Integrating Innovation, Leadership, and Cultural Change

Presentation to the Workshop on Transforming the Culture of DoD
21 Oct 03

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
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

Transformation

...Elements

- 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

**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 10¹ rounds per minute)
  – Machine Gun (6 x 10² 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 10¹
  – Carrier Aviation: 1.8 x 10²

*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
Creating the Next Generation of Leaders:
Focusing on the “Right Stuff”

What are the Implications for Culture?
**Desired Organizational Behaviors?**

<table>
<thead>
<tr>
<th>Industrial Age</th>
<th>Information Age</th>
</tr>
</thead>
<tbody>
<tr>
<td>Success = Scale + Scope</td>
<td>Success = Adaptability + Agility</td>
</tr>
<tr>
<td>Top Down - Centralized</td>
<td>Empowering the “Edges”</td>
</tr>
<tr>
<td>Vertical Integration</td>
<td>Virtual Integration</td>
</tr>
<tr>
<td>Information Hoarding</td>
<td>Information Sharing</td>
</tr>
<tr>
<td>Local Awareness</td>
<td>Increased Transparency</td>
</tr>
<tr>
<td>Arms Length Relationships</td>
<td>Collaboration &amp; Synchronization</td>
</tr>
<tr>
<td>Make and Sell</td>
<td>Sense and Respond</td>
</tr>
<tr>
<td>Inwardly Focused</td>
<td>Externally Oriented</td>
</tr>
<tr>
<td></td>
<td>Accelerated Innovation &amp; Experimentation</td>
</tr>
</tbody>
</table>

- **New Rules**
- **New Behaviors**
- **New Competencies**
- **New Relationships**
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

Organizational Behavior
Individual Behavior
Organizational Values
Organizational Incentives
Organizational Structure

Organizational Processes

Platform “Technologies”
Information “Technologies”

Increasing Level of Difficulty for Change
Elements of Culture

Beliefs → Attitudes → Values → Behavior

Individual Cognitive Domain
Elements of Organizational Culture

Organizational “Incentives”

Organizational “Culture”

Beliefs

Attitudes

Behavior

Values

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

Source: Culture, John Middleton, Capstone Publishing, 2002
A Framework for Thinking about Innovation and Culture in DoD

Creating Assignment Rule Sets that Develop and Leverage Innovators

Creating "Rewards for Innovators"

Role of Education in Developing Innovative Leaders

Communication Process

Creating a Culture That Supports Innovation

Enhancing Knowledge & Skills That support Innovation

Organizational Culture

Enhanced Innovation Processes

Output Measure:

Improved Capabilities for Innovation

Creating new Attitudes: Innovation is an Important Warfighting Skill

New Capabilities

Creating Assignment Process

Existing Incentives

Innovation Process

Individual Knowledge & Skills

Individual Beliefs, Values, Attitudes

Organizational Performance
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

THE ENTERPRISE OF DOD

JOINT OPERATIONS

INTER-AGENCY
Creating the Next Generation of Leaders: Future Draft Picks
Creating the Next Generation of Leaders: The Emerging Mission Space

**THE ENTERPRISE OF DOD**

- 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

PROBLEM SOLVING
- Interdisciplinary
- Collaborative
- Cutting Gordian Knots

RESULTS-DRIVEN
- Achievement-oriented
- Accountable

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

CREATING THE NEXT GENERATION OF LEADERS:
Emerging Competencies
**Creating the Next Generation of Leaders: What and How of Learning**

<table>
<thead>
<tr>
<th>Competencies</th>
<th>Common to Enterprise and Joint</th>
<th>Service-Specific</th>
</tr>
</thead>
<tbody>
<tr>
<td>80%</td>
<td>20%</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Where Leaders Develop Competencies</th>
<th>Experiential</th>
<th>Academic</th>
</tr>
</thead>
<tbody>
<tr>
<td>80%</td>
<td>20%</td>
<td></td>
</tr>
</tbody>
</table>
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
- AFSC
- DAU
- AirUniv
- NDU
- CGCS

On-the-Job
- The Enterprise
- The Joint Operation
- Interagency
- Applied and assessed in experience

Competencies
- Developed
- Applied in curricula

* 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
Questions?