Service Innovation for the Archive and Heritage Sector

Helping you to achieve a more sustainable and valuable impact on people and communities!

Introduction

Service Innovation…not just a good idea!

Most people think that creativity and innovation is quite a good thing to have….without really having a clear shared understanding of what it means! Creativity is the process (yes "process"!) of coming up with new ideas. 'Service Innovation' means doing different things….as opposed to simply doing the same things differently (i.e. 'improvement'). It involves your organisation or partnership creating, communicating and delivering new mainstream services which are irresistible to customers.

Powerful innovation often involves significant change to existing ways of thinking and working. For example, when Harry Beck created the iconic London tube map in 1933 he thought hard about the purpose of the map and came to a starting conclusion…the map did not require relative distances between stations or accurate representations of London geography.

Service innovation is vital for any organisation (or partnership) seeking to achieve enhanced performance outcomes in a market where the needs and expectations of the customer continually change. Trying to achieve improved results using the same services which caused the old results is the definition of madness!

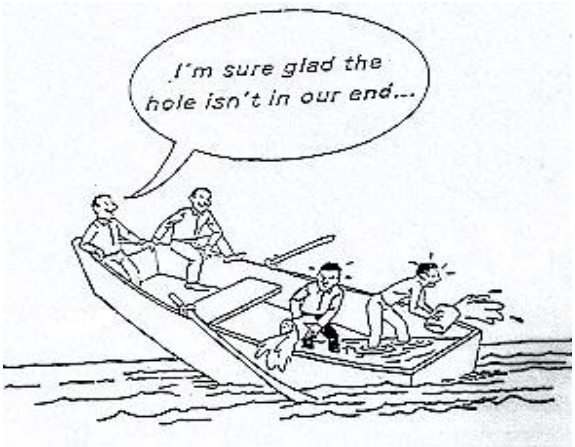
There is no doubt that many cultural sector leaders are creative. However, *service innovation* is more than this; it involves **proactively** and **systematically generating** and **capturing** creativity from **all staff**, **volunteers**, **partners** and **the community, applying** it to a specific challenge and translating the ideas into very different **mainstream** services and ways of delivering these which **influence** the whole sector.

Can we plan for it?

Yes we can! The following service innovation guidance will help your team to ensure that the service offer, pricing structure and the way the services are marketed continue to develop and change, so that….

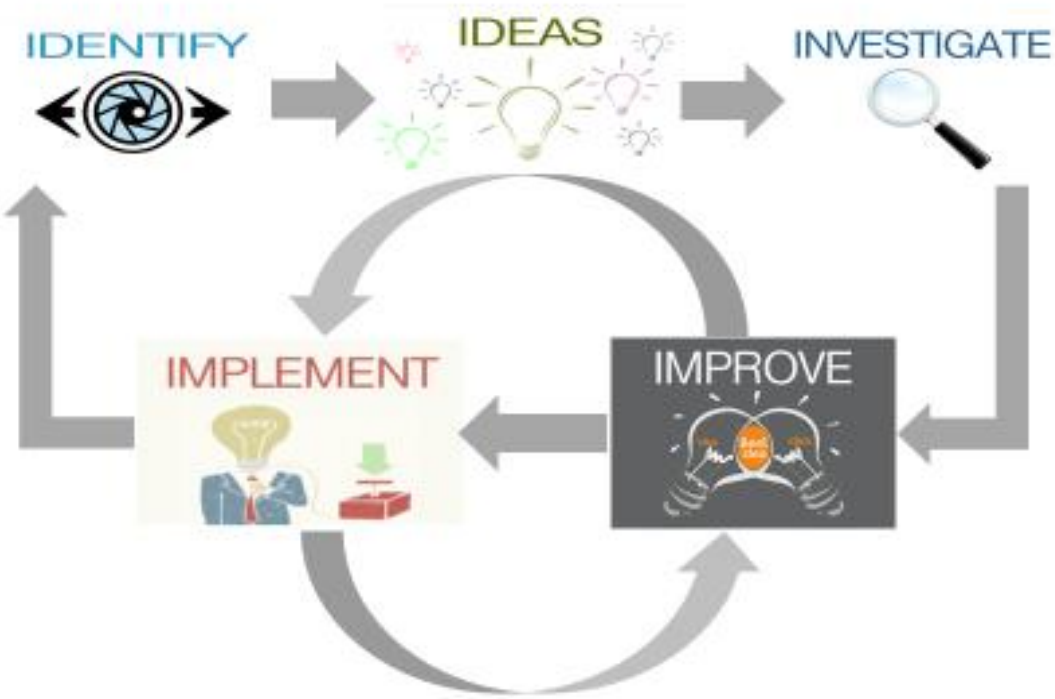
a. **strategic outcomes are pursued (including new outcomes)**
b. **income generation is maximised (this is becoming an increasingly important goal for many)**
c. **the changing needs and wants of the community are met**

The process could be applied to the individual service area (e.g. archives), a whole department (e.g. heritage services), or to a theme (e.g. all of the services which contribute to education or health, including external partners). When the innovation has a broader scope, this creates more opportunity for collaborative working on designing, developing and delivering new services, which makes the innovation even more powerful.



Summary of the Process

This innovation process is based on a framework known as the 5 x I's:



Phase 1: Identify

- Refresh and re-commit to the desired strategic outcomes

Phase 2: Ideas

- Use creative thinking techniques to come up with new ideas
- Investigate and learn from what other organisations have done

Phase 3: Investigate

- Analyse and enhance these ideas and identify the best options
- Produce an implementation plan

Phase 4: Implement

- Implement the new service or marketing approach for a trial period

Phase 5: Improve

- Learn the lessons from this period and adjust the service or marketing approach accordingly

Return to Phase 4 – implement the new service or marketing approach

Return to Phase 5 – continue to review and refine the service or marketing approach

Return to Phase 4, etc.

The process is not a 'one-off; it is a cycle which should be used to generate continual service innovation. It is also not an 'add-on' to what you already do – use it to enhance your existing service planning cycle.

‘Six Thinking Hats’ (Edward De Bono)

Six Thinking Hats is a powerful way of making the best use of people’s capability by separating thinking styles.

In cultures with a tradition of argument, one person tends takes a position on a subject and another person attacks that position. These ‘positions’ are often the result of habitual thinking and behaviour patterns or internalised beliefs about who we are, how we think and how we behave.

Why do we assume there is one setting that will be adequate for all our thinking? What makes us think that we can only have one thinking and behaviour style? Why do we try to do everything at once?

The Six Thinking Hats allows us to unleash our innate potential for thinking and behaving differently in different situations. When we put on each hat (metaphorically) we are free to adopt the style of thinking and behaviour associated with the hat…just like an actor. Curiously, with practice we find that the ‘adopted’ thinking style and behaviour becomes our ‘actual style’….until we take the hat off.

Here is a short description of the thinking style relating to each hat:

Yellow Hat

Yellow suggests sunshine and optimism. Under the yellow hat we develop compelling goals for the future. We also make a direct effort to find the value and benefits in a suggestion. Even if we do not like the idea, the yellow hat asks us to seek out the good points: “where are the benefits?”, “who is going to benefit?”.

White Hat

White suggests paper. The white hat concerns information. When we wear the white hat, we ask the following kinds of questions: “What information do we have?”, “What information do we need?”, “What information is missing?”, “How are we going to get the information we need?”, “What questions should we be asking?” The white hat is used to direct attention to available or missing information.

Red Hat

Red suggests fire and warmth. The red hat is to do with feelings, intuition and emotions. You may not know the reasons why you like something or why you do not like something, but when the red hat is in use, you have the opportunity to put forward your feelings and intuitions without any explanation at all. Your feelings exist and the red hat gives you permission to put these feelings forward.

Black Hat

Black reminds us of a judge's robes. The black hat is for caution. The black hat stops us from doing things that may be harmful. The black hat points out the risks and why something may not work. Without the black hat we would be in trouble all the time.

Green Hat

Green suggests vegetation, which suggests growth, energy and life. Under the green hat, you put forward proposals, suggestions, new ideas and alternatives with energy! You become aware of many possibilities in every situation. When the green hat is in use, everyone is creative.

Blue Hat

The blue hat is for looking at the thinking process itself. Use the blue hat at the beginning of a discussion in order to define what we are thinking about and to decide what we want to have achieved by the end of our thinking. The blue hat is used to order the sequence of hats that we are going to be using and to summarise what has been achieved.

Different thinking styles should be used at each stage of this innovation process (this is indicated by the hat symbols in each section of this document).

Phase One

IDENTIFY

Bring the leaders of the organisation (or partnership) together to review the current service offer, develop a shared understanding of the innovation challenge and create a clear and compelling direction for the action.

"A problem well defined is a problem half solved" Einstein

1. Discuss and refresh, refine or reinforce the desired outcomes of the service

Ask the following:

What are we trying to achieve?....for whom?

What will this achieve? What for?

Seek to generate shared excitement about the future possibilities by asking….

What makes this exciting?

Develop a clear consensus on direct outcomes and higher-level outcomes. Map these outcomes (e.g. using an 'Outcomes Framework').

Communicate the desired outcomes with the team to ensure that the solutions are moving in the right direction and to create excitement and enhanced motivation to act.

2. Establish or review the high-level performance measures relating to these outcomes

Ask the following:

How will we measure and predict our progress in relation to these outcomes?

Avoid the temptation to set targets!

3. Identify people's present and future needs, wants and expectations relating to the services

Achieve this through the following:

(i) Existing knowledge (e.g. gleaned from research and consultation)

(ii) New customer and community consultation (including consultation with people who are not currently using the services)

(iii) Review of relevant community profiles (e.g. socio-economics, demographics, health profiles)

4. Develop and document a shared understanding of the current progress in relation to the desired outcomes

Include the following:

(i) the experiences and perceptions of existing service users and how this relates to their expectation, gleaned from customer insight (e.g. customer focus groups, surveys, etc)

(ii) relevant performance data trends (e.g. user numbers, income levels, etc)

Using the above insight identify current strengths and areas for improvement relating to your innovation challenge

5. Review the wider 'system'

Review and map the services currently provided within the wider 'system' to achieve similar outcomes and who provides these. As well as identifying the current supply of services, establish what is in place to grow the demand for the services. Remember that the community are part of the supply and demand system. Identify potential collaborators.

6. Learn from the past!

Develop shared insight relating to the impact of past initiatives, within the sector and beyond, including unintended consequences (negative and positive). Remember that there are usually space / time gaps between cause and effect (like a leaky roof, the effect often reveals itself somewhere else and a few years later!).

Phase Two

Bring staff (including volunteers), partners and customer representatives together (in a collection of smaller groups if required) and identify what could be done (not what will be done) to pursue the desired outcomes.

"A mind once stretched by an original idea never regains its original dimensions" Oliver Wendell Holmes

The Theory of Creative Thinking

Often organisations simply re-circulate old ideas and are then surprised when the same results are achieved. So this phase involves creative thinking; i.e. thinking in a different way to come up with new ideas.

Alex Osborn studied how creative people have ideas and generate original solutions whilst he was working as an advertising executive in the 1950's. As well as introducing the technique that became known as brainstorming, his work also led to a defined process of 'creative problem solving'.

Creativity is a behaviour and, as such, it can be learnt. Quite often this is done by using techniques to break the patterns of behaviour that we have learnt as adults. The normal adult 'learnt behaviour' response to a creative idea is one of critical judgement; an initial reaction that is often based on our own assumptions about the idea rather than an actual understanding. In this way, novel ideas are quickly killed or lost in the debate that follows. The following techniques will help to break these patterns of behaviour.

The more people that you involve in this phase the more chance you have of being truly creative. The key is to give people time to work together to come up with creative ideas, drawing on a diverse range of experiences and using each other's ideas to trigger and develop their own thoughts. The team should also make use of stakeholder ideas which have been collected in the past.

It is also important to reduce the pressure on individuals to conform to a group view, reduce the volume of those who are known to shout the loudest and promote team buy-in.

Creativity works best when undertaken in a relaxed environment where people are encouraged not to criticise the ideas and to have fun. Long sessions should be broken up with breaks.

Step 1: 'Silent Brainstorming'

The guidance is designed for the facilitator of the session. This could be an external or internal person, with group facilitation skills.

a. Remind people of the desired outcomes (see Phase 1). Write these on large coloured card or large sticky notes and stick them onto the all so everyone can see them.

b. Give each person a pad of large, coloured sticky notes (e.g. Post-It Notes) and a marker pen

c. Write the following question on a flipchart:

What could we do to pursue the desired outcomes through….

- ***new services?***
- ***new ways to market these services?***
- ***changes to the fee structures?***

How could we grow demand for (as well as simply supply of) services?

How could we work in partnership with communities to develop better services?

Whom could we collaborate with to develop better services?

What could we do if we had unlimited time?.....and money?

d. Ask the team to address all or any of these questions by writing their ideas on the notes – one idea per note. The ideas should be written clearly and in large writing so that everyone else can see them. **This is conducted in silence.** Ask people to consider impractical as well as practical ideas, as this helps people to work outside their normal ways of thinking as well as sparking further ideas. Set the objective of generating as many ideas as possible within a time frame (i.e. 15 minutes). **Ask people to defer judgement, stay focused on the topic, build on the ideas of others, encourage wild ideas and go for quantity.**

e. As people write their ideas, collect them and stick them clearly onto a wall.

Image credit: http://mkgmediagroup.com/content-marketing-bible-8-great-content-types-to-produce

f. Ask people to stand up and look at the ideas, so that these trigger other thoughts.

g. Overcome the tendency to say "I can't think of anything else". As ideas begin to run dry ask…***What else could be done?....What else?***

h. When this has finished, ask everyone to stand up and look at the wall of ideas. Ask the team to group the ideas into themes. Tell the team that they can add ideas at any time. It is important that there is still no critical discussion at this stage (this will happen in Phase Three).

Step 2: Learning from others

One of the most powerful ways to trigger enhanced creative thinking and insight is by meeting people who have expertise, experience and success in this area, and learning from their practices, approaches and ways of thinking. We all need to be humble enough to admit that someone is better at something and be wise enough to learn from them! When this is conducted using a formal process this is known as 'best practice benchmarking'.

This should not be about…

- industrial tourism (especially if it is a 'jolly' for managers)
- spying
- 'wow!' visits (during which you spend all the time admiring the 'technology')
- cloning – no two organisations are exactly the same
- keeping up with the Jones's – benchmarking is about improvement
- one-upmanship – all organisations have strengths and areas for improvement
- gaining something over your benchmarking partners (rather, think 'win-win')

Learning from others requires an open mind, openness and mutual trust. Here are some tips:

- Establish specific ground rules up front
- Do not ask competitors for sensitive data
- Information obtained from a partner should be treated as internal privileged information.
- Do not disparage your partners' business or operations to a third party

Step 3: 'Greenhousing'

New ideas do not emerge fully formed. Creativity is rarely a sudden flash of inspiration or a *Eureka* moment leading to the perfect solution. Ideas are like seeds and shoots; they need time to grow, take shape and evolve. Therefore, the organisation should enable and encourage people to build on the initial ideas and use them to trigger new thinking.

Find a way of grouping, recording and storing the ideas (an 'Ideas Greenhouse'). Make this document accessible to as many stakeholders as possible so that they can discuss the ideas and add additional thoughts. Provide the space and time to allow ideas to grow.

Phase Three

Bring together the team (and key partners if collaborative options are being considered) to analyse and enhance these ideas, identify the best options, produce an implementation plan and elicit people's commitment to act!

"The main thing is to keep the main thing the main thing!" Dr Stephen Covey

1. Prioritise

Display the possible ideas on a wall, using large sticky notes, as these can be easily moved around to show groupings and rankings (this might directly follow on from the 'silent brainstorming' session (see Phase Two).

Begin to agree the preferred options by discussing and reaching initial consensus on the following:

Which options will have the greatest impact on the outcomes?

Here are some techniques to help prioritise the ideas:

- Single vote – each individual has one vote and they can't vote for their own idea
- Blind votes – no one sees how anyone else votes to reduce bias
- Top 5 – each individual scores their top five ideas; the highest scoring ideas are taken forward
- Dot voting – each person is given five sticky dots and asked to distribute them to reflect their priorities (e.g. the person can choose to put all five dots on one ideas if this reflects their priorities)
- Ranking ladder – ideas are considered when by one and ranked against each other

It is important to remember that prioritisation techniques are not a substitute for objective research to compare and explore the potential of an idea. It is just a start!

2. Analyse the preferred options

Now consider the options that the team wants to work on. Analyse them to identify which will have the greatest value. This could be conducted using a Decision Matrix and Cost / Benefit Analysis.

Decision Matrix

The value of the Decision Matrix comes from being able to weight the various factors which impact on a decision. Important considerations other than just cost can then be taken into account. Once each idea has been scored against the relevant weighted factors the team can discuss the results to ensure a consensus of opinion. This allows decisions to be made more objectively and confidently.

Create a Decision Matrix as follows:

a. Create a table or grid

b. List the ideas or options in the left column

c. List the factors which will influence the decision in the top row

d. Score each idea or option to reflect is effectiveness in relation to each factor (e.g. zero equals very poor and five equals excellent)

e. Assign a weighting to the factors, again using a scale out of five, to denote how important the consideration is (e.g. zero equals 'not important at all' and five is 'extremely important')

f. Multiply each score by the weighting to calculate the idea value – the highest score represents the best option

In the following example, you will see that Idea 3 is the best option, largely because of its long-term impact, even though it will take a long time to implement.

Ideas	**Scoring**	**Cost**	**Time**	**Long-term impact**	**Total**
	Weighting	3	2	5	
Idea 1	Score	5	4	2	11
	Weighted score	**15**	**8**	**10**	**33**
Idea 2	*Score*	4	3	2	9
	Weighted score	**12**	**6**	**10**	**28**
Idea 3	*Score*	3	1	5	9
	Weighted score	**9**	**2**	**25**	**36**
Idea 4	*Score*	2	5	3	10
	Weighted score	**6**	**10**	**15**	**31**

Cost / Benefit Analysis

A cost / benefit analysis is a systematic process for calculating and comparing benefits and costs of the preferred solutions. Cost-benefit analysis helps predict whether the benefits of a solution outweigh its costs and by how much relative to alternatives. The following template will provide cost and benefit information that your team can use to analyse alternative solutions:

Section 1: Description of alternatives considered

This section identifies the various solutions that your team has identified.

Section 2: Costs

This section provides all costs to develop and operate each solution described above, including both one-time and recurring costs. Examples of types of costs include the following:

- Development and implementation costs (mostly including staff time)
- Operational costs (e.g. does the new approach take longer?)
- Non-recurring costs such as new materials and IT
- Recurring costs such as licences for software

Section 3: Benefits

This section describes benefits that you can assign for each solution described above. The first step is to go to the described outcomes described in Phase 1. Work out the benefit of each solution in terms of the extent to which it would meet these goals. Then work out other benefits which will emerge from the solution (e.g. increased customer satisfaction, Increased staff satisfaction, etc).

Section 4: Comparative Cost / Benefit Summary

This is a summary of the cost and benefits identified in detail in the previous sections. Present the elements below in a manner which facilitates comparison:

- Cost of each alternative over its estimated lifetime
- Expected benefits of each alternative over its estimated lifetime
- Recommendation based on the comparison
- Additional reasons for the recommendation, if any

3. Assess the risks

a. Identify a list potential 'hazards' relating to each solution (possible negative impacts)

b. Score each hazard using a scale of one (least) to ten (most) representing the likelihood of each hazard occurring

c. Assign a score using a scale of one (none) to ten (critical) representing the impact of each hazard

d. Multiply the likelihood score by the impact score to generate a risk rating

e. Prioritise the risks as follows:

Low level: These risks will tend to have low levels of likelihood and minimal impact. It is probably enough to be aware of them and no mitigation is required.

Medium level: Where risks have higher probabilities of occurring but lower impacts you should have plans in place to minimise their impact when they occur. This will allow issues to be resolved quickly and efficiently without damaging project success.

High level: Risks which are high impact but not likely to occur can be managed using processes and contingency plans to minimise the impact. Risks which are considered to be high impact and highly likely to occur will need to be managed and monitored

f. Define and implement actions to respond to the various identified risks.

4. Agree which options you are going to implement

a. Consider all the information that your team has identified and agree which options you want to implement. Remember: What will make the difference to the success of an idea is commitment; everyone involved in delivering the idea must believe in it. So ask the team…

How does that decision make you feel?

What are the benefits of implementing this option?

b. Discuss the preferred options with a range of relevant stakeholders, including staff, partners, funders / commissioners, customers and people in the community.

c. Agree the innovation project(s) and build this into your service plans.

d. Discuss, define and agree the **desired output of the innovation project.** To achieve this, ask…

What will be different when the innovation project has been completed? What will have changed?

How will you know when this has been achieved?

Avoid the temptation to set numerical targets!

5. Plan the actions

a. Identify an initial pilot / test phase, including a review period and success criteria

b. Agree the specific actions (including responsibilities and timescales) needed to implement the innovation.

c. Establish additional capabilities required to deliver the new service or marketing approach and how these capabilities could be developed.

d. Document the desired outcomes, project outputs, specific actions and capability building in a project plan (e.g. a Gantt Chart)

e. Discuss the project plan with stakeholders, linking the actions back to the outcomes (to develop people's will to act). Refine the plan following this consultation.

f. Gain the approval of senior leaders as required.

g. Test, elicit and enhance people's will to act by asking the team (and senior managers) the following:

- *On a scale of 1 to 10 (10 being extremely committed, 1 being not at all) how committed are you to this plan?*
- *What would it take to move you from ???? to a 10?*

Take or plan the action identified from this second question

6. Develop a monitoring, review and change cycle

Element one: Develop a monitoring cycle, which includes regular (e.g. monthly) monitoring of the progress relating to the agreed actions and adjustment of actions. This might involve reporting progress to the management team. The following tool (based on De Bono's Six Thinking Hats is a good way of achieving this (PTO).

Element two: Develop a review and change cycle, which comprises periodic review of the extent to which the innovation is effective (in conjunction with the stakeholders) and agreeing the necessary revisions.

Update Meeting

How is everyone?

How is everyone feeling about their project?

Under Red Hat everybody speaks. (30 seconds each)

Remind everyone what project you are doing in brief overview – the problem you're solving.

(30 seconds each)

Successes and the difficulties overcome. An upbeat sharing of what's gone well since the last meeting. Only contribute if you have a "good news" story!

(Max 15 minutes)

Issues, challenges and requests for help. A purposeful sharing of difficulties to help others avoid and mitigate them as well as a way to seek assistance.

(Max 15 minutes)

Suggestions and offers of assistance. No level of judgement will be applied to whether ideas or assistance offered is useful, but a little time can be taken to understand and build on initial thoughts. (Max 15 minutes)

Next steps - everybody shares what they intend to do next on their project. Offers and requests for help can me made and accepted.

Phase Four

Implement the new service or marketing approach, review its impact and make further changes. This section looks small…and is right at the end! However, it is the most significant section

"If you always do as you've always done, you'll always get what you've always got" Anthony Robbins

1. Implement the plans!

Take the actions! Monitor the progress of the actions as per your 'monitoring, review and improvement cycle', and adjust the action plan.

2. Review the impact of the innovation

This Innovation process is a **cycle** (a 'virtuous circle'); during the second element of the review cycle return to Phase One to re-energise and re-focus people on the goals, to update and remind people of the current reality and to review the extent to which the innovation has been effective in the medium-term and long-term, in relation to the desired outcomes.

If the changes have not been effective….

- Return to Phases Two and Three to identify potential new *options* to achieve the goals
- Return to Phase Four to plan a new *way forward* and to elicit people's *will* to act
- Return to Phase Five to take these actions and to learn, react…and act…again!

Recognise, 'bank', celebrate and communicate success.

3. Document what has happened

Include what has worked as planned, what hasn't worked as planned and unintended consequences, to enable people to learn from this experience in the future. Share this across the sector

4. Finally, the innovation activity is deemed a success!

You can now move on to your next innovation project.

Of course you can't take your eye of the ball! Things have a habit of changing over time, and you might need to go back to the beginning. But every time this happens, you and your team develop insight as to what works and what doesn't and the reasons for this. Sometimes, this learning is the most significant part of the process!