


COMMUNICATIONS+

Corporate Communications
Briefing Note

In Praise of Radical Incrementalism

May 2018

MONTIETH & COMPANY



Steven Pinker, the Harvard professor and author of *The Better Angels of Our Nature*, was recently asked in an interview with the *Financial Times* how “politically committed” he was. He replied, “Having plotted so much data on human progress, I’ve become a radical incrementalist and a passionate centrist.”

On its face, being a “radical incrementalist” appears paradoxical. How can one be both radical and incremental? The former suggests a commitment to revolutionary change on a large scale, the latter, small-scale evolutionary shifts.

In public policy terms, radical incrementalism is defined as an effective way to make and implement public policy that is matched by focused evaluation. In other words, establish a radical objective and achieve it by implementing a small change, evaluating the impact, implementing a small change, evaluating the impact, and so on. Mao’s “Great Leap Forward” is not a shining example of this.

Radical incrementalism is also at the center of an on-going debate in corporate and business strategy.

When launching a new product or entering a new geographic market, should a company be radical or incremental? This frames the issue as binary, as if a company has to choose one or the other, when it’s arguably never that simple. Instead, many well-managed companies choose radical incrementalism as the path to achieving an ambitious long-term goal.

In the 1970s, Denmark demonstrated the virtues of radical incrementalism in its straight-forward and flexible approach to developing wind power. It installed this relatively simple technology on a small scale, beginning with its agricultural farms. Other countries approached wind power more radically by trying to over-engineer their solutions, engaging aerospace giants and university research centers and spending millions of dollars. By 2000, Denmark dominated wind turbine manufacturing globally, beating out the U.K., Germany, France and the U.S. as a world leader.

This has relevance to organizations who need to embrace change, and who also need to make sure those changes are understood by their stakeholders.

Take Facebook. Its early mantra in the early 2000s was, “move fast, break things.” Contrast this with its mission statement in 2017: to “develop the social infrastructure to give people the power to build a global community that works for all of us.” Today, post-Cambridge Analytica scandal, that mission remains much the same. How Facebook addresses its repeated failures to protect consumer data privacy is a classic task for radical incrementalism.

In Facebook’s case, there is no doubt that consumers want a radical change in how the company protects their privacy. Facebook will want to take an incrementalist approach, so as not to negatively impact its revenue model. The question is whether consumers will have the patience for slow progress as opposed to a radical transformation.

In public policy terms, radical incrementalism is defined as an effective way to make and implement public policy that is matched by focused evaluation.

There are other notable applications of radical incrementalism today. Here are three to consider:

+ When Inside Turns Outside

Was any organization ready for the #MeToo movement? If you had said two years ago that the emotions and views expressed by this legal, cultural and social phenomenon would rise into such a powerful catalyst for change, few people would have believed you.

It is not just the acts of sexual harassment that have become public, in all their lurid detail, but everything companies and individuals in positions of responsibility failed to do to address the problem. This “inside out” experience tests the radical incrementalism mix.

Clearly, an organization afflicted by such incidents -- let alone one beset by a toxic, hostile culture towards women -- needs to make changes. But what objectives should be achieved radically versus incrementally? If change isn't radical enough, what is the cost to stakeholder relationships, employee morale and the organization's corporate reputation?

It takes radical ambition to change an organization's culture. Culture changes, though, are long-term exercises. An incrementalist approach, and the patience that comes with it, is key. Incrementalism enables proper evaluation and measurement of the progress made.

+ Death by a Thousand Cuts (or a Dozen)

The arm of the law is long, and may soon get longer. While cases of the U.S. government bringing Foreign Corrupt Practices Act enforcement actions against corporations around the world tapered last year compared to 2016, the renewed U.S. sanctions against Iran promise a coming spike in prosecutions.

Corruption, of any kind, can be systematic in an organization's culture. Typically, though, it isn't. The incidents are few in number, many times isolated in large, sprawling operations, and yet still “big” in terms of legal, financial and reputational impact. It may not be a radical solution in terms of wholesale changes to the organization's culture that is needed, but more of an incrementalist “upgrade” of the company's compliance regime.

+ Rot at the Top Sets the Tone

When there's rot at the top in the form of a scandal involving the CEO (e.g., WPP's Sir Martin Sorrell), the “tone” from a company's leadership quickly loses credibility. CEO-level rot naturally calls into question the authenticity of that tone, almost regardless of what leadership tries to do to rectify the situation.

Radical change can therefore become necessary, and it begins with selecting the right replacement for the CEO. The rest of what needs to be done is an incrementalist's task. Very often rot at the top cascades down into an organization in subtle ways and shapes behaviors. It takes long-term solutions applied through multiple small changes to an organization's culture and operations to achieve the radical objective of restoring stakeholders' trust in the organization's leadership.

Radical Incrementalism Learnings:

Once management decides on the change that is needed, it is critical to communicate to stakeholders what is being achieved in the short vs. the long-term. Not everything can be fixed straight away. Some solutions take time.

This is particularly relevant as more organizations seek to embrace greater transparency and compliance in their operations, which are not overnight accomplishments.

The downfall of a corporate leader is often the most complex challenge for communications executives as the impact reverberates throughout the organization. Proper crisis planning, fortified by a succession plan, is vital.

Additional Resources

- + <http://denmark.dk/en/green-living/wind-energy/an-ocean-of-wind-turbines>
- + <https://geovation.uk/radical-incrementalist-12-easy-lessons/>
- + <https://www.bmilab.com/blog/2017/8/3/two-strategic-approaches-to-innovation-incremental-vs-radical>

MONTIETH & COMPANY'S ISSUES AND CRISIS MANAGEMENT PRACTICE

Every crisis has in common an underlying issue, or set of issues, that create a chain of causality. Montieth & Company's issues management work gets control of critical matters before they lead to a crisis.

We've developed a proprietary analytical model for identifying issues that could escalate into crises. Called Enterprise Risk Management, it applies a rigorous, research based system that looks at business, financial, regulatory and reputational issues to assess potential exposure. Our analysis then shapes an issues management program and dovetails with our crisis planning.

We also provide a full set of crisis management solutions from threat assessment to strategic and scenario planning, stakeholder communications and media relations. In addition, we help our clients understand the challenges that face management teams when a crisis hits and how to "repurpose" themselves to be as effective in addressing crises as they are in managing their businesses.

Montieth M. Illingworth, CEO, Montieth & Company

Montieth began his career as a journalist and became a PR professional in 1995. He has worked in leadership positions at a variety of global agencies and founded Montieth & Company in 2007. Montieth has advised clients on a wide range of corporate initiatives and special situations. He has expertise counseling leadership and management teams across multiple sectors.

Montieth travels frequently throughout the world's key money and media center markets in North America, the U.K. and Europe.

* For additional information, contact Montieth at montieth@montiethco.com