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Organization Culture Roadblocks to Innovation

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Abstract

The Department of Defense Acquisition workforce and industry partners are “under the gun” to be more innovative and “do things differently.” Although the “Big A” Venn diagram of resources, requirements, and acquisition system can present inherent roadblocks to innovation, the biggest roadblock to overcome is the entrenched culture. This paper seeks to highlight changes needed to create a culture that supports innovation and unleashes the acquisition workforce to meet the needs of the warfighter. The author lays out six major roadblocks to create a high performing organization and a culture that aligns with providing capabilities at the speed of relevance and creating value by doing things differently.

“Culture eats strategy for breakfast (or lunch)” is an often-quoted business maxim attributed to management consultant Peter Drucker although the citation tracing is not definitive. Regardless, the adage is approaching 100% in accuracy as there are countless examples of businesses and government organizations with a great strategy for success only to be overcome by the in-place organization culture which resists change or a culture that is not aligned with the business strategy. There is ample research on organization culture and the impacts on people and getting results. My goal is not to reinforce or challenge those results, but rather to discuss what acquisition leaders need to do to align and create a culture that supports innovation rather than hinders it. I used the research study conducted by professor John Graham and others at Duke University’s Fuqua School of Business as a starting point for what drives culture (Graham et al., 2022). Their research shows how critical culture is to an organization’s success and business results and is driven by formal management practices and governance and more importantly, informal values and beliefs: the day-to-day norms and behaviors. Using this research as a jumping off point and looking through the lens of more than 40 years of experience in the military, consulting industry, and Department of Defense acquisition programs, I’ve identified six roadblocks that are preventing the acquisition workforce from “doing things differently to create value” which is how I’m defining innovation.

Roadblock #1: A Lack of Psychological Safety and Trust

There is a myriad of research on the topic, but from working with students and leaders at the DAU, it is obvious we have many program offices and organizations across the DoD where the workforce does not speak up and does not trust leadership. Many things contribute to this, and it is safe to say it is not intentional but the actions and reactions and lack of leadership skills throughout the organization create a culture of mistrust and hesitancy to try something new or make changes. As described by Dr. Edmonson (Edmonson, 1999) and others, there are four levels of psychological safety: contributor safety; inclusion safety; learner safety; and challenger safety. To successfully innovate, all four levels are needed to move the needle on doing things differently. Trust, although not called out specifically as a level of safety, is inherent throughout and is cited in numerous research efforts and models for high performing teams. From my observations and discussions with organizations, there is a real, or just as critical, perceived lack of trust in leadership, peers, and the larger enterprise (look no further than the number of continuing resolutions over the last decade) which contribute to this. To innovate, you must



experiment, try novel approaches which may or may not work, fail, learn, try again, fail, and learn again before succeeding. If the culture of the organization does not accept this risk, or employees feel the supervisors or team “doesn’t have their back” you have hit a dead end on innovation.

Building trust and psychological safety in teams and organizations requires leadership to be open, transparent, and humble. Admitting mistakes, ensuring all voices are heard and acknowledged (active listening), and empowering/delegating decisions would be a great starting point. Be trusting first, assume positive intent, and collaborate, do not direct as the initial action you take. Be comfortable with being uncomfortable in giving “commander’s intent” and letting your teams move out without the leader directing all the actions or solving all the problems. Embrace and celebrate failure if something new was attempted or as part of an iterative process to produce something new to solve users’ problems (design thinking mindset). The bottom line is without psychological safety and trust as the foundation, not only will you not have an innovative organization, but you will also struggle to deliver results.

Roadblock #2: Losing Sight of the Mission and Purpose of the Work

After President John F. Kennedy set the aspirational goal of “before this decade is out, landing a man on the Moon and returning him safely to the Earth” NASA created a culture of innovation which was best reflected by the answer given by the janitorial staff when asked by President Kennedy what his role was at NASA and the reply was “help put a man on the moon.” This legendary tale exemplifies what is required to create a culture of innovation. Everyone in the organization never takes their eye off the ball and understands their role in meeting the mission. For acquisition program offices the mission is both noble and obvious, but in the day-to-day trenches of dealing with continuing resolutions each year, funding cuts, technical problems, changing requirements, stakeholder and industry concerns, etc., the workforce get wrapped up in today’s “fire” to extinguish and loses sight of the bigger picture and the overall mission of the organization. It is critical for leaders to remind their teams of this bigger picture and to connect everyone throughout the organization to this mission. How often do financial managers, for example, get to tour a ship or factory or meet with the war fighter? If you walk around acquisition program offices, do you see reminders of the mission (photos of what you are providing to the warfighter, scale models, legendary figures, etc.) or sterile walls and a few tacked up mission statements? Both Daniel Pink (2018) and Simon Sinek (2022) addressed purpose in their books and research efforts to drive employee engagement so I don’t consider it a stretch to posit the more engaged your workforce is and focused on the mission, the greater likelihood they will find new ways of doing things differently to be more efficient or solve problems. Reinforcing the mission despite the tactical issues of the day-to-day program execution needs to be a central part of your culture to foster innovation.

Roadblock #3: Not Feeling Appreciated by Leadership or the Organization

Depending upon which poll or research study you look at, anywhere from 50% to 70% of employees cite “lack of appreciation” for leaving a job or for a lack of engagement. In keeping with the NASA references Jack Swigert, the Command Module pilot on Apollo 13, famously said, “Okay Houston . . . we’ve had a problem here.” If looked at another way, a whopping 81% would work harder if their efforts were recognized by the organization. I distinguish between recognition and appreciation primarily since we associate recognition with employee cash awards or various all hands events where employees are publicly recognized. This is indeed a way to show appreciation, or not, depending upon how the individual being recognized wants to feel valued and appreciated. Research by Gary Chapman and Paul White (2019) found five separate ways employees feel appreciated: words of affirmation; quality time; acts of service; gifts; physical touch (high five, fist bump, tap on the shoulder). Cash awards, the go to method



for many program offices, is the least of the five “languages” of appreciation in the workplace according to their research. There’s ample research as well to show that intrinsic motivation (“I feel appreciated for my efforts”) is a much greater method of engagement and innovation than extrinsic motivation such as cash awards for producing a new idea. If your organization is struggling to do things differently, leadership should pulse the workforce and ask how they feel appreciated and devote time and resources (does NOT have to be money) to remove this roadblock. A simple thank you note or email with words of appreciation, brown-bag lunch, or morning coffee with the boss, help with a project, or a fist bump while walking to lunch can go a long way to removing this barrier and improve employee engagement and productivity.

Roadblock #4: Not Feeling “Connected” to Team Members and Leaders

A former colleague pointed out to DAU students that technical problems can be solved, but it requires people to solve and implement the solutions, hence our focus at the Defense Systems Management College on leadership and soft (or more appropriately, essential) skills. Compounded by the isolation and work from home mandates during the 2020–2022 pandemic, more workers feel removed from their teams and “on their own.” Research is ongoing on the long term effects of telework and work from home, and many DoD organizations are struggling with recruiting and retaining personnel if telework is more restrictive. Even with personnel who are routinely together, innovative organizations need leaders to create a sense of team and focus on building relationships. I often use a quotation attributed to Theodore Roosevelt to illustrate this point: “Nobody cares how much you know, until they know how much you care.” By nature, we are social mammals who want to feel part of the pack so considering a substantial percentage of our waking hours are at work, it is incumbent upon leaders and fellow team members to create a sense of one team and belonging. It is beyond just the inclusion aspect of psychology safety and focused on caring for each other with a common sense of purpose. Leaders have a multitude of ways they can do this, but I recommend at a bare minimum meeting one on one with employees or in small groups for large organizations to begin the process of team building and connectedness. As a leader, understanding and learning about your team’s “outside of work” life is critical to building the relationships you will need to get the most from your workforce. Family life, interests, and common bonds between the leader and team members drive these connections and demonstrate caring.

Roadblock #5: Not Feeling Empowered

If asked, most leaders will quickly answer “Of course I empower my workforce” but do they really empower them or just delegate and what is needed to be truly empowered? To drive innovation in the workplace, empowering employees to take charge and move out requires three critical ingredients: the **capabilities** they will need (training, tools, access to expertise if not internal); **resources** (money, people); and **authority** (ability to make the decisions and not have them questioned or altered). I use this empowerment triangle to highlight what it means to truly empower your team and not just pay it lip service. Leaders typically have the hardest time relinquishing authority as many view that as their role (make decisions, give direction and orders). For innovation to take hold it is critical that leaders push decisions and this authority down to the lowest level and more importantly not punish mistakes or “bad” decisions that attempted to do things differently or to learn/experiment. If the boss rolls his eyes, questions decisions, or fails to recognize in a positive way trying something new, the culture will become one of NOT trying out innovative ideas or not feeling empowered, which becomes a downward spiral for both morale and delivering results.



Roadblock #6: A Lack of Actionable Feedback Both Individually and as a Team/Organization

“Feedback is a gift” is part of the Defense Systems Management College’s culture and a robust feedback loop is a critical part of high performing organization’s culture as well. To drive innovation, you must be willing to self-examine as an organization and as individuals and adjust/change/pivot based upon that feedback. The Navy’s “Get Real, Get Better” campaign is an example of this. In our program manager’s course, we include self-reflection as part of our curriculum as another example. Industry is moving away from annual performance reviews and more towards ongoing or more frequent employee feedback, which is also a preference for Gen-Z workers entering the workforce. In his book, *The Culture Code*, Daniel Coyne (2019) points out the effective use of after action reports (ARR) by high performing cultures. Typically, in the DoD, we do AARs when something goes wrong, but Coyne posits successful organizations do these on a routine basis. For example, when the request for proposal (RFP) is released, the program office and contracting team get together to ask these five questions:

1. What results were we expecting?
2. What results did we get?
3. Why did we get these results?
4. What will we continue to do?
5. What will we do differently?

Asking these questions does not need to wait for a major event such as an RFP release but can be embedded in the team/organization’s routine to become part of the culture. Bi-weekly or monthly time set aside to reflect on progress for key program office objectives/goals/milestones that were intended to be achieved will help the organization learn and get better. Apply this to employees as well and set aside time on a routine basis for a check in/reflection with supervisors or as a team. This will also help remove the other roadblocks to creating a culture of innovation (connectedness and psychological safety). Admitting mistakes, demonstrating humility, and acting on feedback is a critical ingredient in leadership. If the boss and team seek feedback to improve, the individual will come to see this as part of the culture and will do the same.

Summary

After experiencing more than 30 organizational cultures (both good and bad) during my career prior to my arrival at DAU, I took on the challenge of trying to identify the good from the bad and what drives a successful culture. At the time, the 809 Commission identified program office culture as an indicator of successful acquisition programs which further drove my efforts. More recently, the focus on innovation and acquisition reform always seems to come down to the “culture” preventing it. Compiling the research from others and building on our existing DSMC curriculum, I pulled together “prerequisites” for a high performing culture, presented in this paper as roadblocks to creating a culture that fosters innovation. Further research efforts could focus on why DoD acquisition programs do not foster psychological safety which might identify specific areas for improvement. Another area that could be investigated is for organizations that are innovative, what aspects of their culture drive their success beyond just the nature of what they are acquiring, and their organization structure (typically very flat and not functionally aligned). I welcome your feedback and further discussion at the contact information provided.

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