

# A Leader's Guide to Innovation:

by Judy Sorum Brown

## Building on THE MEDICI EFFECT

Frans Johansson's book, *The Medici Effect*, is important to the conversation about leadership, innovation and change that has been bubbling up among leaders in the aging services field.

Many people in the field have read Malcolm Gladwell's thought-provoking *The Tipping Point: How Little Things Can Make a Big Difference*. AAHSA President Larry Minnix has shared his ideas about how to apply Gladwell's notions to our work:

- Connect with people in diverse fields and hang around with others who do the same.
- Frame ideas and innovations in memorable or "sticky" ways. Stickiness makes notions stay in people's minds so they transmit them to others, where they also stick. So you get an epidemic of an idea.
- Keep an eye on the social context, watching for indications that something is ripe for a "tipping point," and then help give it a push.

These ideas have pulling power for our lives and our work, at home and across our field. Johansson's ideas build on the notions Gladwell offered us by giving us practical and

specific guidance for leading innovation and change. Here we find a kind of recipe for creating fundamental breakthroughs in thinking and practice, for living our way into tipping points.

Johansson counsels us to create intersections of difference with people who are "outside the field" (like our business partners), people who think differently (like those with different cultural or disciplinary backgrounds) and people whose perspectives are different enough to see outside of what he calls our "associative barriers." Such intersections of difference are natural seedbeds for innovation and creativity.

Johansson identifies three forces at work in the world that make increasing numbers of creative intersections likely:

1. The movement of people.
2. The convergence (interdisciplinary nature) of science.
3. The leap of computation.

Our work as leaders is to increase the power of those three natural forces for creative intersections by our own specific and disciplined practices (personally and organizationally): exposing ourselves to a range of cultures, forcing ourselves to learn differently, reversing our assumptions and taking on multiple perspectives.

While Gladwell has helped us understand the dynamics of a single "idea epidemic," what he calls a "tipping point," Johansson reminds us that the most successful innovators produce and realize an incredible number of ideas, and relentlessly pursue the best of them. That relentless pursuit involves a process of what

Johansson calls executing past our failures by adopting a balanced attitude toward risk and an experimental mind-set.

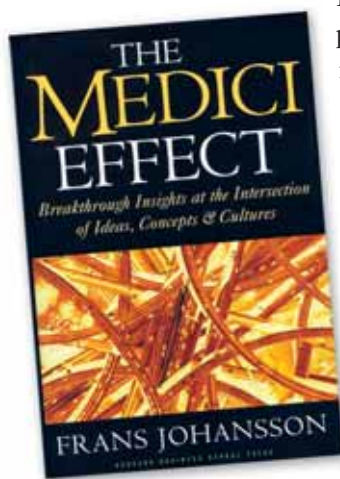
He also provides a scientific basis for understanding why the networks that have made us successful now limit us: "Your network will promote, support and highlight ideas that are valued within it. And it squashes or removes ideas that are not." In a sense, any existing network wants you to stay away from the "intersection" of unlike things, away from the very intersection where innovation flourishes. Many of us feel this when we come up with a creative idea, or notice something unusual and interesting, and folks tell us, "That's not relevant."

### Intersections Can Be Created

No matter how smart, well-trained, experienced and well-connected we are (or even because we are all these things), yet another step is required of us: We must actively create intersections that create collisions among unlike ideas. One such place rich with intersections was Florence, Italy, during the Renaissance: home to the Medici banking family, leaders in a city that was a geographical intersection of cultures and trade at that time.

Johansson encourages us to be Medici in our own time, by creating intentional intersections between unlike things: unlike specialties, unlike cultures, and seemingly unrelated ideas. These intersections increase the likelihood of something stunningly innovative emerging.

What Johansson says is both startlingly contemporary, and at the same time deeply rooted in the human experience.



People who have studied the great explorers across human history, as well as the work of inventors like Ben Franklin and Leonardo DaVinci, have pointed us toward the same pattern of practices that Johansson makes practical for us. Similar guidance comes from the behavioral scientists who created processes like Syntectics in the 1960s, processes still widely taught and in practice today.


Johansson says our work is to deliberately collide and connect fields that seem unrelated in order to create what Gladwell would call an “epidemic of an idea.” And he encourages us to use disciplined processes, which he details in *The Medici Effect*, to break down our “associative barriers.” Associative barriers are the natural associations or connections our fast and

experienced minds make between one thing and another—between, for instance, medical service and health outcomes.

He says it is our sense of how things logically relate in our field, and what is relevant to the subject at hand, that allows us to think quickly. At the same time, that sense also makes it hard for us to think in new ways.

We can get beyond these associative barriers by directing the mind to take unusual paths. (The book includes some simple techniques for doing so.) The result of such direction of our minds, individually and collectively, is innovation: that which is new, valuable and implemented. With Johansson’s clearly written specific guidance, we can experiment with these practices in our own ways, in our minds and in our own work worlds.

He ends with an encouraging exploration of “intersectional courage,” acknowledging that “if we know where our fear of failure comes from, we can fight it.” His exploration of the science and practice of balanced risks is enormously helpful.

Even the busiest of leaders are well advised to find the time to read Johansson’s book to get the details of these learnable practices, and the sense of what he is offering us. 

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***Dr. Judy Sorum Brown is an educator and consultant who works with leaders and their teams on issues of change, dialogue and renewal. See page 6 for Brown’s overview of leadership issues in aging services.***

by Gene Mitchell

# Intersections in Action



***“Your network will promote, support and highlight ideas that are valued within it.***

***And it squashes or removes ideas that are not.”***

Those words from Frans Johansson could probably be endorsed by every culture-changing leader in aging services. Faced with the challenges of moving long-established organizations through the painful stages of change—change in adapting to new norms of care, new ways of delivering services and new demands from the seniors who receive services—these leaders struggle against inertia all the time.

At the same time, inertia cannot be overturned at the expense of the carefully crafted missions that not-for-profit providers profess. Tradition and consistency have a place too, and in most cases, the

original goals of providers—serving seniors with a vast variety of needs—remain as important as ever.

## **Reimagining a Traditional Organization**

It is not just people who begin mid-life crises at age 40. In Chattanooga, Tenn., St. Barnabas Senior Living Services is celebrating its 40th anniversary this year, and as the milestone approached, it knew it had to prepare for big and necessary changes. What to do?

The heart of St. Barnabas is an 87-bed concrete-and-cinder-block nursing home that opened in 1965, and next door, a senior housing building that has 91 independent living apartments and is home to 26 assisted-living residents. The aging buildings, marked by deteriorating piping and inefficient floor plans, were beginning to create a drain on resources that marked a need for responsive action.

As it became obvious that further alteration of the old nursing facility would not be practical, St. Barnabas’ leaders began thinking about their options, first considering the kind of solutions that long-term care providers usually turn to.

“We looked at some collaborations to create another CCRC campus, and that didn’t work out,” says Eric Boston, president and CEO. “But we did not have a place to build, or the resources. As a downtown, urban facility we didn’t want to lose that presence. We were even entertaining the prospect of not providing nursing services any more.”

St. Barnabas’ “a-ha moment” came about when leadership started to think about where its services overlapped with another organization’s.

It didn’t take long before they found a partner nearby for an innovative relationship. Siskin Hospital for Physical



**It's not just Ecumen's residents, like top senior swimmer Eddie Johnson, 86, of Lakeview Commons in Maplewood, Minn., who refuse to slow down. The company's culture of innovation is bringing an entrepreneurial spirit to the organization.**

Rehabilitation is a well-respected independent provider offering specialized rehabilitation services of all kinds for accident and stroke victims, patients with neurological disorders and orthopedic and postsurgical patients.

Following several years of discussion, the two organizations have launched a bold plan: St. Barnabas will build a new 108-bed nursing facility on the Siskin Hospital campus, right next to the hospital. St. Barnabas will solve its space problem, while Siskin Hospital will benefit as well.

"Both of our organizations are basically stand-alones," says Linda Lind, Siskin Hospital's senior vice president and chief operating officer. "Any time we have an opportunity to pool our operating systems it allows us to spread our overhead over a larger pool of services."

Once the new St. Barnabas nursing home is built, for instance, Siskin Hospital's food service department (that now feeds about 100 patients per day) will handle the food preparation for both buildings, thus increasing efficiency by doubling its daily output (and saving St. Barnabas the expense of building a kitchen and hiring additional dietary staff). St. Barnabas has already contracted

its laundry service to Siskin Hospital, to the financial benefit of both organizations.

More important, says Lind, is the increased patient population this will enable Siskin Hospital to serve.

"We now have an acute and a subacute program," she says, "but we don't have a long-term care or even medium-term capability."

Siskin Hospital often gets referrals of patients who are not yet ready (due to frailty or medical problems) for a full course of rehab therapy, and thus has to turn them down. The St. Barnabas facility next door will create a place for such patients to stay while receiving rehab services from Siskin Hospital staff. Lind says Siskin Hospital also has patients who are doing well in rehab but are still not ready to go home, another group the new home can accommodate.

"On average, we admit about 1,600 people per year," says Lind, "which is 55 to 60 percent of the referrals we receive. That means there is another 1,400 that we're saying no to."

The new construction will have a ripple effect on the existing St. Barnabas buildings. Once the new facility is in place in 2006, the old nursing home will be gutted, then rebuilt to include 32 assisted living units

(accommodating the current assisted living residents, moving over from the other building, plus new residents). There will be room for more collaborations: "On the fourth floor we hope to have a residential hospice unit, operated as a collaborative effort with another provider. It would be the first residential hospice in this part of the state," says Boston.

"We'll add adult day care in the same building," he adds. There is talk of adding child care services as well, in collaboration with Siskin Hospital, for the two organizations' employees, and the presence of children can't help but benefit the seniors.

The old independent living building can then be renovated, and the two old buildings, reborn, are to be connected with a common lobby and rooftop garden.

The process of working out such a complex plan has had a further benefit: a reimagining of what the organization can be.

"Throughout our history, the organization was essentially run by one licensed individual, the executive director," says Boston. Part and parcel with the new construction, St. Barnabas has overhauled its management approach, adding staff such as an administrator for the nursing home and an apartment manager licensed for assisted living. A new vice president of operations position was created via promotion from within. Boston, as president and CEO, is thus freed to work on development and other big-picture tasks.

Raising the organization's profile is an important part of the process. "For 40 years we never focused on fundraising," says Boston. "That's why we have been known as the 'silent provider.' We just relied on the rent to forward our objectives. Even in approaching local funders we have been greeted with 'where have you been all these years?' If we're going to be good stewards of the future, we're going to have to broaden our scope, especially as we expand into a dual campus operation."

"As much as there was a change of thinking," says Boston, "we didn't have the

burden of board members that were obstinate to change. An acceptance of the need to re-examine our focus was very much there. Plus, we knew that we would not be able to just dip our toes in the water, we would need to jump into the pool and embrace these new ideas. After facing our first deficit budget, we realized the future was not going to fix itself.”

### A Culture of Innovation

Imagine trying to change the leadership culture of a huge organization that runs 100 communities, serving more than 4,000 seniors in three states. Not only is Ecumen (formerly Board of Social Ministry) the largest not-for-profit provider in Minnesota, it has more than 160 years of tradition behind it.

Though such a provider would seem to be the poster child for inertia, CEO Kathryn Roberts and her team are working to be a provider and employer of choice in this new century.

“We’re working to be much more nimble, responsive, willing to take risks and ensure that we provide housing and services that our customers will demand. We want to be in front of the curve, not behind it.”

Roberts is a walking example of *Medici Effect*-style intersections. She came to Ecumen in 2002 with a varied resume: top leadership positions in four state government agencies; nine years as director of the Minnesota Zoo; chair of Minneapolis’ Metropolitan Sports Facilities Commission; and vice president of a foundation.

Her approach at the zoo was in some ways a blueprint for what she is doing at Ecumen.

“Not unlike long-term care, there was one way to do business, and that was the only way. It was important to me that the zoo be highly entrepreneurial to be successful. We created a culture where we were sustaining innovation and creating excitement and value for our customers, our team members and our community.”

The “entrepreneurial attitude” was encouraged partly to reduce the zoo’s

dependence on state subsidies and partly to innovate and make the zoo a better place to visit. A venture capital fund was created, and staff were encouraged to write proposals for new programs and services. The results were dramatic: One of the earliest IMAX theatres was installed at the zoo. A deal with the local school district led to construction of the country’s only environmental studies high school on the zoo grounds. An evening concert series brought new visitors. Revenues and attendance doubled, and the portion of the zoo’s funding that came from the state dropped from 70 to 40 percent.

“A common thread for me is leadership,” says Roberts. “Because I’ve been in such diverse careers, one thing you figure out is that leadership is the same regardless of content. Whether dealing with species preservation or foundation grants or long-term care, leadership is the same.”

Ecumen’s board, she says, was already ready to move from being a nursing home company to more of a housing company. They use a dashboard of outcomes, in seven major categories, to monitor progress.

The entrepreneurial spirit is taking hold. It led to a new company, Ecumen Consulting Services, to advise other organizations in clinical and management practices and strategic planning; first-year revenues approached \$1 million. A new Web page, inspired by Amazon.com, will allow people from within Ecumen to share and rate innovations.

Individual Ecumen sites are thinking big thoughts as well. For Shelly Sabatka, food service director at Mankato Lutheran Home, requests from residents and staff to purchase special foods led to the idea to launch Gourmet Apron, a catering business. Her team has already won contracts to cater several large events, and has turned a profit in its first year.

Under Steve Ordahl, Ecumen’s vice president of business development, Ecumen has developed a rapid assessment team, consisting of in-house experts.

The team assesses proposed projects for feasibility and consistency with Ecumen’s mission and competencies, and facilitates the green-lighted ones.

“We tell our team members, here’s what we expect for your outcomes, expenses and revenue, and then within that, go go go,” says Roberts. Though Ecumen’s management team of five has turned over since Roberts’ tenure began, there has been little staffing change in the field, and she believes there is a lot of latent energy there, waiting to be used. “I think they [staff] were eager for the lid to be taken off the pot,” she says.

“We have a lot of people who are just realizing their potential because they’re getting the opportunity to think big ideas and pursue those ideas,” says Roberts. “I really like the direction our momentum is taking us—and that’s forward.”

Future plans promise further change. An emphasis on expanding housing and providing options that customers desire is exemplified by Ecumen’s plans for a

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**Shelly Sabatka of Ecumen’s Mankato Lutheran Home has launched a catering business that has already turned a profit.**

Duluth, Minn., nursing home. The old building is being razed and replaced with a rehab facility, then surrounded with market-rate housing, independent living and assisted living. Roberts expects other reconfigurations and new developments in the network to meet customer and community needs.

Ecumen is constantly on the lookout for opportunities. Roberts offers the example of her parents, who are living in a townhouse community that is full of older adults. “Why aren’t we in there providing services?” she asks. “There’s a provider in Minnesota that has 500 group homes, for every [demographic] group except older adults. Why aren’t we doing purchasing and consulting together? We’re not competitors. There’s a high-tech firm in Minnesota that has a new concept regarding healthy living devices. How can we partner with them? There are so many opportunities. It’s an important and energizing time for our profession.”

### **Intersectional Courage and the Resources Under Our Noses**

Winston Churchill believed that courage was the greatest of all human virtues, because “it is the quality that guarantees all others.” He also defined it in another way: “Courage is what it takes to stand up and speak; courage is also what it takes to sit down and listen.”

Courage animates many of the best examples of creative leadership we see in our field. Leaders display courage when they recognize inertia, when they try to find better ways to work, when they look beyond comfort zones to find intersections of ideas. They show courage when they sit down and listen, when they recognize the talent and energy already in place in our organizations, in the staff who are waiting for the “lid to come off the pot” so they can show their own courage. After all, it takes guts to launch an epidemic. 🦠

## Resources

**St. Barnabas Senior Living Services,  
Chattanooga, Tenn.**  
Contact: Eric Boston, president and CEO,  
[admin@st-barnabas.com](mailto:admin@st-barnabas.com) or  
(423) 267-3764.

**Siskin Hospital for Physical  
Rehabilitation, Chattanooga, Tenn.**  
Contact: Linda Lind, senior vice president  
and chief operating officer,  
[llind@siskinrehab.org](mailto:llind@siskinrehab.org) or (423) 634-1200.

**Ecumen, Saint Paul, Minn.**  
Contact: Kathryn Roberts, CEO,  
[kathrynroberts@ecumen.org](mailto:kathrynroberts@ecumen.org) or  
(651) 766-4300.

### ***Sustaining Innovation***

This book by Paul Light, a professor of public service at New York University and a scholar at the Brookings Institution, includes a discussion of the innovations at the Minnesota Zoo, as well as many other organizations.

# FPO AD Vital Research

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