



INSIGHTS FROM LEADERSHIP FORUM ROUND TABLE DISCUSSION

Thursday 26 February 2009

On 26 February 2009 the Centre for Social Innovation convened a Leadership Forum to discuss how business and government can better partner together to accelerate and support social innovation. The Centre aims to hold other such forums in the future, including one focusing on effective community sector innovation partnerships.

Attendees at the Leadership Forum on social innovation included:

Hon Bill English, Deputy Prime Minister, Minister of Finance and Infrastructure

Vanessa Stoddart, Group General Manager People, Air New Zealand

Geoff Lawrie, Country Manager New Zealand, Cisco Systems

Geraint Martin, Chief Executive Officer, Counties Manukau District Health Board

Jonathan Ling, Chief Executive Officer, Fletcher Building

Jo Wills, General Manager NZ Government Affairs, Fonterra

Chris Quin, Chief Executive Officer, Gen-i

Dr Lesley McTurk, Chief Executive Officer, Housing NZ

Marko Bogoevski, Chief Executive Officer, Infratil

Sam Knowles, Chief Executive Officer, Kiwibank

Geoff Hunt, Chief Executive Officer, Kordia

Emma Morrison, Group Communications and Brand Manager, Kordia

Dr Stuart Gowland, Managing Director, Mobile Surgical Services Ltd

Ian McCrae, Chief Executive Officer, Orion Health

Professor Greg Whittred, Dean, University of Auckland Business School

Stephen Tindall, Founder, The Warehouse Ltd

Russell Stanners, Chief Executive Officer, Vodafone NZ

Justine Munro, Chief Executive, Centre for Social Innovation

Pat Snedden, Chair, Auckland District Health Board and Housing NZ

A summary of insights from the round table discussion is provided below. This is not a full account of the discussion, and does not represent the view of any particular attendee.

Topic: Creating a successful innovation partnership

Discussion led by: Geoff Lawrie, Country Manager New Zealand, Cisco Systems; and Russell Stanners, CEO, Vodafone NZ

Emphatic and obvious need for change, such as that presented by the current economic crisis, is a significant stimulant to innovation. Has NZ's relatively limited social innovation to date been because conditions have not reached crisis point? . In NZ, businesses – and Government - often see themselves as focusing on “productivity” rather than “innovation” – but these approaches are working in the same direction. Getting more for less is often the goal of innovation.

Networks are critical to initiating and sustaining partnerships – and to reaching out to users to receive feedback. Ubiquitous broadband can be an enabler of these networks.

Often new technology is not required for innovation. Rather, new practices and models employing existing technology can be groundbreaking.

New Zealand partnerships can in theory be established more easily, due to our small size. We should aim to act quickly, and export successful initiatives. New Zealand is the site of pilots by multinational corporations in partnership with local bodies, in areas like remote medical diagnosis for instance. We can also draw on initiatives proving successful overseas – sometimes by the parent companies of local businesses. For these partnerships to be established, an independent vehicle with the mandate and funding to catalyse and support innovation is important.

Topic: Challenges faced by business and public sector partnerships

Discussion led by: Hon Bill English, Deputy Prime Minister; Chris Quinn, CEO, Gen-i; and Dr Stuart Gowland, Managing Director, Mobile Surgical Services Ltd

“Because we are such a small nation we should in principle be able to turn on a dime – and we live in times where that is required.” – Hon Bill English.

In a partnership, especially where funds are being committed, public sector leaders are sometimes required to focus more managing the transaction than managing the outcome. Innovation needs to focus on the outcome, without initially worrying about “how” this might be achieved – and a large amount of trust needs to exist in the partnership to get through this period of ambiguity. This trust needs to be built by doing – working together – not just talking. It is about projects with outcomes, not just workshops with goals.

We need a public sector environment where creative people are nurtured, get opportunities to take risks and be innovative, and are rewarded for doing so. Risk management will therefore be important, and the private sector can pass on hard-learned lessons in this area. The public sector may also need new skill-sets in leading

and managing innovation – these will need to be developed internally, bought in, and/or built through effective private sector partnerships.

Collaboration between multiple government departments will often be required for the best outcome, and this is not always easy. A shared focus on the needs of customers is required to keep the partnership focused.

Topic: Generating innovation

Discussion led by: Geraint Martin, CEO, Counties Manukau District Health Board; and Vanessa Stoddart, Group General Manager People, Air New Zealand

It is important not just to focus on product and service innovation, but also the innovations that will enable them: new organisational structures, processes, business models and communication modes.

Three elements must be in place for effective innovation:

1. Leadership: not accepting the status quo, tolerance of risk and mistakes, leading by example, and removing layers between leaders and frontline staff
2. Culture: clear and shared values, investment in people – and faith in their ability to find new ways to meet the goals that have been set and learn from mistakes
3. Being customer-driven: willingness to make radical changes in response to feedback from users; not over-planning but using quick development and prototyping processes to get initiatives to a point where feedback is possible.

The prospect of exporting solutions to social issues in New Zealand provides good incentives for investing in social innovation. Conversely, sometimes existing innovations overseas can be identified and applied here. The focus then is not on idea-generation but on change management, and tapping the existing potential latent in our human capital.

Topic: Encouraging scale-up of a social innovation

Discussion led by: Pat Sneddon, Chair, Auckland District Health Board and Housing NZ

To engage the people who will generate and use a social innovation, we need to treat them not as applicants but as aspirants – we must empower them to take ownership. Maori traditions of Manakitanga or caring are a unique asset we can draw on in the New Zealand context.

In order to get over the inevitable roadblocks, the partnerships upon which the initiative depends must be very strong, and the evidence supporting the need for

change must be very robust. The partners must be focused on a selfless goal that is much bigger than local or self interest, and a shared commitment to this goal will see the initiative through and allow it to spread.

Topic: Areas of innovation priority

Discussion led by: Hon Bill English, Deputy Prime Minister

Enhanced broadband will happen. This will create opportunities for improved business-government partnerships. The public sector will be the anchor tenant on the new infrastructure, but will need to be assisted to unlock its full potential.

The Government sees particular needs opportunities in three areas:

Health

Housing (including making more of the Government's landlord relationship with Housing NZ clients)

Education (including tapping the market created by National's Learning Credits programme for 16-18 year-olds – how to ensure training meets real business needs and aids cross-over into work.) Youth unemployment currently stands at 15%, and is a major social issue.