

### **Solution Direction 3**

## **A strategy to enable an environment and conditions for innovation in the community housing sector**

This research paper is part of the Ontario Non-Profit Housing Association (ONPHA) Solutions Lab on “Community Housing for the Future: Taking Collective Action Toward Resiliency.” This paper is for use by Lab participants and attendees, as part of their pre-read materials.

This document covers an introduction to the Solution Direction (one of five), an overview of the policy or environmental context within which this intervention lives, and a summary of implications/opportunities that Lab participants should be aware of when designing for this Solution Direction.

### **Solution Direction Overview**

This solution direction involves supporting providers to undertake strategic initiatives that serve their needs to adapt over time to remain relevant, resilient, and stable in a changing world. The idea for a strategy to enable an environment and conditions for innovation emerged from group dialogue during the Solutions Lab workshops about the need to promote innovation in the system, and the recognition that many of the current environmental conditions of the community housing sector are not aligned with supporting methods that encourage consistent, ongoing innovation. Participants discussed current system conditions that tend to limit innovation efforts and expressed the desire for broad changes across the system to ensure that innovation could be supported and implemented. The essence of this Solution Direction is to develop a strategy to enable innovation in community housing, beginning with a plan for the system to act by identifying the environmental conditions that would support innovation in community housing.

#### *“What if...”*

This Solutions Lab aims to ignite new conversations among housing providers, service managers, and other stakeholders in the housing system in Ontario. When reviewing this paper and participating in the next workshop, consider envisioning the possibilities around the following potential scenarios:

- What if we created incentives to collaborate towards a common goal instead of competing?
- What if we could create mechanisms to bring an abundance mindset to how funds are allocated instead of a scarcity mindset?
- What if we could re-energize board members by creating new growth or innovation opportunities for smaller providers?
- What if we had champions of innovation who could help remove barriers for our new initiatives?

#### **What was the intention from which this Solution Direction was developed?**

The intention behind this idea is to bring system stakeholders together to identify some of the barriers to (and enablers of) innovation that currently exist in the system, and for all players to develop a plan to take collective action for building the mindsets, to identify methods and to adopt tools to support enabling an environment for innovation.

## Outcomes

Through this Solution Direction, we are seeking to design interventions that support...	
Changing relationships between players	<ul style="list-style-type: none"><li>In conjunction with Solution Directions 1 and 2, finding trust and transparency in the system through adopting a collective vision and principles for the community housing system. Relying on this vision to be able to experiment and try new things in the community housing sector</li></ul>
Changing the way we work and the impact we can create	<ul style="list-style-type: none"><li>Giving housing providers the tools to work differently and, for those looking to grow their portfolios, encouraging them to explore a range of growth pathways (e.g., acquisitions, partnering with other organizations, etc.)</li></ul>
Changing roles in the system.	<ul style="list-style-type: none"><li>Service managers and sector associations championing and supporting the implementation and scaling of innovative and non-traditional models</li></ul>

### Potential components of this Solution Direction

- Online tools, educational resources, or discussion papers sharing new models, best practices, and approaches to sustaining, growing, and building organizational capacity
- A reimagined role for housing sector associations as centres for housing excellence and innovation
- Spaces for conversations about expanding mandates to encompass mixed-income ranges, innovative support models, or new partnerships (e.g., with homelessness sector players)

## The Surrounding Context

### What do we mean by “an environment of innovation”?

Innovation is not something that happens by accident – it can be supported through a series of structural conditions in an environment that makes the prospect of overcoming common challenges possible. At its very essence, the work of innovation is about challenging what currently exists. In social services, innovation means finding a balance between being open to the conditions that support challenging the status quo, while holding a responsibility to the people we serve so that we can offer a system that is reliable and reproducible, and free of unnecessary risks.

“

*“Innovation... is most likely to flourish where conditions allow flexibility, quick action and intensive care, coalition formation, and connectedness. It is most likely to grow in organizations that have integrative structures and cultures emphasizing diversity, multiple structural linkages both inside and outside the organization, intersecting territories, collective pride and faith in people’s talents, collaboration, and teamwork.” (Kanter, p.94)*

A drive for innovation stems from an entrepreneurial, optimistic, and forward-thinking mindset that believes that we could be doing better. This has been called a “promoter” stance. The drive to manage systems stems from a managerial, reliable, and maintenance-minded stance that believes we must control and conserve resources. This has been called a “trustee” stance. Right now, the housing system benefits from both promoters and trustees who work to build and maintain the system over time, however, these roles are often at odds and aren’t working in a coordinated way. Creating the conditions for innovation means the entire system must align to balance and value both the need to learn, innovate, and change with the need to support, manage, and maintain.

### What makes innovation difficult in the community housing system today?

Though the Solutions Lab process, Lab Participants shared the following anecdotes around what makes innovation difficult in the community housing system today:

- Current funding, governance, and reporting requirements have created an environment where system level innovation is inconsistent and challenging. This variance between differing funders' expectations and perspectives on the use of funds creates stark differences for developing innovative responses to housing challenges.
- Rules and limits around how funds can be used create constraints on the possibilities for innovation within the system as a whole.
- Funding and administrative structures are designed to ensure high levels of control of how funds are used—this creates an environment where significant time and effort is dedicated to finding ways to make innovation possible within these constraints, often without success.
- In a system lacking flexibility and trust, there are few opportunities to incorporate new ways of working and thinking, limiting providers' motivation to innovate and to maintain optimism for change (and ultimately limiting the aspirational energy for these organizations and their volunteer boards of directors).

We have many stakeholders in the system who each bring different perspectives, operational scales, levels of power and influence, capabilities and skillsets, expectations, levels of openness and tolerance for change and ideas about innovation, and access to resources to support their efforts. This diversity is highly valuable as a source of richly complex conditions within which to innovate, but without a common vision for success at a system level, and without expressed clarity of our role in achieving that vision, we limit our operations to “silos”. We have a need for alignment as a system, and some strength in governance that ensures consistency, so we are all “rowing the same boat”.

## Implications

Lab Participants working on developing this Solution Direction should focus on the following components and potential strategies for creating an environment of innovation.

### Components and Strategies for an Environment of Innovation

There are multiple components that factor in to developing an environment where innovation is enabled. We can design interventions that create possibilities for building an environment for innovation. The following table shows the potential strategies that are connected to the conditions for innovation.

	Conditions for Innovation	Potential Strategy
<b>System or organizational expectations of innovation</b>	A system-wide expectation that innovation is the norm, that innovation efforts are welcomed, and that innovation is a desirable effort, help to promote innovation within systems.	Developing system level support for innovation, celebrating innovation in the system, building a coalition of support across a diverse spectrum of the system, organizational interdependency that relies on innovation, building strong networks.
<b>Access to diverse and complex viewpoints for innovation</b>	System stakeholders with opportunities to share diverse viewpoints, to collaborate with, and engage in frequent, open communication with other members of the system.	Encouraging openness to a diversity of viewpoints across roles, skillsets, hierarchies, and power dynamics, having someone in power directly involved in supporting innovation efforts, and enabling dialogue across boundaries.
<b>Boundary management for innovation</b>	An environment with strong support and management of innovation projects—innovations are kept “safe” outside of the usual constraints of day-to-day role expectations and operations outcomes.	Providing ways to ensure innovations are kept “safe” outside of the usual constraints of day-to-day role expectations and operations outcomes, determining stakeholder roles in the system to manage boundaries and communicate project work over time, developing a cadence for regular communications to ensure innovation projects

	Conditions for Innovation	Potential Strategy
		are not happening in a “black box”, determining how and what we measure and communicate as data.
<b>An ongoing commitment and dedication to innovation</b>	Dedicated people who are committed to contribute to a project on a longer term (without undue expectations or reprisal from system).	Building structures to allow for space and time for people who are committed to contribute to a project on a longer term (without undue expectations or reprisal from system).
<b>An open and flexible understanding of innovation</b>	Openness to changing conditions of the project over time, and an environment that is able to make shifts in expectations from innovation projects, that understands the need for flex in timelines, and has patience for outcomes from the work.	Developing ways to create flexible environments for innovation projects, where expectations from projects may need to shift and where there must be openness and value placed on learning from project failures.
<b>Cooperation and alignment between partners</b>	Having a collaborative group of system partners who value innovation, who share a common vision for success, and who are held together through strong networks of communication is critical to ensuring sharing in the system.	Determining how to develop collaborative teams of system partners who value innovation, how we would begin shaping a common vision for success, and identifying which networks of communication, which tools, which data, what information sources and what communications channels would best support sharing in the system.
<b>Readiness to accept innovation</b>	A system that is ready and prepared to accept innovation, where change efforts are anticipated, supported, and communicated freely, where there is open dialogue and learning, where there is a receptive social and legal environment for the change, and where there is public encouragement for innovation.	Infuse opportunities for a community of practice, where stakeholders can come together to share their innovation efforts with their colleagues and with others external to their organization.

## References

Kanter, R. M. 2000. When a Thousand Flowers Bloom: Structural, Collective, and Social Conditions for Innovation in Organizations. *Research in Organizational Behavior*. Vol. 22, edited by B. Staw and R. Sutton. Elsevier Science. (Reprintings include: *The Evolution and Adaptation of Organizations*, edited by B. Staw and L.L. Cummings. Greenwich, Conn: JAI Press, 1990; *Knowledge Management and Organizational Design*, edited by P.S. Myers. Boston: Butterworth-Heinemann, 1996, pp. 93-132; *Entrepreneurship: The Social Science View*, edited by R. Swedberg. Oxford University Press, 2000.)