

# THE INGREDIENTS FOR INNOVATION IN SMALL TOWN ONTARIO: LEADERSHIP & CULTURE



**Digital  
Government**  
CASE STUDY SERIES



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## Digital Government

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# Contents

1	Introduction	1
2	Municipal Scope and Capacity	3
3	The Path to Digitization	6
4	App Functionality and Roll-out	11
5	Challenges	14
6	An Example of Public Sector Innovation	17
7	Conclusion	21
	Works Cited	22
	Annex	25



## 1

# INTRODUCTION

Many governments struggle with the adoption and implementation of digital governance innovations. Public servants are confronted with confusing and ever-changing terminology, a constantly evolving menu of competing technologies, and shifting demands for digital services from politicians and the public. Not to mention the technical hurdles. These challenges are compounded by size and scale. Even federal and provincial governments, with generous staff complements dedicated to digital transformation, struggle and stumble. What hope is there, then, for smaller municipal governments facing the same challenges?

The majority of services that Canadians receive from government are from local governments, including vital services, such as water, sanitation and public transit (Downer and Foster 2017). As more facets of their life move into the digital realm, Canadians are understandably demanding more digitally-focused servicing from their governments at all levels (Cukier 2019). Municipalities are facing increased expectations to meet this demand and convert traditional in-person or manual servicing operations to digital (Downer and Foster 2017). However, municipalities are the most constrained orders of government in Canada. They have limited legal and fiscal autonomy, which creates capacity and service delivery challenges (Siegel 2006; Kitchen and Slack 2016; Henstra 2018). These challenges are magnified in a new and evolving policy space like digital service delivery. Large cities, like Vancouver, Toronto, and Montreal, seem up to the task. They benefit from their significant organizational resources and proximity to thriving local technology sectors. But what about smaller, rural, and remote communities in Canada that cannot capitalize on these inherent advantages?

Grey Highlands, a small municipality in western Ontario, Canada, provides a compelling example of a small municipality effectively navigating increasing expectations for digital services. Grey Highlands managed to overcome capacity limitations and other challenges associated with digital innovation and produce a useful product for its residents: an in-house developed app designed to better connect residents and the municipality. Apart from the desire to make service quality improvements, an important impetus for the app was an organizational culture that embraced innovation, creativity, and change. Senior leadership created an environment where employees felt empowered to take risks, and



possibly fail, as they experimented with a digital solution to long-standing service and engagement challenges.

In this case study, we dive deep into the creation of Grey Highlands' app by placing particular emphasis on leadership and organizational culture as drivers of innovation. We argue that the key for local governments keen to embrace digital innovation is to create a culture that accepts change, innovation, and even failure. What follows proceeds in six sections. First, we consider municipal scope and capacity, placing the municipality of Grey Highlands in proper context. Second, we explore the process of creating the app. Third, we examine the app's functionality. Fourth, we highlight the challenges encountered by staff during the various stages of the app's development. Fifth, we connect this case to the literature on innovation in the public sector and discuss how positive changes in leadership and organizational culture gave staff the confidence to tackle this initiative. The final section concludes the case study.

## 2

## MUNICIPAL SCOPE AND CAPACITY

As described earlier, municipal capacity in Canada is limited. The primary limiting factor is that, unlike the federal and provincial governments, municipal governments do not have constitutional authority. Municipal powers and revenue raising abilities are granted by their constitutional overseers: provincial governments. The delegation of authority from provincial to municipal governments is statutory, so provincial governments cannot indiscriminately meddle in municipal affairs, but significant changes are often imposed on municipalities with minimal consultation and in the face of strong opposition.

Most municipal authority is related to property and the built environment (Sancton 2015, p. 25). Functions commonly associated with municipalities include land-use planning, building inspections, roads and sidewalks, firefighting, animal control, business licenses, and water and sewers. Municipalities have also long provided softer services to the benefit of local property owners and residents, such as recreational and cultural services. The revenue sources that are generally available to municipalities correspond to these property-management and local quality of life type functions. They include property taxes, user fees, intergovernmental grants, and development charges.

The services provided by municipalities are often thought of in very technical terms, which is reflected in the make-up of municipal workforces. Except



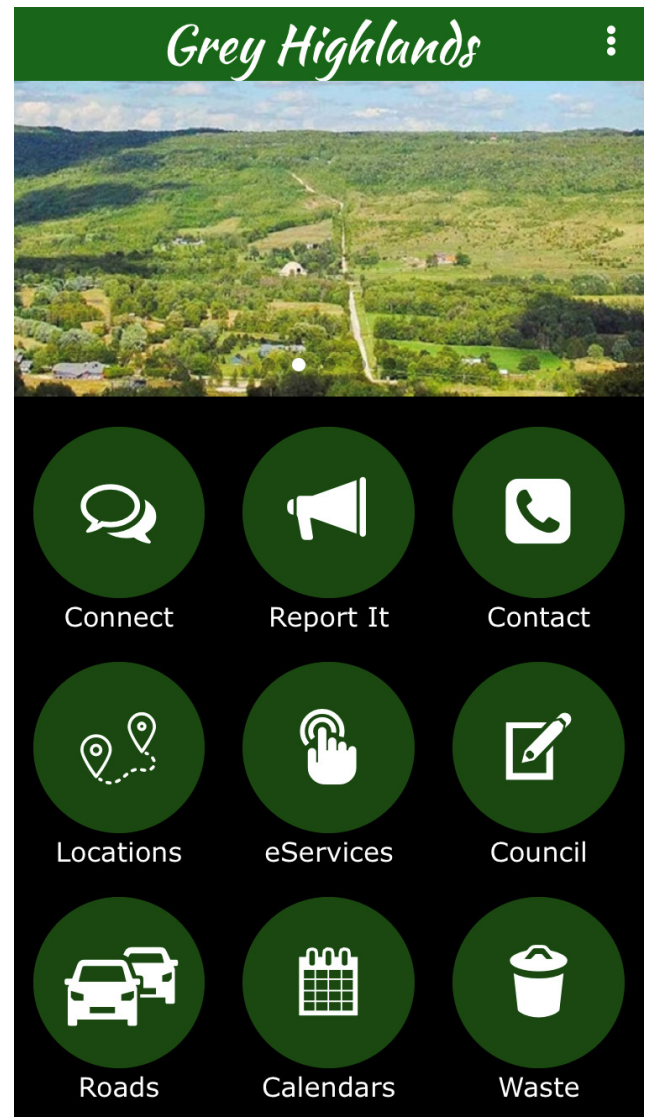


for very large cities, municipal bureaucracies tend to be small with management ranks primarily staffed by professional experts such as accountants, engineers, lawyers, and planners rather than policy generalists (Taylor 2016; Henstra 2018). Municipalities attempting to pursue more ambitious and innovative policies, like digital service delivery, are often hampered by not only their limited authority and revenue streams, but also their limited policy analytical capabilities (Henstra 2018). This is especially true for smaller municipalities. Research from the US, where many of these same structural factors are present, indicates that smaller municipalities are slower to adopt digital technology tools than large cities (Feeney et al. 2019).

### *Grey Highlands*

As a small, primarily rural municipality, Grey Highlands experiences all of these constraints firsthand. The municipality itself was formed in 2001 through the amalgamation of four far-flung townships: Markdale, Artemesia, Euphrasia and Osprey. As a result, Grey Highlands is geographically large (882 square kilometres) and sparsely populated (9,804 residents). The Municipality is governed by a seven-member council and a relatively small municipal workforce - 55 full time employees, bolstered by 65 part-time and 14 seasonal workers - spread out over 11 departments. In total, Grey Highlands operates with an annual budget around \$17 million (Grey Highlands 2019), a relatively modest sum for a local government. Toronto, for instance, has a budget of over \$13 billion. The closest city to Grey Highlands, Owen Sound, has a budget of \$56 million.

Indeed, those interviewed described the fiscal climate in the municipality as tight. Resources are spread thin and managers often find themselves taking on additional roles and responsibilities





beyond what is in their job description - a situation not uncommon in small municipalities (Siegel 2015). Managers and senior leaders in smaller municipalities tend to be more directly involved in the minutiae of service delivery, which provides good insight into the workings of the municipality, but leaves them with less time for big-picture, strategic thinking, compared to their large city counterparts. Nevertheless, as fiscal pressures and public expectations increase, smaller municipalities must also find ways to innovate.



## 3

## THE PATH TO DIGITIZATION

The inception of Grey Highland's app started well before anyone sat down to begin sketching out the features or approaching potential vendors. In fact, the process started at a local government conference: the 2018 Municipal Innovators Community Conference. Grey Highlands' Chief Administrative Officer (CAO) at the time, Rob Adams, attended and saw panellist after panellist discuss the technology being integrated into their communities. Most of the municipalities that attended the conference had staff dedicated to innovation and technology. In fact, most of the speakers had the word "innovation" in their job titles. As the CAO of a small municipality, Adams didn't have any staff with a similar title. In fact, he didn't have any member of his staff devoted to innovation or technology.

What, Adams thought, was a small municipality to do to deliver similar innovative servicing solutions to its residents? Adams shared his experiences with helping to create the Grey Highlands app in a June 2019 article in *Municipal World*. To him, his community faced large capacity challenges, but he could work to change the organizational culture of the municipality:

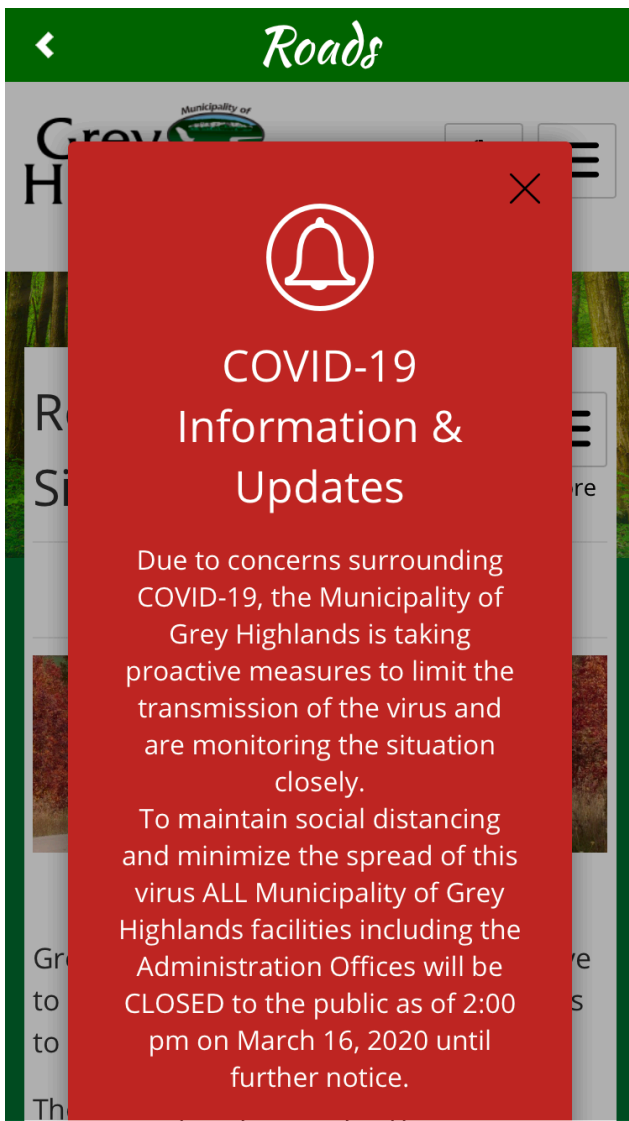
*Why not create a culture of innovation? Not a person, but a group of people. If we fostered a conducive environment and encouraged the right behaviour, all our staff members could be innovators. While we lack resources, the upside of a small municipality is that we are nimble and can move quickly to implement new ideas (Adams 2019, 7).*

From this point, Adams worked to empower his employees and challenged them to be innovators. Community size, Adams argued, should not be an excuse (Adams 2019). What, exactly, this innovative culture would create was still open at this point (Personal Interview - Government Official 3). The municipal innovation conference that Adams attended was a showcase for impressive and potentially transformational technologies. The main takeaway for Adams, however, was that his municipality needed to become more open to change and adept at embracing digital innovations.

Customer service had been a long-standing priority for Grey Highlands. As mentioned above, Grey Highlands is a geographically large, rural municipality encompassing almost 900 square kilometers of land. Given the community's size, it was not uncommon for residents to have to drive over 30 minutes to reach

the municipal office to meet with staff or access certain government services (Personal Interview - Government Official 1). Additionally, approximately 10-15% of Grey Highlands' population is seasonal, meaning that some property owners spend most of their time outside of the community. The distance and seasonality of the community created some unusual complexity for customer service in Grey Highlands. The municipality needed a plan to serve community members outside of the municipal office (Personal interview - Government Official 2).

In 2018, Grey Highlands council approved the creation of a Customer Service Coordinator position. The role had the mandate to automate customer service across the organization and determine the best way to engage effectively with residents. Immediately after hiring for the Customer Service Coordinator position, it became clear that technology was the key to engaging the public and improving customer service.



A small group of staff began examining the feasibility of various technologies. Given the size of the community and the proportion of the population that was seasonal, it was believed that a mobile servicing solution was needed to not only take the burden away from customer service staff at the office, but also to engage community members and inform them of events and programming.

The group quietly researched how to create a digital customer service platform. The first idea centred around using the municipal website as a base for information and engagement and asking residents to pin the municipal website to the home screen of their phones (Personal Interview - Government Official 2). While this was thought to be the easiest solution for the municipality, both from a fiscal and technological perspective, many in the group raised doubts about how many residents would follow through (Personal Interview - Government Official 2). Others were concerned with the amount of instruction that would be needed to teach residents how

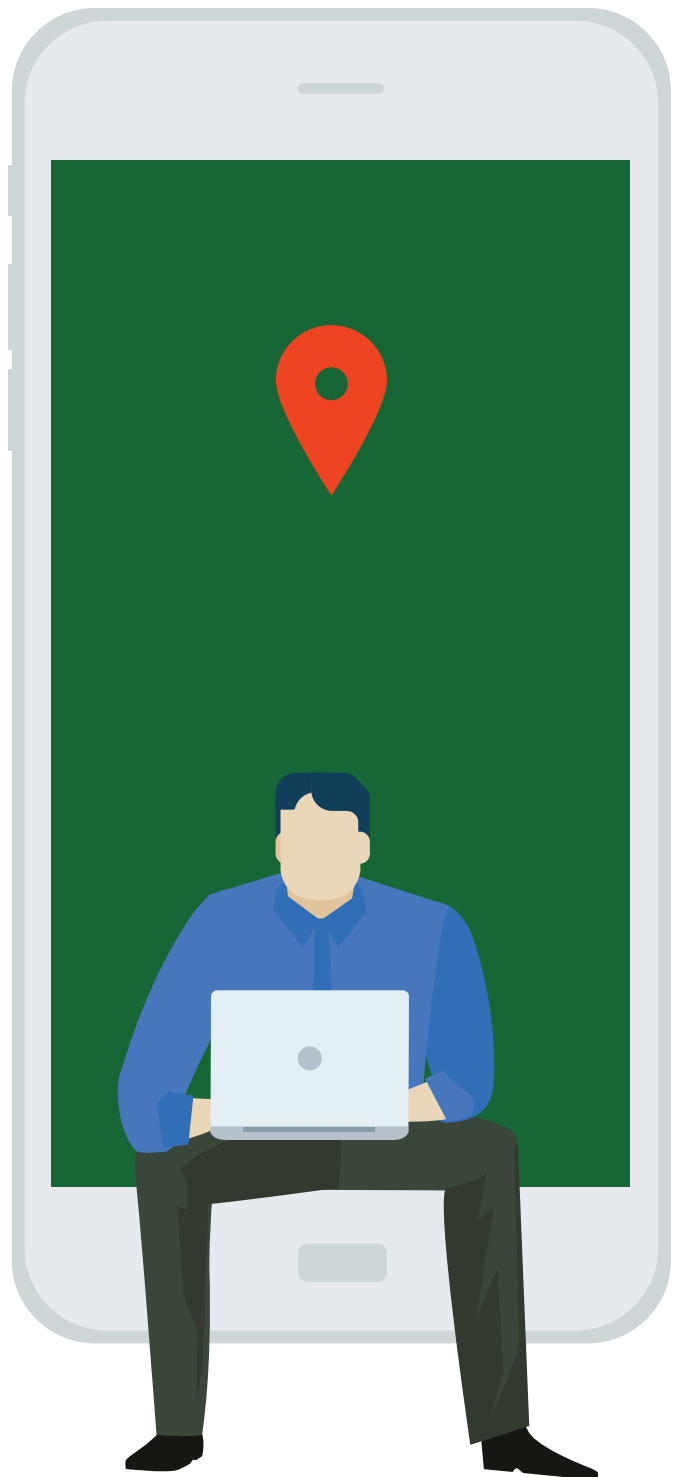
to lock the municipal webpage to the home screens of their mobile devices (Personal Interview - Government Official 2). As such, this idea was soon abandoned.

The next idea was to create an app - an idea that most felt was best, given the popularity of apps and the ubiquity of mobile devices. Most mobile users were already familiar with how to download and use apps, so it was thought that the amount of support needed long-term would be low (Personal Interview - Government Official 2). The question, of course, would be how to create the app. The team first looked at a few other municipal apps and considered commissioning a technology vendor to build something similar. Given the municipality's financial restrictions and the range of features the team were looking for, this option turned out to be too expensive and therefore not viable (Personal Interview - Government Official 1). They next investigated the option of using a pre-made app with certain customizable elements. One vendor provided pre-made municipal apps but did not allow for enough customization. For instance, the firm's template did not allow the municipality to upload its own logo, which the team feared would make their app indistinguishable from others that were available (Personal Interview - Government Official 2). The company also charged \$12,000 for their pre-made municipal app, which was more than the team was willing to spend and more than they were willing to approach council to ask for, especially given its limited functionality (Personal Interview - Government Official 2). There was, after all, no budget for the app. Many of the pre-made municipal apps also focused on "big city

needs”, such as transit schedules, which were not applicable to a municipality of Grey Highlands’ size and did not integrate well with the municipal website (Personal Interview - Government Official 2)

The development team in Grey Highlands ultimately concluded that they needed to make the app themselves. They began with three main criteria in mind. First, the app had to be cost effective, as there is limited money in the budget for anything not critical to the municipality’s operations. Second, the app had to be free to download. Any cost associated with the app would naturally turn off residents. It was, after all, a “municipal service,” so applying what would amount to a user fee would be controversial. Finally, the app had to be Grey Highlands specific. Namely the app needed to be tailored to the community to ensure it would be used by residents. Municipal staff were taking a leap of faith in even exploring the idea. Failing to generate a return on their investment of time and resources may have had the unintended effect of derailing other innovation efforts.

Even with some design principles in mind, the team still had trouble designing the app. Capacity and resources challenges loomed large over the process - the municipality had no developers or programmers on staff, few people with a technology background in the office, and limited funds. After examining several platforms, the team settled on one called AppyPie, which provides a subscription service for app design, much like website design



services like SquareSpace or WordPress. Not only was the functionality right for the Grey Highlands team, but at \$300 a year, the price was right, too (Personal Interview - Government Official 2).

Once the platform was secured, the team soon started the design process. By analyzing traffic patterns on the municipality's website, the team was able to determine which functions, services, and information areas were most frequently visited. This information was used to establish the base functionality of the app (Personal Interview - Government Official 1). The team then experimented with different layouts, colour schemes, and functions to ensure they received maximum engagement from the public. The app itself pulls information from the municipal website, meaning that it only needs to be updated once at source, which limits the amount of intervention staff need to undertake with the app (Personal Interview - Government Official 2). The AppyPie platform is also user friendly, which allowed the Clerk's office to train several people on how to make updates to the app and website if necessary (Personal Interview - Government Official 2). In total, the app took about one week to create.

After staff were satisfied with the initial design of the app, they began testing it on their personal devices and even showed it to friends and family to solicit their feedback. In total, about 15 people were asked to test the app during this stage. For the most part, the feedback was positive, with the only comments being content-related. None of the testers had any comments on the user design. After some improvements, staff surreptitiously downloaded the app on CAO Rob Adams' phone as a surprise (Personal Interview - Government Official 2). Adams was happy with the app and proud of the team for taking such initiative. (Personal Interview - Government Official 3). With his blessing, the app was ready for further testing and its eventual deployment.

The Municipality of Grey Highlands' app was launched in February 2019. Staff were excited to release the final product to the public. They were hopeful that the app would be a viable solution to the municipality's longstanding customer service challenges.



## 4

## APP FUNCTIONALITY AND ROLL-OUT

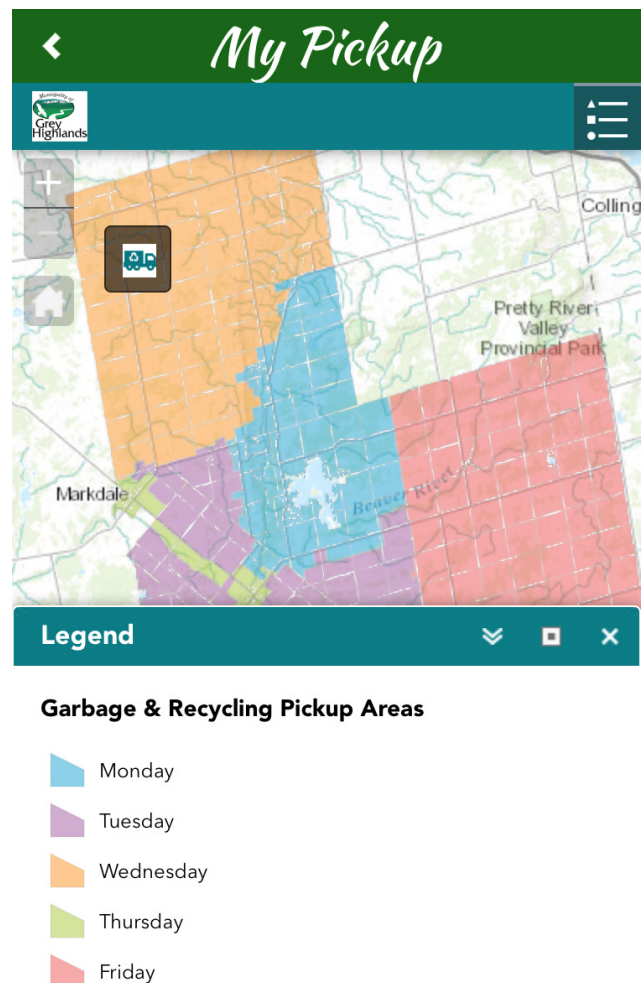
The app pulls most of its information from the Grey Highlands website, eliminating duplication and errors. The app itself has nine features on the front page.

- 'Connect', which directs users to the municipal Facebook and Twitter accounts, as well as the general contact form on the Grey Highlands website.
- 'Report It', which opens a form from the main town website for reporting problems or servicing concerns around the municipality. This function includes the option to upload a photo for staff.
- 'Contact', which provides contact options for the user, including another link to the 'report it' page, a staff directory, a link to the municipal website and another link to the general contact form on the Grey Highlands website.
- 'Locations', which provides links to major attractions around the community, including recreation halls, arenas, libraries and cemeteries. By clicking one of the locations, the app will bring up a map and provide directions to the user.
- 'E-services', which allows users to pay their taxes or water bills, apply for burn permits or dog tags or register an address change. This section also includes another link to the 'report it' form.
- 'Council', which provides information on town council and council committees, including members, agendas and minutes. This section also provides a link to the council 'portal' on the Grey Highlands website.
- 'Roads', which provides users with information on the road and sidewalk conditions in the municipality and information about the transportation department.
- 'Calendar', which allows users to view a community events calendar, submit information about events they are hosting, book a town facility for an event or reference local public skating schedules.
- 'Waste' provides users with information on their waste collection schedules, as well as information on which materials can be included in recycling. It also provides a map of landfill sites.

The app also allows for push notifications. If enabled by users, this function allows them to receive information and important notices from the municipality directly through the app. Given that so many residents in Grey Highlands are seasonal, the design team believed that push notifications were essential for the app to function and notify residents of changes in the community, especially extreme weather (Personal Interview - Government Official 2).

Once completed, the app underwent limited testing. Those who tested the app did not identify any user design concerns but did make a series of content recommendations. Most of these recommendations included new attractions to be placed under the “locations” tab of the app. Initially, the design team included only arenas and libraries, but after feedback from testers, they found there was a desire to include all public municipal sites, including cemeteries and landfill sites (Personal Interview - Government Official 2). As a result, the list was soon expanded.

Satisfied the app was designed well and was user friendly, it was officially launched on February 5, 2019 and is currently available on both Apple (iOS) and Android devices for download. In a press release announcing the launch, Grey Highlands emphasized that the app was available at “no cost” and highlighted that it was created “in-house” (Municipality of Grey Highlands 2019). The press release also noted that the app strengthened the community’s objective of communication and community engagement, as well as “opening local governance to promote transparency, mutual accountability and citizen participation in the Municipality” (Municipality of Grey Highlands 2019). Mayor Paul McQueen emphasized similar themes in his quote in the Grey Highlands press release: “Grey Highlands council is committed to transparent and accessible



communication with its citizens...the app provides an additional communication channel for the public to make use of and gives our citizens a real opportunity to take an active part in municipal processes” (Municipality of Grey Highlands 2019).

The app has proven to be quite popular among residents. As of January 2020 - less than a year after initially launching - the app has been downloaded by 857 users, which is close to 10% of the municipal population. Use of app features varies by season, but the most popular features are the waste calendar and the “report it” section, which allows residents to report an issue to the municipality. In the winter months, a feature that provides conditions on roads and sidewalks is understandably quite popular. Very few comments or recommendations have been received by the town from users, leading municipal staff to focus their energy over the next year to increase participation among residents and encourage use, rather than design changes or upgrades to the app (Personal Interview - Government Official 2).



# 5

## CHALLENGES

Staff in Grey Highlands are often asked how other municipalities can create a similar app. It is no surprise, given the attention the app has received - including winning two innovation awards from the Association of Municipalities of Ontario (P.J. Marshall Award) and the Association of Municipal Managers, Clerks and Treasurers of Ontario (E.A. Danby Award). In general, staff have told others to simply start; in fact, they argue that other municipalities would be surprised at how easy building a municipal app can be if the right conditions are in place (Personal Interview - Government Official 1). With that said, the Municipality of Grey Highlands had to overcome a series of challenges, both associated with technology and organizational capacity, in order to create an award-winning final product.

### Capacity Challenges

As mentioned earlier, when it comes to the ability of organizations to adopt innovations, larger organizations tend to have a greater availability of financial, human, and technological resources to devote to exploration and implementation. Working in a small municipality means wearing a variety of hats at any given time (Siegel 2015). It also means that the ability to hire staff specialized in one area is limited. At the time that the team at Grey Highlands created their app, there was only one staff member with any background in information technology. They did not have the luxury of consulting with technical advisors, nor did they have staff on hand who had formal knowledge of designing user-friendly interfaces. Essentially, staff were non-experts. Their saving grace was that the Grey Highlands website was mobile compliant, meaning that linking it to an app and using updates on the website to simultaneously update the app was relatively straightforward (Personal Interview - Government Official 4). Staff were also willing to learn on the fly. They took initiative and worked collaboratively through all stages of the app's development and roll out.

### Finding the Right Fit

As staff in Grey Highlands began to research the process of creating a municipal

app, they were confronted with the challenges of scale. Most existing municipal apps and many of the firms offering templates or “pre-fabricated” apps dealt mainly with urban services. As former CAO Rob Adams states in his 2019 *Municipal World* article, “Grey Highlands is an expansive rural community that needs to share information with citizens, but we don’t need a city pass or a transit schedule.” Paying for app features that were not needed in Grey Highlands was not in the interest of the municipality. Staff also soon discovered that pre-made apps lacked customizability, with some of the leading apps even limiting the town’s ability to upload its logo to the app (Personal Interview - Government Official 2). Going through this process the team soon discovered that they would need to create their own app, from scratch. This led them to investigate other services and take the risk of engaging in a technological area with which they were mostly unfamiliar.

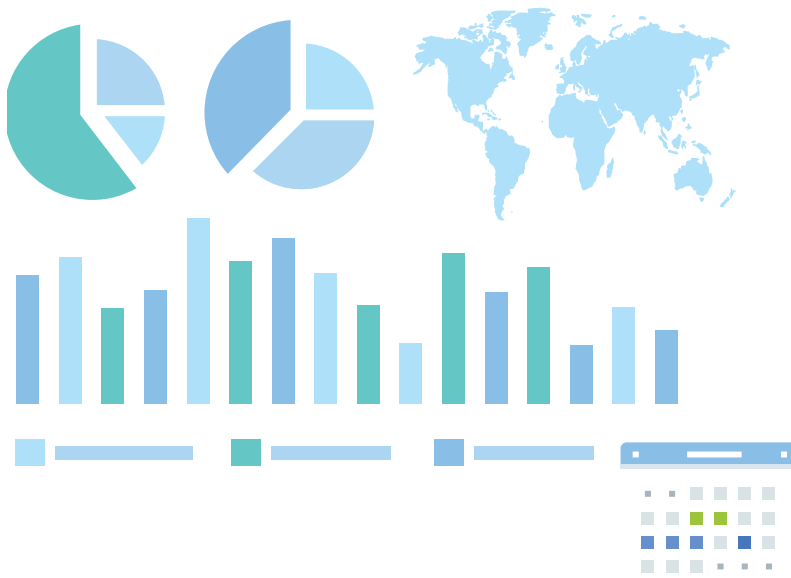
## Becoming Certified by Apple

Once the app was completed, staff realized they would need an accessible platform where residents could download the app. If residents were going to search for the Grey Highlands app, they would likely search first on the Apple App store, so staff determined they needed to be on the Apple platform (Personal Interview - Government Official 2). Getting your app on the App Store, however, is no easy feat. Apple strives to ensure that what is available on the App Store is legitimate and will not harm consumers, which means that app creators have to meet a series of standards before the app will appear - all of which are slightly more complicated for a non-traditional developer, like a municipality.

Developers must first create a provisioning profile and distribution certificate, then create an iTunes Connect record and then submit the app for review. Throughout the process, the creator must earn a developer certificate to ensure the person submitting the app has control of the content and business, if the app is paid. However, municipalities have a hard time proving “ownership” of their “business.” Staff in Grey Highlands needed to complete a flurry of additional steps to satisfy Apple



that the app was legitimate. Given there was no “owner” per se of the municipality, staff had to present the bylaw that appointed staff and the CAO as well as the municipal incorporation documents (Personal Interview - Government Official 2). After these conditions were met, it took about two weeks for Apple to review and approve the app for the App Store (Personal Interview - Government Official 2). After already having gone through the process with Apple, the process of getting the app on the Google Play store was fairly straightforward.





## 6

## THE GREY HIGHLANDS APP AS AN EXAMPLE OF PUBLIC SECTOR INNOVATION

Those who study innovation in the public sector make a distinction between invention and innovation. Inventions are rare. These are instances where a policy or idea is adopted for the first time ever. An innovation, on the other hand, is the adoption of a pre-existing policy or idea that is new to the implementing jurisdiction (de Vries et al. 2016; Berry and Berry 2018). Grey Highlands is not the first municipality to come up with the idea of an app. In fact, apps are quite ubiquitous in the municipal sector. But the idea of an app was new to Grey Highlands and its implementation was intended to bring about a fundamental change to the way the municipality interacts with citizens (de Vries et al. 2016, 2018) Thus, it is an innovation.

Public sector innovation is determined by internal organizational attributes and external factors. The distinction between invention and innovation makes it clear that policy diffusion – where governments are influenced by each other – is at play. We certainly see evidence of diffusion in this case, as Rob Adams was first convinced of the need to make better use of technology at the 2018 Municipal Innovators Community Conference, and staff drew lessons from other municipalities as they were developing the app. But policy diffusion cannot tell the whole story. Unless their hand is somehow forced, governments must still make a conscious decision to adopt an innovation. Some policies are easier to emulate, but some governments are also better emulators than others. This is dependent on internal characteristics (de Vries et al. 2016).

Indeed, a recent review of research on innovation finds that organizational characteristics such as capacity, culture, leadership, and structure are more likely than external factors to drive innovative behaviour (de Vries et al. 2016). These elements interact and combine to create the conditions whereby organizations and the individuals within them are primed to make service delivery improvements, enhance organizational performance, and increase employee job satisfaction (Grieske et al. 2016; de Vries et al. 2018). Similar conclusions are drawn from the literature on digital governance. More than just new technology, digital governance is about new ways of thinking and working. Embarking on the path of digital transformation is exceptionally difficult if the conditions are not established to allow for success (Clarke and Craft 2017; Clarke 2019). These conditions are what the CAO, Rob Adams, was so successful at creating in Grey Highlands.

## Creating an Innovation Culture

Culture refers to the norms and values that guide organizational behaviour. Innovative organizations are likely to be more receptive to new ideas and measured risk-taking. Before Grey Highlands could explore and experiment with digital innovation, the culture needed to be addressed. As mentioned above, Rob Adams' leadership was instrumental in changing the workplace culture in Grey Highlands. Leadership is about the ability of organizational superiors to influence and motivate organizational subordinates and the quality of leadership certainly matters for innovation (Lewis et al. 2018; Miao et al. 2017). Adams' efforts in this area merit further examination.

Adams arrived in Grey Highlands in January 2017. Prior to becoming the CAO in Grey Highlands, he enjoyed a varied professional background mainly in the digital advertising sector where he was an executive for several firms. While in the private sector, he also served as Mayor of the western Ontario community of Orangeville from 1997 to 2000 and again from 2004 to 2014 (Halliday 2019). While Mayor, he also served four terms as Warden of Dufferin County (Halliday 2019). After retiring from municipal politics, Adams took the CAO position in Grey Highlands and subsequently became the CAO of the Town of Whitchurch-Stouffville in June 2019 (Halliday 2019).

When Adams arrived in Grey Highlands, he encountered a workplace culture that was in need of change. There was a lack of motivation in some areas of the organization and a detectable amount of conflict within the administrative ranks of the municipality, as well as on council (Personal Interview - Government Official 3). Long-standing political battles were affecting morale among certain staff, as directions from council were often unclear and politically charged (Personal Interview - Government Official 3).

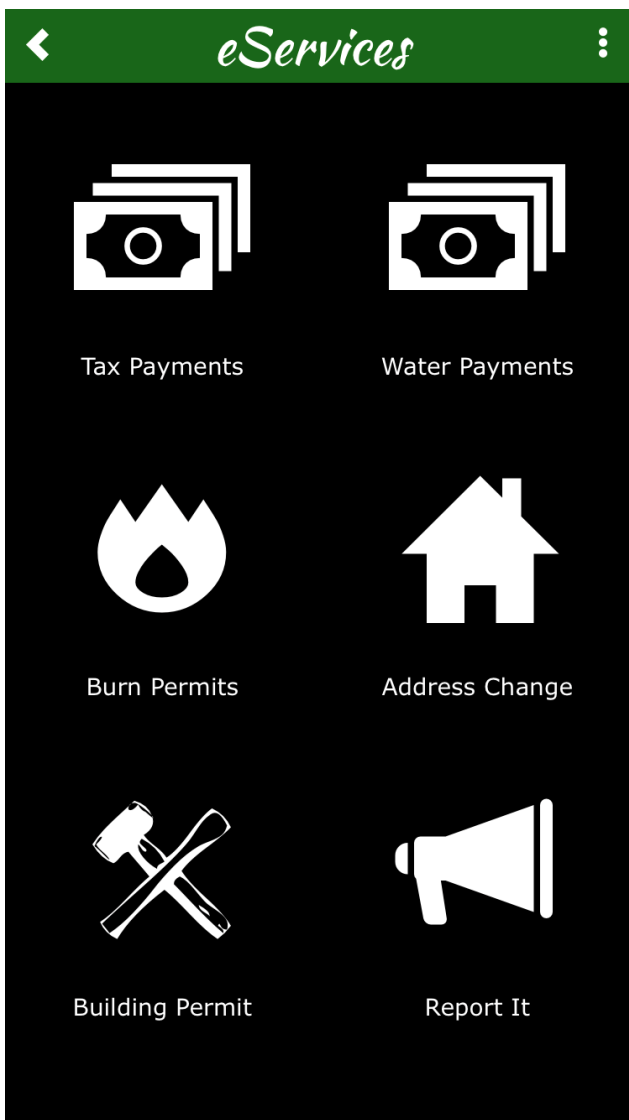
Soon after Adams was hired, several senior staff members quit over a six-month period, including the Clerk, Treasurer, Human Resource Coordinator and the Fire Chief, who also had responsibility for the building and facilities departments (Personal Interview - Government Official 3). While having a large-scale turnover of staff can be frustrating and organizationally disruptive, Adams and the municipality were presented with an opportunity to completely revamp the administrative make up of Grey Highlands. Adams recruited a number of people from other municipalities and the private sector, trying to find the right personalities to fit into the organization (Personal Interview - Government Official 1).

Amidst all this hiring activity, Adams also set out to improve relationships, build trust among employees, and convince them that he was committed to meaningful organizational change. This was key, as trust helps to secure buy in for proposed innovations and good relationships facilitate the sharing of ideas (Grieske et al. 2016; Lewis et al. 2018). Adams went about this by increasing the flow of communication within the organization and by meeting with staff to discuss personal and organizational objectives (Personal Interview - Government Official 3). He also demonstrated a willingness to support employees, when circumstances warranted, above and beyond the provisions available in the town's human resources policies. The literature also points to the importance of structural changes to organizations (see Grieske et al. 2016; Lewis et al. 2018),

but in the case of Grey Highlands the changes introduced were less structural in nature and more about creating an environment that encourages innovation.

Adams further built trust within the organization and earned goodwill from council by delivering on a series of high-profile files, including several long-standing and controversial development projects (Personal Interview - Government Official 3). Once members of council learned that Adams could be trusted to manage and deliver on these large projects, they gave him more leeway to take on new and innovative projects.

As these improvements materialized, Adams began to promote the idea of measured risk taking in support of innovation. Much of this was informal – Adams had individual and collective conversations with staff where he made it clear he wanted a change in office culture. He made it clear that he would support innovation and encouraged staff to bring him new ways to improve services and policy. Adams had spent most of his career in the private sector and as an entrepreneur. As such, he recognized the value of failure and how being given license to



fail allowed for new ideas to be tested and eventually implemented (Personal Interview - Government Official 3). During his time as CAO in Grey Highlands, Adams spoke widely about re-framing failure as a step towards progress and innovation. He ensured that staff knew how he, and by extension they, should be conceptualizing failure. The role of failure in the public sector is not valued as highly as it might be elsewhere, largely because public sector officials have a stewardship role over community well being and tax dollars, meaning that waste is viewed negatively. Failure, Adams preached, was permissible in Grey Highlands, as long as the intent was in the spirit of the public good (Personal Interview - Government Official 3).

An important lesson from the Grey Highlands experience, then, is that the first step to creating a culture of innovation is to express your desire to do so. Adams was steadfast in his aspiration to embrace new ways of working and delivering services to residents. He actively listened to his subordinates, setting up regular meetings with staff at all levels of the organization, reassuring them that their ideas were valid and important to the success of the municipality. When it came time to support his employees, he “walked the walk,” so to speak and demonstrated that his actions matched his words. From this culture sprung the idea and motivation to create a municipal app. Staff were so empowered that they felt comfortable enough to explore creating the app without the explicit direction or involvement of the CAO.

With supportive leadership, a vastly improved organizational culture, buy in from council, and a new perspective on failure and innovation, staff had the encouragement and confidence they needed to go about developing and testing the app without being prompted. Had the various organizational elements described above been absent or working at cross-purposes, this simply would not have happened. As such, it is possible to point to the following lessons for other municipalities hoping to create a similar culture:

- Communicate the type of organizational culture you want to create. It's important to not only have a vision, but also present it to staff throughout the organization.
- Interact with staff on an individual level. Create space for them to discuss their ideas. Actively solicit new ways of working and thinking from them.
- Encourage staff to experiment and find solutions to problems they identify.
- Actively discuss failure as a normal part of service and policy design exercises. Reconceptualise risk and ensure that staff are aware of your personal and professional risk tolerance, as well as that of council.

## 7

## CONCLUSION

Many public sector organizations are experimenting with digital innovations. Leaders in this area tend to be larger governments with the requisite capacity and slack resources. Small municipalities, however, are generally not in the position to embrace innovations, like an interactive mobile app. The Grey Highlands case illustrates that at least some of the obstacles facing smaller governments can be tackled through improvements to leadership and culture.

Even though he was not directly involved, the hiring of Rob Adams as CAO was instrumental to the development of Grey Highlands' app. When Adams arrived, he found a workplace culture in need of revitalization and an evident lack of trust between council and the administration. Adams made a plan to listen to and earn the trust of staff. He created an environment where failure was acceptable, normalizing the conditions for innovation. By creating a culture that allowed for experimentation and initiative, a team of staff began to explore options for a municipal app, eventually installing the finished product on Adams' phone as a surprise.

What the Grey Highlands case clearly demonstrates is that capacity and scale challenges can be overcome in local government. While municipal apps are not a novel tool in local government, they do not often spring up organically in communities the size of Grey Highlands. The literature on municipal capacity and scale tells us that places like Grey Highlands generally operate in a tight fiscal environment, with few staff and significant intergovernmental constraints. As such, these types of places often only aspire to maintain the status quo. Previously this was the case in Grey Highlands, but not anymore. Capacity and scale can be used as an excuse to avoid digitization and digital shifts, but this case shows that leadership and culture can take even small governments a great distance when it comes to digital governance.

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# APPENDIX 1: LIST OF INTERVIEWS

Government official 1	December 19, 2019
Government official 2	January 7, 2020
Government official 3	January 8, 2020
Government official 4	January 14, 2020

