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Art of the possible or fool's errand? Diffusion of large-scale management innovation

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Abstract Organizations are continually challenged to increase efficiency and improve performance despite frequent cuts to personnel and budgets. These challenges force organizations to identify, develop, and diffuse various management innovations. Diffusion efforts are often met by resistance, reluctance, or ambivalence, resulting in what many consider to be a fool's errand. While management innovation may not be the forte of large, bureaucratic organizations, we present a case study of a U.S. Air Force maintenance, repair, and overhaul organization that has recently, and successfully, diffused a large-scale management innovation. Results from the case study support the development of a diffusion of innovation framework that identifies important mechanisms associated with the acceptance, routinization, and assimilation of management innovation. The framework informs leaders of the diffusion process, while the recommended actions of relentless leadership, deliberate development of personnel, and enterprise involvement drive diffusion efforts and help leaders achieve desired results in innovation diffusion and associated performance improvement. Overall, we assert that the pursuit of management innovation is not necessarily beyond the art of the possible for business leaders.
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1. Diffusing management innovation: Easier said than done

Imagine being faced with the difficult challenge of maintaining, repairing, and overhauling aircraft that are being flown well beyond their programmed life cycles, while simultaneously dealing with personnel and budget cuts. This confluence of events has encouraged U.S. Air Force leaders to increase efficiency while preserving the same, or even improving, levels

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of performance. Fortunately, when implemented and sustained, management innovation has generated significant improvements in multiple measures of operational performance. However, many business leaders have experienced difficulty in diffusing innovation internally, and much more difficulty in diffusing innovation externally, causing some to wonder if they were on a fool's errand. Even though implementation, and to a larger extent incorporation, of management innovation may be difficult, herein we demonstrate that it is not beyond the art of the possible. As such, the purpose of this article is to examine the mechanisms through which management innovation is diffused throughout an organization and provide recommendations to facilitate successful management innovation diffusion.

Notoriously, efforts to implement management innovation within and across organizations are met with resistance, reluctance, or ambivalence, and more often than not fade away (Price, 2014; Thompson, 1965). This phenomenon occurs even when the innovation identified for implementation is well known and has been recognized and awarded in other organizations. Surprising to some, resistance may occur even when organizations are essentially mandated to adopt and implement these innovations.

Why are implementation efforts seemingly so difficult? Why are organizations often seen as barriers to innovation (Van de Ven & Rogers, 1988)? Below, we present three typical issues associated with the implementation of management innovation.

First, cultural norms may create a barrier to the implementation of management innovation. Functional communities and organizations are generally protective of existing processes, procedures, and manpower levels, falling into what some researchers have referred to as competency traps (Levitt & March, 1988). Innovation efforts tend to encroach on guarded territory and personnel may be reluctant to try ideas that are not their own, exemplifying the Not Invented Here syndrome (Antons & Piller, 2015). For example, one of the authors of this article, while commanding an operational unit, attempted to encourage the replication of successful lean/continuous process improvement (CPI) initiatives across similar organizations at different locations. However, differences in mission sets, assigned equipment, facility layouts, and personnel proficiency provided convenient arguments as to why the innovation would not work for a particular peer organization.

Second, the lack of solid before-and-after process and outcome measurement may make it difficult to convince personnel of the true value of the management innovation. For example, in our experience, organizations on a CPI/Lean journey sometimes have a difficult time showing tangible numbers-based results of improved efficiencies or real savings in terms of process time and/or money. Data that can quantify improvement are often available, but the CPI/lean 'experts' within the organizations often lack the education, training, or time to accurately capture and communicate tangible improvements and savings. Actual results are tacitly apparent to some in the organization; they 'feel' the improvement. However, to others, many of the positive results are often seen as anecdotal.

Finally, communication and coordination of innovation implementation efforts can be disjointed across organizations and organizational sub-units (both internal and external to the focal organization). These entities are made up of many personnel at many levels, each with different requirements, agendas, and objectives. Usually, little communication and collaboration between these entities exists. As a result, they do not necessarily work hand-in-hand to set the stage for innovation implementation and continuous improvement. In some cases, the disjointed communication and coordination efforts result in mixed messages, leaving personnel wondering if any real improvement could ever be realized.

While the above list of issues associated with management innovation implementation is not all encompassing, it does provide several important points to consider. With ever-increasing operational requirements together with dwindling resources in many organizations, the motivation for improvement is apparent. Organizations must effectively implement management innovation to meet organizational objectives and reduce costs where feasible. Therefore, a framework that explicates necessary post-adoption activities required to ensure successful incorporation of management innovation would be of significant value. Diffusion of innovation (DOI) theory provides a starting point for investigation because it describes the process by which innovations are diffused throughout, and across, organizations (Rogers, 2003), as it involves how, when, and by whom an innovation is adopted (Lippert & Forman, 2005). In the remainder of the article, we discuss our case study research involving the management innovation diffusion journey. The results support the development of a diffusion framework that informs leaders in their management innovation diffusion efforts.

2. Why pursue management innovation?

Innovation is typically thought of in the context of technological advancement or new product development. Management innovation, however,