

how do we catalyze adaptive and innovative practices in public regulatory agencies?

study, observe, analyze factors influencing innovation and adaptation ~ affecting U.S public natural resource regulatory agencies ~ case study done with the Arizona Department of Water Resources (ADWR)

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importance of innovative and adaptive leadership for regulatory agencies like ADWR

•need of U.S. public natural resource regulatory agencies ~ ADWR

- manages state water resources and implements laws and regulations to ensure secure and reliable supplies
- protects groundwater and implements the Arizona Groundwater Code
- oversees conservation plans
- ensures residential developments have a 100 year supply of water
- protects endangered streams and rivers



•study justification and objective

- objective: to understand factors affecting innovation and adaptation in U.S. public natural resource regulatory agencies
- to understand the role of leadership in innovation and adaptation
- to ensure that the agency stays current with technology and innovative practices

•adaptive and innovative leadership is essential for the future of our natural resources that are regulated by governmental agencies

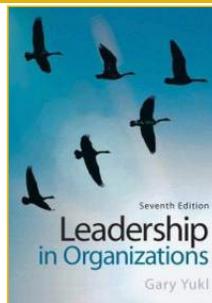
prior research on leadership in organizations suggests potential factors affecting innovation and adaptation

- factors that inhibit innovation in an organization include (most common): lack of trust, belief that change is not necessary, belief that change is not feasible, economic threats, relative high costs, loss of status and power, the threat to values and ideals, resentment of interference, and the fear of personal failure

•“Prior downsizing and layoffs raise anxiety and increase resistance to new proposals, regardless of the actual threat” (Yukl, 2010, pg. 300)

•“Resistance is more likely if the current way of doing things has been successful in the past and there is no clear evidence of serious problems that require major change” (Yukl, 2010, p. 299)

•“People who lack self-confidence will be reluctant to trade procedures they have mastered for new ones that may prove too difficult to master” (Yukl, 2010, p. 300)



Literature: Research: Yukl, G. Leadership in organizations, (7th ed.) (2010), Upper Saddle River: Pearson Education.

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exploring the factors of innovation and adaptation through observations and interviews with Arizona Department of Water Resource Staff

•data collection

- six semi-structured interviews with ADWR employees
- respondents ranged from supervisors to interns
- interviews were conducted in the department and ranged from 30 to 60 minutes

•background of ADWR

•state governmental agency created in 1980 to manage groundwater under authority of the Groundwater Management Act

•protects groundwater rights, adopts and installs conservation plans, facilitates groundwater storage, ensures that new residential developments have a 100- year supply, protects endangered streams and rivers, and acts as the focal point for discussion of state water issues

•in 2008, ADWR faced a budget cut of 70%. This cut reduced the employees from 235 to just 95 (Gammage, 2011, p. 22); cut has been one of the largest factors affecting innovation

once a constraint on the influence of adaptation at ADWR, cuts may also be a positive influence

- “One of the reasons why our agency has thrived since the staff reduction is because our director understands our work - because she started at the bottom like us and worked up. Having a director that has been here for years and is familiar with day to day administrative processes really helps the organization as a whole. Other directors in the past didn't really see the whole picture or commit to making the needed changes. She, along with the other new supervisors, is very decisive. They like to try new things and are up for new ideas. They say yes a lot and I think that's exactly what this agency needs for a bright future and for up-to-date processes to take place - a yes person.”
- “The staff reduction was at first terrifying but it did eliminate slackers, and some unneeded processes and litigations we had to go through to have something approved. Now the whole process is handled by the same person.”

opinions from staff on factors inhibiting innovative and adaptive change in this regulatory agency

- “I feel like government agencies are very behind when it comes to technology and computers; the software is all outdated and very unintuitive. It's because it's public funding, but it really needs to step up because it is obvious that it holds back the potential that the agency could have.”
- “We have the ideas and plans to help us become more technologically advanced but we just don't have the IT staff that is needed to implement the change.”
- “I ended up doing everything from soup to nuts. I haven't been able to grow professionally because there are so many job responsibilities now that you cannot really grow vertically because you are constantly running back and forth horizontally.”
- “Adding more social and interior design would be my request; its just a stark environment and a change of scenery would be more appealing to staff and allow a more positive work setting.”

biggest concerns for employees at ADWR

- the continued loss of fiscal support from the legislature
- people burning out because there is not enough help
- “The drought - I don't know what we are going to do. We really don't have the tools to achieve safe yields. The legislature is very conservative with our department and that is exactly what we don't need right now. We have a need for change NOW and the legislature is holding us back. People think that by 2025 we will have water, but I am skeptical that everyone will and I especially don't think we are good for 100 years. I don't see the changes taking place to make it possibly turn out good.”

what did the employees teach us about factors for innovation at ADWR?

- innovative change has come because of the supervisors belief in making positive change for the industry and never settling for something that is just “good enough”
- financial stress - this entails budget cuts and staff reduction, along with the stress of the unknown
- need for new technology and staff that can implement the new technology
- working environment
- the workload- more staff to help out

findings are consistent with prior research

•environment

- the actual environment may affect the employee morale. It is said that seasonal affective disorder may develop in employees that work in poorly lit places
- designing the office area to be pleasant and aesthetically pleasing will make the office space a place that employees enjoy working in
- when someone feels more comfortable, they are more likely to get work done (Kenner, 2012)
- having a healthy environment will help the retention rate of new employees
- fiscal issues
- cannot control the legislature; stress is often formed thinking about the future of the organization and personal growth
- important that the managers and supervisors maintain situational awareness
- understanding the events and situations that take place and how they will impact performance and processes is crucial for a manager to understand the adjustments on expectations of these subordinates
- making sure that they feel comfortable with their new situations and tasks is important for completing a task

key recommendations

- It is important to know how to deal with the stress of the unknown. The best way to combat this is to plan ahead. A detailed plan on education for these complex tasks would help to alleviate stress and conquer these complex tasks. PLAN AHEAD FOR THE UNEXPECTED!
- To combat the stress of losing staff and taking on more workloads is to understand what the rest of the agency is doing. It would be nice to have a mentor program so that other positions could be understood. Cross-training.
- Opportunities for professional development, people could get a merit fiscal raise or even to have a merit recognition that could go in personal file.” Recognition from upper management and peers will boost morale because it will make employees strive to do their best.
- It would be nice to develop the space with more colors, positive quotes, plants, etc. It would also help to have dress up Fridays to help liven up the environment and to have the employees look forward to something in the week.
- “I think it would be really neat to have cross-training across the department. They would really enjoy learning more about what goes on in this organization. It would make us more knowledgeable and it would help with moral and help with communication between staff. Right now it feels like a lot of isolation and it is a small department.”