

Innovation, Bloomberg Style

How do we take Mike Bloomberg's extraordinary track record for innovation, in and out of government, often working with stellar teams of people and make those lessons available to city governments everywhere?

Put it another way: how could any basketball team learn from the extraordinary talents of the Harlem Globetrotters, putting those lessons into action long after Meadowlark Lemon had left town?

We want to put the idea of **continuous innovation** at the heart of the work of the Bloomberg Philanthropies Government Innovation team: building the capacity of city governments to continuously innovate, new and better solutions for and with their cities.

Continuous innovation is not sporadic, episodic, superficial or dependent upon superstars. It has to be deeply rooted, sustained, embedded in the culture of the organisation and widely shared.

In pursuit of continuous innovation we recommend city leaders become **ambitious incrementalists**, building the momentum for change painstakingly, step by step, but always with big ambitions for system wide changes, which will make cities more affordable and creative, prosperous and cleaner, safer and inclusive.

Continuous innovation and **ambitious incrementalism** are both derived from the way Mike Bloomberg innovated in business, government and philanthropy. Together they define what it means to do innovation the Bloomberg way.

Mike Bloomberg: Making The New Normal

Mike Bloomberg is an extraordinary figure: a triple strength innovator. No one else in living memory has innovated so successfully across business, government *and* philanthropy.

Mike Bloomberg is an innovator because he defies easy categorisation: an incrementalist who seeks radical change; someone happy to defy conventional wisdom who also like to know how about the details of things work; an engineer, who worked on Wall Street and eats data but who also has a deeply rooted sense of moral and civic purpose.

The core of Mike Bloomberg's signature innovations across all three sectors is that he makes the new normal.

In financial markets it was normal for data to be processed by hand, on paper and for that data to be controlled by large institutions. Bloomberg turned that on its head with an electronic, real time process which helped investors everywhere make better decisions.

In New York it was normal for a large number of high schools to routinely fail their students. Bloomberg, working with a brilliant team, changed that so it is now normal for parents to expect their children to go to good schools.

It was normal for people to smoke inside New York restaurants. Now it never happens. In the US many take it for granted that thousands will die of gunshot wounds each year. Mike Bloomberg does not. Nor does he think it should be regarded as normal for young people to grow up obese.

In making the new normal Mike Bloomberg has followed roughly the same three step strategy:

Challenge Normality: where consumers, parents, citizens are schooled to accept that there is no alternative to sub-standard, business as usual, he has challenged conventional wisdom with data, moral purpose and lessons from elsewhere, to shake things up. He is not afraid to take on vested interests that defending the sub-optimal status quo.

Show The Alternative: People will not back vague promises or plans on paper. They need to be shown good evidence for a real alternative before they will make the switch. Time and again Bloomberg has gone out to find people and place which are already doing something that will make a difference and he has brought those ideas back home.

Take it To Scale: there are many ways to achieve this – building a financial information and news business, transforming an education department, encouraging a change of behaviour. This phase is all about doing, making, building, enacting change. It takes planning but not everything can be planned in detail. Above all it involves learning, fast and adapting in action, in real time. Bloomberg is a doer not merely a thinker.

There are many ingredients to this Bloomberg style of innovation: collaboration and openness; the disciplined and creative use of data; great people working in creative, driven teams.

The stories of innovation Bloomberg and his team can tell are inspiring and uplifting. But for many they are also hard to learn from because in their cities they lack the kind of leadership and skills available to Bloomberg and his stellar team in New York.

The role of Bloomberg Philanthropies Government Innovation team is to close that gap, to show how any city, anywhere, can start to pursue innovation the Bloomberg way, building a strong and sustained capacity for innovation.

Continuous Innovation

The key is for cities to build a capacity and appetite for **continuous innovation**.

Continuous innovation is the relentless pursuit of better solutions for cities and citizens, often in incremental but also in radical ways.

Cities need continuous innovation in business and culture just to stay alive. City government will need continuous innovation to meet the fiscal constraints it operates under; the changing demands it faces and to exploit opportunities for new technology. Lasting change is usually iterative and unfolding: it is rarely a one off event. It takes time for changes in policy to lead to changes in services, behaviours and culture.

Civic leaders who build this capacity for continuous innovation have a common trait. They are **ambitious incrementalists**.

Cities often need transformative changes in the way they operate, from transport to housing to welfare. But all big change starts with small steps that gain momentum. People need to have a big vision but also to care about how new solutions work on the ground, to show innovation can make a real difference.

The Government Innovation team's work helps cities master the seven elements of continuous innovation.

Purpose leads process – be clear what you are making the change, why something is a problem, before you start to work out how you are going to tackle it. Working out why it's a problem has to stem from analysing the data. Continuous innovators are propelled by an abiding sense of purpose.

Follow the facts – you will need good data at every stage of the journey, from diagnosing the problem, to testing solutions, to setting benchmarks for success, to measuring progress. Continuous innovators learn to love data: it keeps them honest and focussed.

Flat beats vertical – flat, open, collaborative organisations will always trump hierarchical, closed and bureaucratic organisations when they are responding to fluid, fast moving environments. Continuous innovators build flat, collaborative organisations because they are faster to respond to the world and better at sharing ideas fast.

Curiosity beats creativity – the best way to have a new idea that works is to go out and look for it rather than creating it from scratch. Borrow and blend ideas that others have put into practice rather than inventing things from scratch. Continuous innovators are always curious and inveterate borrowers of ideas.

Plan to act – it is hard to turn ideas into action without a plan. But too often in large organisations planning becomes an end in itself and an excuse for not taking action. Continuous innovators take action without having a full proof plan and learn to adapt fast as they learn in real time.

Long distance sprinting – deep, lasting change takes time and persistence. Long timescales are often another excuse for inaction. Continuous innovators bring a sense of urgency to long-term challenges, building momentum, through repeated cycles of development.

Don't Go It Alone – Government is always more effective when it works in partnership, mobilising coalitions for change. Continuous innovators continually engaged and motivate partners to pursue shared goals for public good. That all stems from having a strong, shared sense of purpose.

Mike Bloomberg has an extraordinary record for innovation which inspires social and civic innovators around the world to raise their ambitions.

Bloomberg Associates builds on that playing a critical catalytic role in helping a small group of cities to tackle some of their starkest challenges.

The Bloomberg Philanthropies Government Innovation team task is to help a wide swathe of cities to become continuous innovators, creating the appetite and capacity for innovation to meet those higher ambitions.