

PAVING THE PATH TO PUBLIC INNOVATION

BY TERRANCE SMITH



NAVIGATING TRUST

Paving the Path to Public Innovation

Introduction	3
The Trustworthiness of Public Institutions	3
The Trust-Innovation Spectrum	4
Designing for Trust to Foster Innovation	9
Conclusion	12
About the Author	13
References	13

BY

TERRANCE SMITH

Bloomberg Public Innovation Fellow Bloomberg Center for Public Innovation at Johns Hopkins University

SEPTEMBER 2024

Smith, T. (2024, September). *Navigating Trust: Paving the Path to Public Innovation.* The Bloomberg Center for Public Innovation at Johns Hopkins University.

Introduction

This brief is a guide for practitioners working in and alongside the public sector who are interested in the organizational factors that shape trust in public institutions and its influence on advancing public innovation. The insights presented here are drawn from the research project, "Designing Trustworthy Public Institutions," which I lead as a Bloomberg Public Innovation Fellow at the Johns Hopkins University.

This research is rooted in over a decade of hands-on experience in the public sector. In leading the innovation team (i-team) in Mobile, Alabama, and founding the Office of Strategic Initiatives, I witnessed firsthand the delicate interplay between public trust and innovation. This brief is a synthesis of findings from research conducted during 2023 in the cities of Barranquilla, Colombia; Kansas City, Missouri; Mobile, Alabama; and Vantaa, Finland, where I interviewed 42 city leaders, staffers, and stakeholders, and with conversations with 300 scholars and practitioners interested in trust and public innovation.

As a practitioner deeply committed to community growth and well-being, I have consistently strived to bridge the gap between government officials and residents, and now, as a researcher, I aim to uncover practical strategies for fostering trust and innovation in public institutions.

Through this work, I aspire to offer actionable insights that operationalize the theory around trust, leveraging my understanding of the dynamics and systems that shape how public services reach residents. For me, this work is about actively contributing to the betterment of the communities I have dedicated my career to serving.

This brief is a synthesis of findings from research in the cities of Barranquilla, Colombia; Kansas City, Missouri; Mobile, Alabama; and Vantaa, Finland.

The Trustworthiness of Public Institutions

As I advance this research, I realize that the critical question is not about the existence of trust but, more significantly, about the trustworthiness of public institutions. It is not enough to study trust as an abstract concept; what truly matters is how these institutions can become more reliable, transparent, and ethical – the embodiment of trustworthiness.¹

Trust, as a dynamic force, becomes essential for fostering collaboration on challenging issues, allowing vulnerability, and enabling risk-taking. It grants us permission to forge ahead even when outcomes are uncertain, providing the capacity to embrace multiple truths in the face of complexity. In essence, trust is an essential prerequisite for institutions to be able to pave the path to public innovation, because innovation asks people to take risks into untested and unknown journeys.

The "Designing Trustworthy Public Institutions" project emphasizes the importance of exploring and enhancing the ability, humanity, and integrity of institutions on the path to public innovation.² This compels us to understand three fundamental considerations:

Ability: Can you deliver on your commitments?

Humanity: Can you achieve your goals without causing harm?

Integrity: Can you operate without excessive oversight or micromanagement?

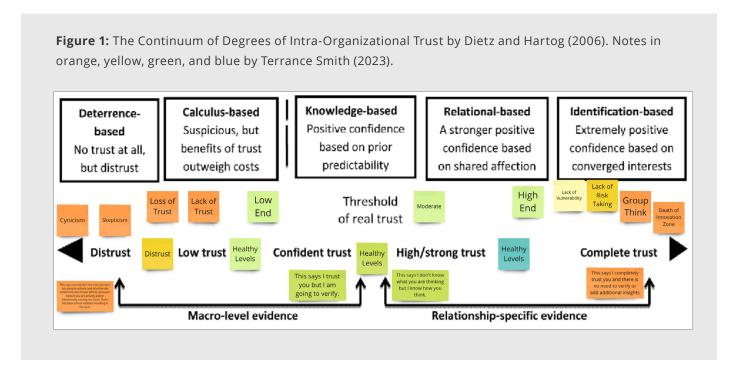
This framing represents a significant part of my learning and research journey – a realization that trust is not only a concept but a tangible quality that we can design, nurture, and enhance. At the core of this exploration are profound conversations with experts and practitioners, extending beyond conventional dialogues. These exchanges unfolded in diverse settings – from boardrooms to fieldwork locations, workshops to brainstorming sessions. Trust, transcending its conceptual realm, flowed through every discussion, facilitating knowledge exchange and igniting innovative thinking.

My research journey has been a transformative process, and I invite you to join me in this exploration of trust and trustworthiness in public institutions and its implications for innovation.

The Trust-Innovation Spectrum

In the evolving landscape of public sector innovation, the convergence of trust and innovation has emerged as a gap in our understanding. The translation of innovation models from the private sector, where the ethos is to move fast and break things, to the public sector, where the everyday services that the government delivers must be reliable, presents considerable tension as it runs the risk of eroding trust in those institutions. Yet, the government must also innovate to meet complex challenges and address the diverse and dynamic needs of residents.

In this brief, I present a framework for public innovation that places an emphasis on trust and trustworthiness in order to enable people in the public sector to take risks and embrace vulnerability in the quest to facilitate creative thinking and collaboration, yet recognize the unique responsibilities of reliably delivering essential services. Trust proves essential for allowing innovation practitioners to proceed ahead even when outcomes are uncertain and for providing them the capacity to embrace multiple truths in the face of complexity.



Previously, scholars such as Dietz and Hartog have depicted "the trust experience" as a linear continuum with varying degrees of intensity rather than as a simple binary where trust either exists or it doesn't. As Figure 1 indicates, between the left and right sides of the continuum, there are five degrees of trust where "a threshold is crossed when suspicions recede to be replaced by positive expectations based on confident knowledge about the party, including their motives, abilities, and reliability." 3

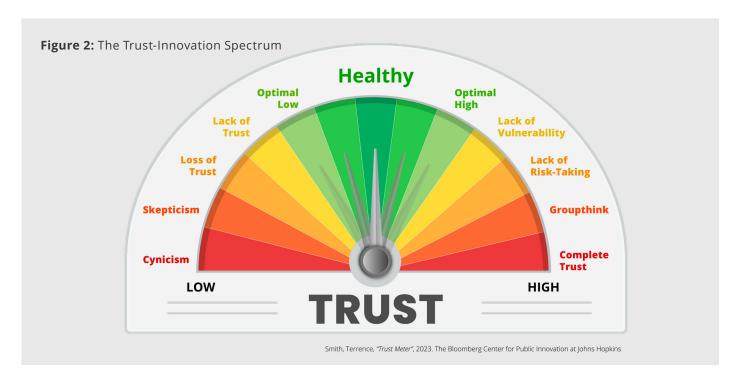
Building on Dietz and Hartog's degrees of trust but diverging from the linear continuum to incorporate the nuances needed to understand the complex connection between trust and innovation in the context of public institutions, I developed the "Trust-Innovation Spectrum," (Figure 2) a 180-degree arch model that explores the dynamic interplay between the two elements.

The Trust-Innovation Spectrum acts like a guide. At opposite ends it is anchored by cynicism (left) and complete trust (right). Practitioners must navigate through the Attention Zones (in orange) to reach the Peak Performance Trust Zones. In these green areas between optimal high trust and optimal low trust, teams can cultivate collaboration, openness about challenges, and smart risk-taking.

The Anchors: Cynicism and Complete Trust

Cynicism signifies an inadequacy and/or deficiency in trust, creating a void. In the cynical end of the trust spectrum, a person's attitude says: not only do I not trust you, but I am going to actively and intentionally undermine any of your efforts because I believe you are actively and/or intentionally causing me harm. Essentially, there has been a trust violation resulting in feelings of betrayal.

At the other extreme, complete trust can foster an absolute zone, leading to the inhibition of innovation by potentially hindering accountability within the system. Here, people say: I completely trust you and





In 2016, the Mobile i-team began its work to improve the city's recreation centers with the "YES" initiative, aligning all partners around a common goal.

there is no need to verify or add insights. Contrary to the assumption that more trust is always better, evidence from my research indicates that having an extremely high level of trust, or "absolute trust," can impede innovation. In situations where trust is absolute, there might be a reluctance to question ideas, challenge the status quo, or explore alternative perspectives. ⁴ This can lead to the phenomenon known as groupthink, where individuals conform to a unanimous, often unexamined decision to maintain harmony within the group. Innovative thinking thrives in an environment that encourages diverse opinions, constructive criticism, and the exploration of unconventional ideas. Absolute trust may discourage the necessary doubt that drives critical thinking and creativity.

Recognizing that both anchors of the Trust-Innovation Spectrum lead to stagnation sheds light on the pivotal role balanced trust plays in nurturing and propelling innovation forward and acknowledges that trust is crucial for fostering a dynamic and innovative organizational culture.

The Peak Performance Trust Zone

Navigating trust within the innovation process involves pinpointing the peak performance range (determining the specific range or boundaries within which trust is considered

Healthy Optimal Optimal and the range of trustworthiness within the organizational Lack of Lack of Vulnerability Trust Lack of Loss of Risk-Taking Groupthink Skepticism Complete Cynicism Trust LOW HIGH TRUST

most beneficial for fostering creativity and new ideas) and recognizing current levels of trust (acknowledging the existing levels of trust

> infrastructure). This nuanced approach unveils two pivotal points: Optimal Low (e.g., this point says, I

trust you, but I am going to verify) and Optimal High (e.g., this point says, I don't know what you are thinking, but I know how you think). Think of it like a seesaw: "Optimal Low" is trusting but doublechecking, and "Optimal High" is trusting because you know how things work. Good ideas flourish within this peak performance range, emphasizing the need to maintain balance.

Balancing between 2 healthy doubt and confidence can encourage creativity and drive innovative thinking.

A balance between healthy doubt and confidence within the optimal low and high range provides fertile ground where trust is not merely sustained but functions dynamically, propelling creativity and new ideas within the organization. Striking the right balance ensures that trust becomes a driving force, actively encouraging the free flow of creativity and preventing the hindrance of innovation caused by either insufficient or excessive trust.

The Attention Zones

Beyond the cynicism and absolute trust zones and the peak performance range where innovation flourishes lie the "Attention Zones." These zones represent key points that can either propel innovation forward or act as stumbling blocks.

On the left side of the spectrum, a decline begins when the foundation of trust is initially weakened by a trust violation (Lack of Trust). Without acknowledgement of the offense or a proposed intervention, trust continues to erode (Loss of Trust). A persistent and heightened sense of doubt or suspicion creates Skepticism, and can eventually fall all the way to a deep-seated distrust and negativity toward the institution or individuals involved (Cynicism). In this decline, trust erodes, adversely affecting participation and the generation of new and creative ideas.

Healthy Optimal Optimal High Lack of Lack of Vulnerability Trust Risk-Taking Skepticism Groupthink Complete Cynicism Trust LOW HIGH TRUST

The erosion of trust creates an environment where individuals are reluctant to participate, share ideas, collaborate, or take risks. This hesitation breaks down the innovation ecosystem and creates a selection bias. As individuals who have been betrayed exit, the innovation process loses the diversity of perspectives crucial for creative thinking.⁵

The left side of the spectrum captures how the erosion of trust makes people reluctant to engage or take risks.

On the other side, past the zone of Optimal High (where we strike a balance between healthy doubt and confidence), there are more challenges. Here, the problems

include not being open (Lack of Vulnerability), avoiding risks (Lack of Risk-Taking), everyone thinking the same way (Groupthink), and having too much trust (Complete Trust). As mentioned previously, having too much trust can be just as bad as not having enough. Complete Trust, when it's extreme, can create a stifling atmosphere and cause innovation to become stagnant because people might avoid taking needed risks or looking at ideas critically.

The absence of healthy doubt and the reluctance to explore new avenues obstruct the innovation process.

Healthy **Optimal Optimal** High Lack of Lack of Trust **Vulnerability Risk-Taking** Trust Skepticism Groupthink Complete Cynicism LOW HIGH TRUST

Imagine the Trust-Innovation Spectrum as a scenic route; on one side, you navigate through a foggy area - Lack of Trust, Loss of Trust, Skepticism, and Cynicism - encountering detours that make the journey challenging. The fog symbolizes a lack of trust, hindering progress. On the other side of the spectrum, it's like driving on an overly smooth road - Lack of Vulnerability, Lack of Risk-Taking, Groupthink, and Complete Trust. The predictability becomes a bit dull, like cruising on autopilot. Too much fog or excessive smoothness can hinder the adventure.

The right side of the spectrum captures how too much trust can block the capacity to think critically about dynamic challenges. In this comparison to a road trip, the Attention Zones require alertness and adaptability. Recognizing and navigating these zones delineates a roadmap for an innovative journey, ensuring you stay on course while embracing the twists and turns that make the journey a valuable learning experience.

If you find yourself and your institution within the Anchors and the Attention Zones along the Trust-Innovation Spectrum, below are some tactical ways to navigate the process of building trust and encouraging innovation to reach the Peak Performance Trust Zone.

Cynicism

Establish feedback loops, empathetic listening, and prompt implementation to instill confidence in positive organizational change.

Skepticism

Value lived experiences, actively listen/observe, communicate, and deliver on readily achievable improvements to demonstrate trustworthiness.

Loss of Trust

Acknowledge past harms or trust violations to demonstrate a commitment to care and rebuilding trust.

Lack of Trust

Offer experiences, opportunities, and evidence of support that promote trustworthiness.

Lack of Vulnerability

Address any hesitations towards individual accountability by actively promoting a culture where everyone feels responsible for contributing to the organization's success.

Lack of Risk Taking

Create an environment that prioritizes psychological safety for teams to experiment and innovate while also incentivizing thoughtful risk-taking and recognizing setbacks as valuable learning opportunities in uncertain situations.

Groupthink

Encourage diverse perspectives and dissenting opinions, showcasing a commitment to fostering an inclusive environment that values individual voices.

Complete Trust

Promote cross-functional collaboration to break down silos, enhance decision-making, and cultivate a culture of individual ownership and accountability, empowering stakeholders to lead in their areas and contribute to a collaborative, innovative environment.





Designing for Trust to Foster Innovation

Organizations need to proactively tackle issues that erode trust on one side and stifle creativity on the other. Achieving a balance between healthy doubt and confidence while promoting an environment where trust can thrive is crucial for unlocking the full potential of public innovation.

What does this look like in practice? The following examples illustrate how two cities have navigated the trust spectrum in pursuit of delivering more effective public services for their residents.

Barranquilla: from Cynicism to Trust

In 2008, new city leaders in Barranquilla, Colombia found themselves governing within the cynicism end of the trust spectrum. Residents held a distrust of the city government's ability to deliver due to its lack of investment in basic infrastructure over the prior decades. The city's deficient stormwater drainage system was emblematic of this crisis, causing widespread flooding and sweeping people away in raging rivers during the coastal city's frequent rain storms. When residents lived with that level of risk, in their minds the government didn't care about their needs, their safety, and their wellbeing. So they rebelled, and they stopped paying taxes.⁶

A new, incoming administration sought to demonstrate its ability, humanity, and integrity by prioritizing investment in the city's basic infrastructure. But lacking the tax revenue to address multiple resident needs at once, the city began with a program that was visible, valued by neighbors, and could be implemented quickly: paving neighborhood streets through a new program called Barrios a la Obra (Neighborhoods at Work). City officials emphasized being present in the neighborhoods, listening to neighbors' concerns, and, in some cases, involving them in the work of paving their own streets. Barrios a la Obra acknowledged the past harms of having unpaved roads (humanity), showed the government could deliver (ability), and demonstrated that they cared and were committed to rebuilding trust (integrity).

- The Todos al Parque program builds and maintains parks in every Barranguilla neighborhood.
- 6 Barranguilla Mayor Jaime Pumarejo (2020-2023) continued his predecessors' commitment to delivering trustworthy public services. July 2023.

The city leveraged that delivery win with a more ambitious program to build parks in every community, Todos al Parque (Everyone in the Parks). The city intentionally designed its resident engagement process to dismantle skepticism by valuing the lived experiences of residents and actively listening, observing, and communicating throughout the development process. All the parks are built to the same specs – which accounts for equity from neighborhood to neighborhood - but each park has different elements based on the needs of that community. Many of the parks have soccer fields, for example, but in Parque Los Andes, in an area with many women with children, their park has a roller skating rink because the women and girls in the neighborhoods said that was what they wanted.⁷

The City of Mobile 7 Parks and Recreation Department conducted strategic co-design sessions with residents, staff members, and community stakeholders to create a strategic vision for the Department: "Fun and safe places where everybody is somebody." May 2019

By delivering on resident needs through infrastructure programs, Barranquilla built its trustworthiness to the point where residents are now more inclined to pay taxes, and the city has the resources to invest in increasingly complex infrastructure projects like the longoverdue, city-wide stormwater management system.

Barranquilla's experience demonstrates that public institutions can move away from cynicism through programs that involve communities and when they have the capacity to tailor interventions to their diverse and specific needs. Over the course of 15 years, the city reached a healthy level of trust by showing residents that they care about them through the delivery of effective public services. That word of the city's ability, humanity, and integrity has traveled from neighborhood to neighborhood, paving the path to advancing more ambitious, innovative, and complex projects that improve resident wellbeing.



Mobile: Sustaining Healthy Trust

In 2016, as a response to youth-involved gun violence in Mobile, Alabama, the mayor asked the city's i-team to create more fun and safe places for kids. The i-team approached the Parks and Recreation Department (Parks and Rec), which had been a neglected agency within city government for years. Mobile's recreation centers were in deleterious condition, and staff often lacked uniforms and materials and reported being nervous to interact with some community members.8

The i-team initiated design sessions with staff at the city's recreation centers to learn from their experiences and listen to their ideas. Most of the centers had very little youth programming for kids beyond offering physical space for basketball or games like dominoes. Yet, the i-team could hear in staff voices a commitment and desire to work with people in their community. Parks and Rec personnel put their thoughts on sticky notes on the wall and could see their ideas build off one another and grow into possibility. The i-team's human-centered design engagement process conveyed to the Parks and Rec staff that their feedback and expertise was valuable and actionable. This in turn catalyzed their trust in the process the i-team was leading. Once this faith in the process took hold, the Parks and Rec staff were able to engage community members, asking and listening to them about what they needed from recreation centers.

Community engagement around civic spaces in cities involves a range of users. In Mobile, it included gathering the heads of the independent league athletic teams and asking what their youth players needed and how Parks and Rec could be a better partner. A similar conversation The Senior Citizens Group at Harmon Recreation Center in Mobile was the first group that the i-team engaged in 2017. They are pictured in 2017 (left) and again in 2023 (right) as they have sustained their participation with Parks and Rec over the years.





then occurred with "dance moms," the arts community, and elder services providers. The i-team and Parks and Rec staff also connected with people who did not come to recreation centers to understand the barriers. For many Parks and Rec staff, this was an unprecedented level of community engagement. Bridging these gaps with residents involved staff acknowledging that the department had fallen short in meeting community needs as expected or desired of local government. Accompanying this acknowledgment was a pledge to make changes with the help of residents and Parks and Rec stakeholders.

Over time, input from internal and external stakeholders formed the foundation of an emergent strategic vision for Mobile's Parks and Recreation Department: "Fun and safe places where everybody is somebody." Staff were adamant about those words, believing and articulating that, in Mobile, at their facilities, no matter where you come from, you should feel like you're somebody and that you belong in this space. The design and engagement components of the innovation process with Mobile Parks and Rec was transformative in building and sustaining internal and external trust in the department. Parks and Rec essentially became a community engagement arm of the city government, as it became the space where everyone felt welcome.

Today, the city sees enduring energy in its recreation centers. Centers that started with zero participants now burst at the seams, for example, with STEM camps drawing over 500 people. Further, Parks and Rec events are some of the most popular in the entire city. An Art Walk that used to generate a couple hundred visitors grew to host 20,000 people. Notably, the growth in this programming is inclusive, with groups that have historically been excluded now recognized and celebrated. Since Parks and Rec's turnaround, Mobile has hosted its first Native American Fest, its first LGBTQ PRIDE Week, and a first Latin Fest that drew over 28,000 people. In this context of transformation, the biggest complaint at a food truck festival – that the lines were too long – now also serves as a measure of success for the department.

The takeaway for other local governments is that the level of trustworthiness is what gets people in the door. In Mobile, the city knew its recreation centers weren't trustworthy because people weren't showing up. Now, the department's success and its trustworthy reputation is due to the inclusiveness of its design and engagement work. Staff, residents, and user groups see themselves represented in the activities, facilities, and efforts of the department. Since fall 2023, the Mobile Parks and Recreation Department has earned multiple accreditations in its sector, becoming one of few nationwide and only two in Alabama to achieve these milestones.

Conclusion

The "Trust-Innovation-Spectrum" explores the intricate interplay between innovation and trust. It reflects the evolving nature of trust within the innovation landscape by identifying a range of factors: the degree of trust, the balance between healthy doubt and confidence, and the identification of peak performance trust levels and attention zones. By navigating this spectrum and understanding its various dimensions, practitioners can actively manage trust as a driving force rather than a potential barrier to public sector innovation. The spectrum approach allows for a nuanced identification and exploration of trust dynamics, offering insights to foster a culture where innovation thrives.

About the Author



Terrance Smith serves as an inaugural Bloomberg Public Innovation Fellow at Johns Hopkins University, an opportunity awarded to accomplished public innovation practitioners to reflect on their experience as thought leaders. Since 2023, Smith is also the acting Director of the Baltimore Innovation Team (i-team). Previously, he led an innovation team that deployed innovative approaches to improving quality of life for residents in Mobile, Alabama, where he also founded the Office of Strategic Initiatives. Smith was responsible for developing and scaling the prototype for Alabama's first charter school and serves on the Leadership Alabama Commission on Race and Equity and the USA College of Education and Professional Studies Advisory Council.

This research project is supported by a sponsored grant by Bloomberg Philanthropies under Johns Hopkins University Institutional Review Board (IRB) #00016435. Research team members at the Bloomberg Center for Public Innovation at Johns Hopkins include Dr. Francisca Rojas, Academic Director; Dr. Leigh Graham, Senior Advisor for Innovation Research; and Nancy Padden, Program Administrator for Fellowships and Faculty. The project Research Assistant was Johns Hopkins graduate student Annika Limson.

The Bloomberg Center for Public Innovation at Johns Hopkins University works to advance public sector innovation across the globe by marrying cutting-edge practice with world-class research to transform the culture of government, deliver exceptional results for residents, and inspire trust in public service. Since its launch in 2021 in partnership with Bloomberg Philanthropies and Johns Hopkins University, the Center has brought research, technical assistance, and training programs in proven approaches for impact to 214 global cities, improving the lives of millions of people around the world.

References

- 1 Aguiar, M., Boutenko, V., Lacanna, S., Mlodik, E., & Williams, M. (2021). Vibrant Cities are Built on Trust. Boston Consulting Group, 1-23.
- 2 As stated by Gillespie and Dietz (2009), Mayer et al (1995) identify these three dimensions as, "key antecedents of the decision to trust." See Gillespie, N., & Dietz, G. (2009). Trust Repair After An Organization-Level Failure. Academy of Management Review, 34(1), 127–145.
- 3 Dietz, G. and Den Hartog, D.N. (2006), "Measuring trust inside organisations", Personnel Review, Vol. 35 No. 5, pp. 557-588

- 4 The Trust Mini Guide by MIT GOV/ LAB's Nahmias, G. et al (November 2022) similarly notes that, "when people are too trusting, they also make themselves susceptible to being taken advantage of, whether by their own governments or by fellow citizens." (p.4)
- 5 Hirschman, Albert O. (1970) Exit, Voice, and Loyalty: Responses to Decline in Firms, Organizations, and States / Albert Otto Hirschman. Cambridge, Massachusetts: Harvard University Press.
- 6 Adapted from Murphy, Colin. "Innovation Conversation: How <u>Trustworthiness Sparks and Sustains</u> Public Innovation in Barranguilla,

- Colombia," Bloomberg Center for Public Innovation. November 6, 2023. Accessed March 18, 2024.
- 7 Maassen, Anne. "In Barranquilla, Colombia, Urban Parks Revitalize a Declining City", World Resources Institute. December 7, 2022. Accessed March 18, 2024.
- 8 Adapted from <u>"Building Trustworthy</u> Local Government," Bloomberg Cities Network, January 18, 2023. Accessed April 4, 2024.
- 9 City of Mobile, January 16, 2024. "City of Mobile's parks, public works departments earn national accreditations." Accessed May 14, 2024.





