FACILITATION – THE IMPACT OF STRUCTURAL FRAMEWORK AND PERSONAL ACTIONS

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ABSTRACT

This paper explores facilitation in continuous innovation projects. On the basis of a multiple company case study from an innovation programme in Denmark, it explores the existing theoretical framework on facilitation. It develops a revised typology on the basis of two dimensions: The structure, in which the innovation project is being carried out, and the phase of the project (initial vs. continuous). It outlines how the facilitation can use formal rules and regulation within the structure of the innovation project to enhance the chances of project success. And that expedient management from the operator based on positive commitment can have a positive impact on the outcome of the project. The study finds that the Structural and Personal elements of facilitation is interdependent. The Structural elements allows for example the Personal facilitator a more legitimate position in relation to providing the desired changes in the company, for example, with explicit requirements on cooperation with several external partners, or to ensure progress with regular status reporting. The paper concludes in some considerations about the theoretical, managerial and policy implications.

Keywords: *Facilitation, structural framework, continuous innovation*

1. INTRODUCTION

A substantial part of the innovation landscape for many companies is the presence of external funding. Besides the direct value of the financial support of for instance innovating a new product, external funding is often seen as an indication of the quality of the initial ideas behind the development process: If external parties find it worthwhile to fund (part of) the initiative, the development project and ultimately the outcome of the process could be perceived as more promising than if the project was merely funded internally.

External funding is, however, often linked with formal requirements and a structural framework that should ensure the external funding actor about the progression of the innovation project. These requirements can for example relate to content of the application for funding, milestones, deliverables, involvement of specific types of partners etc. Obviously, facilitating an innovation project is profoundly affected by such externally imposed requirements. But do these requirements only represent a necessary evil for innovation projects, or could the (administrative) framework to a certain extent help the receiver of the (public) funding move in the right direction and, hence, enhance the likelihood of success? This paper will seek to understand facilitation and nuance the perspectives on formally and informally rooted facilitative processes.

2. THEORETICAL PERSPECTIVES ON FACILITATION

Prior research has defined facilitation as a process in which a person (facilitator/process manager) is dedicated to bringing into play the knowledge of the participants, and to achieving that they collaborate better and more effectively towards the established objective (Grinyer 1992;Møller and Goduscheit 2015).

Prior studies on innovation projects have distinguished between emergent and engineered process (Doz et al. 2000). While the first category of processes includes the exogenous elements that the project participants cannot immediately influence, the latter processes are the ones that readily can be influenced by the participants. The prior studies build on the premise that facilitation within innovation projects should focus on the engineered processes and accept the fact that these processes would have to be carried out within the framework of the emergent processes.

Mezias and colleagues (2001) present the CHANGE-model in order to understand the facilitation on workshop level. The CHANGE-model is an acronym consisting of six elements (Mezias et al. 2001: 80-88): Commitment, Holistic, Agent, Neutral, Group and Execution.

- *Commitment* is flagging the importance of commitment by top-level management to the change that the facilitation should lead to
- *Holistic* is aimed at the fact that no change can be implemented if central interest groups, departments, and/or constituencies are not involved. A wide range of stakeholders within the organisation should be involved.
- *Agent* is pointing to the essentiality of a skilled facilitator, who is required to help create and sustain a climate of change, encourage a fruitful debate, help avoid domination by powerful individuals including top management, and manage conflict and guide the process. The importance of agents of change is also described in the rich literature on innovation promoters (Goduscheit 2014)
- *Neutral* considers the site, in which the workshop should be carried out. It is important that the workshop participants are detached from the physical settings that they are normally operating within.
- *Group* is emphasising the composition of the group of people that is participating in the change workshop. While experiences managers deeply understand their business and its environment but they need an appropriate facilitated process to share, re-evaluate, enhance, and exploit this knowledge
- *Execution* alludes to the awareness that the outcome of the workshop should be executed and implemented into the organisation and not being another process without real-life impact.

A common denominator of some of the outlined elements of the CHANGE model is that they are subject to, and somewhat limited by, various exogenous, emergent factors that cannot be affected by the facilitator. While for instance the commitment, holistic and group aspects to a certain extent can be influenced by the facilitator, the change will always be contingent upon elements like organisational culture, structure, leadership, openness of the organisation etc.

A recent literature study on facilitation (Møller & Goduscheit 2015) has generated a revised model on facilitation on the basis of the CHANGE model. This revised model outlines a procedural approach to the various phases of facilitation from initial considerations (a diagnosis of the company/strategy and prevailing attitude within the organisation), preparation and planning

(establishing the process, framework and process), execution (facilitation of the actual process) to implementation (follow-up and further development). In other words, the paper seeks to understand the potential impact of facilitation throughout the entire development process (and not just the facilitation on individual workshop level), and employs a broad understanding of facilitation as a wide range of tools that can support the process from the birth of an idea to implementing the idea in real-life.

The paper by Møller & Goduscheit (2015) represents a shift from the work by Mezias et al. (2001) in the sense that facilitation is not merely seen as a useful tool for driving stand-alone events like a workshop or a meeting. The most recent paper perceives facilitation as a means for driving an overall (innovation) process within an intra- or an inter-organisational setting. Hence, facilitation is seen as a list of tools that can drive a change process – and meet the additional challenges of moving from an intra- to an inter-organisational setting (Jørgensen et al. 2011)

3. RESEARCH OBJECTIVE AND PROBLEM

Administration in relation to receiving external funding is normally perceived as a necessary evil for being eligible for the funding. But what if the these emergent factors that are formulated by external funding actors are not just a precondition that is limiting the degrees of freedom – what if the facilitator and other actors inside the development process could 'translate' and use the formal structural framework like deadlines and milestones progressively and perhaps even see it as an asset in the facilitation process? These aspects on external, public funding of innovation do not seem to have been addressed in prior literature. In addition, previous studies have analysed facilitation as a phenomenon in an overall organisational learning context (Mezias et al. 2001) or an intra-organisational process, in which for instance facilitation of project meetings are critical incidents (Møller & Goduscheit 2015). These studies have not scrutinised facilitation as a means to drive an overall innovation project. And they have not analysed facilitation in an inter-organisational setting.

The paper wishes to shed light on this unexplored territory in the existing literature on facilitation by seeking to answer the following research questions:

Which facilitation typologies can be identified within the selected cases?

How do the dynamics between the typologies affect company perceptions and actions?

4. METHODOLOGY

The following sections will present the case selection, the data that is used for the analysis and the analysis process of the data.

4.1 CASE SELECTION

Prior literature on facilitation in general and the impact of structural frameworks on facilitation in innovation processes in particular is scarce (Møller & Goduscheit 2015) and hence the most appropriate approach is an inductive approach to the phenomena (Glaser and Strauss 1967). As a basis for the analysis 10 cases from the Danish food industry have been chosen. These cases are all carried out within the framework of the Future Food Innovation initiative (www.ffi.dk) and, hence, are subject to the same structural framework in terms of scope of the projects, funding, participation of organisations etc. The selection of the 10 cases is based on *theoretical sampling* (Eisenhardt and

Graebner 2007). In other words, the cases are expected to be particularly suitable for illuminating and extending the insights into the outlined research question.

4.2   DATA

A total of 15 personal interviews have been carried out. In addition, extensive observations, which were made during the development of the innovation projects, were documented through descriptive and reflexive notes (Creswell 2006).

4.3   DATA ANALYSIS

The various data was analysed via the QSR's NVivo 7 software (Bazeley 2007; Vlaar et al. 2007). The data analysis was based on inductive elements (Corley and Gioia 2004) in order to ensure that the findings that were not anticipated from the existing knowledge base on facilitation can 'grow' from the data. Hence, the data analysis resembles an abductive process, which is seen as expedient if the researcher's objective is to discover new things (now variables and other relationships within the existing theoretical framework) (Dubois and Gadde 2002).

The point of departure was to identify broad aspects of the perception of the project, in which they are involved: Role of the funding organisation and project management, the impact of the formal rules and restrictions surrounding the Future Food Innovation project, administration of the project etc. These broad aspects constituted the first order concepts.

Secondly, the various coded pieces of material were clustered together on the basis of axial coding into higher-order themes that each represents perspectives on facilitation.

Finally, these themes where then gathered into several overarching dimensions that could be linked to the constructs of the theoretical framework: the different perspectives on facilitation.

The data coding and analysis is illustrated in the screen dump below.
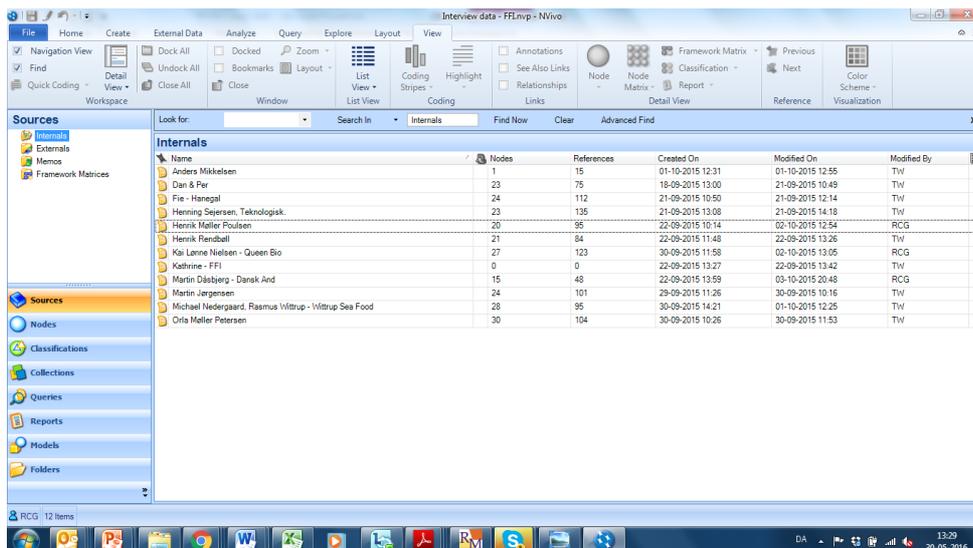

Figure 1: Data analysis in NVivo

The data analysis has been subject to both internal and external triangulation (Denzin 1978). The internal triangulation has been carried out among the researchers involved in the research project, while the external triangulation was executed together with the practitioners at the companies and with the project managers.

5. FINDINGS

On the basis of the data analysis, two dimensions of the involvement of the funding body stand out. The involvement can be aimed at the initiating/initial phase of the project or it can be carried out continuously throughout the project implementation. On the other dimension involvement can be a consequence of the structural elements surrounding the project funding and it can be aimed at more personal aspects of the individual involved from the funding organisation. These two dimensions and the facilitation typology that can be built on this are outlined in the figure below.

	Structural	**Personal**
Initial	Framing	Initiating
Continuous	Controlling	Supporting

Figure 2: Facilitation typology - FICS

5.1 TYPES OF FACILITATION

In the following sections, the four types of facilitation will be discussed.

5.1.1 FRAMING

Facilitation, which is based on the formal framework, in which the external funding is being given, and which is aimed at the initiating/initial phases of the project, can be labelled as *framing*. The facilitator relies on the formal rules that are given by the overall decision makers (policy makers in a public funding setting) regarding project budget, consortium constellation, scope and focus of the project description (for instance whether the project should result in commercial results and/or whether the outcome should be a public good, whether the project should lead to radically new products or more incremental results etc.). These aspects of facilitation can often be crystallised into a checklist of whether the applicant has met the requirements formulated by the funding body – and whether the applicant has handed in the application in due time. The ultimate result is an indication by the funding body of whether the project should receive support from the programme. The *framing* also serves as a tool for the facilitator to move the applicant across boundaries:

> Now when we are part of this [FFI´s external funding programme, we are asked to collaborate with at least two other SMEs plus a knowledge institution [e.g. university]. It's not something that we like, I might as well say. Because it is often extremely heavy [complicated], if you do not know precisely that one thing you need from a top relevant partner. That regards both [collaborations] with SMEs and knowledge institutions. It may be a burden even to think it. On the other hand, if you start to think there might be something out there that could be interesting, then, perhaps, you can also get inspired. It may well be that we can actually get something out of collaboration with other companies and knowledge institutions.

As the citation indicates the elements in, *framing*, can contribute to extend company perspectives on e.g. external collaborations. Because of the structural rules that the applicants must comply with, the

facilitator can open the discussion with the company. In this case about collaborating with external partners, the facilitator obtains a legitimate argument to stick with topic on potential external collaboration partners, although the applicant in a non-framed process, would have been likely to reject the relevance.

5.1.2 CONTROLLING

The *controlling* facilitation is aimed at the formal requirements that the innovation project is subject to. Some of the primary elements of the controlling facilitation lie within requirements on continuous reporting, work hours registration, payment of subsidies throughout the project period, approval of changes of the project set-up (for instance in case of new project participants) and final reporting of the outcome of the project.

> "We got the formal declaration of project start some 3 weeks ago. In 7 month the project ends so we cannot sit down and wait. We have to move on although I would have preferred to be a bit more in place with the setup. But if we wait I don't think we can make it (within the project time limit)."

The project period plays a role in moving the project forward as does the status reports midway through the project. However elements like of the *controlling* facilitation may also prohibit the project in moving forward and the administrative burden in the end risk terminating the development process and the project as a whole.

> "Yes, but also hourly rates and proof of hourly rates and what do I know. This is people who do not always count hours and rates it is the small and medium enterprises. One of them is a cooperative with lots of passionate people who work hard 24 hours a day. But they don't have a damn bureaucracy in back office… So they do not have a chance. I said that we can make it around (these rules), but we cannot. Now we close. So we need to look at some other places (for funding)."

The consequence of a major misfit between the administrative requirements of the funding body and the SMEs ability to fulfil the requirements leads to the termination of the project. In other cases with minor misfits we see a sliding effect from company focus on the content in development towards focus on how to cope with de bureaucratic demands, thus halting the development process.

5.1.3 INITIATING

In addition to the formal procedures within the *framing* facilitation type, the initial phases of the innovation project. During the initial stages, the personnel at the funding organisation can provide sparring for formulating the most expedient project description. In the Future Food Innovation, the programme manager has acted in a way that is described in the following manner:

> 'She [the programme manager at FFI] made us work and she was sparring partner throughout the [application] process. We said: 'this is how we want to write and then she gave us input to how we could improve the [application] process so it has been a really nice collaboration with her'
>
> > Head of development, one of the funded companies (translated from Danish)

In other words the programme manager participated actively during the application process in order to enhance the chances of success for the company that chose to get involved in the programme. The active involvement is significantly different from an arms-length approach, which is based on a distant perspective on the applicant and the application process.

Furthermore, the initial facilitation can consist of a brokering function between the applicant and potential partners. The following cite illustrates this function:

> 'I mean, I did not know that the Technical University of Denmark existed. And I thought, it is quite strange that there should be a given number of partners in the project, in which you do not really think that you need them from the beginning. But when they then are there it is great because we really needed them. And you have to have rules'
>
> Head of sales, one of the funded companies (translated from Danish)

Hence, the programme manager is helping open the eyes of the applicant for opportunities they did not really think of themselves.

5.1.4 SUPPORTING

The supporting facilitation consists of the continuous personal help that the innovation project participants receive during the project period. This type of facilitation is both aimed at helping the funded company to be able to operate within the rules and regulations of the programme and at assisting in continuously directing the project into a beneficial direction. An example of the help with being able to meet the requirements of the funding body can be found in the following quote:

> 'I actually think it is a doable task. It is arranged in a manner, and I think this is very important, where you kind of understand the situation of the company, and kind of say: there are a lot of formalities attached to this – could we place the formalities other places of the chain than with the company. I think that it is really, really important that one looks at how we can use the FFI organisation in relation to this reporting that needs to be sent'
>
> CEO, one of the funded companies (translated from Danish)

In terms of the continuous involvement of the programme management on the actual content of the project and the project participants, the interviewees describe how they have received emails with a number of potential collaboration partners:

> 'Well, then you look at it [the list of potential partners], relate to it and consider whether you want to do something with it and this is good. I would never have guessed it if she did not send it. It is really nice material to build network from. If you really need the person [potential collaboration partner], I do not know but it is an opportunity. And I think that she [the programme manager] has done this in a really nice way'
>
> Head of development, one of the funded companies (translated from Danish)

As it becomes clear from the quote, the programme manager is an active part of implementation and execution of the project and assists in making the necessary adjustments to the project in order to enhance the chances of success.

5.2 DYNAMICS OF THE FOUR FACILITATION TYPES

As illustrated in the previous sections, the four types of facilitation are closely interrelated. The Future Food Innovation project describes how formal rules and regulations that are lying within the structural side of figure 2 can be 'translated' into the every-day life of the companies that are subject to the regulation – and by this make them more operational. However, the case also demonstrates how the structural elements of for instance an innovation funding programme can be useful tools for both the funding organisation and for the funded company. The rules and regulations on for instance partner composition can be a way to help broaden the horizon of the funded company and open their eyes for actors they did not traditionally perceive as relevant. Similarly, traditional project elements like milestones, project description, budget etc. can be a stepping stone for a more progressive dialogue with the company on the overall expectations about the outcome of the project. With the terminology of Doz, Olk, & Ring (2000), a good facilitator manages to turn even the most emergent factors (the "given facts" of the innovation project) into

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factors that are more engineered: Even the most rigid rules and regulations should be handled in a manner that minimizes the negative impact on company level.

The dynamics between the Structural and Personal elements of facilitation has emerged as crucial for the value creation that happens in the participating companies. Value creation understood as modified / increased action at the company. There are similar found indicators that this is applicable in both the short term (within the project) and long term (after project completion).

6.   DISCUSSION AND IMPLICATIONS

In the introductory part of the paper, facilitation was defined as *a process in which a person (facilitator/process manager) is dedicated to bringing into play the knowledge of the participants, and to achieving that they collaborate better and more effectively towards the established objective.* This paper presents the point that the 'softer', personal side of facilitation (coined in the previous section as *personal facilitation*) should be perceived as a part of a larger set-up where for instance the more formal setting, in which the (innovation) project is being carried out, does have a substantial effect on the facilitation. Hence, the formal rules and regulations (coined as *structural facilitation*) could provide both the funding organisation and the funded project/company with tools that could drive the innovation project in a more expedient direction than without the rules and regulations. The figure below presents this interplay and these dynamics of company actions and the facilitation aspects.
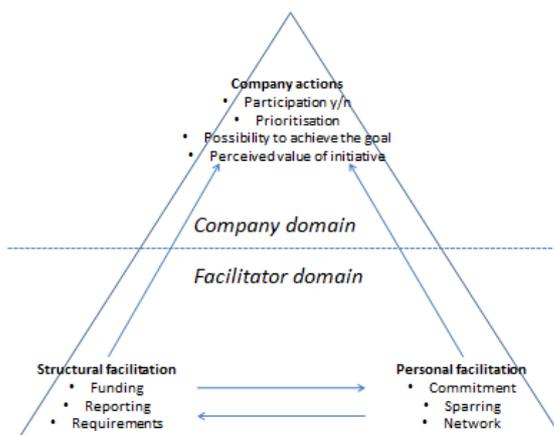

Figure 3: The facilitation triangle

The study finds that the interplay between Structural and Personal elements of facilitation is decisive for company actions. The Structural elements allows for example the Personal facilitator a legitimate position relation to providing the desired changes in the company, for example, with explicit requirements on cooperation with several external partners, or to ensure progress with regular status reporting. On the other hand failure in the Structural facilitation in terms of long waiting times for funding payments inhibits development and reduce company risk taking.

The Personal facilitation contributes initially to the understanding of the structural and practical consequence of this, as it builds the company's commitment and leadership priorities of the project.

In addition, it contributes Personal facilitation in the initial phase of sparring and adaptation of project idea and description, and made a natural screening of the consortium. In the study we also find indications that suggests that ongoing Personal (unsolicited) follow-up in the participating company creates significant increased motivation at times when this may be declining due to unforeseen events in the development process. However, it seems difficult now to predict the need in the beginning of the project.

Theoretically, the paper contributes with a more nuanced understanding of the combined dynamics between the structural framework in development processes, the personal actions that are operating within this structural framework, and the impact that these elements have on the facilitation of the development processes. The presented model can serve as a theoretical framework for an enhanced understanding of how facilitators can navigate within the boundaries of the structural framework and employ some of structures in order to drive the development processes in an expedient manner.

From a policy and managerial perspective, the paper provides insights that would be relevant for three overall categories of stakeholders: companies, operating actors in publicly funded projects and policy makers. The impact on company level is that externally funded projects should be operated in a more flexible manner and that the formal rules are translated in a better and more practitioner-oriented way. The operating actors that are carrying out the facilitation in the development processes and innovation projects will hopefully be inspired to find a *modus operandi* that both meets the requirements of the external funding body on one hand and enhance the chances of process/project success through a more expedient way to translate and use the structural framework. And, lastly, the policy makers can be inspired to formulate the formal rules and structural framework in a way that would make it possible for the operating actors to facilitate the processes in the best possible way.

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