Integrating Innovation, Leadership, and Cultural Change

Presentation to the Workshop on Transforming the Culture of DoD
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Mr. John J. Garstka
Asst. Director for Concepts and Operations
Office of Force Transformation
Office of the Secretary of Defense
(703) 696-5713
john.garstka@osd.mil
www.oft.osd.mil
Overview

- Insights on Innovation and Culture
- Insights on Leadership Development from Wye River Senior Leader Learning Workshop (26-28 Aug 03)
Fundamental Question

What do we mean by Innovation in Defense?
“Building tomorrow's force is not going to be easy. Changing the direction of our military is like changing the course of a mighty ship -- all the more reason for more research and development, and all the more reason to get started right away.

Yet, building a 21st century military will require more than new weapons. It will also require a renewed spirit of innovation in our officer corps. We cannot transform our military using old weapons and old plans. Nor can we do it with an old bureaucratic mind set that frustrates the creativity and entrepreneurship that a 21st century military will need.”

President George W. Bush
Graduation Address
U.S. Naval Academy, May 25, 2001
“The key now is to accelerate this progress through a culture of innovation. ...Aggressive innovation, experimentation, and education are fundamental to meeting the challenges of an uncertain future.”

- CNO Admiral Vern Clark

Remarks at Current Strategy Forum 2002
Naval War College, Newport, RI
The history of innovation in carrier aviation says something of great importance about military innovation generally: it is not a process that usually proceeds in a linear way. But hindsight tends to make us think that it does. Because we try to compose coherent histories of innovation, we may actually overlook the uncertainty and chance that inevitably exist.

American & British Aircraft Carrier Development: 1914-1941
Transformation

...Elements

- Continuing process
- Creating/anticipating the future
- Co-evolution of concepts, processes, organizations and technology
- New competitive areas / competencies; revalued attributes
- Fundamental shifts in underlying principles
- New sources of power
- Broadened capabilities base

- New technology context
- Broadened threat context
- New strategic context

A Broad and Sustained Competitive Advantage
Creating Competitive Advantage: Warfighting Innovation

Warfare Areas
- Land Warfare
- Air Power
- Warfare at Sea
- Warfare at Sea

Enablers
- New Technology
- New Doctrine / TTP
- New Organizations
- New Warfighting Elite

New Capabilities
- Blitzkrieg
- Fighter CMD
- “Wolf Pack”
- Carrier Aviation

Key Battles
- Battle of France
- Battle of Britain
- Battle of Atlantic
- Battle of Midway

Warfighting Innovation ➔ Competitive Advantage
Creating Competitive Advantage

...Historical Insights

• Characteristics of New Sources of Competitive Advantage
  – Order of magnitude change in a **key** dimension of warfare
  – Emergence of “New Elite” – **Displacement** of “Existing Elite”

• Land Warfare: Sustained Rate of Fire
  – Rifle (1.8 x 10^1 rounds per minute)
  – Machine Gun (6 x 10^2 rounds per minute)

• Land Warfare: Sustained Speed Maneuver
  – Cavalry + Infantry
  – Mechanized Armor + Infantry + Air Power

• Warfare at Sea: Range of Engagement
  – Battleship: 1.8 x 10^1
  – Carrier Aviation: 1.8 x 10^2

**Order of Magnitude Change** is a leading indicator for a potential new source of Competitive Advantage
Creating New Warfighting Capabilities: Warfare at Sea

Battleship:
Max Range of Engagement = $1.8 \times 10^1$ miles

Carrier Aviation:
Max Range of Engagement = $1.8 \times 10^2$ miles

Innovation is the methodology for exploring a Fitness Landscape
Meeting the Challenges of the New Competitive Landscape

- Industrial Age
- Information Age
- Globalization II
- Globalization III
Creating the Next Generation of Leaders: 
Focusing on the “Right Stuff”

- Physical
- Informational
- Cognitive
- Social

More important in the free flow under globalization and the complexities of conflict.

Less important in the transition from the industrial age to the information age.

Key to collaboration for results.

The challenge for leaders to handle the volume of information and cope with beliefs.

What are the Implications for Culture?
Desired Organizational Behaviors?

**Industrial Age**
- Success = Scale + Scope
- Top Down - Centralized
- Vertical Integration
- Information Hoarding
- Local Awareness
- Arms Length Relationships
- Make and Sell
- Inwardly Focused

**Information Age**
- Success = Adaptability + Agility
- Empowering the “Edges”
- Virtual Integration
- Information Sharing
- Increased Transparency
- Collaboration & Synchronization
- Sense and Respond
- Externally Oriented
- Accelerated Innovation & Experimentation

**New Rules**
**New Behaviors**
**New Competencies**
**New Relationships**
A Perspective on Warfighting Innovation

The process of creating and responding to new sources of competitive advantage revolves around innovation. Warfighting innovation is multi-dimensional. It involves innovation along the axis of technology, process, and organization. **It requires a culture that is open to change and willing to experiment with new ideas and concepts.** Perhaps most importantly, it requires a willingness to abandon the existing known to search for and exploit new sources of power.
Creating Competitive Advantage: Overcoming Impediments to Innovation

Vision and Leadership are key to overcoming Impediments to Innovation

Increasing Level of Difficulty for Change
Elements of Culture
Elements of Organizational Culture

- Values
- Attitudes
- Beliefs
- Behavior

Organizational "Incentives"

Organizational "Culture"

Individual Cognitive Domain

Social Domain
How is Culture Transmitted?

• Underlying philosophy and values of an organization
• How an organization is designed and structured
• Organizational systems and procedures
• Recruitment, performance, and promotion systems
• Stories, legends, and myths about key people and events
• Behavior modeled by leaders

A Framework for Thinking about Innovation and Culture in DoD

Creating Assignment Rule Sets that Develop and Leverage Innovators

Assignment Process

Education Process

Communication Process

Organizational Culture

Creating “Rewards for Innovators”

Existing Incentives

Innovation Process

Individual Knowledge & Skills

Individual Beliefs, Values, Attitudes

Enhancing Knowledge & Skills That support Innovation

Creating New Capabilities for Innovation

Enhanced Innovation Processes

Improved Capabilities

Organizational Performance

Output Measure:

Creating Rule Sets that Develop and Leverage Innovators

Creating “Rewards for Innovators”

Enhancing Knowledge & Skills That support Innovation

Creating new Attitudes: Innovation is an Important Warfighting Skill

Role of Education In Developing Innovative Leaders

Creating a Culture That Supports Innovation
Overview

• Insights on Innovation and Culture

• Insights on Leadership Development from Wye River Senior Leader Learning Workshop
People and Transformation

Revolution in Military Affairs “RMA”

Revolution in Business Affairs “RBA”

Revolution in People Affairs “RPA”

Focus of Workshop
Creating the Next Generation of Leaders: The New Mission Space
Creating the Next Generation of Leaders: Future Draft Picks

- The Task
- Total Work Force
- Service-specific
- Officers only
- Enterprise, Joint, and Interagency
Creating the Next Generation of Leaders: The Emerging Mission Space

BUILDING DOD FOR THE FUTURE
- RDT&E
- Acquisition
- Getting people & getting them in the right jobs, at the right time, trained
- Balancing all within budget resources
- Managing execution

INTERACTING AROUND THE WORLD
- Daily operations
- Interactions with friends & allies
- U.S. threatening declared enemies
- Security Assistance
- Understanding the context

CARRYING OUT JOINT COMBAT OPERATIONS
- Planning operations
- Assembly of forces
- Delivering forces to the area
- Fighting, joint-
- Stopping fighting
- Reconstituting forces

PEACEKEEPING & NATION-BUILDING
- Establishing security (constabulary job)
- Organizing local’s security
- Getting things running
- Adjudicating local disputes
- Organizing a government
- Organizing a political process to rotate leaders (definition of democracy)
- Creating an economy

All of these take about the same leadership competencies:
(1) Having the vision; (2) Finding the right people for the right jobs;
(3) Finding and applying resources with accountability; (4) Collaborating with all.
Creating the Next Generation of Leaders: Emerging Competencies

CHANGE LEADER
- Adapting to/managing/creating change
- Transformation
- Tolerance of others’ views
- Implementation
- Leading with speed
- Communications skills

LEADING PEOPLE
- Team builder
- Teamwork
- Cultural sensitivity
- Developing others
- Inspiring

INNOVATION
- Entrepreneurship
- Creating of new knowledge
- Risk taking and management
- Adaptability
- Leveraging technology

PERSONAL LEADERSHIP
- Vision
- Continuous learner
- Self-awareness
- Decisiveness
- Courage
- Aggressiveness
- Honesty and integrity
- Trust, loyalty, selflessness
- Initiative
- Energy and enthusiasm

RESULTS-DRIVEN
- Achievement-oriented
- Accountable

PROBLEM SOLVING
- Interdisciplinary
- Collaborative
- Cutting Gordian Knots

INFLUENCE
- Communications skills
- Negotiations skills
- Political acumen

STRATEGIC THINKING
- Mental agility
- Analytical
- Critical thinking
- Holistic/systems thinking
- Synthesis
- Thinking across boundaries
- Cognitive understanding
- External awareness

COLLABORATION
- Building coalitions
- Building consensus
- Partnering
- Building social networks
- Taking the risk to step beyond own organization

LEADING PEOPLE
- Team builder
- Teamwork
- Cultural sensitivity
- Developing others
- Inspiring
Creating the Next Generation of Leaders: What and How of Learning

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<tr>
<th>Competencies</th>
<th>Common to Enterprise and Joint</th>
<th>Service-Specific</th>
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<th>Where Leaders Develop Competencies</th>
<th>Experiential</th>
<th>Academic</th>
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Creating the Next Generation of Leaders: A Competency-Centric Approach

The Total Work Force
- Active duty/Reserve/Guard Officers
- Enlisted
- Civilians
- Contractors?

The PME Schools*
- NWC
- AWC
- NPS
- CGCS
- NDU
- DAU

On-the-Job
- The Enterprise
- The Joint Operation
- Interagency

* The most prominent schools. Others would be included.
Creating the Next Generation of Leaders: Reinforcing Desired Behaviors

**Information Age**
- Desired Behaviors
  - Innovation
  - Collaboration in DOD
  - Interagency collaboration
  - Achieving mutual understandings and relations with partners
  - Sharing
  - Understanding of the context
  - Enterprise skills
  - Leaders developing leaders

**Globalization II**

**Globalization III**

**Industrial Age**
Questions?