

# Organisational pitfalls of individual incentive innovation systems

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## THE WORK IN CONTEXT

Employee-driven changes are thought to result in sustainable work that balances organisational performance and employee wellbeing. Explicating in-house knowledge about problems and potential solutions aligns the direction of change with employees' knowledge of what is needed, and professional insight. Consequently, employees support the identified changes and welcome their implementation, increasing wellbeing at work and improving work practices. Individual incentive innovation systems (IISs) are a particular example of employees driving change. In IISs the organisation incentivises innovation by providing benefits to the individual who champions an innovation. IIS shortcuts the organisational structure and hierarchy and motivates frontline employees to submit innovation proposals on their own. A Wealth of Ideas (WoI) was an individual incentive innovation system at a large Danish University Hospital. The project idea was generated and was funded by top management and would allow ten employees with the best innovation ideas to work for six months full time on their idea and be educated in innovation at the same time. The purpose of the project was to engage employees across all functions and seniority to submit ideas to introduce new, or improve existing procedures and practices in the hospital. An unforeseen effect of the project was that the ten employees seemed to be alienated by their original employer because their ideas were not aligned with their department. Moreover, the WoI had the effect that the ten employees were removed from their wards and the wards experienced a de facto loss of competence and resources, though they were compensated. The winning projects were instructed by the WoI and hospital top management that they should implement their innovations in daily practices and structures. Again, the departments experienced a loss of resources as the person returned but was ordered to work on something else, causing further alienation.

## KEYWORDS

Innovation system, health care, team alienation

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## A brief outline of the work carried out

We performed a post-project analysis of the program and interviewed the head of the innovation program and four of the ten participants who were funded for six months to develop their idea.

Two respondents were the winners of the overall innovation program and were, after the project, supported by the hospital to implement their ideas. The two other respondents applied for funding and received funding to implement their ideas. Each interview lasted approximately one hour. The interviews were recorded and verbatim transcribed.

### **Findings/solutions (the outcome)**

The WoI program invited employees to submit ideas for innovation projects, and through a three-stage selection process 72 project proposals were initially submitted, out of which ten projects were awarded funding allowing the employee(s) to work on the innovation full time for six months. The participants were further trained in innovation methods and implementation to support development of their innovation or change. Following the development phase, the employees were to return to their original wards and implement the idea for change.

Building on acknowledged principles for sustainable changes, the designers of the innovation project hypothesised that this particular participatory program and generation of new ideas for work practice would motivate employees to bring forward ideas that would improve daily patient care and gain immediate support from their wards.

However, upon returning to their wards the program participants discovered that the wards were not aligned with the change they were about to implement. From the wards' perspective the changes represented personal interest from the participant – not the wards' interest.

From a ward management perspective this particular participatory and bottom up innovation process created tension within the wards. The hospital top management supported the participants and the changes, however, the ward managers have not been included in either the change of work nor the implementation process. Following the development phase, the participant was empowered to implement the innovation by top management. Ward management on the other hand focused on maintaining daily operation using all available resources. Thus, a conflict arose as the innovation project not only used the resource of the participant but also required resources and changes in the ward to support implementation. All in all, the WoI program spurred a lot of creativity and good ideas, but the implementation was not aligned with the hospital system which caused frustration and unneeded conflict in the wards.

### **Impact**

Individual incentive innovation systems are powerful motivators of innovation. However, if not aligned with the organisation the participants risk alienation by their original workplace.