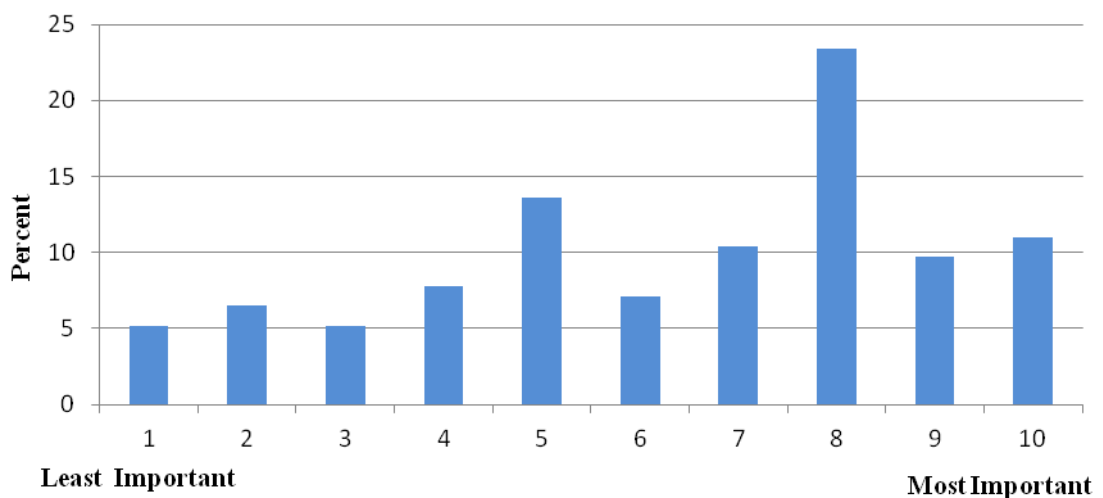


The Second Level Education sector is the only organisation that has more staff in agreement with a belief that the public sector is actively encouraging innovation with 13 of their 23 agreeing. The Local Authority has the next largest positive reply with a significantly lower 2 of 8 employees in agreement with the statement. An Garda Síochána, Enterprise Ireland, Primary Education Sector and the Prison Service did not have a single employee answering they feel the public sector are actively encouraging innovation.

### 4.3.11 Management

126 staff were in agreement that their management were open to innovative ideas being submitted for consideration; however, 33 believed their management were not willing to hear innovative suggestions from staff. Staff felt that this was unfair as it is often staff on the ground level that see where improvements and savings can be made. As seen in further responses, although 126 of the 159 staff felt their management were open to new ideas, not all managers act on these ideas.

**Figure 4.18 - The level of importance of innovation to management**

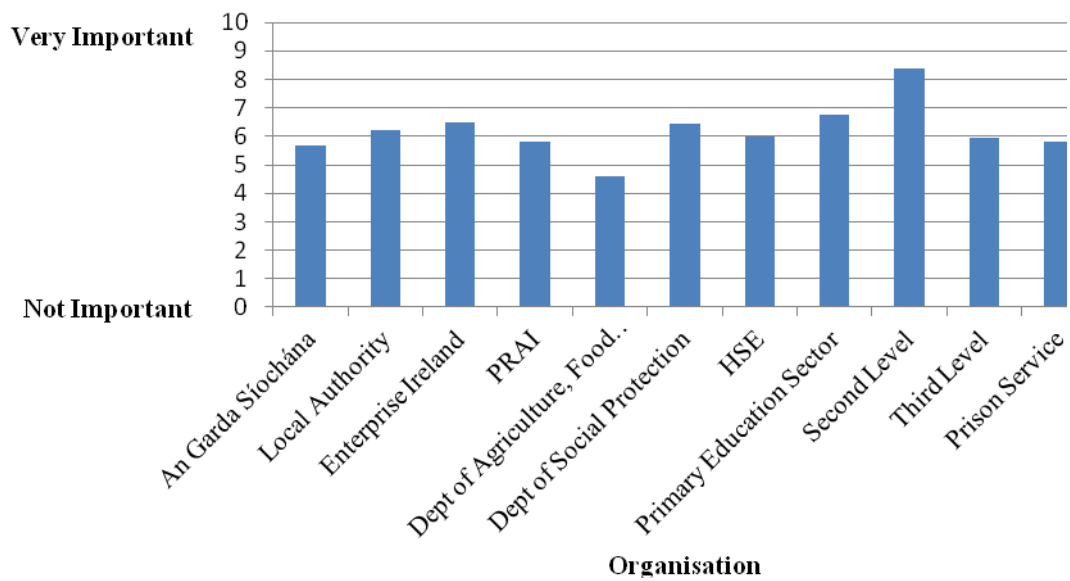


Innovation is considered to be of major importance to management. Over half of all respondents selected 7 or higher on the scale, suggesting innovation is of high importance to management. The largest single response for a rating, which was 8, was selected by 37 of respondents. This shows that staff perceive management to hold innovation in high regard in their organisation. The next popular selected scale was 5, which may indicate that staff are not sure whether innovation is important to management or not.

The importance of innovation to management does not correlate with responses in the previous figure 4.16, which show staffs responses on *how* innovative their organisation is. So while it is important to managers, it is not acted on.



**Figure 4.19 –The importance of innovation to management from an Employees perspective (Average)**



The overall average of the public sector staffs perceptions of the importance of innovation to management lies marginally above 6. The Second Level Education sector however is exceeds the general average with an organisational average greater than 8. The Department of Agriculture, Food and the Marine score slightly over 4. The remainder of the organisations report on the scale at around 6. The Department of Social Protection average is 6.4. However their average was reduced because of less than a tenth of employees selecting between 1 and 4 on the scale, while the majority of staff selected 6 or higher. Third Level employees are much divided in their opinions with an almost even selection of each number on the scale, suggesting that employee’s perceptions are greatly varied when it comes to how important innovation is to management.

#### **4.3.12 Recommended changes**

The following are the suggestions and recommendations that staff think the public sector could make to improve innovation in the public sector.

There is a fear of change by a lot of senior management in organisations and staff feel this will not change any time soon. Change is seen as a hassle by management who feel staff should ‘do as you have always done’ or ‘do what you are told’, which leaves

no room for innovation. Staff in some organisations feel innovation is seen as wasting time and other resources.

It was also explained that management are often in their positions for long periods of time and are not open to new ideas. Staff suggested there is also a viewpoint by management that, if it's not broke, don't fix it. Managers may need to take a step back from the day to day workings and look at the larger picture; their attitudes are too rigid, according to staff.

Staff also suggested that there are not enough strong leaders in the public service to show direction. Management need to think strategically and provide leadership.

Staff also suggested that senior management should be sent on a managerial course. This could help managers build on their management activities<sup>8</sup> and skills<sup>9</sup>. It could also help management be able to identify staff with innovative potential. Staff feel this will help management learn new skills which are essential for the development of healthy work force.

For innovation to take place resources such as time people and funding are needed and none of these are available at the moment. Due to the moratorium, vacancies created by staff that leave an organisation cannot be filled. This only leads to increased pressure on existing staff which reduces their ability to be innovative.

The use of technology should be utilised to its best ability. All payments should be electronic and online applications should be self-validating. IT should replace manual jobs if possible.

Staff believe that some innovative suggestions are ignored because the budgets are not there to support it. Delegation of financial operating budgets to departments was commonly suggested by staff. As well as this, staff would like to see departments given more decision making powers. They also feel that there should be more authority by local management or unit.

Staff also believe that money could be saved if management consulted staff on how to reduce expenses. To reduce costs further management may need to consider

---

<sup>8</sup> Management Activities include: Planning, Controlling and Organising.

<sup>9</sup> Management Skills include: Leadership, Motivation and Communication

outsourcing tasks, e.g. recruitment. This would cost the organisation money but the service provided by the outsourced would be their primary business. This would provide the best available service to customers. It would also allow the public service organisation to concentrate on their main business focus. The Local Authority interviewed already do this, e.g. Water Services.

Innovation is seen as a cultural challenge by some of the surveyed staff. Staff feel that the public sector relies on conformity to accepted practice or conformity to tradition, which stifles new ways of thinking and innovations. Staff are encouraged to accept the status quo. One respondent summed up the general consensus of staff. *'The very nature of the public sector makes innovation difficult'*.

Other suggestions from staff include the change of mindset when it comes to budgets. In some organisations there is a fear that if the entire budget is not spent by the end of the year, the organisation will be granted a smaller budget the following year. This can see careless spending taking place. *'If we don't spend the budget this year, we won't get it next year'*.

Another recommendation suggested was to change the mindset of public sector employees on numerous topics. There are some employees who do as little as possible as they believe *'you cannot get fired for the public service'*.

Staff feel public sector management could encourage innovation by being able to provide examples of best practice available to staff. There are none at the moment which means there are no role models to inspire innovation and demonstrate that innovation can take place. The Third Level Institution does hold an annual Enterprise and Innovation Week which showcases successful innovations in the companies of their Innovation Centre and surrounding geographical area. This could act as a guide for other Third Level Institutes to showcase their innovative successes. Employees also feel innovation could be encouraged through providing incentives for staff that try and work differently to be more innovative. Not all staff want financial incentives but would like encouragement and support from management. Sometimes this is of more value to the employees than financial reward. Staff feel they should be rewarded if they can manage to save the public sector money. However, this raises the question, will employees only be innovative if there are rewards on offer.

While some staff agree conditions of employment is not linked to performance, others believe performance is rewarded but innovation is not.

Better communication between staff and management is needed. The lines of communication should be clearly defined and there should be clear channels for innovative idea submission. There should also be a specific structure for reviewing, assessing and giving feedback on ideas. Staff want a chance to have an informal meeting with management to suggest ideas.

Staff want to see management encouraging innovation from the ground staff up. It was suggested that management should liaise with all staff; front line staff, the cleaners, household staff before making decisions that will affect the staff. Multi-disciplinary focus groups could be used to help clarify potential management decisions. Management also need to change their attitudes to when staff suggest ideas. It seems that management will ignore ideas if it doesn't come from the management level below them. One staff member said they have *'too many ideas, but have given up on suggesting and communicating them. You are often worse off for going out of the way to improve things.'*

It has been reported by surveyed staff, that the IPS is too hierarchical to be innovative with 68 of the 159 respondents agreeing or strongly agreeing that the organisation structure is too hierarchical. The statement *'The organisation structure of my organisation encourages innovation'* was disagreed or strongly disagreed with by 68 of the 159 participants. Only 13 of respondents strongly agreed with the statement. The management structure is too rigid according to staff. The hierarchy of grades in the public sector can often lead to great ideas from staff being lost, especially if middle management is stagnant or unwelcoming of new ideas. Staff want to see a reduction in the levels of hierarchy.

Employees feel that staff with specific skills and traits that would be valuable or more suited to another public organisation they should be encouraged to move to that position. Staff suggested that the public sector could also be more innovative if they were allowed to participate in job swaps. Not only staff should move but also managers should move departments, so they keep learning and don't become stagnant.

While hierarchy should be cut so too should bureaucracy. It stifles innovation and also can stifle a good leader. Staff said it would be worthwhile if some innovations could be introduced on a pilot scheme for a limited period of time and if suitable could be rolled out across the entire organisation.

Risk taking with public money is not encouraged so change is avoided. Any change to everyday activities in the public sector is seen as a risk. This raises a further question; if you can't take risks, how are you meant to be able to innovate? This frustrates staff.

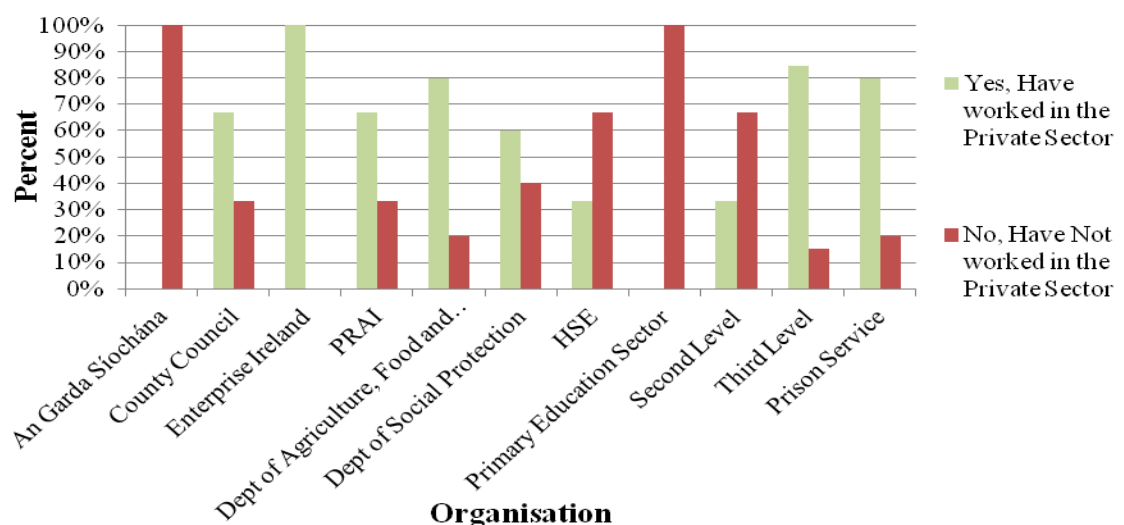
Staff also replied that there is no accountability in the public sector. While there is talk of innovation at every angle no one will take responsibility or be accountable to take the first step. Management seem to shy away from responsibility, especially if there will be political implications, either internally, locally or nationally. For example; it seems to depend on who suggests an idea, as to whether it would be considered or not, rather than the merit of the idea itself. Political intrusion stifles innovation. Some staff suggested that unions and interest groups restrict 'innovation by bullying their members'. The unions are too strong and staff are too inflexible, and will only do what is their job description, not what is for the best of the organisation.

Some further suggestions included the privatisation of some organisations in order to increase competition and therefore see a rise in innovation.

#### 4.3.13 Public & private sector comparison

Of all 159 staff surveyed, 97 had previously worked in the private sector.

**Figure 4.20 – Employees who have worked in the private sector**



All employees surveyed in An Garda Síochána or the Primary Education Sector have never worked in the Private Sector. This could stand to the fact that the qualifications required for these roles are very specific to their public sector organisation. 5 of the 8 employees in the HSE and the Second Level Education sector have never worked in the private sector. The Second Level Education sector and HSE employees are often trained specifically for the role, e.g. nurses, doctors; teachers are commonly trained directly from school. All Enterprise Ireland employees have worked in the private sector. Six of the remaining organisations have 60% or greater of employees that have worked in the private sector.

With such a wide variety of employees that have worked in the private sector, there are vast opinions on the differences between the public and private sector.

According to the responses, the private sector is more open to innovation and it is more encouraged. This may be due to the fact that private sector is profit driven, whereas public sector innovations are often cost savings measures or ways that can improve and impact positively on the public purse.

Innovation is rewarded in the private sector, often through financial rewards. This may be because the private sector needs to innovate to survive and remain competitive whereas, there is not the same degree of competition in the public sector so there is a lack of pressure on organisations to be innovative.

The private sector has more scope for innovation and is more flexible and more acceptable to change. Change management is easier in the private sector. The private sector also has less bureaucracy and is more likely to take risks. However these risks are well researched and calculated. This is because there is more accountability in the private sector.

Further recommendations from staff suggested that communication of change is much better in the private sector. Staff also feel that in the public sector, they do not have the input into ideas they did in the private sector.

Staff also believe there are more funding options available in the private sector than the public sector and it is quicker to recognise benefits of innovation in the private sector. Staff felt that there was more motivation in the private sector and also felt that they were more appreciated by their management in the private sector.

*‘Innovation is applauded in the private sector and stunted in the public sector.’*

The public sector has far more constraints and slower processes which inhibits innovation. Implementation of innovations in the public sector can take a substantial length of time and their benefits are not evident for quite some time. This slow process can demotivate staff and management. The slow processes can be due to too much bureaucracy and the difficult in identifying who the right person is to suggest an idea to in the public sector to begin with.

While the above comparisons are suggestive that the public sector is not as innovative as the private sector, some respondents believe it is impossible to compare both sectors while others believe the public sector has developed a bad reputation despite trying their best in the difficult situation that is the recession and consistent media spotlight. *‘The public spends within a number of controls- legal, political, economic and can’t easily be compared with the private sector.’*

Other responses suggest that the public and private sector organisations can vary in their innovativeness regardless of the sector they operate in. However the pressures in the competitive private sector can influence directly on a manager’s job and therefore the pressure to innovate is greater for the manager if they want to retain their job. *‘Due to the pressures of the commercial world and the direct threat to the job manager if a company goes down, the pressures to innovate are more directly felt in the private sector’*

#### **4.3.14 Public sector champions of innovation**

The Revenue Commission was the most selected organisation as a champion for innovation by respondents. The reasons for selection were numerous. Their e-government initiatives are ahead of other public sector departments. It was also suggested by numerous employees that the Revenue’s innovation is due to their advance in technology and so lead the way for the rest of the public sector. The progression in technology has enabled the Revenues full service to be availed of online which proves their ability to meet customer needs and be client forward. They also meet customers’ needs by providing an efficient phone service to assist, or in some cases replace their online service. The Revenue rebranded themselves and in doing so increased their efficiency substantially. Staff also suggested the Revenue as the organisation who champions public sector innovation due to being one of the few female led public sector organisations.

The remaining suggestions of public sector organisations that champions innovation can be found in Appendix B.

#### **4.3.15 Conclusion**

In relation to initiatives, over fifty per cent of employees in the public sector did not know of any formal initiatives. All surveyed Gardaí did not know of any formal initiatives, whereas all Enterprise Ireland's employees knew of formal initiatives. There are only three organisations where the majority of employees know of formal initiatives. These are namely, Department of Agriculture, Food and Marine, Second Level Education sector and the Third Level Education sector.

Employees are even more unaware of informal initiatives, with only 49 of the 159 employees admitting to knowing of any. Once again all employees in An Garda Síochána that responded to the survey have no knowledge of informal initiatives. As with formal initiatives, only three organisations had a greater number of staff who knew of informal initiatives. These were Second Level Education sector, Department of Agriculture, Food and the Marine and The Local Authority.

We can conclude that the employees of the public sector as a whole, view management as average when it comes to management communicating new policies, procedures and initiatives. The Second Level Education sector selected their staff as the most effective when communicating new policies, procedures and initiatives.

The questions on rewards proved very emotive for employees and it was clear from responses that reward budgets have been drastically cut or totally abolished, with financial rewards<sup>v</sup> only available to less than 10% of the public service. Time off was available to only 3 public sector staff and promotion only available to 11.

In qualitative questions on how staff feel innovation could be improved in the public sector, re-instating rewards was the most suggested recommendation. Support was offered in all but one organisation, An Garda Síochána. The most popular support was company resources with over 83 staff having it as a support. Other supports available to staff were PMDS<sup>10</sup>, mentoring and laboratory facilities.

---

<sup>10</sup> See Abbreviations List



On conclusion of the chapter, it can be said that the organisation structure of the public sector organisations does not encourage innovation and also that employees believe there is too much bureaucracy and insufficient levels of risk taking.

As expected, politics does affect employee's roles and especially those in the Local Authority. The whole public sector is governed by politicians and so while staff at ground level may feel they are not strongly affected, their senior management may feel differently. This will be analysed in the next chapter.

Employee's perception's on how innovative the public sector is shows that the public sector is innovative to an extent but there is room for improvement. The individual companies only received an average rate of 5 when staff were asked how innovative their organisation is, suggesting there is a lot more room to innovate. This comes as no surprise as 129 of participants agreed the public sector is not doing enough to encourage innovation. However, the Second Level Education sector had over 50% of employees who felt the public sector was doing enough.

Staff felt that innovation could be improved in the public sector if a culture of innovation was created. Instead there is a fear of change among both staff and management. There is not strong enough leadership shown by senior management to enable staff to be innovative. Also there are no celebrated champions of innovation so employees do not have an example of a good innovation or a benchmark to achieve.

Further challenges that reduce innovation levels in organisations are the lack of rewards and incentives offered to staff and the hierarchical structure of the public service. Staff would like to be able to move from department to department and bring new skills to the department, however they are restricted into one department and transferring is prevented by both management and the system as a whole.

While innovation appears to be important to management, it is not always acted upon or introduced, further cementing the fear of change and lack of risk-taking in the organisation.

The recommended changes for improvement are vast. A lot of recommendation centre on management and management practices. Management must be willing to change if they are to encourage their staff to change. Finance was another challenge that has to

be overcome to increase innovation activities. Staff want to be consulted by management for their ideas on how to save money for the organisation at ground level. Bureaucracy and organisational structures need to be reduced for innovation to succeed. Also the public service has to utilise technology, communication and personnel better.

The majority of respondents have worked in the private sector and find innovation is harder to suggest and implement in the public sector. The reasons given for this are there are no rewards or incentives in the public sector to be innovative. There is also a significant amount more constraints in the public sector than the private sector. These constraints can inhibit staff from suggesting innovations. Being innovative is not a required skill for a public sector job so staff may feel if it is not in their job description it is not worth doing.

The findings from both the interviews and the survey will be discussed in the following chapter.

# Chapter 5

## *Discussion and Analysis*

### **5.1 Introduction**

This chapter will look at the findings and literature already studied and results will be compared and contrasted to form a discussion. The chapter is broken down into different sectors including; initiatives, challenges to innovation, incentives for innovative practices, employees perceptions of the IPS and communication systems in the IPS.

### **5.2 Existing Innovative Initiatives to support innovative practices and staff perceptions of such initiatives**

#### **5.2.1 Formal Innovative**

There are no formal initiatives that *all* management, staff and literature can identify relevant to the IPS. The lack of formal initiatives can give rise to certain challenges that will be discussed further in the chapter. There is confusion between management and staff, especially when it comes to identifying formal initiatives, even though the term was clearly defined at interviews and on the survey. There is also a divide between management and staff perceptions of formal and informal initiatives. This can cause its own problems and management must be willing to try and reduce the confusion in order to create an innovative work force. We learn from the findings chapter that 81 of the 159 employees are aware of formal initiatives in their work place. This is in comparison to almost the majority of management being able to identify at least one formal initiative in their respective public organisations. Therefore, it must be asked why staff are not aware of these formal initiatives; is it the fault of management, staff or the public sector as a whole? Management must look to communications systems and to staff to resolve the lack of staff awareness to initiatives. There should be a discussion with staff in order to understand why they feel there is an obstacle in communication. It

may be the case that the communication from government is not being received by senior management clearly and concisely.

Ineffective communication is an issue in the development and progression of initiatives in all organisations, however specifically for the Department of Agriculture, Food and the Marine. The communication structure is not effective in the department and staff and managers should not have to hear of new initiatives through the media, as has happened in this department. This can lead to resentment towards senior management or ministers who should have infiltrated the idea through the organisation. Managers need to tackle this problem by effectively working with both staff and senior politicians to implement a communications system that works for the entire organisation.

There is a need for formal innovative initiatives in the IPS and for the initiatives that currently exist to be re-evaluated to ensure the public sector is benefitting from their existence and they are still fit for purpose. There is a need for a revamp of existing initiatives if the public sector is committed to embedding innovative practices as standard across the sector. It could be seen as wasteful on resources for an initiative to exist solely for the government to be able to *tick a box*. There needs to be a follow-up and an evaluation of an initiative along with encouragement from senior management if innovative practices are to be successful.

An initiative that was publically acknowledged in literature (Borins 1997) to encourage innovation among public sector staff was the Input scheme. This is an initiative organised by the public service where rewards are given to public sector employees who can improve the efficiency or quality of the public service organisation with their ideas (Boyle 1997). Management and staff suggest, while not commonplace, formal innovative initiatives do exist in the IPS. Yet, the Input scheme was not reported as a formal initiative in interviews or surveys by the Minister, management or staff. However the Input scheme was reported to be a reward by staff and management. This is discussed further in the chapter.

The individual organisations that highlighted formal initiatives are examined and discussed in future paragraphs. It should be noted that the six organisations that are not discussed do not have formal initiatives. While the organisations that have formal

initiatives may not succeed with them, they do however demonstrate an effort to become more innovative unlike the organisations that show no effort or drive to change their ways of working in a formal capacity.

Staff surveyed were asked to highlight the formal innovative initiatives that were available to them. As already stated there is immense variance between organisations. For example An Garda Síochána did not have a single member of staff surveyed who was aware of any formal initiatives, while all respondents from Enterprise Ireland were aware of formal initiatives. These organisations fall at opposite spectrums of the scale with the others falling between them.

The greatest divide among employees and managements perceptions of formal initiatives is in the Prison Service. The Prison Service of Ireland's new training programme, as outlined by management, was introduced as a new initiative in recent years to ensure that staff are trained to specific standards for the safety of prisoners and themselves. Management are very proud of this advancement and the fact that the training is now accredited unlike previous training. This initiative also gave rise to further informal initiatives that are explained in section 5.1.2. However, 11 of the 15 Prison Service staff were unaware of any formal initiatives, although the majority of these staff would have to have had undertaken the initiative of the new training scheme outlined by management as a requirement of working in their role. This could be due to management having embedded the initiative as mandatory among staff so they do not see their training as an initiative.

Staff perceptions in the Prison Service can be contrasted to those of the PRAI where the Organisational Review Programme, Attendance Management Policy, Transformation Groups and the ability for public access to the Land Direct Services were identified as the formal initiatives in the PRAI, by the 16 staff that recognised formal initiatives in the organisation. The PRAI was the only organisation where staff highlighted initiatives that management did not mention at the interview. Although, this could be as a result of the fact that some of the initiatives are not very popular or successful and so management did not want to draw attention to them or they are not seen as initiatives in the eyes of the management, which is the inverse of the other organisations; where staff are unaware and management are aware of initiatives. Many organisations could use the PRAI as an example of successful initiative implementation. The formal innovation

initiatives identified by PRAI management are their Ideas Committee and local transformation groups, which arose from the Croke Park Agreement. The PRAI appear to be the most consistent and encouraging in their initiatives. Initiatives are utilised on a regular basis and to the best of the organisations ability with updates and meetings organised regularly. This helps embed the initiative into everyday thinking for the staff and is not just seen as a once-off ambition to be more innovative.

In contrast, management in the Third Level sector, believe that the lack of formal initiatives allows staff the liberty to work on their own initiative and projects. The example given was that many marketing lecturers also work with external professional bodies and different events including charity events. This shows that the staff member is innovative but the Third Level organisation should be embracing this innovativeness for the benefit of their own organisation. The Third Level Education sector organisation should publicise the work of their staff for charities and other external bodies both internally and externally to increase public relations perceptions of the organisations. The Third Level institution interviewed reported there is a growing trend towards online and distance learning. The online and distance learning initiative has received national awards for the institute interviewed. This shows that the sector is engaging with its customers and potential customers and facilitating demand. This is what every public sector organisation should be aiming to achieve. The Third Level Education sector is not the only organisation to embrace technology to progress innovative initiatives and practices as the Local Authorities also have with the use of online services for motor tax payments. Technology and its potential benefits to organisations should be analysed by management to ensure they are receiving value for money in their existing work practices and delivering the best service for their customers.

The Croke Park agreement was highlighted by some organisations staff, as a formal initiative, especially by staff in the education sector. 11 staff from the education sector selected the Croke Park as a formal initiative. This may be because of the extra hours they are being allocated without extra pay. It would be fair to say if an initiative affects working hours or pay, employees are aware of them, especially more so than work practice innovative initiatives.

According to management a formal initiative that public sector organisations can use is the staff suggestion scheme. This formal innovative initiative is used in the Department of Agriculture, Food and the Marine includes a staff suggestion scheme. While it exists in the organisation, it was mentioned at the interview process that management do not encourage staff members to participate in it so it is now an almost obsolete practise. While it is almost obsolete from a staff's perspective, managers still believe they are more innovative than other organisations because of it.

The Department of Agriculture also have a mentoring programme. This is utilised more than the suggestion scheme but also entails its own problems. It can be difficult to match the right staff to ensure the less experienced employee gets the full benefits of the scheme. Often the more experienced staff member doesn't have the time and can be quite reluctant to take part in the scheme, as it is an additional stress on a staff member who is already may be under a lot of pressure in their role.

The Department of Children and Family have the initiative called the 'Identification of Need' Project. This is a preventative measure by the department to stop issues involving families or children reaching social services. The Department of Children and Family excuse for a lack of other formal initiatives is due to the strict rules and procedures in place for developing an initiative which management believe can create a loss of focus and time from the organisations main practices and so initiatives are not popular.

As the Department of Children and Family, the HSE also has very procedural methods which management feel inhibits the introduction of new initiatives or strategies. As discussed in the previous chapter the largest initiative in recent years was the transfer from the old Health Board structure to the new structure of the HSE. This has caused huge problems and debate as a result. The managers in the HSE perceive that it is always under the scrutiny of the media. This makes it more difficult for management to introduce new innovative initiatives. There are constant reports on the HSE and its effectiveness and efficiency and managers are unlikely to take a drastic change as they become the next *scapegoat* if the initiative is seen as a failure.

In the HSE and across the whole public sector in general, management, staff and the public want to see immediate results from an initiative and are impatient to have to wait

the months, possibly years, before results can be analysed fairly. The time period before results can be seen, can be due to the lengthy processes all new initiatives must encounter. Also, the high levels of bureaucracy and research that must be completed can also add time to the processes. Once an initiative is implemented it can take months before it is established across a whole organisation. Results cannot be obtained until an initiative has been in place for an allotted period of time. In some cases it can take months or years before a competent assessment of an initiative can be made. All parties need to understand the importance of patience and also perhaps the duration of a process from idea to implementation should be addressed by those with the power to change it.

There were further initiatives suggested by public sector staff that are formal public sector rewards, namely the Input scheme, An Taoiseach Public Service Excellence Awards and Fiúntas Awards. These will be discussed as rewards rather than initiatives at section 5.5.2 as this is what the majority of staff and management perceive these initiatives as.

The organisations with no formal initiatives are namely An Garda Síochána, the Local Authority, Enterprise Ireland, primary education sector, Second Level Education sector and the Department of Social Protection. It is hard to believe that there are no formal initiatives in these organisations. It can be suspected that the formal initiatives in these organisations have probably been in existence for so long now that it is just seen as normal procedures now or that they exist in theoretical form but not in practise.

Many questions need to be answered in order to understand the divide in management and staff perceptions of formal initiatives. One is how staff can be unaware of an existing formal initiative, e.g. staff of the Department of Children and Family did not highlight the 'Identification of Need' project as a formal initiative, yet it was identified by management as one. The Department of Children and Family and other departments where staff lacked knowledge of initiatives which management suggested, need to analyse the problem to discover why this has happened. Is it a communication problem? If so, is the problem in communication from government to senior managers, senior managers to middle managers or middle managers to staff. There needs to be a review to ensure that all initiatives communicated are received and understood by all affected by it. Another question raised is, how in some organisations, staff's awareness of initiatives can be split fifty-fifty. Why do half of the staff know of the initiative and the



other half don't? It cannot all be down to communication from management but perhaps a lack of motivation for wanting to know. Management must be able to identify these staff. It is not sufficient for management to only explain a new initiative they must ensure all staff understand it. Managers who want innovations and initiatives to thrive will ensure all staff participate. Management, who do not welcome innovation, may not ensure they have full participation from staff. A lack of participation from staff can lead to an innovation failure or a divide in employee's awareness of initiatives.

Formal initiatives are initiatives that are developed by management or politicians in the attempt to improve a public sector organisation. A formal initiative will be structured and have strict policies and procedures surrounding it in order to ensure its effectiveness. These policies and procedures should be clear and understood by all employees before an initiative is implemented. For an initiative to be successful management must communicate the initiative to staff and the reasons for its implementations. Management must be able to convince staff it will be of benefit to them and the organisation in order for staff to accept the change. This can help with Kurt Lewin's 3 step model of change (1951). This involves unfreezing the current environment of the organisation and preparing for the change and outlining the benefits of the change. The benefits of the change must outweigh the disadvantages for the staff. Once staff are ready for the change, the change or initiative can be implemented. This can take time and should not be rushed by management. Once this is done, management must embed the initiative into the running of the organisation. This establishes the initiative as part of the organisation. The initiative should not be complicated and as much bureaucracy as possible should be avoided.

### **5.2.2 Informal Innovative Initiatives**

Some organisations that do not have formal initiatives have informal innovative initiatives.

There is no literature relating to informal initiatives in the IPS and there is a divide of opinions among management and staff. The informal initiatives that exist in the IPS vary from one organisation to the next. While all management can highlight informal initiatives, 110 of the 159 public sector employees surveyed are unaware of any informal initiatives in their organisation. The absence of informal initiatives may be due to the need for uniformity in all branches or locations of the same organisation, so much

so that if employee staff member from one branch relocated to another branch the work practices should be the same. This can restrict management from introducing informal initiatives for fear that it compromises the main work practices of the entire organisation, as seen with formal innovative initiatives in the Department of Children and Family. The Department of Children and Family avoid adopting initiatives as they want to ensure they provide the service the public needs and are concerned that by adopting an initiative it would retract staffs concentration from the core service of the organisation.

Findings reveal that management will not introduce new initiatives or policies unless directed to do so by the government. This can be due to the fear of failure and the risk to their job and reputation of the organisation to the public. Some managers do not see the introduction of initiatives as part of their job unless outlined by senior staff or politicians. It appears that in the public service the mere idea of an informal innovative initiative can cause stress among management. This should not be the case and all employees at a management level should be expected to be innovative and encourage innovative behaviour of the rest of the work force.

The Prison Service also stated that informal initiatives were frowned upon in the organisation. This could be borne out of the fact that the Department of Justice and Prison Service are legislated by many laws and procedures by the state. If the Prison Service introduced an informal initiative it could cause inequality of practices and standards across each prison. This school of thought could be applied across the whole public sector when so few employees can identify an informal initiative.

The education sector from both management and staff perspectives, have the most informal initiatives. This is largely because of the student projects and competitions that the sectors participate in. The Third Level sector staff and management highlighted teaching methods as an informal innovative opportunity. This is because it is a lecturer's prerogative on how to teach class material. Once lecturers cover the relevant syllabus, management do not need to interfere. However there are Key Performance Indicators (KPI's) which are reviewed and discussed at Programme Review Board meetings. This ensures the standards set out are met. There are ever increasing teaching methods becoming available all the time especially with the increase in popularity of online college courses. These can be viewed as innovations. This is in comparison to An Garda

Síochána, the Prison Service, Department of Social Protection and the HSE who are heavily legislated and are under more media scrutiny than other public sector organisations and avoid initiatives especially informal ones.

Enterprise Ireland use many informal initiatives. Management feel that they work hard to try to meet the needs of their clients and their organisations' mission statement, and try to overcome issues they meet by using informal initiatives which are more fluid than that of developing or launching formal initiatives. Initiatives that do arise from employees are about how to work smarter and reduce workloads which management will encourage and support. Enterprise Ireland appears to have the right approach. While they may not have formal initiatives they constantly encourage staff to improve work practices. Perhaps if all the IPS organisations could encourage this behaviour, there would be less attention put on formal initiatives. Also staff appear to prefer informal over formal initiatives as they perceive there is less pressure and so work more effectively.

The public sector has to be transparent in its dealings and operations. If one branch of an organisation has different work practices for the same task as a different branch, it can cause transparency to become tarnished if the organisation as a whole was ever under investigation. Another reason for the lack of informal initiatives could stem from the managers who are less likely to welcome change if it is not prescribed by the ministers and government. If these managers are not instructed to make a change, they won't.

Informal initiatives should be encouraged from the top. They should also be more relaxed than formal initiatives in terms of guidelines and policies surrounding them. Informal initiatives must focus on improving work practices and daily tasks of an organisation. These initiatives may not have to be implemented organisation wide but perhaps in smaller departments of the organisation once they do not affect the transparency of the organisations work practices. Informal initiatives changes must also follow Lewin's model of change as previously described. Both formal and informal innovative initiatives are needed if the public sector strides to change and make better use of the ever reducing resources.

### **5.2.3 Managements role in supporting innovating practices and staffs perceptions of this role**

Regardless of an innovative initiatives' status as formal or informal, it is up to managers to ensure the initiative is engaged with by all staff. Management support levels in an organisation show the willingness of managers to facilitate and promote entrepreneurial activity in the firm (Hisrich & Peters 1984). The majority of public sector organisation managers say they welcome innovative and entrepreneurial thinking among staff, and would welcome any formal initiative, although, some more than others. Manager's attitude to initiatives is crucial. Some managers believe that on-going innovation is essential for the development of the organisation and so instils a culture of innovative thinking and action among the organisation. This type of management are open to suggestions from staff and consult with staff regularly regarding continued improvement of the service and working practices. However if managers act negatively to initiatives, staff will also adopt this frame of mind and will perceive the initiative as impacting negatively on them and their role and the change to be more innovative will be more difficult for the organisation. Managers that are opposed to innovation may only introduce new practices when outlined to do so by senior managers and politicians. These managers do not welcome innovative suggestions from staff and often the managers believe they are working to the best of their ability already. Innovation is seen as an added pressure to these managers.

Also, managers at each level have a significantly different role to play in the implementation and support of an idea. Support offered by management varies greatly but the ideas that can save the organisation money are more supported and favoured by management. It seems that even an idea that may save a department and staff time in a process will be overlooked for an innovation that will save money from the outset, even though the time saved could be more valuable to the organisations. For that reason, it is critical that that cost analysis' are carried out and are accurate.

As previously mentioned, there has been a shift to providing a more online service by IPS organisations; however they must ensure they still meet customer's needs. A stringent cost analysis must be done. While having an online service can be very cost effective, there is still a need for a physical office for those who cannot use online services. For example the Motor Tax Office, under the Local Authority interviewed,

have 2 motor tax offices. The manager of the Local Authority says that there is only need for one, if any. He suggested that it should be compulsory to pay your motor tax online. The big problem in the local authority is the role of the councillors. While it may make sense for one decision to be made if it will unsettle the electorate, councillors will not make the decision, for fear they will not be re-elected. Management in the Local Authority are open to other initiatives to a degree. They expect staff to do what they can themselves within budget. With many areas of responsibility in the Local Authority, management encourage staff to have '*in-depth discussions to see how the company can do more business online and take the humans out of it*'. The manager states that the only way you can do more with less is through electronics.

Literature can provide a huge wealth of knowledge for managers when it comes to management being innovative and encouraging innovative behaviour. Both senior and middle management have different roles to play. Literature breaks down the responsibilities of management into senior management's roles and middle managements roles. In short, senior management must set the innovative culture and working environment (Seshandri & Tripathy 2006) develop initiatives, show leadership and give direction to the organisation whereas, middle management oversee the implementation of initiatives developed by senior managers and ensure the organisation achieve the senior management's objectives.

As in other organisations, management vary in their approach to innovation and encouragement of initiatives in the Department of Children and Family Support. Some managers encourage innovation and innovative thinking because they want to improve the service they provide. However this does not sit well with other managers as it is seen as a threat to the established ways of thinking and doing. This was a point that a lot of staff suggested as a reason for their management not to take risks or change the status quo. Some managers also do not want to have to share resources. This is because resources are getting smaller and smaller at every budget and as it is everyone has to *do more, with less*. The manager interviewed in the Department of Children and Family Support also thinks it is difficult for staff to think of taking on new roles and tasks when they are in *survival mode*.

Rosabeth Moss Kanter, speaking at the InterTradeIreland All-Island Innovation Conference 2011, suggested it is senior management's responsibility to develop the conditions that allows innovation to thrive. The senior managers must provide leadership, develop a culture that embraces innovation, encourage innovation among staff and instil innovation into the organisation. They must also be willing to liaise with middle management and all staff.

Hornsby *et al* (2002) states that middle managers can have the role of reviewing, developing and supporting initiatives in their units whether in large organisations or subsidiaries of international organisations. However it is often the case that middle management and staff suggest innovative improvement but they have to be approved by senior management. '*A substantial proportion of public sector innovation comes from middle management and the front lines*' (Borins 2002, p. 469). This issue was also highlighted by management and staff findings where some staff and some managers felt that it is often the staff on the ground floor who submit the best ideas. This is because they are absorbed in the day to day activities of the organisation. It is often the staff at lower levels of the hierarchy that see where improvements can be made.

Middle managers must communicate with not only senior management and staff but also with external bodies. Middle management must also communicate the organisations goals, missions and priorities while also managing the day to day tasks in the organisation. Middle managers in the IPS have an extremely difficult job and senior management do not recognise the work of middle managers enough. Bartlett and Ghoshal (1996) state it is the middle managers who permit an organisation and its' employees to flourish in terms of innovation. Middle managers see the everyday activities and both the hierarchy above and below so they are in a position to make better and more informed decisions than those in other positions. With such busy and hectic work commitments as standard, it can be difficult for middle managers to be innovative themselves but they have the ability to encourage and support others. A lot of staff in the Local Authority want or need a strong direction from higher levels or they may not want to engage with the project or initiative. Some staff, it appears, do not like too much freedom. This seems to be more common in the public sector and is a reason many people joined the public sector in the first place; there are strict guidelines and no

or very little risk. These are the people that resist change. It is up to the middle management to convince these people to 'get on board'.

A good middle manager is someone who is very '*innovative and different thinking and would be creative, because of the lack of resources and the blockages in the way*'. They would possibly look at matching skills so as to decide who might be the best person to work on a certain issue. Managers are very accepting of new ideas from staff if they can be reached through the hierarchical ladder. Unless there are good line managers and support systems in place, peoples' ideas get lost or are blocked easily, as is the case in the Housing Authority. It is also easier for middle management to identify innovative staff than it is for senior staff as there are fewer layers between middle managers and staff than senior management and staff.

However, poor management can hinder innovation. If middle management is poor, they will not encourage innovation from staff and so may not meet standards set by senior management, and in some cases the staff rather management will take responsibility for failing to meet objectives. It is often the case that middle managers encourage and support staff to be innovative but it is not recognised by senior management. This has occurred in the Third Level Education sector, where heads of departments encourage staff to be innovative and work differently with no acknowledgement from senior management. A middle manager gave the perfect example of how a manager can impact innovation. Their innovative senior manager was replaced with a manager of a much different management style and has since seen a decline in innovative initiatives established at local level in return. Another explanation for poor leadership is if there is a break down in vertical communication streams or that the organisational structure is too hierarchical and the information about initiatives is not reaching the staff. Management may use the correct methods of communication but there could be a lack of understanding or listening from employees. Whatever the cause is management must find it and resolve the break down in misunderstandings of initiatives, both formal and informal.

Kanter (2011) highlighted the issue of the innovation trap. This is an assumption that management at the top have all the answers. Another trap is when an organisation waits for a *blockbuster idea* and may overlook a small but effective innovation. Managers

need to be aware that the simplest idea or tweak to an existing practice or product can be just as good as the *blockbuster idea*. The Idea Committee in the PRAI are aware of this and admit that some of the new ideas suggested by staff and implemented are small changes to existing work practices.

Staff perceptions of management and innovation in the IPS is somewhat difficult to decipher as there is no strong opinion from staff when asked in the research survey to rate how innovative their organisation, on a scale of 1 to 10. The majority of respondents were unclear as to whether an organisation is innovative or not, by selecting the middle option. The conclusion we can draw is that the majority of staff either feel their organisation is only average in their innovativeness or they are unsure in how innovative their organisation is in comparison to other public sector organisations. The only organisation that had a distinctly positive response from staff was the Second Level Education sector. Staff here believe that their organisation is highly innovative. This could be due to senior managers' leadership style, who believe in an open door policy and have excellent communications with ground level staff. The HSE and An Garda Síochána were the least innovative organisations according to their staff ratings. The low ratings from these staff could be due to the vast size of the organisations and the fear of media scrutiny if an initiative failed. Also the HSE and An Garda Síochána are bound by very strict guidelines and legislation on their everyday activities for the protection of the public.

Staff were also asked for their perceptions on whether the public sector *as a whole* encouraged innovation. Of the respondents, almost 130 feel the public sector is not doing enough to encourage public sector innovation. The Second Level Education sector was the only organisation that had the majority of staff believing that the public sector as a whole does enough to encourage innovation. There was not an employee in An Garda Síochána, Enterprise Ireland, Primary Education Sector and the Prison Service that believes the public sector is doing enough to encourage innovation. This is a huge proportion of the public sector. The government, ministers and senior management should be aware of their staff's perceptions and views of current management and work practices as often it is staff that have the most effective ideas for progression of the organisation. While 127 public sector staff feel the public sector is *not* doing enough to encourage innovation, 125 staff agreed that *their* management were



willing to listen to innovative ideas that were submitted for the improvement of their organisation. This proves that although management listen to ideas, they do not act on them, or implement them.

Innovation is of major importance to the majority of management that were interviewed. Of the 126 staff that said management were willing to listen to innovative ideas, over 60 respondents selected 7 or higher on the scale of one to ten when asked to rate the importance of innovation to *public sector management* as a whole. This shows that staff feel that public sector management hold innovation as an important practice in organisations. 27 staff selected 5, the middle of the scale, which raises an issue that staff are not sure whether innovation is important to management or not. This should be addressed, as how are staff expected to be innovative if they are unsure if management are or not. However the importance of innovation to management does not correlate with staffs opinions on *how* innovative their organisation's is. We can conclude that while innovation is important to managers, and while 126 of the 159 staff felt their management were open to new ideas, not all managers act on these innovative ideas.

The average rating of employee's perceptions on the importance of innovation to their management is slightly above 6 out of 10. The Second Level Education sector however scores above average with a point on the scale of over 8, telling us that innovation is very important to management. This is correlated by the interview where management strive for innovative practices to become the norm. Third Level staff are much divided in their opinions with an almost even selection of each number on the scale, suggesting that different staff are mixed in their perceptions of how important innovation is to management. This may relate to what faculty they are in, their relationship with their manager or could be based on their duration in the organisation and their attitudes to change.

Initiatives however can be communicated effectively to staff but staff themselves can act as a barrier for the implementation of the initiative. In the PRAI, the manager raises the point that it is management's role to encourage all staff to be innovative. In the PRAI, one third of staff will want the change, one third of staff will go along with it because they are told to and the other third of staff will resist the change because they want to do things the way they have always done them. This is a variation of a 20 60 20

rule. This rule states 20% of the population will receive the change enthusiastically, 60% will need some convincing to adapt to the change and the remaining 20% will strongly resist the change (Soendergaard 2011). The 20/60/20 rule is a derivative of the Pareto principle. The Pareto principle was established to describe the spread of wealth among a population, where 20% of the population had 80% of the wealth.

Management have to realise that a person's mind-set is a major issue in preventing the establishment of an initiative; formal or informal. From past studies, change is a very volatile challenge to manage. It is encouraged for change to be gradual rather than sudden and a shock to the staff and also to the culture of the organisation leading to unrest and further problems. This can be explained using the anecdote of a frog in a pot of boiling water. If you place a frog into boiling water it will jump out. However if you place a frog in water of its natural temperature, it will not jump out. If this pot is then placed on fire and *gradually* heated the frog will not react suddenly to the change and will eventually boil.

While the current economic developments have had a negative impact on the most in the public service, some managers feel that sometimes the recession can be a good thing for innovation, in that it forces the public sector to think intelligently. With the recession, more questions have to be asked before signing off on a possible project as resources and funding is so tight and budgets are cut and there is also an increase in accountability.

There is a definite lack of innovative initiatives in the IPS. Management and staff perceptions of initiatives are skewed. There has to be more consultation in the development and implementation of initiatives. Managers must be aware of theories that can assist them in the processes of change. E.g. Lewin's model for change management. For the progression of the IPS as a whole, initiatives; both formal and informal, must be used if there is any hope of uniting the public service staff and management perceptions in terms of innovation and its importance to the public sector. In the public sector organisations, it is more important than ever for management to show direction and be clear about the innovative strategy of the organisation. Both senior and middle management must champion and want innovation in their organisation.

## **5.3 Challenges faced in the development of innovative initiatives**

### **5.3.1 Bureaucracy**

While management say they do all they can to facilitate innovation, bureaucracy can play a part in preventing an initiative being established. From primary research, bureaucratic processes can inhibit innovation by using such a large amount of management's and staff's time. Literature reports the classical organisation theories as bureaucracy, scientific management and process management. The IPS organisations are categorised as evolving from the bureaucratic school of thought. This was originally developed by Weber and is characterised by large and complex organisations where rules, regulations, rigid hierarchy and specialised functions are important. It was initially developed for organisations that did not require change (Bauer *et al* 2011). However, organisations now try to avoid selecting the model, due to its restrictions and too many managers, has become increasingly outdated. From management interviews, some managers believe bureaucracy is prescribed in the public sector and it is there to protect staff and clients. Either way, it is obvious from primary research that both management and staff feel there is far too much bureaucracy for innovation to be successful.

There was an astounding consensus in the response of the manager's opinions there is too much bureaucracy in their respective organisations. This is in agreement with the staff survey where 92 of the 159 staff in the general public sector believes that there is too much bureaucracy in their organisation, in comparison to 43 staff who neither agreed nor disagreed. Management need to realise that bureaucracy does not allow flexibility, yet that is what they expect of their staff. Manimala *et al* (2006) suggests that bureaucracy can be so overpowering in the public sector that it can encourage people to leave the organisation and join the private sector.

Bureaucracy differs from idea to idea and organisation to organisation. Managers believe if it is a simple idea there can be very little bureaucracy but if it is an idea relating to purchasing or finance there are regulations that must be upheld in all aspects of the public service. There are processes to be followed and multiple quotations to be sought and possibly they may have to tender for the idea to be viable, which can all be very restrictive and time consuming for management and staff. If an organisation is

seeking any type of funding for an idea there is masses of paper work to be completed, and as some managers highlighted, even when completed, the organisation is neither guaranteed the funding or that will the application be seen in a timely manner.

Management and staff responses from the Prison Service, the Department of Social Protection and the HSE tell us that they all agree their organisations are too bureaucratic. The Department of Children and Family Support is another organisation that feels the mass of bureaucracy that exists, stifles innovation and entrepreneurship. However, as mentioned above, management do feel it is necessary, especially if there is ever a problem with a specific case. A balance is required. This would allow more freedom for staff to use their initiative yet still be bound by some restrictions that are essential to ensure the safety of the staff and the client.

Primary research states the level of bureaucracy in the public sector can be caused by a need of an overlap of information with both a paper trail and electronic trail. Managers do however declare the necessity for it but admit it does take time away from perhaps other important tasks or potential projects. There is paperwork for everything and it must be done right. One remark made during the study in terms of bureaucracy was that even *'if somebody dies, so long as the paperwork is right'* it is not a problem for Health and Safety, insinuating that if all practices are followed correctly there cannot be blame apportioned to anyone or the organisation. While this might be an exaggerated claim, it is still believable when one considers the vast amounts of bureaucracy that does exist and also the frustration it can cause management.

Management in many organisations are trying to encourage the use of online services over manual procedures as this cuts both the paperwork and costs. This was highlighted previously but managers highlight that the introduction of online services would see the end of local offices for certain services. Now, for example the Local Authority have to pay to run an online service and pay for the costs of running an actual office to do exactly what the online service can do. However, if they didn't have both would they be discriminating against some service users? A public sector organisation has to be accessible by the citizens the organisation exists to serve.

When it comes to staffs opinions on bureaucracy, An Garda Síochána staff feel their organisation is by far the most bureaucratic in the public sector. This agrees with their

management's response that their organisation is too bureaucratic. This could be due to the fact of both hard and soft copies need to be kept for everything; of every accident, call out, application of age cards to name but a few areas. All Garda reports have to go through both electronic and manual procedures so there is a lot of bureaucracy and a lot of repetition, which is seen as unnecessary by staff and is a cause for frustration. Management in the HSE would also like to see a change in the amount of paperwork needing to be completed both manually and electronically and eventually want to see paperless offices. However, the author believes there will never be paperless offices in the IPS due to the reputation of the IPS and the lack of trust from the public towards public sector organisations. Some managers said the public sector needs to be accountable at every turn and an Information Technology system failure could cause disaster for some organisations if there was no physical paper trail. This is why there is a need for a backup system in all public sector organisations. Not only an onsite backup of files but perhaps at other locations or on a central encrypted server. All public sector organisations must store all files in the most secure method possible to protect the rights of all citizens.

An increase in bureaucracy lowers motivation among staff (Jones & Butler 1992). For this reason bureaucracy should be kept to a minimum in the IPS. That is why some innovative people that are hired from the private sector can easily become demotivated once in the public sector. There are too many challenges for them to overcome to get an idea working, or even to get an idea to the correct person for consideration.

Some managers believe that innovative staff will challenge bureaucracies and adapt to progress an idea rather than concede to the power of bureaucracy. An example of this was shown by the Third Level Education sector who say that the level of bureaucracy and procedures can deter staff from submitting an idea as they do not know who to submit to. What occurs in the Third Level institute is that staff will work on the initiative for as long as possible *under the radar* of management and once the idea is substantial enough they will try and submit it to management. It was felt that the Third Level Education sector management would probably not stop someone doing something innovative if they had started but are more likely to prevent it if permission was sought. They are '*not proactive but more permissive*'. One common thought from staff surveys in the Third Level Education sector was you '*seek forgiveness, not permission*'.

However this could show a lack of respect for policies and procedures in other organisations. This way of thinking from staff could lead to internal friction among staff, those who use the correct procedures and those who try to work on an idea and then bring it to management. If the latter's idea was to be successful, the employee who used the correct channels could feel that they are being penalised for using the correct methods. Management must be aware of this, otherwise some staff with innovative ideas will not submit future ideas.

The staff survey responses tell us that the Second Level Education sector had the lowest average when selecting how bureaucratic their organisation is. Their rating of 2.6 suggests it is a much less bureaucratic system than other public sector organisations. Management of the PRAI believe that they are not as affected or influenced by bureaucracy as other organisations. Both organisations limit the hierarchical levels of the organisation and have an open door policy, where staff are free to submit ideas, communication is easier and they feel this helps cut bureaucracy levels and issues. All organisations should strive to achieve these tasks as best they can to try and reduce the levels of bureaucracy and in turn increase innovative practices.

It is difficult for a change in bureaucracy levels to be made on a public sector wide scale when even the Minister interviewed replied to a research question on bureaucracy at the interview that *'bureaucracy and innovation don't mix well'*. There is no assistance from politicians or top managers to alleviate some of the bureaucracy. There is a fear of change and a lack of trust among the public sector that prevents bureaucracy levels to be cut. It appears that no one with the authority in the past has ever tried to change the bureaucracy levels in the public service. Some managers feel *'the energy and the time you commit to something just wouldn't be worth it'*. Many organisations have given up the fight and accept the huge bureaucratic issues as *'just part of the business.'* Clearance is required for approval and various public consultation processes must be adhered to including financial reporting. The organisations are statutory bodies and have statutory obligations. Organisations accept the bureaucratic culture and realise that they use public money so it must be used correctly and used to the greatest extent to return a value to the state. There must be internal and external audits. There will always be bureaucracy due to various types of cultures and the way people interpret data; three people may interpret the same data differently.

Managers admit many areas of the public sector are very procedural and are very restricted because of these procedures. The procedures were established years and years ago and inhibit risk taking or new ways of thinking. They do not question why the procedure is in place. Obviously, the less bureaucratic an organisation the more innovative they can be. Yet bureaucracy has its own problems. There needs to be a balance. There should be brief guidelines for carrying out different work practices and procedures but also should be open to slight interpretation from staff. While there will always be bureaucracy there is nothing preventing the government or senior managers reducing the levels of it in an attempt to prove their commitment to making the public service more innovative.

### **5.3.2 Risk Taking, Decision Making and Accountability**

The level of risk taking, as with bureaucracy, varies from organisation to organisation. Some managers accept that a calculated risk may have to be taken while other managers never want to take a risk, for various reasons. Hornsby *et al* (2002) says that a tolerance for failure is needed and risks taken must be calculated. There is no tolerance for failure in the IPS and this has to change.

Garvin *et al* (2006) suggests one way the public sector can change, is that organisations must be able to look to the past and the future at the same time to ensure success of new innovations. The fact that the public service is under such pressures from its citizens and the media can demotivate management to run with potential innovations. This is because the managers responsible will get may tarnish their and their organisations reputation from negative press they may receive if an idea fails. A failed idea can upset tax-payers, thus putting pressure for the managers to be replaced. Managers can feel there is too much pressure to succeed and that failure is not tolerated in the public service and so decision makers will look to the past for similar decisions and will always play it safe. The media pressures on the IPS organisations can make public sector staff and management less likely to take chances. The media acts as a watch dog for the public service and reveals the failures of management and systems when and if they occur (Koch & Hauknes 2005). Public sector organisations have a wide variety of stakeholder and the organisation can easily fall under questioning about any decisions made that may affect these stakeholders. Also, public sector organisations are easily

affected and influenced by many external national and international events. E.g. national budgets, EU regulations and directives.

The Prison Service manager interviewed made an interesting point that many managers overlook. Managers think that if you take a risk and it fails, there will be a huge disaster when in matter of fact; you may probably still have the status quo. Any risk that is taken must be measured and management must judge what repercussions there may be from taking such a risk. They need to be aware of every consequence and implications of each risk. The Department of Agriculture uses a risk assessment on all suggested innovations. The risk assessment covers risk to animal's health and welfare, people, the economic risk and also the reputational risk. The reputational assessment is in terms of regulatory authority in food safety. The Department will not take a risk if it will bring the reputation of the department into question from the public or media. This results in less and less risks being taken.

Public sector organisations need to learn to manage risk and not turn away at the mention of a new challenge. The Housing Department does their risk assessment by asking *what if?* about certain scenarios. The Department of Children say that the motto in their department is '*stay safe*'. The researcher thinks this is the case of the majority of public sector organisations, perhaps without even realising it. On a scale of one to ten, 40 employee's responses fall on 5 when they were asked about their management's willingness to take risks. This suggests that staff are unsure whether their management are willing to take risks with new ideas. 70 responses fall on 4 or below which we can conclude that management are unwilling to take risks.

The Office of Community and Enterprise and Enterprise Ireland have different attitudes to risk taking than the above organisations. The management of the Office of Community and Enterprise feel that they are luckier than other departments in the Local Authority as they can usually manage their own risk. They feel however, the problems with risk come when decisions are made centrally and are not tailored to specific areas. There has been a great emphasis on decentralisation in the past number of years from the public service. Now there is a greater need for decision making to be decentralised. Dublin City Council for example will have different tasks and pressures than Leitrim Local Authority, yet all Local Authorities must follow the centrally made decision.



Organisations need to be able to take ownership of their own ideas and not be so restricted by centralised ideas. Also, the researcher thinks that a centralised idea should give the individual organisation the scope to implement the practice as they see best suited to the organisation so long as the objectives are met. Enterprise Ireland can invest in companies that normal investors cannot as their role is to invest in organisations that can in the long run create jobs and possibly exports. However to a normal investor it could be risky.

It is fair to say that management and staff opinions on risk taking are in relative harmony with each other. This is in comparison to other themes such as management support for staff with innovative ideas, where management and staff opinions differ significantly. One exception in this theme would be Enterprise Ireland. Their management stated that they were willing to take risks yet their staff only rate the organisation at slightly above 3 on the scale of up to 10. This could be that management are the ones who have to sign off on the risks and are heavily involved in the overall allocation of funding and staff might not see the level to which the decision making and risk taking occurs at more senior levels. The only staff in an organisation that feels their management are willing to take calculated risks is the Second Level Education sector, with an average of almost 8 on the scale. The manager in the Second Level Education sector believes that no one gets it right all of the time; you just do your best so management have to allow and learn from failure. While the overall average of the public sector is just above 4, An Garda Síochána's average of slightly above 1, makes this organisation the least likely to take risks. An Garda Síochána management interviewed stated management are most definitely not likely to take a risk. They do their job the way they have been told and little changes from that. The HSE and the Prison service also have very low averages, which corresponds with managements opinions also of not taking risks.

A large factor in the resistance to take risks is the fear management have of failing and being ridiculed. Manimala *et al* (2006) states an organisation must be able to accept the fear of failure. The PRAI are one of the few organisations that realise that risks need to be taken for the progression of the organisation in the current economic crisis. To minimise the chance of failure the PRAI also carries out an evaluation process by doing a cost benefit analysis and a project management application. If a risk was to fail

management use it as a learning curve and do not penalise staff which supports findings from literature (Hornsby *et al* 2002; Garvin *et al* 2006).

Rosabeth Moss Kanter (2011) stated at the InterTradeIreland All Island Conference, in October 2011, '*To get more successes, you need more failures.*' She also raises an issue of '*how will you know if you have an innovation if you don't try!*' (Kanter 2011). This is relevant in the public sector where ideas can be *shelved* for future reference but are never looked at again. Kanter (2011) also stated that an innovation can be called a failure if an organisation does not see the innovation at the end, which can be an issue for the public sector. In the public sector if results are not seen to be positive in the initial stages of implementation, the idea can be withdrawn and not be given the chance to succeed. An important message from literature is the importance of knowing when to stop investing effort, time and money into an idea yet at the same time giving an idea enough scope and time to flourish. Many organisations *pull the plug* at the first sight of a barrier instead of challenging it and trying to overcome it. Dr. Peter Russo (2010) speaking at conference in University College Dublin, said organisations need to '*fail early to succeed sooner*'. An organisation must be able to get the balance right of giving an idea enough time to work but not wasting too many resources if it is going to fail. Organisations must also learn that taking no risk at all is as bad as failing with a risk. The public sector need to look at every new suggestion not as a risk but as an opportunity, or challenging opportunity as it may be. Then they should look at what challenges are in their way preventing the opportunity from succeeding and try to overcome them, the same way they use cost analysis or 'what if' scenarios in some organisations already.

One manager said that generally, there isn't enough risk taking in the public sector. However, the public do not want risks taken in some aspects of public sector organisations. The public would not like to see public organisations taking risks for example with people's health or pensions. There has to be strict regulations in the public sector organisations. E.g. the National Car Test (NCT). These regulations are established to protect the citizen. While it is acceptable in some cases not to take risks, other areas and processes could be made more innovative, easier to work and more efficient by taking calculated risks.

Managers feel it is often the easier and more convenient to avoid risk taking as they are less likely to gain a bad reputation or upset their clients and stakeholders. Some managers feel they are criticised when they take calculated risks and are also criticised when they do not.

When accountability is low, '*entrepreneurial activities will decline and threshold firms' ability to create value or growth declines*' (Phan *et al* 2009, pg. 202). Other managers feel that people, especially senior management or politicians are not held accountable for their decisions. Accountability is a dominant issue when dealing with potential risks. A lot of the decision making around risk taking comes down to politics also. The final word on decisions lies with the Minister and the Government. If they do not like an idea, it will not run even though it might be exactly what is needed at ground level for the improvement of the organisation. Leslie & Canwell (2010 p. 301) says '*decision makers tend to become 'locked in' to accepted ways of working, rather than keeping options open and challenging unanimous advice from officials*'

With risk taking, or not taking a risk, you are not doing anything wrong and cannot be penalised. However in the Department of Agriculture, Food and Marine, if you fail with an innovation, you will always have a *black mark* against your name, which will be there if you try to progress up the career ladder in the organisation. There is an attitude that people can go into a public service job, not take one risk and remain in the service for forty years or so. Some people in the public sector were probably attracted to such a job because of the lack of risk taking. The issues preventing risk taking are numerous including; the accountability to the public's money and people's lives. The public service departments are aware they could be audited at any time; and have to answer to managers, council chambers or possibly auditing committees. As previously stated, every single decision must be able to be justified if brought up in the future so must be transparent.

Why would people want to take risks if there is no reward for it, or if you fail and you get penalised? There has to be a greater tolerance for calculated risk taking from senior managers and government. There are no incentives for staff to be innovative or for senior management to make the right decisions instead of always playing it safe. Managers feel they would be left to *hang out to dry* and would not have any support

from top managers or politicians for making the wrong decision. It is about time that this changed. Senior civil servants and politicians need to re-evaluate their stance on the progression of the Irish public service. They also need to support managers who make a decision that may appear to be the most challenging, yet is the correct decision for the solution of a problem. If the public see there is no solidarity and belief from the public sector staff and leaders, why should the public support the idea? A procedure for the evaluation of risks should be established and used every time a possible *risky* idea is suggested.

### **5.2.3 Organisation Structure and Culture**

The structure and culture of an organisation is unique and although most public sector organisations share traits<sup>vi</sup> no organisation structure or culture will be the same. Seshandri and Tripathy (2006) suggest that an organisations main reason for innovation is the attempt to cut costs and to improve customer focus. However for this to happen, staff must first identify and remove unnecessary layers in the organisations hierarchy structure, of which there are many in the IPS. It is purported within the body of literature that these structures exist so as to maintain control and accountability (Phan *et al*, 2009). Public sector organisations are hierarchal and have very rigid structures for procedures, pay and working methods. By having such a structure in place it decreases the chance of fostering an innovative culture. Senior management must set the tone for the entire organisations' attitude to innovation and innovative practices. Literature also states that systems that are too tight can demotivate staff to take risks and to be creative (Lengnick-Hall 1992). Therefore control systems need to be flexible and less formalised. The more flexible an organisation can be the more likely and more chance there is of staff to be innovative.

Ideas of any type must permeate all levels of the organisation before a decision can be made. Management, in the most, believe their organisation structure is too hierarchical. It is difficult to get a message or idea sent up the *ladder*. Findings from interviews show that in the public sector, the common organisation structure of a small number of people at the top of the pyramid making the decisions hinders innovation. Such structures are also unhealthy for communication practices. Organisational levels are tiered. Each level has a small degree of flexibility but they must be careful to remain within the boundaries outlined by management. The tiered structure can create problems and

challenges however. The grading system that exists in various public sector organisations can cause difficulty as often people see their grade as a specific one, and do not do anything outside of that role. Some people see their grade as a status to rights and do not mix with other grades. These staff need more persuading than others to get involved in new initiatives. Some people in higher roles than other staff members can disregard ideas immediately purely because they came from those at a lower rank. Or possibly management are so busy they do not have time to submit an idea up the ranks. Jones and Butler (1992) recognise that as the structural layers in an organisation increase, staff become less motivated to take responsibility of a new project and these projects are also more difficult to get signed off by management due to the increased number of tiers and management levels.

Manimala *et al* (2006) report that large and established firms can become disabled when it comes to innovation on account of the very fact of them being large and established. Some management and staff believe the organisational structure is too large and not all tiers are necessary. This questions if this system is worth the tax payer's money (Halvorsen *et al* 2005). If it is not worth the tax payer's money, there has to be reform at all levels of an organisation structure so as to ensure there is value for money for the tax payer.

Only 13 of the 159 staff surveyed strongly agreed with the survey statement '*The organisation structure of my organisation encourages innovation*'. In contrast it was disagreed or strongly disagreed with by 48 participants. This confirms management's views that there are too many structures and layers in the IPS to encourage innovation. The Second Level Education sector rates their organisation the most positive with an average of 4. This confirms that staff in the Second Level Education sector believe that the structure of their organisation encourages innovation. Again, this agrees with their manager's approach to innovation where there is an open door policy for staff to go directly to him with ideas rather than sending them up a chain, which he feels is unnecessary. By having the open door policy he can discuss the idea with the staff member himself before making a decision to bring the idea further. In comparison the HSE, An Garda Síochána and the Department of Agriculture, Food and the Marine all score a 2 or less which explains that staff feel their organisation structure inhibits innovation. The HSE have relentless structures in every department. While management feel all the structures are necessary, it frustrates their staff; a note that managers need to

pay attention to. The HSE and An Garda Síochána are repeatedly being the most negative rated organisations in terms of innovation and its impact in their organisations.

Since 2007, all new staff members in the Prison Service have had to undergo the new qualification in custodial care. This means that there are one quarter of staff with the qualification and three quarters of staff without the qualification who were trained under an old regime. The manager stated that there is change at all levels and resistance comes with the change. It is important organisations do not let old and new cultures conflict with each other. An organisation needs to ensure there is a balance between them to allow innovations to flourish (Garvin *et al* 2006). An established culture can cause its own problems as the culture may have been in place for years and may favour low risk change, therefore hampering staffs innovative ideas.

Michael Bichim, director of Britain's Institute of Government, said that the IPS needs to '*challenge the prevailing culture right across the public sector so innovation becomes part of the lifeblood of the service.*' It is not sufficient to try and develop a new culture through only initiatives; management must encourage initiatives and innovative thinking to become the norm and the expected behaviour of existing and new staff (Morris *et al* 2009).

The rigid structures of pay, procedures and work rankings need to be abolished or at least reduced if an innovative culture is to be established and maintained. There has to be an element of flexibility introduced into the public sector. This would allow staff the opportunity to show initiative and help introduce innovations at floor level. The rigidity of the public sector is one further reason why staff lack motivation to be innovative.

#### **5.2.4 Politics in the Public Sector**

Politics impacts almost every public sector department, but as managers agree, politicians do not influence the day to day running of a department or organisation. The political system sets the tone for everything in public sector organisations.

Politicians need to have a long term strategic vision. Most politicians do not see past the next election. This short sightedness inhibits risk taking and there are no long term strategies are implemented which means the sector will remain very conservative.

Politicians do not help create a very supportive space for innovation which leaders should do. Nutt (2005) states that every public organisation is operating in an environment with heavy political considerations. Due to political constraints and pressures, policies are often changed, which means that public sector organisations need to be able to change and adapt as quickly as the political system and policies rather than change to suit their customers need. But this is often difficult for public sector organisations due to their size and structure. While management can try to plan for their organisations, politicians can hinder plans overnight with change in policy or procedures. There seems to be *if you scratch my back, ill scratch yours* in the public service among politicians and senior public service managers, after all ‘*most senior appointments in the public service are made by the politicians*’ (Borins, 2002, p. 468). Therefore senior management will want to keep politicians satisfied in order to remain in their role. Senior management can only put proposals forward to government or ministers. It is up to Ministers to adopt them and sign them in to legislation. The Ministers are in control of budget and funding allocations to the different public sector organisations.

Management are always under pressure from lobby groups. The Department of Agriculture, Food and the Marine staff say that they are not affected by politics, yet management at the interview say they are affected strongly by lobby groups. It appears that management are more affected by politics than the staff themselves. There is more and more pressure nowadays with all the cuts being made by politicians and management having to work with less money and other resources.

The manager of the Heritage Department of the Local Authority says heritage is something that is seen as a nice project if it can be presented correctly by politicians. Politicians like to see the tourist side to projects rather than the other work the Heritage Department do, according to the manager. The Heritage Department openly admit that in order to get politicians on board for a project they will put a tourism angle on the project. Otherwise, projects can be hard to sell to politicians to get their approval. The Local Authority staff reports that they perceive that politics has a huge impact on their role. This is representative of the fact that major working decisions and initiatives have to go through councillors before they can be implemented.

While there is a lack of competitiveness in the public sector as a whole, there is major competition among the political environment. All politicians want to be in power and politicians win votes by *'being seen to perform better than opposing political actors'* (Koch & Hauknes 2005 p. 31). Politicians will make decisions on what will win the most votes for them in the next election rather than what is best in the long run for the community. Managers feel that politicians also can make decisions without anticipating the supports required to make to changes. While there may be political support at a national level, in terms of policy framework, organisational framework and legislative framework there is no support at local level to implement the frameworks. Some organisations may not have the man power or resources to implement such decisions. Some managers feel there is excellent thinking from politicians but there are not enough supports or training done to engage everyone that is needed in the changes. There are lots of powers at play in the political environment and often politicians don't understand how their decisions will impact the daily activities of staff at ground level once the decision is made. Other managers feel there are no supports at local level for political decisions made at national level, again furthering the argument for decentralisation of decision and policy making as discussed in 5.2.2.

FÁS and the Department of Social Protection are working together to help prevent duplication of work practices. It is a testing practice as each department is trying to hold on to what they have and not lose resources or budget. Managers feel that politics has destroyed the HSE instead of improving it. Managers in other departments believe more and more mergers are going to happen, especially those in the Third Level Education sector.

There is heavy emphasis on privatisation and value for money from politicians in the media, yet they are the ones cutting budgets and in doing so are making it increasingly difficult for management or staff to be more innovative. Management and staff both perceive there is not enough leadership shown by politicians.

The public sector needs to *'set high societal goals'* in order to succeed. At the moment the public service, according to managers, seems to be content with not making changes unless they are reacting to a change in the environment. The IPS needs to be able to look to other countries and compare their governments, and perhaps learn from some aspects of their work practices.



There also needs to be a longer and more strategic vision from politicians especially as they are the ones that provide leadership for the public sector organisations management's. Politicians also have to be able to support initiatives they develop by allocating the necessary budgets and supports to the organisations that require them.

## **5.4 The role of the communication system for the progression of innovative practices**

### **5.4.1 Communication**

As mentioned briefly previously, communication plays an enormous part in innovation and innovative initiatives in the IPS. Communication can involve staff wanting to suggest ideas or management communicating policies and initiatives from government. It is a critical factor for the success of innovative practices. Management have an important role of communicating all information to all relevant parties and also to ensure there is healthy communication channels throughout the whole organisation (Koch & Hauknes 2005). Management have direct communication with staff, and have the power to influence and shape strategies that are to be implemented (Bhardwaj & Momaya, 2007). However from interviews it is clear there is a rigid hierarchal and grading system in many of the public service organisation and in many cases information must pass through all ranks before a decision can be made. There is no method for staff to communicate with top level management directly in most public sector organisations. Middle managers play a vital role in communication of their organisations missions, goals and priorities (Hornsby *et al* 2002).

By having excellent communication among parties, it can stimulate transfer of information and encourage a culture of innovation. However, a lack of communication or poor communication between different people, different tiers of hierarchy and different public sector organisations in the public sector can also hinder innovation (Koch & Hauknes 2005).

From the staff responses of the general public service organisations, 71 employees are satisfied with their management's communication strategy, having selected 5, 6 or 7 on the scale of ten. This however does leave space for improvement. Specifically, the

Prison Service has a low average, as it does in most other aspect of this study. The Second Level Education sector scores highest, yet the Third Level Education sector scores second lowest, proving the education sectors can be quite different from each other. Emailing is the preferred communication tool used by the majority of public service organisation. However, the manager of the Department of Children and Family Support is strong in their beliefs that email is not the way to go. The manager feels it is important to grow initiatives within an organisation. They feel that the best way to introduce a new initiative is to have a conversation about it with staff and to gain their opinions. Also, the Second Level Education sector said there is a challenge in getting staff and students to use their email regularly. At the introduction of the email within the Second Level Education sector, the sender had to phone the recipients to remind them to check their email accounts. Education Officers also visit schools regularly to speak to staff. Management of the Second Level Education sector feel it is important to use face to face contact when possible and not '*email someone across the room*'. While Third Level management want and believe they are using the most effective methods staff don't think this is the case. Most communication is through email with very little face to face contact, the opposite of the Second Level Education sector who use, literature favoured communication method of, face to face contact in order to prevent misinterpretation of the message. Non- verbal communication such as body language, including gestures and facial expressions and verbal intonation, which involves the emphasis a speaker gives to some words to convey meaning cannot be communicated through the written word, whether it is through memo, email or letter. This can increase the likelihood of a message losing its intended meaning. While the Second Level Education sector is fortunate to have so much face-to-face communication, it is not viable for every organisation. Each organisation must use the method most appropriate to the organisation structure and culture.

Meetings are often held to discuss new ideas and to inform staff of any updates. Some organisations have fixed monthly meetings and others take a more relaxed approach. At a local level, people are informed through quite informal meetings. The PRAI are a good example of regular meetings and although it is difficult in large organisations to have regular meetings, the PRAI appear to have an effective communication system. They have regular staff meetings where managers of each section can introduce new procedures.

An exceptionally important element to healthy and effective communication is listening. This means staff listening to management and management to staff. Staff should know what is expected of them and leaders in an organisation should clearly communicate to all staff about the long term vision of the organisation and its commitment to innovation and that it is not just a one off commitment to a single project (Ramachandran *et al* 2006). Morris *et al* (2009) states that innovation and innovative activity must become the norm and not the exception to the organisations practices. Isolated initiatives will not create an innovative organisation or culture (Manimala *et al* 2006).

For healthy communication to be able to flourish there has to be trust between the hierarchical levels and managers must be willing to involve staff, and also give staff freedom to be innovative. This is clearly not the case in the IPS where managers simply do not trust their subordinates and innovations are closely monitored by managers. It is fair to say that communication can be quite disconnected in public sector organisations. It is important that managers and staff use the most suitable form of communication and that both parties are satisfied with the choice.

#### **5.4.2 Procedures for Ideas Submission**

Innovation must be seen to staff as an accepted method of overcoming arising problems (Russell 1999). This creates a shared sense of purpose across the organisation. This will encourage staff to submit ideas for the improvement of the organisation. While not all public sector organisations have a formal procedure for idea submission, almost half of them do. Each procedure varies from organisation to organisation. Field research suggests that where formal procedures exist, they can be bureaucratic and it can take a long time for an idea to go through every level. There is no literature on procedures for idea submission except for the general guidelines for healthy communication as outlined previously.

The following are some of the examples used in the IPS organisations that have existing formal idea submission procedures. The Department of Agriculture, Food and the Marine, said that there was a new audit system being used in the veterinary service. Previously auditing was seen as a negative process by staff and they took it personally, rather than as a necessary step for the organisation. So a suggestion was made to include staff in the provisional audit for the use of technical experts. The veterinary service

decided it was going to give staff members the opportunity to work with the auditing system. Staff had to identify their technical skills and experience and get their managers to sign off on it and they would be considered for a role on the audit team. This helps build trust among the staff and the auditing team which is essential as the resentment causes conflict and negativity among departments.

The Prison Service has a new commitment to idea development and submission since undertaking the new training initiative began. There is now a specific competency which involves staff making suggestions that can improve the service and being open to change. Management say that a major advantage of the new initiative is the confidence that is instilled in staff when it comes to making suggestions to management. While staff had to learn the new competencies, the management also had to learn how to deal with the new suggestions that would be made by staff. There had to be a fair system put in place by management and managers needed to be able to address each new idea promptly and professionally.

The PRAI have an Ideas Committee who analyse ideas submitted in the suggestion box. The PRAI also have a specific Ideas Committee for technological ideas. As in many organisations there is a lack of money in PRAI so less and less ideas are being implemented however the PRAI pride themselves in always giving feedback for each submission, unlike the majority of public sector organisations, where the idea is submitted and disappears. Feedback is important for staff. It shows them that management received their idea and evaluated it. When feedback is given, staff are more likely to resubmit an idea in the future.

Some organisations that do not have formal approaches to idea submission try to make it as easy as possible for staff to suggest ideas to management. The Second Level Education sector used colleague collaboration as a way to progress ideas, while others have small committees to check an idea's viability. The colleague collaboration is when a group of staff from different areas of the organisation come together to analyse the potential of a new idea. This allows each department to highlight possible effects, positive and negative, of the idea on their departments before a final decision is made. This shows trust from management and staff feel valued and trusted. It also frees up

managements time in that they do not have to spend time considering ideas that are not viable on a ground level.

Management in the Local Authority do not think that a top down approach of new ideas would work and that *'the best ideas come from those at ground level and should be come up organically'*. The manager stated that if senior staff suggest new ideas, they are usually ones they have seen in other working environments and they think it could make the transition in to the Local Authority.

As with all public sector organisations and departments, the HSE has had major cuts to its budget. The hospital used staffs ideas as a way of overcoming the cuts as the staff often saw where cuts could be made and money could be reallocated to more needy projects within the hospital.

The lack of procedure can prevent staff from submitting an idea as they may feel they are going around in circles because there is no direction given as to who they should submit ideas to. Sometimes plans can take months or even longer to come into practice in the public sector. In the Third Level Education sector this is because *'people have their own plan and structure on how they want to do things'*. So, if a staff member's idea fits in with a plan, it can happen and if it doesn't fit, *'it just may never happen'*. The Heritage Department have a 5 year plan which ideas must be gathered for. However if there are changes, different opportunities and different funding during the five years, staff can go to the Director of Services and line managers for approval. Only then can the idea be placed into a budget. The idea has to then be approved by Councillors. The process is very formal and can take up to seven or eight months to get final approval.

In general remarks from staff in the public sector, it can be concluded that the majority of staff are somewhat overwhelmed by the thought of submitting an idea for consideration. One staff member said they have *'too many ideas, but have given up on suggesting and communicating them. You are often worse off for going out of the way to improve things.'* In some organisations this could meant that the employee with the suggestion could be seen to be *rocking the boat*, or making other staff feel threatened by others using their initiative to submit an idea. Some staff do not want change and do not welcome their peers threatening that.

Existing organisations tend to create focused initiatives that solely concentrate on identifying and exploiting new opportunities. While this approach can stimulate innovation, it can also create barriers. This is due to a conflict of between the existing and new organisation climate (Ramachandran *et al* 2006). The focused initiatives that are put in place to help identify new ideas may be so focused that they overlook an idea that may just be an altering of an existing method and work just as well as a new idea but without all the research hours and time consuming studies into the new ideas viability. Other potential downfalls of the idea submission procedure are that once an idea reaches management, you may not get feedback for a long time, if at all, which frustrates staff and can prevent staff from submitting future ideas.

There should be an idea submission procedure in every organisation and it must be understood and utilised by staff. There should be as few steps involved as possible in the process and as few hierarchical tiers to permeate also. Management should encourage the submission of ideas regularly and most importantly, provide feedback for each idea.

## **5.5 What incentives exist to support innovative practices in the IPS?**

### **5.5.1 What support is available to employees with innovative ideas?**

There are a vast number of ways management can support staff with innovative ideas. Since the beginning of the cuts to budgets, the way in which management support staff has changed dramatically. That said, it does not mean that management need to pull all supports from staff but they may now need to be smarter about their allocation. The management can support staff by supporting innovative ideas submitted, by providing necessary resources and expertise, or institutionalising entrepreneurial activity within the firm and the firm's processes (Hornsby *et al* 2002).

Management admit that there are limited resources now available and the Second Level Education sector was the only organisation where management said there was money available for staff. This takes the form an employee's further education being paid for. It also includes any course or project that management feel will benefit the employee to be better at their job. Taking the public sector as a whole, 114 of the staff replied that there were no financial resources available to staff for idea progression. 60% of the staff in

the Department of Agriculture, Food and the Marine feel they could avail of financial support to progress an innovative idea. This is followed by Enterprise Ireland, with 50% of staff being able to avail of the same. The Second Level, Third Level Education sector and Local Authority all have over 40% of staff who feel financial supports are available to them. This is quite the opposite of what managers stated in the interviews, who said budgets have all been cut and there are no financial supports available for the time being. This dramatic difference in perceptions of staff suggests that staff are not fully aware of the budget cuts in their organisation. It also suggests that even though there are budgets available to support new innovations, according to staff, they do not act innovatively by suggesting ideas in order to use the budgets. This supports Kearney *et al* (2007) who state staff in public organisations have less commitment and motivation to follow through with innovative policies compared to those in private organisations.

130 of the 159 staff surveyed in the public sector believe that they have supports available to them from management to progress their ideas. 92 of these respondents only had access to 1 support, 23 to 2 supports and 15 have access to 3 supports. The supports available vary from time-off, use of organisation resources and managements encouragement. The scale on the likeliness of management to support staff could be divided in to two. The scale of 1 to 5 (1 being very unlikely) was selected by 78 staff, while 81 selected between 6 and 10. The primary education sector and Second Level Education sector selected 7 and 8 respectively which tells us that the staff in these organisations have the most supportive management. (It should be noted that the support may not be organisational wide but may only be in the specific organisation where surveys were distributed.) An Garda Síochána and HSE are at the opposite end of the scale, selecting scales that indicate their management are not willing to support innovative ideas in any way. An Garda Síochána are consistently rating their management and organisation at the most negative ends of the scale.

The above findings and interpretations suggest that public sector organisations need to develop specific supports that would work in their organisations. It would not suffice for the government to introduce the same supports across the entire public service. However, individual organisations must be supported by government in order to offer supports. Supports do not have to be expensive. Staff may feel supported if they are encouraged by management or allowed use limited available company resources.

Of staff surveyed time off is available to 29 of the 159 respondents, mostly in Enterprise Ireland, the HSE and the Second Level Education sector. This is surprising for the HSE as they rank so negatively in every other scale. The primary education level and An Garda Síochána have no time off available to them. This could be explained by primary school teachers having such a heavy work load and time is restricted as it is. And some may argue that they teachers have enough time off over their holidays and so extra time off cannot be justified during term time. Now, more than ever, the lack of time is an issue for Third Level lecturers, having had their hours increased with no other return. This cuts down on the available time they had to work on innovative ideas.

Other supports that public servants say are available to them include training and development, PMDS, mentoring and laboratory facilities. PMDS was also suggested as a support, but it is unclear as to how it is used as a support other than staff members rating higher in their appraisal and so perhaps supporting their chance of promotion. Some organisations can also offer the staff member who submitted an idea, the opportunity to stay involved in the implementation of the idea. This can increase motivation and enthusiasm and is relatively inexpensive for the organisation. Enterprise Ireland enforce this by asking the staff member to champion a project along with also doing their existing work but will be supported by the organisation and flexibility be given to their role if necessary. Management also say they can give moral support to staff with innovative ideas and can provide encouragement and help staff with establishing networks for successful progression of their idea. Making decisions quickly when possible can also help support staff.

The government Minister, when asked about supports on offer from the government, replied '*Innovation is a key word at the moment and so is research and development. It is in everyone's interest to be innovative if they want to hold on to their job.*' The Minister suggests that if people are not innovative they could lose their job in the public sector yet this is known never to have happened in the past. Also the Minister failed to address the question suggesting that there are no supports that the Minister is aware of to support innovative ideas from the civil service.

Bhardwaj & Momaya (2007) states that management can be supportive by championing innovative ideas, providing resources or expertise, training, providing rewards, training



and promoting innovation within the firm's system and processes. Management should ensure that all supports that they can offer are outlined to staff. Staff may presume there are no supports and withhold their suggestion for innovation. Management must ensure that realise that supports that staff need are not always expensive or if an idea does require supports that are costly management must be able to analyse if these costs can be offset by the long term gain of the staff idea.

### **5.5.2 Rewards, awards and recognition**

*'There is relatively little information available concerning the types of rewards that civil servants value'* (Boyle 1997, p. 6). There are no rewards apart from self-reward in a lot of the public service organisations, as they have fallen victim to budget cuts. The public sectors' culture isn't one of rewarding people so a new rewards culture needs to be established. In March 2010, on the launch of the Innovation Ireland Taskforce report, Eamonn Ryan T.D. said the public sector has to take risks and begin rewarding staff who submit new and innovative ideas. Boyle (1997) also states that staff in the civil service value rewards differently than their counterparts in the private sector. Rewarding good performance from staff in the public sector is a challenge management face. They must follow the correct systems in order to show the reward is justified and fair. *'There is not the same freedom as in the private sector'* (Boyle 1997, p. 3). A reward granted to a public sector employee depends on the employee's job position and also what the employee values as a reward. It is important that rewards are timely and management realise that rewards do not have to be financial; which was the automatic presumption of management at interviews.

It is stated that staff in public organisations have less commitment and motivation to follow through with innovative policies compared to those in private organisations (Kearney at al 2007) so perhaps managers need to make more of an effort to reward staff coherently. Working is seen as the reward in some organisations by managers and other managers feel staff shouldn't have to be rewarded to ensure staff work to their best potential. The Minister interviewed believes it is not about rewards and he believes that public sector staff get greater job satisfaction when they are innovative and he feels that is what is wanted. Some management also feel that there is no need for a reward system as staff thrive on being on a team and being recognised for good work. Other managers feel that individual's receive the reward of working on something on they

enjoy and seeing the benefits their efforts have brought. The author questions this as they feel it is unclear if the majority of staff view their job as a reward, or that being innovative themselves is a reward. Being innovative may make their job easier but it is far from a reward as such. The researcher understands a reward in the public sector is more likely to be intrinsic and that staff want to feel they are appreciated and their job is seen as important.

There were never financial rewards in most of the departments interviewed and surveyed. Managers must remember that not only financial rewards are valued. Recognition and validation can be the most important reward that can be given. However, while managers feel that recognition of good ideas and praise for staff would suffice as a reward for staff, it does not exist in most organisations, yet it can be implemented with relatively little or no expense to the organisation. An example is in the Third Level Education sector where there is no formal reward system apart from a *pat on the head* and a *well done*. Many innovative staff members feel that it is not worthwhile being innovative if there is no recognition or if the recognition is not given in a timely manner (Jones & Butler 1992).

The Department of Children and Family Support do not have a reward system and this is because the managers are admittedly '*stuck in own routine*' and would not have time to manage a fair reward system. Yet a successful reward system could be simply the acknowledgement of a good job done for staff. In Enterprise Ireland, the current lack of rewards has not changed staffs attitudes to submitting possible ideas. Staff are focused on their jobs role and what needs to be achieved and work towards it regardless of rewards or not. These staff members are motivated in their jobs. This disregards Boyle's (1997) belief that rewards and motivation are interlinked, and that motivation of staff increases as the number and likelihood of rewards does.

The Local Authority is one organisation that has a reward system. It is for departments of the Local Authority that save the organisation money. The department that saves money earns a percentage of the savings which can be reinvested in to the department.

The Second Level Education sector is the only organisation that can offer time off as a reward. This is time off that must be used to work on the innovative idea the employee

had. Often the time off is not from teaching time but from extra activity the teacher is usually involved in, e.g. supervised study. Promotion is the most common reward in the Prison Service and the Department of Agriculture, Food and Marine. Yet only 23% and 20%, respectively, of these organisations staff recognised promotion as a possible reward so it is fair to say that it is not commonly used as a reward. The opportunity of promotion as a reward would only be considered for staff that have been in the organisation a long time and have climbed up the hierarchy of the organisation.

There is a diverse mix of staff's opinions on rewards. It is questionable how there can be such a divide among staff in the same organisation. It may be due to the hierarchal and grading structure that exists in the public sector. As you move up the ranks, management may be more aware of the staff with innovative efforts and so can reward them accordingly. It must be recognised that staff in the same organisation have differing thoughts on rewards available to them. While a reward system does not have to be complex, it should be fair. The implication of having a reward system is if management give an award to someone, they may have overlooked somebody who also did equal work and then this may cause dissatisfaction among staff. Equal innovative efforts should be rewarded equally, regardless of the position in the organisation. The PRAI does not have a reward system due to financial constraints and also the fact that it became somewhat divisive as some people felt they were over looked for rewards. Some staff felt they should have received rewards but didn't and so a friction began to emerge.

Some people are thankful there are no longer rewards as they found the attention embarrassing. By an organisation giving time off and holidays as a reward, management would be adding to the problem of the lack of personnel, something organisations are already struggling with. In the past there were rewards for staff members in the HSE for staff who had taken no sick leave but that had to be reconsidered as staff felt it wasn't their fault if they were sick and felt discriminated against. The hospital interviewed feel that rewards are not always long lasting, but recognition can be.

When it comes to awards, very few public sector staff are aware of them. That may be because management do not highlight them to staff and managers may see them as unnecessary or a distraction from every day practices. Other managers are more willing

to participate and feel that work and projects already completed by work groups or individuals should be put forward to recognise the good work of the department. By doing so can give the whole organisation a boost.

Public Sector Innovation Awards were established to '*counter public criticism or hostility to the public service, in part because it is perceived as not being innovative, and encouraging the development and dissemination of innovations and best practices within the public sector*' (Borins 2002, p. 467).

Other awards that are available to public sector organisations are the Input awards and the Fiúntas awards. Fiúntas Awards are awarded to groups or individuals in the Department of Social Protection who come up with a new idea or some new way of improving the organisations work practices.

The Innovation Awards are open to any public sector employee or organisation with innovative ideas under different headings and topics which are set annually. The offices in the Department for Social Protection participated in the Fiúntas Awards and the Input awards in the past. There are monetary prizes for both. Fiúntas Awards awarded up to a maximum of €1,000. The Input Award prizes include money, a plaque and certificate. The Local Authority enters national awards for best practice also.

Some of the staff of the Department of Social Protection and Second Level Education sector believes that by being encouraged or entered into awards is a reward in itself.

It can boost the morale of the office and encourage the office to be innovative again in the future. Staff want to know that their efforts are acknowledged. The Second Level Education sector have an internal annual award night where awards are given to staff who had successful innovative ideas throughout the academic year.

The public service organisations were obliged to carry out PMDS in the past to identify whether staff received their increments and to set possible targets for the following year. Management in many organisations felt that PMDS was just a step that had to be fulfilled and didn't create a realistic view of staff performances. In the Department of Agriculture, Food and the Marine, PMDS is still seen as just something that must be carried out. Management feel that it can be used as an opportunity to highlight someone's innovative ability but staff feel the public sector appears to be more focused on trying to identify poor performance rather than identify exceptional performance.

Staff also feel that the PMDS is unlikely to lead to a reward being granted but more likely to prevent their next pay increment if they receive a poor score. The Housing Department used to use PMDS but as it is no longer compulsory to do so they do not. PMDS is no longer linked to union partnership agreements so organisations can choose not to use it. Some organisations noted that the PMDS procedure was not a reward system as such however in their organisations.

While the research has reported about rewarding innovative behaviour and the different types available management should be aware that it is as important not to penalise failures as it is to reward successes (Borins 2002). Human resources systems do '*not reward career public servants for successful innovation but punish them for unsuccessful attempts*' (Borins 2002, p. 468). Innovation efforts should be recognised at every staff member's appraisal.

For successful rewards and awards to be part of the culture of an organisation, management have to ensure numerous procedures are met. Management must ensure that staff are fully aware of the rewards that could be achieved. Management have to ensure that the rewards are valued by staff and that they are awarded in a timely manner. Rewards must be viewed to be fair by staff. The government should re-evaluate the national awards they operate and if necessary re-brand and re-market them to all relevant public sector bodies. Management must encourage staff to avail of the rewards system, not see it as a negative cost to the organisation. Rewards do not have to be financial and the researcher believes it should be made compulsory that all public sector organisations have a system for recognition of innovative work as seen by either management or an employee's peers.

## **5.6 Staffs perceptions of the IPS in comparison to Irish private sector**

There are mixed perceptions of the innovation that exists in the public and private sectors. It can appear that many seem to think the *grass is greener on the other side* but innovation does exist in both sectors (Drucker 1985). The majority of public sector staff believe that the private sector is more innovative. However there are few staff that feel the public sector is as innovative as the private sector but the public sector gets bad media coverage which takes away from the innovativeness. Some managers suggested '*the most innovative bits in the public sector are probably as innovative as the most*

*innovative bits in the private sector*' but it is not publicised the way it could be. Enterprise Ireland feel that some organisations in both sectors have increased their innovativeness but only because they have had to. The scope for innovation nowadays in the public sector is brought about by necessity unlike the private sector that innovates in order to be competitive. Mack *et al* (2008) believes that innovation in the IPS can make the organisations more adaptable, efficient and provides a better service for the public. Innovation is applauded in the private sector and stunted in the public sector.

Of all the staff surveyed, 97 had previously worked in the private sector. All responses from An Garda Síochána and the primary education sector report that none of the staff here have ever worked in the private sector. This could be explained by the qualifications required for these roles. They are very specific to their public sector organisation. When a potential employee leaves school they can go straight to college for the specific teaching or Garda training. This is the same for over two thirds of the HSE staff and Second Level Education sector. The one third of the HSE that have worked in the private sector may not be trained as doctors or nurses but may work in other areas of the HSE, such as Department of Children and Family Support, administrators, social services. In some cases of the Second Level Education sector, staff may have gone to college to study a primary degree and then have worked in that field for a while before completing the Higher Diploma in Education to become a teacher. All staff in Enterprise Ireland have worked in the private sector. With such a wide variety of staff that have worked in the private sector, there are vast opinions on the differences between the public and private sector.

The major finding from management is the pressure of accountability organisations have to deal with for every cent they spend that the private sector management do not have to contend with. Literature states that when accountability is low '*entrepreneurial activities will decline and threshold firms' ability to create value or grow declines*' (Phan *et al* 2009, p. 202). This creates frustration among public sector management.

The private sector needs to innovate to survive, to make a profit and remain competitive, whereas, there is no competition in the public sector so there is less pressure to be innovative. Koch and Hauknes (2005 p. 30) state '*why should the public organisations innovate, when they are not challenges by competition in the market or confront a need to expand in order to survive in the market?*' Due to the lack of

competition in the public sector, it does not have to market itself the same way as a private sector company. The private sector organisations have to have unique selling points (USP) to compete with other private sector organisations.

Public sector innovative activity is concerned with broader matters than simple commercial aims (Sadler 2000). The public sector is people and service orientated rather than profit orientated and innovates to meet needs of the service user. The public sector innovations are often a greater cost savings and efficiencies and can impact positively on the public purse yet this is not management's priority. The author believes that the fact there is no competition in a lot of the public sector can make some management a bit complacent or resting on one's laurels. Once again, why should they innovate if they are likely to be scrutinised by the public and the press and how can they encourage staff to innovate if they cannot offer rewards for such practices.

The Minister interviewed said '*The private sector has to innovate or it wouldn't survive.*' The author feels that the Minister is suggesting, a point already raised, that some employees in the public sector feel that they will have a job regardless if they are innovative or not. This should not be the case. It also suggests that the public sector does not need to innovate to survive. The public service has to innovate to ensure they are using the tax payer's money to the best of their ability and getting the most value from it but does not have to innovate to make a financial return. (Boyett 1996) The public sector is concerned with much more than commercial aims of a business or organisation (Sadler 2000).

Staff also feel that the public sector has far more constraints and slower processes which inhibits innovation. The public sector is slow to react; as one manager described it, *it is like a huge ship turning*, whereas the private sector has a completely different way working and are able to react faster to changes that arise. Implementation of innovations in the public sector can take substantial time and their benefits cannot become apparent for longer than innovations can in the private sector. This slow process can demotivate staff and management. The slow processes in the public sector can be due to too much bureaucracy and the difficulty to identify the right person to suggest idea to in the public sector. The private sector, according to management and staff, appears to be less bureaucratic and have more opportunities for staff at lower tiers in the organisation. There is a serious resentment among some organisations in the public sector in the way

the private sector do not have to contend with the vast amount of paperwork or do not have to *dot the I's* like the public sector have to. The private sector has more scope for innovation and is more flexible. Managers in the public sector all agreed the private sector has less bureaucracy, financial regulations, and less procurement policies. Staff of the public service believes there are more funding options available in the private sector than the public sector. There is intense competition in the public sector for funding and application for such funding can be long and tedious. There has to be a change to budgeting and accounting procedures by government to allow money to be released for innovative ideas (Kearney *et al* 2007).

Further responses from staff on this question suggested that communication of change is much better in the private sector. Staff felt that there was more motivation in private sector and were also more appreciated by their management in the private sector.

Innovative practices in the public sector must be managed differently than those in the private sector (Sadler 2000). Change appears to be more acceptable in the private sector and change management also appears easier for managers in the private sector. The private sector is more open to innovation and it is more encouraged. Public sector staff feel they do not get the input into ideas that their counterparts do in the private sector. The private sector is more likely to take risks. However these risks are well researched and calculated this is because managers, unlike in the public sector, are actually held accountable in the private sector. Literature (Koch & Hauknes 2005) state that the public sector do not recruit the same level of risk taking staff that the private sector do.

While the management in the public sector say there is an increase in accountability, there are very few examples of when this has been put into practice. Even if a manager makes the wrong decision or wastes money on a project, there are few consequences on these managers. Yet a staff member who makes the same mistakes would face severe circumstances. It seems that the higher in the organisation ranks and the closer you work with politicians the more support from the organisation you will receive. Some say that the public sector managers are less compliant with rules and regulations than those in the private sector. However, all decisions and budgets have to be transparent in the public sector.



Some participants to this study, feel that the public sector is working as hard as ever and maybe even harder than before yet *the pay packets are reducing*, which does not encourage staff to become or remain innovative. However, should people only use their innovative skills if they are going to be rewarded? Should it not be that staff do their best for their organisation not themselves personally? Personal goals and objectives should be less important than the public sector organisational goals and objectives (Kearney *et al* 2007). Public sector staff feel that innovation is rewarded in the private sector more regularly than in the public sector. These rewards are often through financial measures, which are now non-existent in the public sector.

Due to the existing culture in the public sector some people are too reliant on the *you can't get fired from public sector* mind set. This can lead to public servants feeling that being innovative is too much of an inconvenience and not a necessary task. Public sector organisations are not required to excel or even push the boundaries to remain in their roles; they just need to meet the basic requirements of their role. And in some cases, they do not even have their PMDS ratings anymore, so staff are not even assessed on their performance in some instances.

While some managers feel a private sector approach to public sector practices could reform it, others suggest bringing a private sector manager into the public sector could be detrimental. '*Could Michael O'Leary (Ryanair) really transform the HSE while maintaining the standards required?*' was one question raised by an interviewee. The public sector is not as *cut to the bone* as the private sector as it has a social obligation to provide services to its service users.

While the above comparisons are suggestive that the public sector is not as innovative as the private sector, some respondents believe it is impossible to compare both sectors. Others believe the public sector get a bad reputation for trying their best in a bad situation. Some participants of the study feel there are multiple sectors of the private sector; there are the Intel's and Apple, and you have companies in the small business sector, who are *stuck in the mud* and there are also the start-up companies and e-companies. The management feel innovation varies drastically in all these types of organisations and the same can be said of the different public sector organisations.

One manager claims that large and small private sector companies can be as inefficient as public sector organisations. They also claim that although some private sector

organisations have to be competitive to succeed in the commercial world, it can come at the cost of security, health or job losses.

A manager interviewed in the Local Authority believes it is a *'myth that the private sector is more innovative. The public spends within a number of controls- legal, political, economic and can't easily be compared with the private sector,'* while another respondent feels the private sector was more intimidating and there was more competition between staff in order to ensure they kept their jobs.

There is a vast amount of opinions from staff of the public service on the differences between the services and their approach to innovation. It can be difficult to compare the public sector and private as they can be so different in some aspects. The author believes the lack of competition in the public sector is the largest element as to why innovation seems to be more prevalent in the private sector. Innovation has to be seen to be an element of the public service, not just viewed as something the private sector does well and can be ignored by the public service. There has to be more opportunities offered to public servants in order for them to want to be innovative. The organisation structures can also be difficult to compare. However it is apparent that the structures of the public sector are too large to be able to encourage and support innovation as a daily activity.

### **5.6.1 Civil servants recommended changes for an improvement to innovation practices in the IPS**

Management at all interviews suggested changes that could be made to improve not only their departments but the entire public service. The most suggested improvement is the need for more encouragement for innovative practices from senior management and politicians. There should be some sort of incentive for staff who are innovative; whether the incentive is financial, non-financial, promotion to name but a few is irrelevant but it must be an incentive that is valued by staff. Staff want management to encourage innovation from the ground up, rather than middle management down.

A major finding from the research is the lack of strong and directed leadership in the public sector. Michael Bichard, the director of Britain's Institute of Government, said at the IPS Service Leadership conference, Galway, that *'leaders who can deliver fresh ideas and drive change using limited resources will be essential to the sector as many*

*organisations face budget cuts.* Yet there does not appear to be many of these managers in the public service and if there are, they are not being supported and so cannot show their true potential. Both management and staff agreed that there are not enough strong leaders in the public service to show direction. Management need to think strategically and provide leadership. There needs to be role models at the top of the public sector. The change has to come from government. The Government should be seen as being innovative if it wants people to follow their direction. Senior management have to be able to engage people at every level if a new innovation is to progress successfully. Managers themselves need to be innovative and need to welcome innovative ideas. A negative manager cannot help an organisation be innovative and prevents staff at lower levels of the organisations acting innovatively.

Managers need to ensure better communication between staff and management. The lines of communication should be clearly defined. Communication lines should be downward; manager to employee, upward; employee to manager, lateral; employee to employee at same level and diagonal; communication across departments of the same organisation. One staff member said they have had *'too many ideas, but have given up on suggesting and communicating them,'* as it is too complicated to submit ideas to the correct people.

The lack of competition in the public sector means it does not have to stand out as it is the case of a monopoly, unlike the private sector. The public sector needs to improve the public's perception of the public service. It was reported that the public service needs to market itself and keep the public informed of the positive progress the service is making. This can help towards counteracting negative media coverage. They could improve the way they run committees, the way they use social media or media in general. The public want to be kept informed.

The public service needs to focus on its client and service users. This will enable the public service to take the focus off the bureaucracy, the rules, procedures and the established way of doing things and think again about what the organisations aims and goals are. Clients and service users of the public service do not care who provides the service so long as their needs are met and they know the service they are receiving is the best available. There also should be more cross-organisation and inter-departmental

networks established; where organisations work with one objective in mind, a shared language, then co-configure. Organisations that participate in this practice change each other in the process of working. Working with other public sector agencies and organisations can bring a better public service and better services to the community.

The IPS is too hierarchical to be innovative. Some tiers of the hierarchical structure must be cut to assist the implementation and growth of any new initiative. In doing so it can make staff jobs easier and give them a new sense of purpose. By reducing the hierarchical structure it can improve the communication across the organisation.

While hierarchy should be cut so too should bureaucracy. Bureaucracy is required in the public sector but an evaluation should be completed to identify what bureaucratic processes could be simplified or cut in order to allow more innovative practices to occur.

The management structure is too rigid according to staff. This can create difficulty when staff want to submit innovative ideas for consideration by management. While some control and structure is needed, there also has to be a level of flexibility if innovation or innovative initiatives are to succeed and become the norm.

A new culture of innovation needs to be embedded across the whole sector. Staff report there is no culture of innovation in any of the organisations surveyed and this will not change as there is a fear of change by a lot of senior management in organisations and staff feel this will not change any time soon. Management are often in their positions for long periods of time and are not open to new ideas. If management are not willing to accept ideas from staff, they will not work differently and nothing will change in the organisation.

The public service should utilise more IT solutions where possible. IT could replace some employee's jobs and so reduce costs for the organisations. IT equipment and systems can be expensive initially but could save costs in the long term. Management would have to conduct a cost analysis of implementing new IT equipment and systems and must also consider the costs of maintaining such systems and the training costs of staff who will need to use the new equipment or systems.

Another problem in the public sector recommended for change is against the current working practices of the sector bringing in someone new on a short term basis who has little knowledge of the organisation, when staff members from other departments may be the ideal candidate. People with experience are needed and who know the culture for a short term post, to ensure you get the most out of the individual. The public sector needs to bring in new blood. Due to the staffing moratorium, vacancies created by staff that leave an organisation cannot be filled. This increases the pressure and work load on existing staff which reduces their ability to be innovative. The public service needs to prevent people getting too comfortable in the role they are in and encourage staff to climb the career ladder when they can. Otherwise you have someone who is in the same role for all their life. The public sector relies on conformity to accepted practice or conformity to tradition, which stifles new ways of thinking and innovations. Staff feel that there needs to be a revamp of the public sectors mind-set. There are common beliefs that staff feel need to be addressed. They include *you cannot get fired for the public service*, and *if we don't spend the budget this year, we won't get it next year* and the need to get rid of the ethos of *doing as little as possible*. Staff who try to shine and work against these beliefs are often ridiculed by other staff members who feel threatened by their ability to work harder and out perform their peers.

There is no or not enough accountability in the public sector. While there is talk of innovation at every angle of the public sector no one will take responsibility or be held accountable to take the first step. Management seem to shy away from responsibility, especially if there will be political implications, either internally, locally or nationally. This has to change and it is suggested by staff that the managers in their department have not studied management and are unwilling to be innovative as they see making any change as a risk.

Risk taking with public money is not encouraged and so, change is avoided. In the public sector as a whole there is a need to reduce the blame for failure, and instead be able to share and learn from mistakes. There also has to be a supportive culture established.

Change is wanted and seen as necessary among staff, who believe change is needed for the progression of the public service. Management *must* listen to these suggestions and face the realities that change is inevitable and so should begin to embrace it. The above

suggestions are not only what staff want to improve in their organisations but the public service as a whole.

## **5.7 Conclusion: Public Sector as an Innovator**

In conclusion, the public sector has few initiatives and where they do exist they are not being utilised to their best potential in most cases, whether they are formal or informal.

Borins (2002 p. 471) outlines that successful innovation requires *‘establishing clear organisational goals that encourage staff to achieve in innovative ways, consultation with staff, establishing innovation awards and providing informal recognition for innovators, relaxing constraints upon innovators, protecting innovators by ensuring that their projects have a fair chance to demonstrate whether they work, and providing resources for innovators’*

What Borins outlines is what the public sector needs to do. There is not a single aspect of Borins requirements that exist successfully in the IPS.

At the moment, from those surveyed and interviewed, the public service is unfit for purpose when it comes to innovation. There is a lack of leadership in the public service and this has to be addressed. For the progression of an innovative public service in Ireland we need leaders to show leadership and this must start from the top, in the Dáil. The government need to provide direction and listen to staff at lower tiers. There needs to be a revamp of the public sector as a whole. Support needs to come from top level government. A cultural shift needs to happen in the political agenda to ensure the country wholly the benefits from proposed changes to innovation policies. *‘Most senior appointments in the public service are made by the politicians’* (Borins 2002, p. 468). These appointments should be purely on the experience and attributes of the candidate.

The Minister interviewed was unsure of the government’s stance on innovation. He said innovation was important and vital for the public sector organisations, however he was unsure of what support the government could give these organisations. His interview highlights the need for improved communication between politicians and public sector management and staff. Communication has to improve between all layers of the public sector if management’s ideas and staff’s work practices are to become symbiotic.

Innovation in the IPS may differ from organisation to organisation but there has to be more flexibility across all aspects of the public service if innovation is to succeed. Mack *et al.*, (2008 p. 234) reports innovativeness has been '*advocated as a means for public bureaucracies, governmental and non-governmental, to transform themselves into flexible, more responsive units that work more efficiently and serve their constituencies more effectively.*'

While the public service does require elements of structure and control there *needs* to be more flexibility. Often managers and staff want to be more innovative but are restricted due to the public sector's bureaucracy and organisational culture and structure. There must be greater scope for flexibility in the organisational structure, culture, bureaucracy and communication systems and functions by management. Some staff are excellent innovators but Van de Vens and Engleman (2000) feel the more specialised and stable an employee's job is, the less likely they are going to recognise innovative ideas or recognise a need for change. This is what is happening in the public sector.

Innovation cannot occur if the organisational structure is too rigid or too large. The HSE is one organisation that management and staff feel have an unnecessary number of levels, layers, and departments. Ideas for innovation can get lost from layer to layer in a large organisation. For these reasons public sector organisations have to make an effort to eliminate some of the tiers in the hierarchy of their organisation. This will assist in better communication between staff and management and also allow for easier transferring of ideas from staff to management. Communication needs to be a two way channel, not just top down, but the correct channels of communication need to be used. Staff must know who to go to with certain ideas and must be listened to by management.

Staff may be more inclined to submit ideas if there are fewer layers to permeate. For an idea submission process, there also has to be timely feedback. This is also easier when there are fewer management tiers. Instead of respecting the hierarchal structure in the public sector, staff need to be encouraged to challenge it.

Second Level Education sector comes out positively in all areas of the research. We need to ask why is there such a difference between them and An Garda Síochána, who scored negatively in the majority of questions. It may be caused by the difference in

organisation structure and the levels of management as both are more complex in An Garda Síochána. It may also be because on a local level, schools can interpret how to do things. As reported previously, the school and teachers can select which way they teach the curriculum so long as it is covered each year. This is in comparison to An Garda Síochána who has much stricter policies and procedures. These strict policies exist to create uniformity across the entire An Garda Síochána. The Prison Service and HSE also seem to have strict policies. These organisations deal with the Justice and Health system and so one can understand why there are such strict standards.

Management seek to be innovative; although it can be difficult in '*a rule governed system.*' Bureaucracy is a large part in every organisation of the IPS. An increase in bureaucracy lowers staff motivation (Jones & Butler 1992). The levels of bureaucracy in an organisation inhibit innovation from both staff and management. However some management and staff accept that it is prescribed in a public sector organisation. So many organisations adopt technology to help with work practices and make them more efficient, however, now technology must be used to store duplicates of hard copy information, increasing the bureaucracy of the organisation. Bureaucracy levels need to be challenged by staff and management and while it is necessary to have a dimension of bureaucracy; the levels need to be reduced. The Minister interviewed for the research admitted that bureaucracy and innovation do not mix well, yet there are no signs of the government introducing solutions to alleviate the problem of too much bureaucracy.

There needs to be more education on how the public service functions. As reported previously it is not as simple as taking practices from the private sector and placing them in the public sector. There needs to be training for existing and potential public servants to educate them about innovation, its' benefits and how to increase their innovativeness in their role, so current and possibly outdated procedures can be replaced with more innovative methods. Staff need to realise that innovations can be small. Innovation does not have to involve *a blockbuster idea.*

Training should also be provided for front line staff who often have to deal with the public. These staff can be harassed and intimidated by angry citizens and must be trained in how to deal with such circumstances and conflicts. Front line staff should also be



trained in customer relations to ensure that the best possible service you would expect in a front line worker in the private sector is the norm from public sector staff also.

People appear to rise to the top of the public service without the need to learn anything new, which could be why the private sector appears to be able to refresh themselves time after time. The new managers in private organisations bring new skills and new ideas to the organisation. Not alone should public sector staff be trained in innovation but it is vital that managers are trained to be able to recognise employee's innovative efforts. This is critical if an effective and efficient reward or recognition system is to become an established part of the IPS. Managers should also be trained in negotiation skills to ensure that they can negotiate the best price when sourcing products and services for their organisation.

All management should also be educated in change management. This would help managers become more willing and accepting of change and staff ideas for change but also help them implement change successfully in the organisation. If management can follow the correct procedures for change management there will be less resistance from staff and change will occur much quicker. Change is inevitable and needs to be managed correctly in order for change not to act as a barrier to innovation. Change should not be seen as a risk but as an opportunity for growth for the organisation. Senior managers must allow risk taking to some extent instead of always avoiding such practices. Literature states it is the senior management's role to allow failures and view it as a learning curve rather than punishing staff (Hornsby *et al*, 2002). If management punish staff for a failed risk, other staff will withhold innovative suggestions for fear of failure.

Management must also be able to ensure that staff are working to their best potential and capabilities. There are employees with great potential to be innovative yet are being overlooked, this has to be addressed to ensure that the public service can utilise current resources successfully before seeking external resources to improve the sector. Management need to realise there are very intelligent and innovative people in their organisations and they should use these people and their ideas to improve the innovativeness of the organisation.

There needs to be a reform of mind-set of the public sector workers who are there to do the basic amount of work possible. The *I can't get fired from the public service* mind set has to be removed. This mind set could be borne from the lack of competition in some of the organisations in the public sector. Their organisation will always have to exist so an employee could presume that there is no urgency to innovate. All public sector staff from ground level to top politicians need to realise that it is not only the private sector that has to innovate.

Some public sector staff want to experience continued learning in their organisation in order to progress in the public sector and some staff want to be given more responsibility and be involved in decision making of their department. Not all staff are content to sit back and do as little as required as is a common perception of public sector staff as stated in primary research. Staff who are motivated and want to be given more responsibility should be encouraged and supported by management and their colleagues rather than being excluded by those who feel these innovative efforts are *showing them up* and are unsettling the norm.

All interviewees agreed the public sector does not do enough to encourage innovation yet managers believe the public sector need to be given more credit for the innovations they are doing. Managers feel the public sector can be innovative in its own way and it is more innovative now than it has been. Organisations have to do more with less so are forced to rethink the working practices of the organisation. One manager said '*Great ideas and great innovations never came from having something.*' The public sector has to strike a balance between providing the service they need to within constraints of a budget and resources. Some organisations are delivering by doing more with less by adopting technology. E.g. farmers are now using online services more and more. IT has helped bring *some* public service organisations into the 21st century.

Rewards, awards and recognition are all methods management can use to encourage staff to be innovative. Rewards in the public sector give rise to much debate and questions: Should staff need rewards to be innovative? Will staff only be innovative if there are rewards? Will innovation become the expected practice of all staff if it is rewarded as exceptional behaviour?

Regardless of the answers if a public sector organisation is committed to having a reward system, it must be seen as fair by all staff otherwise staff may feel overlooked for innovative work that they have done and in turn can cause resentment among staff. Rewards must be valued by the individual and be awarded in a timely manner. An employee may be embarrassed to partake in a formal presentation and this should be accepted by management.

Management must also be aware that rewards do not have to be expensive or financial. Some staff may only need the right manager to encourage them to be innovative. Recognition lets staff know they are appreciated instead of a reward.

Awards in the public sector are practically unknown by staff. The public service needs to ensure that the awards are fulfilling the role that they were established to meet. A re-evaluation may be needed and in some cases the awards need to be re-launched in order to raise public sector employee's awareness of them.

Some staff simply desire management to be able to support their ideas. This support could entail moral support. Other supports that may be required would be time-off regular duties to develop an idea, the use of company resources or the provision of necessary training and development.

Innovation can lead to more cost effective measures of resolving challenges that face organisations. Innovation can also close gaps and avoid duplication. E.g. FÁS and the Department for Social Protection working together to develop the new public services card that will be introduced by the Department of Social Protection. It is currently being piloted in the Sligo and Dublin areas and if successful will save the public service in the long run by eliminating fraud and the costs that go with it.

Mergers are a possible eventuality for some organisations and while some civil servants agree that is the right decision, others are not so committed. It is difficult to generalise which public sector organisations can be merged but many suggestions from staff and management suggest that the Third Level Education sector will see colleges merging. Also, the topic of privatisation divided staff and management, especially when the discussion focused on the HSE. Some believe it would be best to privatise it yet others believe only some areas of the HSE should be privatised. Others raise the point, if you

privatise some of the public service; why not privatise all the organisations. Questions such as ‘*What is the impact on the service user of privatisation and mergers?*’ and ‘*Does the service user care who provides the service so long as they get the best treatment and service available?*’ arise when such a discussion arises.

Sometimes the public sector needs to realise that outsourcing can be beneficial and cost saving. You can bring innovation into an organisation through joint ventures and public private partnerships, not just individuals in the organisation. The public sector needs to be committed to delivering the best service available to their citizens and so must realise that at times the use private organisations is the best option.

Senior politicians and management must realise the public sector is a single *system* but not a single *organisation* so practices need to be developed specifically for each public sector organisation. The political system in Ireland is where the initial step for change should be made. If the leadership is correct at the very top all other element of a successful public sector innovation should follow.

In summary, as Kearney (2007 p. 281) concludes, if public sector organisations wants to create and encourage innovative practices ‘*they must provide the vision, remove unnecessary administration requirements, create mechanisms to integrate departments and functions, change budgeting and accounting procedures, provide internal venture capital and special project funds and allow discretionary time to employee.*’ For all these to be effective the entire public service has to be educated on innovation and if necessary re-educated and re-trained. No change for the improvement of the service can be made however without an increase in trust, support and encouragement among all members of the public sector all of which require an effective communication system.

# Chapter 6

## *Conclusion and Recommendations*

### **6.1 Introduction**

This chapter combines the discussions, insight and findings from previous chapters to form a conclusion for the study of innovation in the IPS. The conclusion will help fully address and answer each of the research questions. Subsequently recommendations are formulated on how to develop and improve innovation in the IPS.

### **6.2 Research Question**

The main objective of this research was to research innovation in the IPS while also gauging the level of innovation in the IPS and also the perceptions of innovation from those who work in the sector.

To answer this question other questions had to be answered:

- What innovative initiatives are currently in operation to support innovative practices in the IPS?
- What are the challenges faced by the public sector in developing and instilling innovation initiatives in its organisations?
- What incentives exist to support innovative practices in the IPS?
- How do public servants compare their working practices with those of the Irish private sector?
- What changes would public servants recommend in order to improve innovation practices in the IPS?
- What organisations in Ireland's public sector champion innovation?

The objectives for the research, which were met, were:

- To identify, if any, innovative initiatives that exist in organisations in the IPS.
- To establish what are the implications of these innovative initiatives, if any.
- To ascertain the attitudes and perception of all staff to the innovative policies, procedures and initiatives of their public sector organisations.
- To identify the effect of innovative practices on staff.
- To identify organisations that champion innovation policies.
- To recommend how organisations can implement an innovative policy to their benefit.

## **6.3 Research Questions Answered**

### **6.3.1 What innovative initiatives are currently in operation to support innovative practices in the IPS?**

There are very few existing initiatives in the IPS and the majority are informal initiatives. The main finding surrounding innovative initiatives was that management said there were informal initiatives in their organisations yet staff could not recognise them when asked, suggesting that there is little to support or encourage staff with innovative ideas and practices.

The lack of innovative initiatives, especially formal initiatives, suggests there is a lack of commitment to innovation from senior managers and government. This alone inhibits innovation practices throughout the entire public sector.

The initiatives that do exist need to be highlighted to all staff in the organisation. It is not viable to encourage a culture of innovation when only some employees are aware of an initiative. The communication structures need to be analysed by the individual organisations and ensure the communication methods used are the best suited to the organisation and its' staff. Communication is discussed in greater detail later in the next question.

Both formal and informal initiatives must be encouraged by politicians and senior managers as a means to introduce innovation to the public sector and each public sector organisation. Within public sector organisations, middle managers should be

encouraged to develop informal initiatives that they believe will increase the efficiency and innovativeness of staff and staff should also be encouraged and expected to bring forward suggestions for new innovative initiatives to management.

### **6.3.2 What are the challenges faced by the public sector in developing and instilling innovation initiatives in its organisations?**

The challenges unearthed included the public sectors size, culture and structure. The public sector culture has existed for so long and is difficult to change. The author understands there are individual cultures in each public sector organisation but in the main, they all follow the public sectors culture and reputation which will be discussed. The only exceptions are the Second Level Education sector organisation and the PRAI. These organisations have worked hard to create an individual culture that opposes the public sector norm.

The culture that exists in the public sector as a whole is '*if it is not broke, don't fix it*'; as long as this is the culture no progression will be made in the public service. There is a fear of change among some public servants also which leads to no new ideas and practices being implemented. Such ideas and practices have to be introduced to staff in a way that staff can see it will benefit them or staff will resist the change and make implementation more difficult.

Further challenges include the bureaucracy that exists in the sector. The amount of bureaucracy can act as a barrier and also can make a potentially excellent innovation be seen as an inconvenience due to all the bureaucracy that has to be overcome. Every organisation is different but all findings suggest there is too much bureaucracy in public sector organisations. Every public sector organisation tries their best to limit the bureaucracy however some organisations are required to store both hard and soft copies of data. This was a major issue in An Garda Síochána. All information stored on a computer must also be backed up and be secured.

A further challenge is the role politics plays in the IPS. The politicians have a short term vision when possibly a longer term vision would be best. Some politicians also take the stance '*Not in my term of office*' when faced with possible controversial proposals. No politician wants to make a decision that is going to divide or upset a country's population or even some of them. However, politicians need to take

responsibility and show leadership if they are to encourage innovative initiatives. Politicians must make decisions that are best for the country, even if the decision creates a short term loss or anger among the Irish citizens.

Risk taking is almost non-existent in the IPS. The attitude towards risk taking acts as a barrier to effective innovation. The fear of failure is why a lot of management avoid risk taking. However, the attitude to risk taking needs to be challenged. Risks must not be avoided but should be analysed and minimised before implementation. The Second Level Education sector organisation interviewed has their own assessment system that every new and potential risk must go through before implementation. All organisations should develop a risk assessment system that will minimise the risks to their organisation. Also, a risk must not be avoided automatically by management but should be recognised as a potential opportunity their organisation could benefit from. There needs to be a change of mind set among the staff and management with regards to risk taking.

Senior management have to be able to analyse every decision correctly so that the best decision is made however controversial the decision may be. It must be clear who is responsible for making decisions at each layer of the organisation structure. Staff must also be aware of their decision making capabilities. Some staff may not take the initiative to make decisions that are in their remit.

Accountability is a challenge for public sector organisations when it comes to the development of innovative initiatives in the public sector. All staff and management must be held accountable for their actions, whether good or bad. This could involve being brought to management to discuss the actions and their outcomes. Good work practices should be rewarded while bad work practices should not be punished. If the work practices require disciplinary action, it must follow the correct procedures. In some cases if management are to be held accountable for their actions, it can result in the loss of their job position or being brought before a committee to explain their actions and justify them. The management in the hospital interviewed stated that if there was an issue raised about finance or spending, management may be brought in front of auditors to justify the malpractice.



The communication system in the IPS works effectively in organisations that have an open door policy, such as the Second Level Education sector institute and the PRAI as briefly mention in the previous question, however the system could still be improved across the whole system. As well as management needing to be more accessible, management have to make it clear who innovative suggestions should be sent to. Also, feedback should be given to all staff that suggests ideas as to why their idea has been accepted or rejected. It is also a good idea to keep the staff member involved if their idea is going to be progressed as they have the vision that can make it work that management and other staff may not have.

Communication is a critical element in ensuring an innovative organisation is created, encouraged and maintained. It must involve all staff and management being willing to listen and respond to suggestions and other communications. It has to be a mutual beneficial system for staff and management.

### **6.3.3 What incentives exist to support innovative practices in the IPS?**

There are very limited incentives in the public sector that encourage innovative practices. The few rewards and award structure that are exist in individual public sector organisations are not practiced or encouraged in the majority of public sector organisations. While a single reward structure may not be feasible across the entire public sector, the national awards that do exist need to be revamped and brought back into every public sector organisation. This would help highlight innovative organisations that could act as role models for other organisations.

Innovative work practices that succeed should be rewarded while at the same time innovations that fail should not be punished. Rewards have to be given in a timely manner and the reward must be appreciated and valued by the employee receiving it.

Staff agreed that recognition would be a sufficient reward or at least a foundation for a developing reward system. Also it should be noted that not all staff want a reward as some employees can be embarrassed by such measures.

The discussion around rewards will always give rise to whether staff should need a reward to do their best. The Minister and some management feel that staff should not need to be rewarded for being innovative. Management feel by rewarding such innovative behaviour it suggests these innovative behaviours exceed expectation, when in fact it is what management expect of employees on a daily basis. However at

the moment management in most organisations do acknowledge innovative behaviour as the exception, not the rule. This has to change if innovation is to become embedded in public sector organisations.

#### **6.3.4 How do public servants compare their working practices with those of the IPS?**

The majority of public sector staff believe the private sector is more innovative. They give a variety of reasons for the increased innovativeness including the smaller size of the private sector organisations. This allows the private sector to be more flexible and react faster to changes in the organisations environment. The speed of processes or a change in work practices in the public sector is much slower than those in the private sector which allows the private sector to innovate more freely and much faster. This can be due to the bureaucracy levels a public sector organisation must overcome when a change occurs. This slow process can demotivate staff and management. The press attention the public sector gets inhibits innovation across public sector organisations. The media acts as a watch dog and managers are cautious of introducing new initiatives or innovations for fear the media highlight the change as negative and therefore upset the public. The managers also do not want to have their name associated with negative press in order to prevent their reputation being tarnished. The lack of competition is a further reason outlined by staff as to why the public sector is not as innovative as the private sector. The private sector must innovate to survive, to make a profit and remain competitive, whereas, public sector organisations are in a monopolistic environment and are not required to be innovative for competitive reasons. The public sector innovative activity is concerned with broader matters than simple commercial aims.

Others feel the public sector is working as hard as ever yet their pay is decreasing. While other staff and management believe you cannot compare both sectors due to the variance of the organisations within them.

#### **6.3.5 What changes would public servants recommend in order to improve innovation practices in the IPS?**

The recommendations of staff are varied and numerous. The most suggested recommendations by staff are those which are financial based. Staff believe innovative practices would increase if staff were paid more and also if there was a

reintroduction of monetary rewards. Staff also suggested that recognition from management would be a valued reward by staff. Numerous staff replied that they believe that management get praise for staff's good ideas and feel that staff get blamed for failed ideas.

Staff also want to be consulted more by management when decisions are being made that will affect their role and department. Innovation can be increased in an organisation by improving the communications between management and staff. Staff that believe their management will listen to their ideas are more willing to suggest ideas. Staff believe communication and innovation can be improved by reducing the hierarchical structures of their organisations.

Some staff suggest each employee should meet with management on an annual basis to review their innovative performance; as PMDS is no longer widely utilised in most public sector organisations.

Some public servants recommend that local management should have more authority in the running of their office and that there should be delegation of financial operating budgets to departments. Receiving some of the allocated budgets from senior hierarchical levels can be a slow and bureaucratic process for departments, which many staff feel is unnecessary. Staff feel it is important that departments have control of their own budgets and that middle managers should be granted permission to invest some core funding to innovation initiatives or work practices.

Staff believe that innovative practices could be improved if there was less emphasis on employment grading structure and a greater emphasis on team work and cross-departmental and grading collaborations.

Some public servants suggested that the public service needs to ensure the best candidates are recruited by changing the recruitment methods. Other employment related recommendations included that middle management should be moved more frequently so they are learning a new job and continuously bringing new ideas to different departments of the organisation. Staff want there to be an option for job swaps; either within their organisation or another public sector organisation. This allows for new perspectives on work practices to be suggested by the new employee and in turn may introduce new innovative ideas.

Staff believe the public sector would be more innovative if there was better use of IT. They want to see electronic sharing of resources both within their organisation and with other public service organisations. Staff want shared views between departments, not competition as some staff feel there is currently.

Public sector organisations need to develop online processes for the public to use instead of having to complete pages and pages of forms. There should be encouragement and incentives for the public to use online processes. Online processes can save the public service money by cutting staffs time spent on bureaucratic processes. The online applications should be self-validating, thus further reducing staffs time processing applications.

A final recommendation made by staff was that they want to see the citizen placed at the centre of all policies; new and old. They believe this will improve the service they provide to the public and would provide for a positive change in the public's perception of the public service.

#### **6.3.6 What organisations in Ireland's public sector champion innovation?**

The most selected organisation was the Revenue Commission. They were highlighted as the most innovative public sector organisation due to the advances they have made by the use of technology. The Revenue Commission have undergone a transformation in recent years. The management realised there had to be a more user friendly approach to their systems and so began to change work practices. The Revenue also wanted to change the public's perceptions of the organisation while also generating greater staff morale across the organisation. Management led the change and showed strong leadership to all 6,000 staff members and met their objectives by redesigning and simplifying forms, developing a new mission statement and by giving staff more responsibility in the planning process helped increase their motivation and morale. Other advancements that established the Revenue as the most innovative public sector organisation was the development of integrated Revenue information offices and the use of modern telecommunications for both the Office and the customer.

Other organisations that were suggested included County Enterprise Boards because it is their goal to create employment and growing exports and they are willing to support new initiatives by offering grants, mentoring schemes and extra personnel.

The Department of Transport was also recommended due to their ability to provide feedback to staff and also the introduction of the new ticketing service; leap card for Dublin Bus and Luas customers. As previously described the Department of Social Protection are introducing a new public services card which is the reason the department were nominated by managers and staff as the most innovative public sector organisation. Their nomination was also due to the electronic signing system for customers and online applications for customers.

A full outline of all suggested organisations can be found in Appendix B.

The use of online services and the use of technology to improve systems are the overall reasons these organisations were selected. This suggests that all public sector organisations should look to their systems and analyse if technology could be used to improve the work practices of the organisation and also if it will make the systems more user friendly for customers.

## **6.4 Recommendations**

Having concluded the research the author can suggest possible recommendations that the IPS could adopt to improve the innovativeness of the sector.

The recommendation that could have the greatest impact on the public service is the recommendation for improved leadership throughout the sector. Improved leadership will provide better direction for staff and will motivate staff to be more innovative. This leadership should come from top of the public sector; Government Ministers, politicians and the Dáil. Improved leadership could be achieved through compulsory leadership workshops for all those in management roles; senior, middle or floor management. This will give other managers confidence to be more innovative in their organisation. Senior management in organisations must be more willing to take a new approach to their management style and embrace innovation.

Management must also be more willing to listen and accepting of staffs ideas. From this research it is apparent that staff at lower levels have innovative ideas that can save the organisation time and money, whether it is a new way of doing an existing procedure or something totally new to the organisation. However these staff ideas are often ignored.

Politicians need to represent their constituents fairly and honestly and make the best decisions for the country rather than the best decision for their personal career. The duration of a political term of office needs to change in order to give politicians a more strategic and long term vision for their plans. The entire political system needs to become more focused on the long term rather than politicians making decisions that are only viable in the short term. The Local Authority interviewee stated that politicians do not have motivation to do this however as they want to maintain their career and will not implement a change or policy that will upset the electorate even if it is the best thing in the long run for the country. As research discovered, politicians seem to say 'Not in my term of office' (NIMTO) when it comes to making potential controversial decisions. This has to be changed and politicians need to be supported by their colleagues when difficult decisions need to be made.

Another recommendation that should be implemented is the policy of once you are employed by the public sector your employment cannot be terminated without great difficulty, if at all. Some staff can become reliant on this rather than staying motivated in their role. Many staff are content in their job and do not apply for promotion or new positions that may become vacant. They become complacent and can be in the same role for over forty years. Staff should be encouraged to apply for different roles at some stage in their career especially if management see potential in the employee for development. If every employee took the approach of staying in the one role their entire career, there would be no change or progression of the public sector or the innovative progression of the organisation. Organisations should make progression of each individual part of their organisational goals and also part of the performance review process.

It was also suggested in this research that only the private sector has to innovate. The Minister for state interviewed said '*The private sector has to innovate or it wouldn't survive.*' While this is certainly true in the private sector, it isn't the situation in the public sector. Staff also highlighted that this isn't the case in the IPS as a lot of staff reported they get frustrated at the lack of innovation from some of their colleagues who can still stay in their role and on the same salary as those who innovate. The lack of competition in the public sector can lead to a lack of motivation in staff which leads to a lack of innovative work practices.

Primary research shows there are limited incentives to be innovative in the public sector, which has to change. Incentives do not have to be expensive and after analysing the staff survey findings, it is apparent that staff would appreciate recognition from management for good work or efforts on a project. This recommendation could be the least expensive, easiest to implement and most beneficial to an organisation as a method of encouraging innovation. The Input awards that do exist needs to be re-launched across the whole sector again as they are not being utilised by management to encourage innovative behaviour and therefore not fulfilling their purpose.

There has to be more flexibility in all aspects of the public sector. While the author understands there has to be a structure in place for management and procedures etc, there has to be some leeway in order for staff to be able to innovate. At the moment staff have to manipulate the structures in place in order to provide a better service for the client. There also has to be more flexibility among the organisational structure. It was apparent that innovation practices were easier to suggest and implement where management were accessible to staff. This also relates to the need for greater flexibility in communication structures and also the importance and need for feedback for staff who suggest ideas. It has to be made clear to staff who to approach when they have innovative ideas. Management have to start taking responsibility for suggested ideas and ensure all ideas are treated equally. By reducing the levels of hierarchy, there is will be an inevitable reduction in the levels of management which should create healthier and faster communication.

The public service needs to use the people they have employed in the sector more effectively. The public sector has some excellent, very motivated and innovative staff but they can often be in the wrong organisation with very little chance of moving to another organisation. It was reported at the interview with the Department of Agriculture, Food and Marine that staff become restricted to only working in that Department, even though their skills may be better suited to a different organisation. Staff are restricted because of the culture and structure of the public sector organisation. These boundaries need to be removed if innovation is to become commonplace in the public sector.

Some staff want to be in a position where they can continuously learn in their role however, some staff cannot be given this opportunity if they have already progressed their career to the highest rank in their organisation. There has to be more freedom to transfer across public sector organisations for staff as it can lead to a transfer of knowledge and also innovative practices.

Some staff want to be involved in decision making. Not all staff are happy to only carry out work responsibilities outlined on their job description. Some staff just need the right manager to encourage them; let the staff know they are appreciated as previously discussed.

The public sector has to keep the public informed and also has to try to improve the public's perception of the public service. The public service needs to market itself and keep the public informed of the positive progress the service is making in order to combat negative press which can be more commonplace.

As previously mentioned, if the correct management and leadership is in place all other recommendations will be borne from it leading to an innovative public sector.

## **6.5 Personal Reflections**

Before being able to answer the research questions there was a lot of research carried out. This research involved developing a literature review and a methodology. Having completed these chapters, the author could begin the primary research which enabled them to create the findings, discussion and analysis and conclusion chapter of the study.

The literature review sought to unearth existing research on the research topic. It gave a background to innovation and a description of terms used when discussing innovation. The literature was sourced from libraries and online sources as well as conferences attended over the duration of the research. The literature review also had to be edited on a regular basis to ensure the most relevant data was included. The conferences attended were on the topic of innovation and only one conference was specifically relevant to the IPS however, this wasn't a conference on innovation but rather leadership, which does play a large part in successful innovation.



The methodology chapter outlined how the researcher underwent the research and why such methods were selected. The methodology chapter also provided the guidelines for the development of the research interview questions and also the design of the staff survey. The findings chapter was assembled after the survey and all the interviews had been completed and returned. The chapter was broken into 2 parts, the interview findings and the survey findings. The discussion and analysis chapter followed with the discussion of the findings and literature review.

The Minister interviewed gave some interesting and surprising responses to the interview questions. In some cases he did not have the relevant information for the questions. The Minister said innovation *is* of huge importance to the public sector and all organisations must innovate, yet on the day was unable to give an example of any innovations the Dáil or any public sector organisation he has engaged with. He also was unsure of the award and rewards on offer to public servants and believes, like some managers, that rewards are not necessary for staff to be innovative. Yet, this research proves that a successful reward structure is very important to staff in the public sector.

## **6.6 Suggestions for Further Research**

This research has contributed to the limited literature surrounding innovation in the IPS. This research has the potential to make a difference in the practice and implementation of innovative practices of organisations in the IPS and public sector organisations.

Challenges have been identified that need to be addressed and overcome before future developments of innovations to occur in the public sector.

This research should enhance the status and delivery of innovation in Ireland's public sector organisations. There is innovation in some aspects of the public sector which proves innovation is possible if the correct conditions exist to support and develop it.

This research is valuable to all managers in public sector organisations and innovation can be implemented if some of the recommendations are adopted by the managers. It has also highlighted areas for further research that the public sector should encourage to be researched.

Public sector innovation is an under researched area and there is huge potential for further reports on it. A model that maps out the necessary steps for innovation practices in a public sector organisation needs to be developed and followed by every public sector organisation.

Further research could be carried out on how to measure innovation in the IPS and a model should be created that every IPS organisation can use to measure the effects of innovation in their organisation. The model would have to include measures such as employee's performance and motivation, the cost of the innovation on all aspects of the organisation and the benefits the innovation practices have on an organisation in the public sector. The model would provide necessary information to the government to help ascertain the costs or savings from potential innovative practices. This should also be able to highlight whether the taxpayer's money is receiving value for money. Intellectual Property has not proven to be an important element in most organisations however; the public sector must ensure they protect any new innovations in the future.

A comparison study between the public and private sector innovative practices would uncover a lot of valuable information. The findings from the staff surveys gave for interesting discussion when asked about their private sector experience and perceptions. This included employee's appreciation of the reward system in the private sector and also the ability to be more flexible in working practices. Staff also believe their private sector counterparts are listened to more by management. A wider study of employee's perceptions could provide the government with reasons to be more innovative and also to ensure employees are working to their best capabilities in a working environment they appreciate.

## **6.7 Conclusion**

This research has proved innovation does exist in some of the IPS organisations however, the public sector as a whole has some way to go before *it* can claim to be innovative.

Innovation must be supported by the entire sector in order to overcome the challenges innovation faces. Innovation can only be fostered in organisations where certain elements and supports are available. Organisations need to simplify their work

methods and need to limit the layers of organisational structure and bureaucracy for innovation to succeed. Both public sector leaders and management need to take responsibility and provide the leadership and encouragement to their subordinates in order to help develop an innovative culture in the public sector. In order for management and staff to be able to take responsibility, everyone's role needs to be clearly defined. This will also allow for smoother communication processes as staff know who to approach with problems, queries or innovative suggestions.

Some of the public sector organisations may not have the extreme competition the private sector has, but they must still strive to provide the best service possible for their customers. Each public sector organisation is funded by their customer, the taxpayer, and must endeavour to provide them with value for money. All organisations need to analyse if they are currently serving their customers to their best ability.

A lack of innovative strategy and policy is evident within Ireland's public sector from this research. There has to be a more strategic vision from all stakeholders towards innovation. It must be understood that at times, the best decisions for the country and its' citizens will not have immediate results.

For innovation to become common place in the IPS, it requires small incremental improvements in processes and procedures. It will not happen with a big bang approach, but with an approach such as the one used by the PRAI.

There is rich potential to develop innovation in the IPS and the IPS must strive to reach its innovative potential.

I will conclude the research with a quote from Manimala *et al* (2006).

*'Whether in the private or public sector, companies are faced with only two options:  
innovate or perish!'*

# Chapter 7

## *Bibliography*

Abu Bakar, D., 2007, *The intrapreneur way*, Malaysian Business viewed online 5 December 2009, from [http://findarticles.com/p/articles/mi\\_qn6207/is\\_20070201/ai\\_n24910955/?tag=rbxcra](http://findarticles.com/p/articles/mi_qn6207/is_20070201/ai_n24910955/?tag=rbxcra).  
2.a.11

Aldrich, H.E., 1979, *Organisations and Environment*, Prentice-Hall: Eaglewood Cliffs, N.J.

Ansoff, H.I., 1988, *The New Corporate Strategy*, Wiley, New York,

Antonic, B, & Hisrich, R.D; 2001, Intrapreneurship: Construct refinement and cross-cultural validation, *Journal of Business Venturing*, Volume 16, Issue 5, pp. 495-527.

Baker, Therese, L., 1994, *Doing Social Research*, 2<sup>nd</sup> edition, McGraw-Hill, Singapore

Balogun, J. & Hope Hailey, V., 2008, *Exploring strategic change*, 3<sup>rd</sup> edition, FT Prentice Hall, Harlow

Bartlett, C.A. & Ghoshal, S., 1996, Release the entrepreneurial hostages from your corporate hierarchy, *Strategy Leadership* 24 (2), 36-42 (July/August)

Bauer, T. & Erdogan, B., 2011, *Principles of Management and Organisational Behaviour*, viewed Dec, 2010 from <http://www.flatworldknowledge.com/pub/1.0/principles-management-and-orga/32677#web-0>

Bessant, J. & Tidd, J., 2007, *Innovation and Entrepreneurship*, Wiley & Sons Ltd, England

Bhardwaj Shushil B.R. & Momaya, K., 2005, Corporate Entrepreneurship: Application of Moderator Method, *Singapore Management Review*, Volume 29, Number 1

Bhardwaj Sushil, B.R. & Momaya, K., 2007, Corporate Entrepreneurship Model: A source of Competitiveness, *IIMB Management Review*

Blaxter, L., Hughes, C. & Tight, M., 2006, *How to Research*, 3<sup>rd</sup> edition, Open University Press, Berkshire, England

Borins, S., 1998, *Innovating with integrity: How local Heroes are Transforming American Government*, Georgetown University Press, Washington

Borins, S., 2002, Leadership and innovation in the public sector, *Leadership & organisation Development Journal*, Volume 23, Number 8, pp. 467-476

Boyett, I, 1996, The Public Sector Entrepreneur- A definition, *International Marketing Journal of Public Sector Management* ,Vol. 9, issue 2, pp.36-51

Brazeal, D.V. 1993, Organising for Internally Developed Corporate Ventures, *Journal of Business Venturing*, 8 (1) p 75-90

Brazeal, D. & Herbert, T., *The future of the corporation Corporate entrepreneurship on the fly*, viewed 3 December 2009, from <http://usasbe.org/knowledge/proceedings/proceedingsDocs/USASBE1998proceedings-18-Herbert.PDF>

Brooker, P, 1999, *Modernism / Postmodernism*, Pearson Education Ltd, England

Boeree, Dr. C. George, 1999, Epistemology, viewed 27 April 2013, Available online from: <http://webspace.ship.edu/cgboer/epist.html>

Boyle, R. 1997, The Use of Rewards in Civil Service Management, *Committee for Public Management Research*, Discussion Paper 5.

Boyle, R. 2011, Public sector Trends 2011: State of the Public Service Trends, *Institute of Public Administration*, November, Research Paper 6

Buckley, M, 2009, 1<sup>st</sup> Cite @ NCI (bibliographies & referencing made easy!), National College of Ireland, Norma Smurfit Library

Burgelman, R. & Sayles, L., 1986, *Inside corporate innovation: strategy, structure, and managerial skills*, Free Press, California

Carnall, C.A. 2002, *Managing Change in Organizations*, 4<sup>th</sup> Edition, Prentice Hall, London

Chandy R.K. & Tellis G.J., 2000, The incumbent's curse? Incumbency, size, and radical product innovation, *Journal of Marketing*, 64, pp. 1 – 17

Chesbrough, H. W. 2003, *Open Innovation: The New Imperative for creating and profiting from Technology*, Harvard Business School Publishing Corporation, Boston

Childers, J. & Hentzi, G, 1995, *The Columbia Dictionary of Modern Literary and Cultural Criticism*, Columbia University Press, New York, USA

Corbin, J. & Strauss, Anslem, 2008, '*Basics of Qualitative Research*', 3<sup>rd</sup> edition, SAGE publications, London, England

Cooper, D. & Schindler, P., 2003, *Business Research Methods*, McGraw-Hill, New York

Covin J.G., Slevin D. P. & Heeley M. B. 2000, Pioneers and Followers: Competitive Tactics, Environment, and Firm Growth, *Journal of Business Venturing*, Vol. 15, pp. 175-210

Covin, Jeffrey G. & Miles Morgan P. 1999, Corporate Entrepreneurship and the Pursuit of Competitive Advantage, *Entrepreneurship: Theory and Practice*, (abstract), vol. 23, viewed 11 November 2009, from: <http://www.questia.com/googleScholar.qst?docId=5002332704>

Davenport, T.H., & Beck, J.C. 2002, The strategy and structure of firms in the attention economy, *Ivey Business Journal*, (March/April), p. 54

Damanpour, F., 1991, Organisational Innovation: a meta-analysis of effects of determinant and moderators, *Academy Management Journal* p. 566

Denscombe, M; 1998, *The Good Research Guide for a small scale social research projects*, 2<sup>nd</sup> edition, Open University Press, Berkshire, England

Denzin, N.K. & Lincoln Y.S, 2005, *The SAGE handbook of Qualitative Research*, 3<sup>rd</sup> edition, SAGE publications, London, England

Denzin, N.K. & Lincoln, Y. S., 2003, *Strategies of Qualitative Inquiry*, 2<sup>nd</sup> edition, SAGE publications, London, England

Domegan, C & Fleming, D, 1999, *Marketing Research in Ireland: Theory and Practice*, Gill and McMillan, Dublin, Ireland

Department of Enterprise, Trade and Employment, 2008, *Innovation in Ireland*, Available online at [www.entemp.ie](http://www.entemp.ie)

Dess, G.D. & Beard, D.W., 1984, Dimensions of Organisational Task Environment, *Administrative Science Quarterly*, 30: p 52-73

Dess, G.G, Ireland, R.D., Zahra, S.A., Floyd, S.W., Janey, J.J. & Lane, P.J., 2003, Emerging issues in corporate entrepreneurship, *Journal of Management*, Issue 29, Vol., 23, p. 351-378

Druker, PF, 1985, *Innovation and Entrepreneurship: Practice and Principles*, Butterworth-Heinemann, London

Evsteinsson, A, 1992, *The concept of modernism*, Cornell University Press, USA

Finfacts Team, 2010, *Taoiseach launches Innovation Ireland Taskforce report*, available: [www.finfacts.ie/irishfinancenews/article\\_1019241.shtml](http://www.finfacts.ie/irishfinancenews/article_1019241.shtml) accessed 12 June 2012

Forster, J, Graham, P. & Wanna, J., 1996, *The New Public Entrepreneurialism, Entrepreneurial Management in the public sector*, Macmillan, Melbourne

Garvin, David A. & Levesque Lynne, C., 2006, Meeting the Challenge of Corporate Entrepreneurship, *Harvard Business Review*, October Issue, p. 102-112

Gillham, B. (2005), *Case Study Research Methods*, Paston Press, UK.

Goodman, J. & Truss, C. 2004, The medium and the message: communicating effectively during a major change initiative, *Journal of Change Management*, Vol. 4, No. 3. pp 217-228

Graziano, A.M. & Raulin, M.L, 2000, *Research Methods, A Process of Inquiry*, Pearson Education, Boston

Greenfield, T., 2002, *Research Methods for Postgraduates*, Arnold, London England

Guth, W.D. & Ginsberg, A., 1990, Corporate Entrepreneurship, *Strategic Management Journal* (special issue) 11: pp. 5-15

Halvorsen, T, Hauknes, Miles, I. & Røste Rannveig, 2005, Innovation in the public Sector: On the differences between public and private sector innovation, *PUBLIN*.

Hansen, J. & Sebor, T.C., 2002 Applying Principle of Corporate Entrepreneurship to Achieve National Economic Growth, *Issues in Entrepreneurship: Contracts*,



*Corporate Characteristics and Country Differences, Advances in the study of Entrepreneurship, Innovation and Economic Growth*, Elsevier Science Ltd, Volume 14, pp. 69-90

Harper, S., Glew, D. & Rowe, J., 2008, Corpreneurship: creating your future, *Industrial Management Journal*, Sept/Oct. pp. 12-17

Harris, W, 2010, Innovation Lessons from Ireland, *Industrial Research Institute*, January-February, pp. 35-39

Hisrich, R.D. and M.P. Peters, 1984, Establishing a new business venture unit within a firm, *Journal of Business venturing*, Vol. 1, pp. 307-322

Hornsby, Jeffrey S, Kuratko, Donald, F., Zahra & Shaker A., 2002, Middle Managers' perception of the internal environment for corporate entrepreneurship: assessing a measurement scale, *Journal of Business Venturing*, Issue 17 p 353- 273

Hubbard, R.D., 1986, Entrepreneurship in a mature industry: AFG's integrated approach, *Journal of Business Strategy*, 6(3) p. 84-86

Hughes, M., 2010, *Managing Change, A critical Perspective*, 2<sup>nd</sup> Edition, CIPD, London

Humphreys, P., 1998, Improving Public Service Delivery, *Institute of Public Administration, Committee for Public Management Research*, Discussion Paper 7

Ireland, R., Covin, J. & Kuratko, D, 2009, Conceptualizing Corporate Entrepreneurship Strategy, *Entrepreneurship Theory and Practice*, January, pp. 19-46

Jankowicz, A.D., 2005. *Business Research Projects*, 4<sup>th</sup> edition, Thomson Learning, London

Jennings, D.F. & Lumpkin, J.R., 1989, Functionally Modelling Corporate Entrepreneurship: An Empirical Integrative Analysis, *Journal of Management*, Issue 15 No. 3.

Jick, Todd D., 1979, Mixing Qualitative and Quantitative Methods: Triangulation in Action, *Administrative Science Quarterly*, Vol. 24, No. 4, Qualitative Methodology. (Dec. 1979), pp. 602-611, viewed 7 July 2010, Available online from:  
<http://pcbfaculty.ou.edu/classfiles/MGT%206973%20Seminar%20in%20Research%20Methods/MGT%206973%20Res%20Methods%20Spr%202007/Week%2012/Jick%201979%20ASQ%20Mixing%20qualitative%20and%20quantitative%20methods.pdf>

Jones, Gareth, P. & Butler, John. E., 1992, Managing Internal Corporate Entrepreneurship: An Agency Theory Perspective, *Journal of Management*, Volume 18, No. 4, p. 733-749

Joyce, P., 2000, *Strategy in the Public Sector: A guide to Effective Change Management* Wiley & Sons Ltd, England

Kawalek, P., 2007, The Bubble Strategy: A case study of dynamic, defensible processes of change in Salford, *International Journal of Public Sector management*, Vol. 20, No. 3, p.178-191

Kanter, R.M., 1985, Supporting Innovation and Venture Development in Established Companies, *Journal of Business Venturing*, Vol. 1, pp. 307-322.

Kanter, R.M., 1996, *The Change Masters, Corporate Entrepreneurs at work*, International Thomson Business Press, London

Kanter, R.M., 2011, Innovation: Classic Traps and the Enduring Success Factors, InterTradeIreland All-Island Innovation Conference, Queen's University Belfast, October 4-5, 2011

Kearney, C, Hisrich, R., Roche, F., 2007, Facilitating Public Sector Corporate Entrepreneurship Process: A conceptual Model, *Journal of Enterprising Culture*, Volume 15, No. 3 p. 275-299

Kearney, C, & Ryan, P, 2009, Public sector needs entrepreneurs, *The Irish Times*, accessed 1<sup>st</sup> December 2009, from <http://www.irishtimes.com/newspaper/finance/2009/0626/1224249564429.html>

Kelly, P., & Kranzberg, M. 1978. *Technological Innovation: A critical review of current knowledge*, San Francisco University Press, San Francisco;

King, N, & Anderson, N, 1995, *Innovation and Change in Organizations*, Routledge, London

King, N. & Anderson, N., 2002, *Managing innovation and change: a critical guide for organizations*, Thomas Learning, London

Kirk, J. & Miller, Marc, M., 1986, *Reliability and Validity in Qualitative Research*, SAGE publications, London, England

Kirzner, I.M., 1973, *Competition and Entrepreneurship*, University of Chicago Press, Chicago

Knight, R.M., 1986, Corporate Innovation and Entrepreneurship – A Canadian Study, *Working Paper Series NC 86-09*, School of Business Administration, University of Western Ontario, Canada

Koch, P. & Hauknes, J., 2005, Innovation in the Public Sector, *Publin Report No. D20*, December

Lengnick-Hall, C.A., 1992, Innovation and Competitive Advantage: What We Know and What We Need to Learn, *Journal of Management*, Vol. 18, No. 2.

Leslie, K, and Canwell, A, 2010, Leadership at all levels; Leading Public Sector Organisations in an Age of Austerity, *European Management Journal*, Issue 28, pp. 297-305

Lewin, K., 1951, *Field theory in Social Science*, Harper & Row, New York

Liebcap, D.G, 1986, Do Large Corporations Provide an Environment for Entrepreneurs?, DG Liebcap ed. *Advances in the Study of Entrepreneurship, Innovation and Economic Growth*, JAI Press, Connecticut

Lincoln, Y.S., 1985, *Organizational theory and inquiry: The paradigm revolution*, SAGE publications, Newbury Park, CA

Litwin, Mark, 1995, *How to measure survey reliability and validity*, Sage Publication, London

Lyon, D.W, and W.J. Ferrier, 2002, Enhancing Performance with Product Market Innovation The influence of top Management team, *Journal of Management Studies*, Volume 15, No. 4, p. 452-469

Macionis, J.J. & Plummer, K., 2002, *Sociology: A Global Introduction*, Prentice Hall, London, England

Mack, W.R., Green, D. & Vediltz, 2008, Innovation and Implementation in the Public Sector: An Examination of Public Entrepreneurship, *Review of Policy research*, Volume 25, Number 3, pp. 233-252

Maes, J., 2004, The search for corporate entrepreneurship: A clarification of the concept and its measures, *Katholieke Universiteit Leuven- Research report DTEW 0429*

Manimala, Matthew J., Jose, P.D. & Thomas, K.R., Organizational Constraints on Innovation and Intrapreneurship: Insights from Public Sector, *Vikalpa*, vol. 31, issue 1, January, pp. 49-60.

Mason, J., 1996, *Qualitative Researching*, SAGE publication, London, England

Matthews, J, & Shulman, A.D., 2005, Competitive advantage in public-sector organisations: explaining the public good/sustainable competitive advantage paradox, *Journal of Business Research*, 58, pp. 232-240

McCarthaigh, M, 2008, Public Service Values, *Institute of Public Administration*, CPMR Discussion Paper 39

McCarthy, A., Grady, G. & Dooley, G., 2011, Leadership in the Irish Civil Service, A 360° Review of Senior Management Capability, Galway, April 8<sup>th</sup>, 2011

McFadzean, E., O'Loughlin, A., Shaw, E., 2005, Corporate entrepreneurship and innovation part 1: the missing link, *European Journal of Innovation Management*, Volume 8, issue 3, pp. 350-372. Viewed 11 January 2010, from: <http://0-www.emeraldinsight.com.acpmil10web.ancheim.ie/Insight/viewPDF.jsp?contentType=Article&Filename=html/Output/Published/EmeraldFullTextArticle/Pdf/2200080306.pdf>

McFadzean, E., O'Loughlin, A., Shaw, E., 2005, Corporate entrepreneurship and innovation part 2: a role- and process-based approach, *European Journal of Innovation Management*, publisher emerald group publisher limited, vol. 8 issue 4 pgs. 393-408, viewed 11 January 2010, from <http://0-www.emeraldinsight.com.acpmil10web.ancheim.ie/Insight/viewPDF.jsp?contentType=Article&Filename=html/Output/Published/EmeraldFullTextArticle/Pdf/2200080401.pdf>

McKelvey, Bill, 2002, *Postmodernism vs. Truth in Management Theory*, viewed 14 September 2010 Available online from: <http://www.billmckelvey.org/documents/Postmodernism%20vs%20Truth.pdf>

Momaya, K, 2001, *International Competitiveness: Evaluation and Enhancement*, Hindustan Publishing, New Delhi

Morris, M.H. & Jones, F.F. (1999), Entrepreneurship in Established Organisations: The case of the Public Sector, *Entrepreneurship Theory and Practice, Autumn*, 71-91.

Morris, M., Van Vuuren, J., Cornwall, J. & Scheepers, R, 2009, Properties of Balance: A pendulum effect in corporate entrepreneurship, *Business Horizons*, Issue 52, pp. 429-440

Mulgan, G. & Albury, D., 2003, *Innovation in the Public sector*, viewed, 06-04-11 available <http://michaellittle.org/documents/Mulgan%20on%20Innovation.pdf> online from:

Nutt, P.C., 2005, Comparing Public and Private Sector Decision Making Practices, *Journal of Public Administration Research and Theory*, March 30: pp. 1-30

O'Donnell, O., 2006, Innovation in the Public Sector, CPMR Discussion paper 37, *Institute of Public Administration*, viewed 11 November 2009, from [www.cpmr.gov.ie/publications/.../cpmr-37-innovation-in-the-irish-public-sector.pdf/](http://www.cpmr.gov.ie/publications/.../cpmr-37-innovation-in-the-irish-public-sector.pdf/)

O'Donnell, O. & Boyle, R., Understanding and Managing Organisational Culture, CPMR Discussion paper 40, *Institute of Public Administration*, Dublin

Phan, Philip H., Wright, Mike, Ucbasaran, Deniz, Tan, Wee-Liang; 2009, Corporate Entrepreneurship: Current research and future directions, *Journal of Business Venturing*, Issue 24, p197-205

Pinchot III, G. & Pinchot, E., 1978, *Intra-corporate entrepreneurship*, Available online from <http://www.intrapreneur.com/MainPages/History/IntraCorp.html>

Pinchot, G. & Pellman, R., 1999, *Intrapreneuring in Action: A handbook for business innovation*, Berrett-Koehler Publishers, San Francisco

Pinchot III, G., 1985, *Intrapreneuring: Why You Don't have to Leave the Corporation to Become an Intrapreneur*, Harper and Row, New York

Porter, M.E., 1985, *Competitive Advantage*, Free Press, New York

Public Affairs Ireland, 2011, Challenge and Change in the Public Sector in 2012  
Maintaining Morale and Motivation at A Time of Unprecedented Change in the Public  
Sector, Westin Hotel, Dublin 2, November 18<sup>th</sup> 2011

Public Affairs Ireland, 2011, *Public Affairs Ireland Directory*

Quirke, B. 1995, *Communication Change*, McGraw-Hill Book Company, London

Ramachandran K., Ray, S. & T.P. Devarajan, 2006, Corporate Entrepreneurship:  
How?, *Vikalpa*, Vol. 31, No 1, Jan-Mar 2006.

Ramamurti, R, 1986, Public Entrepreneurs: Who they are now and how they operate,  
*California Management Review*, Volume 28 no. 3 p. 142-158

Richardson, Nicole Marie, 2005, *What it takes to be a successful intrapreneur: three  
corporate dynamos run with a big idea and bring in megaprofits for their companies*,  
Viewed 3 November 2009, from  
[http://findarticles.com/p/articles/mi\\_m1365/is\\_5\\_36/ai\\_n15966671/](http://findarticles.com/p/articles/mi_m1365/is_5_36/ai_n15966671/)

Ritchie, J. & Lewis, J., 2003, *Qualitative Research Practice a guide for Social Science  
Students and Researchers*, SAGE publications, London, England

Ross, John, 2010, *Ways of Approaching Research: Qualitative Designs*, Available  
from: <http://www.fortunecity.com/greenfield/grizzly/432/rra3.htm> date accessed  
07/09/2010

Royer, I, 2003, Why bad projects are so hard to kill, *Harvard Business review*, 81 (2),  
p48-84.

Rule, Erik G. & Irwin, Donald W., 1988, Fostering Intrapreneurship: The New  
Competitive Edge, *Journal of Business Strategy*, vol. 9, no. 3, pp. 44-47.

Russell, R.D., 1999, Developing a Process Model of Intrapreneurial Systems: A cognitive Mapping Approach, *Entrepreneurship Theory and Practice*, 24 (1), p 65-84

Russo, Prof. Peter, 2010, Corporate Entrepreneurship – the key to Making Innovation Happen, InterTradeIreland Innovation Lecture, University College Dublin, March 26, 2010

Ryan, Anne B., 2006, *Post-positivist approaches to research*, viewed 14 September 2010, Available online from: [http://eprints.nuim.ie/874/1/post-positivist\\_approaches\\_to\\_research.pdf](http://eprints.nuim.ie/874/1/post-positivist_approaches_to_research.pdf)

Sadler, R.J., 1999, *Corporate entrepreneurship and government business enterprises: the pre-paradigmatic dance of the chameleon*, PhD thesis, Southern Cross University, Lismore, NSW. Viewed 6 December 2009, Available online: <http://epubs.scu.edu.au/cgi/viewcontent.cgi?article=1040&context=theses>

Sadler, Robert, J., 2000, Corporate Entrepreneurship in the public Sector: The dance of the Chameleon, *Australian Journal of Public Administration*, 25-43 June 2000, Blackwell Publishers, Oxford.

Saris, Willem E. & Gallhofer, Irmtraud N., 2007, *Design, Evaluation, and Analysis of Questionnaires for Survey Research*, John Wiley & sons Inc., New Jersey

Sathe, V., 1989, Fostering entrepreneurship in a large diversified firm, *Organisational Dynamics*, Volume 18, Issue 1, Summer, Pages 20-32

Schumpeter, J.A., 1954, *History of Economic Analysis*, Elizabeth Boody Schumpeter ed. Oxford University Press, New York: also 1967 6<sup>th</sup> edition Allen & Unwin, London

Schumpeter, J.A., 1934, *The Theory of Economic Development*, MA: Harvard University Press, Cambridge



Seshadri, D.V.R; Tripathy, A, *Innovation through Intrapreneurship: The Road Less Travelled*, viewed 28 November 2009, from [http://www.vikalpa.com/pdf/articles/2006/2006\\_jan\\_mar\\_17\\_29.pdf](http://www.vikalpa.com/pdf/articles/2006/2006_jan_mar_17_29.pdf)

Sharma, P. & Chrisman, J.J., 1999, Towards Reconciliation of the Definitional Issues in the Field of Corporate Entrepreneurship, *Entrepreneurship Theory and Practice*, 24 (1), p11-27

Silverman, David, 2000, *Doing Qualitative Research, A practical Handbook*, SAGE publications, London, England

Silverman, David, 2003, *Interpreting Qualitative Data, Methods for analysing Talk, Text and Interaction*, 2<sup>nd</sup> edition, SAGE publications, London, England

Skovvang Christensen, K., 2005, Enabling intrapreneurship: the case of a knowledge-intensive industrial company, *European Journal of Innovation Management*, vol. 8, issue 3 pp 305-322

Smith, Jason, 2001, *Auguste Comte*, viewed 13 September 2010, Available from: <http://www.6sociologists.20m.com/comte.html>

Smith, N. R., & Miner, J.B., 1983, Type of entrepreneur, type of firm, and managerial motivation: Implications for organisational life cycle theory, *Strategic Management Journal*, 4 (4) p325-340

Soendergaard, A, 2011, *Leadership and Change Management*, viewed 05 September 2012, from <http://strategic-change-management.com/leadership-and-change-management-70/>

Spence, W. R. (1994). *Innovation, The Communication of Change in Ideas, Practices and Products*, Chapman and Hall

Stark, J, 2000, *Benefits of Good Innovation*, viewed 24 April 2013, from <http://www.johnstark.com/in34.html>

- Stringer, E.T, 2007, *Action Research*, 3<sup>rd</sup> edition, SAGE publications, USA
- Teddlie, Charles & Tashakkori Abbass, 2009, *Foundations of Mixed Methods Research*, SAGE Publications, London, England
- Thornberry, N. 2006, *Lead Like an Entrepreneur: Keeping the Entrepreneurial Spirit Alive within the Corporation*, McGraw-Hill, New York
- Tovey, H & Share, P, 2003, *A Sociology of Ireland*, 2<sup>nd</sup> Edition, Gill & Macmillan, Dublin, Ireland
- Teltumbde, A, 2006, Entrepreneur and Intrapreneurs in Corporations, *Vikalpa*, Volume 31, No 1, January-March
- Trochim, William M.K. 2006, *Positivism & Post-Positivism*, viewed 7 September 2010 Available online from: <http://www.socialresearchmethods.net/kb/positvsm.php>
- Wolcott, Robert C. & Lippitz, Michael J, 2007, The Four Models of Corporate Entrepreneurship, *MIT Sloan Management Review*, vol. 49, Issue No.1
- Van de Ven, Andres H, & Englemann, Rhonda M, 2000, Central Problems in Managing Corporate Innovation and Entrepreneurship, *Advances in Entrepreneurship, Firm Emergence and Growth*, Volume 7, 47-72, Elsevier Ltd
- Vesper, K.H., 1984, Three faces of corporate entrepreneurship: a pilot study, *Frontiers of Entrepreneurship Research*. pp. 294-320
- Zahra, S.A, 1991, Predictors and Financial outcomes of Corporate Entrepreneurship: An exploratory study, *Journal of Business Venturing*, 6 (4), p. 259-285
- Zahra, S.A., 1993, Environment, Corporate Entrepreneurship, and Financial Performance: A taxonomic Approach, *Journal of Business Venturing*, 8(4) p. 319-340

Zahra, S.A. & Covin, J.G., 1995, Contextual Influences on the Corporate Entrepreneurship Performance Relationships: A longitudinal Analysis, *Journal of Business Venturing*, Vol. 10 No 1, pp 43-580

<http://www.aidanhiggins.com/?cat=3> Date accessed 3-11-09

<http://www.entemp.ie/press/2009/20091126a.htm> Date accessed 28-11-09

<http://www.toolingu.com/definition-850100-18826-private-sector.html> Date accessed 28-11-09

[http://www.investorwords.com/3947/public\\_sector.html](http://www.investorwords.com/3947/public_sector.html) Date accessed 20-01-10

<http://www.businessdictionary.com/definition/public-sector.html> Date accessed 20-01-10

[http://www.investorwords.com/3860/private\\_sector.html](http://www.investorwords.com/3860/private_sector.html) Date accessed 20-01-10

<http://dictionary.bnet.com/definition/private+sector.html> Date accessed 26-01-10

<http://www.socialresearchmethods.net/tutorial/Sydenstricker/bolsa.html>, Date Accessed: 05/07/2010

<http://www.col.org/SiteCollectionDocuments/A5.pdf>, Date Accessed: 05/07/2010

<http://www.ischool.utexas.edu/~palmquis/courses/survey.html>, Date Accessed: 05/07/2010

<http://www.socialresearchmethods.net/kb/qual.php> - Quantitative and qualitative relationship, Date Accessed: 06/07/2010

[http://www.marketresearchworld.net/index.php?option=com\\_content&task=view&id=802](http://www.marketresearchworld.net/index.php?option=com_content&task=view&id=802) Primary research, Date Accessed: 07/07/2010

<http://www.ganttchart.com/> Date Accessed: 07/07/2010

<http://www.wisegeek.com/what-is-data-analysis.htm> Date Accessed: 07/07/2010

<http://www.netmba.com/operations/project/gantt/> Date Accessed: 07/07/2010

<http://www.businessdictionary.com/definition/positivism.html> Date Accessed:  
07/09/2010

<http://www.answers.com/topic/post-positivist> Date Accessed: 07/09/2010

[http://www.answers.com/topic/modernism#Literary\\_Dictionary\\_d](http://www.answers.com/topic/modernism#Literary_Dictionary_d) Date Accessed:  
14/09/2010

<http://www.criticism.com/md/weber1.html> Date Accessed: 14/09/2010

<http://per.gov.ie/taoiseach%E2%80%99s-public-service-excellence-awards-2012/> Date  
accessed: 27/08/2012

<http://per.gov.ie/croke-park-agreement/> Date accessed: 29/08/2012

<http://www.business.gov.au/BusinessTopics/Innovation/Pages/Whatcaninnovateformybusiness.aspx> Date accessed: 24/04/2013

# Chapter 8

## *Appendices*

### **Appendix A**

#### **Offices and Departments of the Irish Public Sector**

1.	Office of the President
2.	Department of the Taoiseach
3.	Department of Arts, Heritage and the Gaeltacht
4.	Department of Communications, Energy and Natural Resources
5.	Department of Education and Skills
6.	Department of Enterprise, Jobs and Innovation
7.	Department of Environment, Community and Local Government
8.	Department of Finance
9.	Department of Public Expenditure and Reform
10.	Department of Foreign Affairs and Trade
11.	Department of Justice and Equality
12.	Department of Defence
13.	Department of Social Protection
14.	Department of Agriculture, Marine and Food
15.	Department of Transport, Tourism and Sport
16.	Department of Health
17.	Department of Children
18.	Houses of the Oireachtas
19.	Office of the Attorney General
20.	The European Union

(Public Affairs Ireland, 2011)

## Appendix B

### Organisations that champion Innovation according to public sector employees

Organisation	Reasons Why They are Champions
County Enterprise Boards	<ul style="list-style-type: none"> <li>• Primary goal is of creating employment and growing exports.</li> <li>• Willing to support new initiatives by offering grants, mentoring schemes and extra personnel.</li> </ul>
Criminal Assets Bureau	
Customs	
Dept. of Enterprise and Employment	<ul style="list-style-type: none"> <li>• They are supposed to champion innovation.</li> <li>• Given responsibility to encourage formal supports and organisations for Enterprise Ireland and find initiatives.</li> </ul>
Dept. of Environment	<ul style="list-style-type: none"> <li>• Merit awards, training, awareness</li> </ul>
Dept. of Justice: Irish Prison Service	<ul style="list-style-type: none"> <li>• They are growing and have not become stagnant or drawn down</li> </ul>
Dept. of Tourism	<ul style="list-style-type: none"> <li>• They have new ways of attracting tourists</li> </ul>
Dept. of Transport	<ul style="list-style-type: none"> <li>• They grant merit awards and give positive feedback.</li> <li>• Introduced new ticketing, leap card for Dublin Bus/Luas</li> </ul>
Dept. of Social Protection	<ul style="list-style-type: none"> <li>• Introducing new public services card</li> <li>• Electronic signing for customers</li> <li>• Online applications for customers</li> </ul>
Education	<ul style="list-style-type: none"> <li>• Third Level have to be innovative to be competitive</li> <li>• New Schemes and subject changes</li> </ul>
ESB	<ul style="list-style-type: none"> <li>• Progressive outlook</li> </ul>
Food Safety Authority of Ireland	<ul style="list-style-type: none"> <li>• Active involvement in research</li> <li>• Promotion of new ideas</li> <li>• Approaches to food nutrition.</li> <li>• Invests in their future</li> </ul>

Higher Education Authority	<ul style="list-style-type: none"> <li>• They constantly change to accommodate development in work practice, education and future employment</li> </ul>
IDA	<ul style="list-style-type: none"> <li>• Have a clear mandate and are kept at a distance from political process</li> <li>• It is its' function to be innovative</li> </ul>
Road Safety Authority	<ul style="list-style-type: none"> <li>• Staff morale and professional development are important to management</li> </ul>
Sustainable Energy Authority of Ireland	<ul style="list-style-type: none"> <li>• Its core values incorporate achieving a sustainable, carbon neutral, society through innovative approached to our energy needs.</li> <li>• Proactive</li> </ul>
Western Development Commission (WDC)	

## **Appendix C**

### **Interview Confidentiality Contract**

I understand that the information given by me today in the interview conducted by Orla Mongey will solely be used for her research masters and not for any other means.

I understand that all information given will be kept in the strictest of confidence.

I give my permission for the interview to be recorded and the recording to be used only for Miss Mongey's research.

Signed

---



## Appendix D

### Interview questions

- 1) Are there any types of innovative initiatives currently in operation in your organisation?
- 2) Why/ why not does your organisation proceed with such initiatives?
- 3) What would prevent your organisation following/adopting an initiative?
  - i) What are your senior management's attitudes to initiatives?
  - ii) What are your manager's perceptions of staff's attitudes to initiatives?
  - iii) What do you think staffs perceptions of these initiatives are?
  - iv) How are initiatives communicated to staff?
  - v) Are staff motivated by initiatives?
  - vi) Do initiatives affect productivity?
- 4) If **no** initiatives, why does your organisation not involve themselves in initiatives?
- 5) Is there a procedure in place for employees that have innovative ideas for the improvement of your organisation? If not, why do you believe there is no procedure?
  - i) How do staff submit new ideas for consideration?
  - ii) Is this procedure popular among employees?
    - (a) Could the procedure be improved?
  - iii) How long does it take for an employee's idea come into practice?
  - iv) (If long) Does this frustrate and demotivate employees?
  - v) What are the steps involved?
- 6) Do you know of a reward system in place for innovative efforts in your organisation?
  - i) What are these rewards?
  - ii) What reward has the biggest impact on staff?

- iii) Do you find monetary or non monetary (time-off, office space) rewards most effective with staff in your organisation?
  - iv) What are the most motivating rewards in your organisation?
- 7) Can you or other managers in your organisation offer employees any support if they want to progress their ideas? (Time off, resource allocation, funding, etc)
- i) Is there any other management support can you offer employees?
- 8) If no rewards system, should there be one?
- i) What would the reward system look like?
- 9) Do you feel your organisation is innovative enough?
- i) Why?
  - ii) What improvements could be made?
- 10) Does the organisation structure of your organisation hinder or help innovation practices?
- 11) Is there much/any bureaucracy involved in innovation initiatives in your organisation?
- i) What impact does this have?
- 12) Do you think there is enough or any risk taking in the public sector?
- i) Are there consequences for failed risk at your organisation?
  - ii) Why do you think this?
- 13) Do you think the *public sector* does enough to encourage innovation in the workplace?
- 14) Do you feel public sector *organisations* do enough to encourage innovation?

15) Can you give examples of innovations your organisations have embarked on in the past?

16) What role, if any, does national politics have in your organisation?

17) Are there any Intellectual Property issues in your organisation?

18) Does politics affect decision making or any other aspects of your organisation?

19) How do you think the Irish public and private sectors compare when it comes to innovation?

20) What IPS organisation do you think champions innovation?

21) Do you think the public sector as a whole is innovative?

i) Why? / Why not?

22) What changes do you think the public service could make to improve innovation in your organisation?

Finally, would it be possible for me to ask you to distribute a questionnaire to your staff for their perceptions of innovative activity in your organisation.

Thank you for your time and cooperation.

## Appendix E

### Staff Survey

I am currently conducting a research masters in IT Sligo and would be grateful if you could take a few moments to complete the following questions.

I am researching '*Innovation in the IPS*' and would appreciate your opinions on the questions below. Return of the survey acts as consent to be included in the research.

**\*Innovation** can be a new product or service, system, or a new plan or programme, a new way of doing things.

**Your Organisation** \_\_\_\_\_

**Duration at Organisation** \_\_\_\_\_

1. Do you know of any formal innovative/ entrepreneurial initiatives in your organisation?

- a. If yes, please give details

(Formal initiatives are those that are set out by government, legislation)

---

---

---

2. Do you know of any informal innovative/entrepreneurial initiatives in your organisation?

- a. If yes, please give details

(Informal initiatives are those that can be developed over time, where there are no strict obligations)

---

---

---

3. Is your management open to new innovative ideas to be submitted by staff?

Yes

No

4. On a scale of 1-10, 10 being the most innovative, how innovative is your company/ Department?

5. On a scale of 1-10, 10 being the most important, how important do you think innovation is to your management?

6. On a scale of 1-10, 10 being the most effective, how effective is your management in communicating new policies, procedures and initiatives to you?

7. On a scale of 1-10, 10 being the most accepting, how accepting are your management of risk-taking when it comes to new ideas?

8. On a scale of 1-10, 10 being the most likely, how likely are management to support employees' if they have innovative ideas?

9. What support measures can your management provide employees who come up with innovative ideas for progression?

- a. None,
  - b. company resources,
  - c. time off,
  - d. financial resources
  - e. additional personnel
  - f. Other,  please  state
- 

10. Does your organisation/Department offer any rewards for innovative ideas from staff?

If yes, are these rewards

- a. monetary,
  - b. benefit – in – kind,
  - c. time off,
  - d. promotion,
  - Other,  please  state
- 
-

Please select a rating between 1 and 5 where:

**1= strongly disagree**

**5= strongly agree**

11. There is too much bureaucracy in my organisation when it comes to innovation.

12. The Organisation Structure of my organisation encourages innovation.

13. Local or National politics affects my role in the organisation.

14. Have you ever worked in the private sector?

a. Yes  No

b. If yes, how do you think the public sector and private sector differ in the approaches to innovation?

---

---

15. Do you think the public sector in general does enough to encourage innovation? Why?

---

---

16. Do you think that your management's attitude to innovation is representative of the organisation in general or more specific to their personal approach?

---

---

17. What organisation in the IPS do you think champions Innovation?

---

---

18. Ideas for improving innovation in your organisation

---

---

Thank you for taking the time to complete this questionnaire. Your contribution to this research study is very much appreciated.

## **Appendix F**

### **Themes**

- Innovative Initiatives
- Management
- Management support
- Communication
- Rewards
- Vision
- Risk taking
- Organisation structure
- Organisation culture
- Bureaucracy
- Decision Making
- Accountability
- Politics

## End Notes

---

<sup>i</sup> Housing acts and regulations include; the Social Housing Law, Housing Act 1966, Housing (Miscellaneous Provisions) Act, 1979, Housing Finance Agency Act, 1981, Housing Act, 1988, Housing (Miscellaneous Provisions) Act, 1992, Housing (Miscellaneous Provisions) Act, 1997, Housing (Traveller Accommodation) Act, 1998, Planning and Development Act, 2000, Local Government Act, 2001, Housing (Miscellaneous Provisions) Act, 2002, Planning and Development (Amendment) Act, 2002, Housing (Miscellaneous Provisions) Act, 2004.

<sup>ii</sup> Input Awards, Fiúntas Awards, the Taoiseach's Public Service Excellence Awards, and Ireland's E-government Awards. (See glossary of terms)

<sup>iii</sup> Recent revenue innovations include online services to facilitate both business and personal clients with Revenue Online Service (ROS) for business users and PAYE Anytime for personal users. The Revenue has also desktop applications to track PAYE health expenses and desktop applications that help manage P30 and VAT3 filing returns for the business user. The Revenue also offers an online Vehicle Registration Tax (VRT) calculator. The Revenue have won a Taoiseach Public Service Excellence Award for its Real-Time Risk Framework that was established to support increased compliance within the PAYE tax system.

<sup>iv</sup> Rewards on offer to staff included; monetary reward, benefit-in-kind, self-satisfaction, recognition, the Input Scheme, Fiúntas Awards, Time-off and Promotion.

<sup>v</sup> Financial Rewards refer to financial benefits and payments to employees as recognition for outstanding performance to the organisation. They include: Basic salary, Performance Bonus, Travelling allowance, Pension scheme, Medical scheme, Profit sharing scheme, Company car.



---

<sup>vi</sup> Shared traits among public sector organisations include a bureaucratic and hierarchical environment, different management structures, media spotlight, and limited risk taking.