18. Innovation and Bureaucracy

Do you fancy bureaucracy? Look at the following numbers*: Pythagoras' theorem — 24 words; Lord's Prayer — 66 words; 10 Commandments — 179 words; US Declaration of Independence — 1,300 words; US Constitution with all 27 Amendments — 7,818 words; EU regulations on the sale of cabbage — 26,911 words.*

Despite this example, to most people bureaucracy looks appealing. Everything is perfectly organized; there are strict rules and precise regulations to avoid any surprise or unexpected situation. Everybody knows what he is supposed to do, there is a well-elaborated control system to make sure all the goals are attained, all the worthy people are rewarded and all the responsible for the failures are punished. Ideal bureaucracies are like perfect machines; each wheel contributes to the overall harmony by turning exactly as it is supposed to.

Now you wonder whether I am serious or ironic. Both, because we are surrounded by huge and powerful bureaucracies that stop innovation and make our business and private lives efficient and miserable at the same time. Why is that? First of all, human systems are not machines; the behavior of an individual resembles everything but a predictable wheel, always turning as expected and planned. Most of all because we are not run by orders and rules so as much as we are driven by values.

In every organization there is a value system designed to help people understand how they should (not) behave. Typically, the values are closely associated with mission and vision statements. But that is just a "philosophy." Its implementation is best seen through a set of rules, norms, standards, regulations and other elements of the formal organization. It is the "paper" side of any system, a description of the life as it should be. On the other hand, there is the informal, "as is" side of the system, the real life, including empirical rules, habits and practice in running the system on a daily basis.

In Roman law, there is an old saying: *Plurimae leges, minima iustitia* (The more laws, the less justice). A huge quantity and high complexity of legal norms create a regulatory forest in which particular trees become hard to notice. The tendency to regulate every aspect of life and work results in a lack of freedom and initiative. Most people react like this: There are so many rules, too many to cope with; moreover, some are contradictory, others are stupid and ridiculous; this all gives me a moral right to disobey. I stick to the rules I like, and I break the rules I don't like.

Bureaucracy is based on mistrust; a huge legislative net is knitted to control all of economic, public and private life. Due to its complexity, it becomes inconsistent, lacks logic, and becomes hard to implement. In principle, it stems from the idea that everything is banned, if not specifically permitted. On the other hand, innovation and change require an environment with as few rules as possible, leaving enough room for initiative and freedom. The best formal organization is based on a small number of rules, which are willingly obeyed because they seem logical and acceptable.

Like most other innovations, the microwave oven did not come about as a result of someone trying to find a better, faster way to cook. Actually, a rigid bureaucratic control could have prevented it from ever happening. The story goes like this. During the World War II, two scientists invented the magnetron, a tube that produces microwaves. Installing magnetrons in the Britain's radar system, the microwaves were able to spot Nazi warplanes on their way to bomb the British Isles. One of the guys who worked there was Percy LeBaron Spencer*. He accidentally discovered the idea of using microwave energy to cook food when he found that radar waves had melted a candy bar in his pocket. He was allowed to continue with the experiments and they showed that microwave heating could raise the internal temperature of many foods far more rapidly than a conventional oven. Unlike the modern versions, the first microwave oven to go on the market was roughly as large and heavy as a refrigerator.*

If Percy were a person to strictly obey the rules, he would never have courage to bring food to the workplace and the microwave oven would, maybe, still be uninvented.

Of course, there should be a balance between rules and initiative. Deregulation leaves room for individual and collective initiative but strongly depends on shared values and norms. In principle, creative environments depend on the idea that everything should be allowed, if there is no good reason to strictly forbid it.

A true change agent avoids excessive paperwork whenever possible. He prefers to lean on people who are creative, moral, efficient and capable. Instead of building rigid bureaucracy, he supports self-organization. Instead of establishing numerous committees and task forces, he tries to let the problems be resolved by open communication, free initiative and a common search for ideas. He advocates a system which is based on a reasonable number of rules and norms that most people gladly follow and obey. Putting the bureaucratic approach aside, we send a clear message that we trust the people with ideas, not the rules. We put our faith in the innovators, their initiative and readiness to do their best. Instead of bureaucratic procedures, we rely on interpersonal communication. Instead of the artificial harmony of a hierarchic corporation (which is not a far cry from a concentration camp), we engage in building genuinely harmonious and innovative human systems based on mutual trust.