

Rocky Mountain Research Station and the Intraprise System



A Business Case Study

Heather Bowden | Stephen Fish | Sylvia Raskin

Abstract

The Rocky Mountain Research Station (RMRS) was a highly reputed organization within the United States Forest Service (USFS) located in the foothills of the Rocky Mountains in Fort Collins, Colorado. RMRS consisted of nearly five hundred people, with about eighty highly-skilled and award-winning research scientists. RMRS produces some of the best traditional and applied science in the world regarding natural ecosystems. Science research thrives with robust commitments of time and resources, and, as such, success at the Research Station requires systems that support long-term planning and decision making.

RMRS' position within the USFS was both a competitive advantage and an Achilles heel. USFS provided stability, but also subjected RMRS to bureaucratic authority. As a result of across the board U.S. Government budget cuts, RMRS was in a reinforcing cycle of downsizing. They desired to be scientific stewards of the natural world, but felt their current organizational design and management structures impeded their ability to plan and achieve long-term goals.

Restrictions around annual budget allocations, combined with conflicting bureaucratic priorities, resulted in an unsustainable situation for RMRS. Before any leftover funds were reabsorbed by Congress at the end of the fiscal year, RMRS' budgeting practice was to outsource crucial research to external organizations.

In an attempt to try to stem the tide of ever decreasing federal dollars, RMRS had embarked upon profitable entrepreneurial ventures. According to U.S. law, RMRS was required to distribute the revenue to the Federal Treasury and very little was reallocated to fund research at RMRS.

John Phipps, the newly appointed Station Director, had a plan to more effectively manage this situation. In the late 1990's, John was instrumental in developing an Enterprise Team System within the Forest Service, with the help and guidance of business leaders, Gifford and Elizabeth Pinchot. These teams were self-governing, self-reliant business structures within the Forest Service, and based on many studies, proved to increase employee morale and productivity, and generate revenue and customer satisfaction.

John believed that his plan to implement a similar system at RMRS would empower scientists to make long term decisions regarding the nature and funding of their research. Centers of

Excellence, where station research would coalesce into world-renowned knowledge centers, would brand RMRS as a world leader in the natural sciences.

Background

In the early 1990's, Elizabeth and Gifford Pinchot honed a powerful message to realign decision-making power and incentives in bureaucracies. Building on their prior work, they wrote *The End of Bureaucracy and the Rise of the Intelligent Organization*, in which the Pinchots proposed Free Intraprise as a model to unlock the creative intelligence of all employees. "Free Intraprise empowers ordinary employees to start a 'business' (or intraprise) within an organization ... empowering employees to self-organize and self-manage their projects"(Pinchot and Pinchot, 1994).

See Exhibit 1 for a list of Operating Principles of a Free Intraprise System and Exhibit 2 for a list of Operating Principles of Enterprise Teams within the USFS.

Whereas Intraprise Teams have been effective in private industries such as The 3M Company and AT&T, is it possible to produce the same results within a bureaucracy like government? (Pinchot, 1994).

In 1994, inspired by the idea of free intraprise, John Phipps, then the manager of the El Dorado National Forest in California, invited the Pinchots to join a team working to reinvent the Forest Service. Together, they produced a plan on how Forest Service intrapreneurs could offer and sell their services to internal customers within the agency. Phipps and the Pinchots, however, were not able to convince forest service leaders to adopt the system and the report would sit on a shelf until 1998.

The opportunity to try something different presented itself in the late 1990s when the executive branch of the U.S. Government was searching for ways to reinvigorate government and make it more efficient, a policy directive known as National Performance Review or the "reinvention of government." In 1998, John Phipps organized leaders to finally adopt ten Free Intraprisers, referred to by the Forest Service as Enterprise Teams. By 2007, the program had grown to 13 Enterprise Teams.

See Exhibit 3 for a list of current USFS Enterprise Teams and their product or service.

The U.S. Forest Service was the first U.S. governmental organization to allow internal vendors to name their own price for their products and services and sell them to customers within the

USFS. For example, an Enterprise Team called Trails Unlimited regularly sold the consultation and construction of trails to departments of the National Forest Service and parks. If not for Trails Unlimited, they would have had to pay an outside vendor to complete this work.

Typically, in governmental organizations, employees received a salary for working full-time regardless of the value they brought to the agency. In the new Enterprise System, salaries were covered by earned revenue of a team, and this created a much stronger connection between compensation and productivity. These teams could also compete with outside contractors for work that needed to be done within a government agency, which incentivized innovation. The Enterprise Teams had already committed to the mission and purpose of the work, while most contractors saw it simply as a means to profit; this gave them a competitive advantage over private contractors.

Enterprise Teams sold their products or services to any part of the U.S. Forest Service, additional government agencies, or in some instances outside of the U.S. Government. For example, the Rocky Mountain Research Center sold their climate research and publications to policy and education non-governmental organizations (NGOs).

With the flexibility of providing their services as contractors, Enterprise Teams promised to deliver the "best service at lowest cost" (Pandolfi, 2004). David Radloff, chief of reinventing government efforts at the Forest Service, explains one benefit of Enterprise Teams by stating, "It gets you out of thinking, 'person A works for person X,' to thinking, [person] 'A' has skills needed in three different places, so let's get him out from under X and let the market match them up and move them and let the people who need A pay for him'" (Laurent, 1999).

To determine the cost of their products and services, Enterprise Teams used standard private sector business practices including full-cost accounting which included the price of all materials, labor, and employee benefits. However, many people in administrative positions experienced "sticker shock" when they first saw the prices of Enterprise Teams' products and services as they were not accustomed to full-cost accounting within the government. Many within the government bureaucracy wondered whether Enterprise Teams were delivering on their promise to provide low-cost services.

Enterprise Teams had a high level of sovereignty within the government. This independence allowed them to cultivate and apply democratic principles that created a unity not found in most corporate structures. For Enterprise Teams to be self-sustaining business units, these teams required a unique set of operating principles. For the first time in many of these employees' lifetimes, they made decisions based on their values and purpose to surpass the status quo.

In 2004, a report on the effectiveness of Enterprise Teams within the U.S. Forest Service, referred to as the Pandolfi Report, found that Enterprise Team employees were 1.8 times as productive as the average agency employee ("Intrapreneuring in Government - The Pinchot Perspective," n.d.).

See Exhibit 4 for Selected Findings from the 2004 Pandolfi Report on the Enterprise System in the USFS.

Employees cite "their reasons for sticking with it usually include more independence, a clearer yardstick for measuring success, and more control of the work than they ever had as regular employees. 'We essentially are our own unit and can coordinate and create our own jobs,' says Peggy Scott, an accounting technician with Incident Financial Services, a six-person billing and legal liaison business. 'We really have ownership in how we succeed or fail,' adds Debbie Klippenstein, coordinator of the business.'" (Laurent, 1999).

Enterprise Teams were 1.8x more productive than traditional federal government activities. If this was applied to the entire U.S. federal government, we would have saved \$1.5T per year (Pinchot, 2010).

Furthermore, the Enterprise Team System improved employee retention. Lisa Burban, a member of the Forest Service Enterprise Program, said that she had considered leaving to the private sector. But she didn't because in Enterprise Teams, she was able to combine her passion and skillset in service to the mission of the USFS.

"I almost left the Forest Service about a decade ago because I have this passion for facilitation and I thought maybe I'll just go private ... I wouldn't be working for the forest service probably right now. I wouldn't be as happy. I wouldn't be as excited about what I do if I didn't have this enterprise opportunity. It has really allowed me to do the work I love ... I'm a forester by training and I love that work ... but now with the organizational training I've had I feel like I can be in service to the broader mission of the Forest Service ... I can help leadership and teams be more effective in doing the work we need to do to manage natural resources and that's really huge, it means a lot." -Lisa Burban, Enterprise Team member

Despite numerous reviews of the Enterprise Team system, many in the government bureaucracy remained wary of the "highly irregular" Enterprise System. While bureaucrats could see that Enterprise Teams were bringing in revenue, many still didn't understand how or why. As a result, the government questioned whether the Enterprise System was saving money, increasing utilization of skills, and improving efficiency like they claimed. In 2008, the Enterprise System was made a permanent national program, but by 2011, a ban was imposed on the formation of any new Enterprise Teams (Stafford, 2007). To this day, the Enterprise System remains

controversial among leaders of the Forest Service and Forest Service employees outside of the system.

There became, however, a renewed effort on the part of John Phipps, appointed director of the Rocky Mountain Research Station, to once again implement the unique structure. Because of the increased morale and productivity experienced by Enterprise Teams, John believed his researchers could, with the ability to self-organize and reinvest their revenue, set RMRS on a path of sustainable growth and increased effectiveness. Years after the initial implementation, which he spearheaded, John then aimed to master the form and prove once and for all its worth and staying power.

RMRS provided three primary types of research science to customers. In traditional science, researchers conducted observational, often multi-year, and peer-reviewed research. For example, RMRS may have been hired to study the impact of forest fire on mushroom growth, yielding a report. On the other hand, applied science involved a customized action plan based on existing scientific research. RMRS gained a reputation for training cities on how to assess and prepare for fire risks based on their extensive forest fire research. Lastly, literature reviews produced comprehensive reports based on the entire body of research for a particular topic. In 2016, RMRS published the report *Opportunities to Utilize Traditional Phenological Knowledge to Support Adaptive Management of Social-ecological Systems Vulnerable to Changes in Climate and Fire Regimes* (Armatas, 2016).

In 2015, RMRS generated \$28M from their own entrepreneurial efforts providing their scientific products and services. As part of the normal budgeting cycle, their fiscal year ended in September, at which point Congress absorbed all of RMRS' revenue and leftover appropriated funds. RMRS wasn't able to touch or spend any of the revenue they generated; this was never factored into the appropriated funds. Congress appropriated USFS with fewer funds than the year before. Because USFS received fewer funds, so did RMRS. As a result, RMRS employees expressed that they felt uncertainty, stress, and demoralization.

RMRS experienced numerous consequences due to the unpredictable amount of funds appropriated for the next fiscal year. RMRS found it extremely difficult to fund projects long-term or to plan for the future. Ultimately, RMRS wanted to be able to pay for long-term exploratory research that customers didn't typically pay for. Sara Senn, Executive Assistant at RMRS, called this knowledge science.

Talented researchers were also underutilized. As the costs of research increased and funds available decreased, RMRS experienced round after round of layoffs. John stated that the impact

of these cuts had a demoralizing effect on employees and organizational culture. For example, one year, a Nobel Prize winner was laid off. And because there was so little funding available for knowledge science, researchers competed with one another for funds, instead of working collaboratively. Due to employment instability, employees not being rewarded for their entrepreneurial efforts, and competition for funds, prized employees voluntarily left.

When funds were available for research, and it was possible to hire more scientists, the lengthy and bureaucratic hiring process prevented RMRS from hiring the best talent. As a result, RMRS had to outsource its work to universities. Additionally, a wave of long-time forest employees was set to retire, and the norm as a result of the budget process meant that replacing them was very unlikely. As these older, wiser members of the team phased out, with them went valuable knowledge and experience.

The inability to conduct long-term studies, fully engage in knowledge science, consistent downsizing, and demoralization, strained RMRS' ability to be a leader in scientific research. John knew that "demand for science [was] off the chart... the key [was] climate change," (Phipps, 2016). The only way for RMRS to grow its business and meet this increasing demand was to expand funding capacity.

John Phipps took over as Director of RMRS in February of 2015, and sought to solve these budgeting problems before the next fiscal year ended in September 2016. With retirement on the horizon, John's biggest goal was "to be the Director of a thriving station" (Phipps, 2016). It occurred to him that a modification of the Enterprise System might solve RMRS' budgeting problems, as well as some of the problems that Enterprise Teams had encountered over the years.

The most expansive barrier to the Enterprise System was that "there [was] a healthy immune system that [existed] in opposition to these ideas and structures" (paraphrased, Phipps, 2016). For example, Enterprise Teams provided a service or product that wasn't considered standard or common, but in government, any funds transfer required an appropriations code. So, an appropriations code was created for Enterprise Teams to be able to accept payment for their services or products. This code provided unusual freedom, but also created concern regarding the possibility of something called augmentation.

Augmentation, or the transfer of funds to areas of an organization outside of its specifically intended purpose, caught the attention of Forest Service leaders because it was an illegal practice. While the scope of work (expectations, deliverables, number of hours, and cost) was clearly defined within the contract between an enterprise team and the customer, the lack of

boundaries around the code itself was "[looked] at...parasitically" (Phipps, 2016). "When governments get involved in providing services, they get stuck in defending their methods and results rather than scanning the world for better ways to keep the system in balance" (Pinchot, 1994).

The Department of Agriculture, which oversaw the USFS, also played a role in the healthy immune system of bureaucracy. In 2011, they implemented a ban on Enterprise Teams due to accounting concerns. As a result, the number of people on many Enterprise Teams grew to exceed their capacity for agility and effectiveness. When they needed to split, they couldn't. So, they started to provide more than their original service, complicating the value that they brought to customers (Pinchot, 2016). "That has prevented a great expansion of the system within the Forest Service" (Pinchot, 2016).

John realized that RMRS' scientific research would require structural changes to the current Enterprise System. So, he met with Gifford Pinchot, who he worked with on Enterprise Systems twenty years before, to develop the idea of an Intraprise System. The first structural change that John and Gifford made was that the Intraprise System would not be self-sufficient like Enterprise Teams. Intraprise Teams would rely on federal appropriations for operational overhead such as employee salary. By not charging clients for salary, RMRS was able to expand their client base, as there were many restrictions on funds regarding salary.

Like Enterprise Systems, all revenue from research remained with RMRS in their Working Capital Fund. This gave RMRS the flexibility to reinvest revenue into further research, especially long-term. Since RMRS was able to plan for the future, they participated in joint projects with universities, maximizing the resources of more than one organization. Over time, deeper relationships were established with partners.

A Steering Committee managed the Working Capital Fund and accepted or rejected business plan proposals from scientists for Centers of Excellence or Intraprise Teams. Each business proposal plan included criteria to be evaluated by the Steering Committee. Some criteria included the amount of funding needed, the necessity of the research, and how RMRS was a fit for the project. Since scientists were for the most part not very facile with business, RMRS would ensure that they were trained on how to create business plans and present financial models.

If a business plan was rejected, the Steering Committee provided feedback for resubmission. They also strengthened the plan by strategizing with the proposed teams on the offered products and services. They served as a liaison between the USFS and RMRS, to ensure that no

funds were augmented or misappropriated, and that proposals aligned with RMRS' overarching goals.

Additionally, Intraprise Teams included scientists who partnered with other scientists or worked across disciplines, creating Centers of Excellence. Centers of Excellence focused on a topic or domain, such as wildlife fire risk, and strived to become authorities in that focus area. John said that in the case of genomics, scientists were able to "brand their work in a way that people [became] aware that [RMRS was] the place to go" (Phipps, 2016).

The Centers of Excellence combined with the Working Capital Fund enabled RMRS to cultivate a culture of collaborative entrepreneurship that bred innovation. These newfound innovations generated new and customized products, applications, and solutions for RMRS to broach new customer segments within the USFS. Increased revenue streams enabled RMRS to conduct the research that Sara had said no one paid for: knowledge science. RMRS could recommend and design new areas of scientific research and discovery based on the results from their knowledge science. By investing their revenue from USFS into knowledge science, they could experience growth. Lastly, the core research on natural environments that fulfills RMRS' mission would be able to increase in efficiency; they could keep it in house, along with its maturing expertise and learning.

In the Intraprise System business plan, John also pre-empted some of the objections that he encountered the first time he proposed Enterprise Teams. First, some Forest Service leaders were concerned that if customers paid for science research it would jeopardize the neutrality of the results. John and Sara both pointed out that research bias has never occurred in the past because of the rigorous system of peer-reviewed research and scientific standards in place at RMRS.

Second, similar to the majority of government projects, most services were priced below market value, and often, significantly below cost to the department providing the service. Government employees were unaware of how much products and services truly cost and when anyone in government, including Enterprise Teams, charged close to fair market value customers balked at their asking price. For example, Lisa's hourly rate was \$110-130/hour, which included her full cost recovery. She said she that customers "[saw] it was expensive" (Burban, 2016). Because Intraprise Teams are bidding on projects and engaging customers, they must provide exemplary customer service to be able to compete and have return business.

Nevertheless, Lisa pointed out that Enterprise teams commonly had a culture of frugality that was not found in many government agencies.

"When I went into Enterprise ... I became much more aware of ... my use of hours ... and suddenly how I used my time and how I recorded it became very prominent ... You don't necessarily think about those things as much when you are ... a regular employee. That mindfulness ... created some efficiencies in how I used my time and it created some sensitivities about being more effective with my time." -Lisa Burban, Enterprise Team member

Sara, who worked closely with John, said, "[In 2016], we [were] anticipating our appropriated budget to not be very good, so we [needed] this to be able to sustain [RMRS]." John's goal was for the Intraprise System proposal to be passed by September 2016. After John and his team wrote a business plan, they got "on a fast track as far as government is concerned" (Senn, 2016).

John "thought it would be easier this time." What he found was that the "same immune system [was] alive and well" (Phipps, 2016). Since this discovery, John has experimented with appealing to different levels of leadership at the USFS. He wondered who he should appeal to next to garner support.

Conclusion

The impetus for change at the Rocky Mountain Research Station was strong, and the Intraprise System, as a proposed solution, was John Phipps and his team's answer to the myriad of obstacles the research team faced. Despite the reality of shrinking budgets, low-employee morale, and the inability to reinvest earned revenue from entrepreneurial efforts, RMRS imagined a future where long-term growth, continuity in funding resources, broadening customer bases, and excellence in research was the new norm. The path to that reality, John proposed, was lined with entrepreneurial activity and self-governed innovation at the research station.

The mentality of scarcity and dependence that existed in the current bureaucratic budgeting system would be replaced with multiple lean, frugal, empowered, and determined units which would begin a process of renewal and organic growth for the organization. John wondered if customer service, enabled in the Intraprise System, could supersede bureaucratic needs, and lead to sustained customer relationships and professional reputation. Would this System help employees not to question the security of their positions irrespective of the quality or success of the work they achieved? Could the Intraprise System inspire a culture of collaboration and, thusly, produce research that would be worthy of a Center of Excellence and market leadership? Would the adoption of the Intraprise System expand the world-wide reach and appeal of the Rocky Mountain Research Station brand and result in a position as an indispensable government organization far into the future?

As John neared retirement, this structural change at RMRS was positioned to take on the essence of a capstone, or crowning moment of an impactful career. John was keenly aware of the resistance to the Intraprise System, and tasked himself with overcoming it in order to ensure the health and vitality he envisioned for the station. John described the resistance to entrepreneurial teams in government as a healthy immune system within leadership, averse to irregularities, concerned with ethical and legal boundaries associated with the concept, and invested in the status-quo.

John and his team pursued multiple strategies to garner support of the system. Having served in executive leadership within the Forest Service, John knew the dynamics surrounding the decision that would need to be made. John's team pursued a multi-pronged strategy including trying to build support among mid-level leadership in an effort to try to influence top level leadership with the opinions of those who report to them. A crucial question that remained was what, if any, strategies were still on the table to pursue and what could be most effective and impactful in the relatively short time frame of seven months for which John was aiming?

Exhibits

Exhibit 1 Operating Principles of a Free Intraprise System (Pinchot and Pinchot 1994)

A Free Intraprise System operates based on the following mechanisms:

- The organization is built bottom-up through the Intraprise's choice of partnerships and how to serve the mission of the organization.
- Intraprisers are the basic building blocks of the corporation that serve internal or external customers.
- An Intraprise's success comes from having customers, making a profit, and deciding how to spend or invest their profit.
- Intraprisers can own assets.
- Intraprisers require financial institutions to collect and fund their activities.
- Intraprisers can exist in relation to a governing body.

Exhibit 2 Operating Principles of Enterprise Teams within the USFS (Pinchot, 2016)

Operating Principles of Enterprise Teams within the USFS:

- The team may choose its own customers.
- They team may choose its own members.
- The team may set their own prices.
- Their earnings remain in an account for the team's use.
- The team has discretion to spend the revenue as they deem most valuable.
- Their compensation is still set by HR, and benefits are allocated as an employee.
- Enterprise Teams may compete freely for any government work, but may not accept private funds.
- Insolvent Enterprise Teams are then dissolved
- Members of dissolved teams handled like any other employee whose job is eliminated

Exhibit 3: List of Enterprise Teams within the USFS and their Product or Service (Stafford 2007)

<i>Table 1</i> ENTERPRISE UNITS AND THEIR PRODUCT OR SERVICE		
Name	Website	Product or Service
ACT2	www.fs.fed.us/enterprise	Full-service NEPA (right side—left side) documentation, biological and earth science analyses, GIS, mapping, publishing
Adaptive Management Services	www.fs.fed.us/adaptivemanagement	Ecosystem management support and data analysis
Creative Conflict Resolution	www.fs.fed.us/enterprise	Mediation, group conflict resolution, conflict coaching and consultation, team development, facilitation, training
Digital Visions	www.fs.fed.us/digitalvisions	Information technology product development, support and training
Forest Resource Enterprises	www.fs.fed.us/enterprise	Tools, analysis, and training for the management and implementation of forest product programs
FS Grant Strategists	www.fs.fed.us/enterprise	Partnership strategies
Heritage Design	www.fs.fed.us/heritagedesign	Tourism planning and comprehensive visitor services
Independent Resources	www.fs.fed.us/inre	Business plan development, implementation, and training
Mountain Heritage Associates	www.fs.fed.us/enterprise	Support for stewardship and public use of heritage resources
Recreation Solutions	www.fs.fed.us/recreation/recreationsolutions	Planning, documentation, and design for recreation and trails
Streamline	fsweb.rsl.r5.fs.fed.us/ep/nepa/training	NEPA training and ID team coaching
TEAMS	www.fs.fed.us/teams	Environmental planning, pre-NEPA and NEPA analyses, project implementation, and quality assurance
Trails Unlimited	www.fs.fed.us/enterprise	Interactive trail training, consultation, and construction for all types of trails: hiking, equestrian, biking, and OHV
Vegetation Management Solutions	www.fs.fed.us/vms	Ecosystem management and advanced data technology

Exhibit #4 Selected Findings from the 2004 Pandolfi Report on the Enterprise System in the USFS (Pandolfi, 2004)

The Pandolfi Report found:

- Enterprise Units empower employees to become experts in their work
- The ownership associated with their work leads to in-depth personal growth and leadership development among team members.
- There is a noticeable optimism among team members regarding what they are capable of.
- Team members view the structure as more amicable to their work style and preferences.
- While given the ability to take risk, team members understand they are still supported by the organization.
- There is a very low turnover rate in Enterprise Units.

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Teaching Case and Solution

Protagonist: John Phipps, Director of Rocky Mountain Research Station

Big Question: Does the Intraprise System enable RMRS to grow and maximize their scientific stewardship of the natural world?

Curriculum Focus

- **Sustainability/Strategy:** Creating Long-term Organizational Stability
- **Organizational Design and Management:** Exploring Collaborative Organizational Structures
- **Financial Growth and Productivity Strategies:** Utilizing Entrepreneurial Business Practices in Government

Learning Objectives

- Evaluate the viability of the Intraprise System at RMRS.
- Analyze how the Intraprise System would change the organizational design and management of RMRS and its position within the USFS.
- Using a strategy map, demonstrate how opportunities for continuous learning, changes in operations, and enhanced customer value might contribute to financial growth and increased productivity at RMRS.

Considerations and Constraints

Students should keep the following information in mind when generating the Strategy Map and determining the viability of the Intraprise System:

- How the Intraprise System will affect RMRS' position within the USFS.
- Whether or not RMRS' proposed plan will appeal to leaders in the Forest Service.
- The effects, both positive and negative, that the Intraprise System might have on RMRS' operations.
- RMRS needs to stay within boundaries of United States law and USFS policies.
- RMRS needs to continue its traditional research and core functions.
- RMRS needs to conduct ethically produced and scientifically sound research.
- RMRS needs to preserve the integrity and reputation of the USFS.

Teaching Exercises and Questions

Assuming implementation, construct a Strategy Map to demonstrate how the Intraprise System would influence and connect RMRS' financial, customer, operational, and learning strategies.

Consider the arguments for and against RMRS' implementation of the Intraprise System. Identify 3-5 arguments for implementation and 3-5 arguments against implementation.

Based on these arguments, and assuming approval, analyze whether implementing the Intraprise System allow RMRS to grow and maximize their stewardship of the natural world? Justify your analysis.

Optional Teaching Exercises and Questions

If you think the Intraprise System is a viable strategy, assume the role of John Phipps and construct a 2-minute pitch to deliver your plan to leaders of the USFS.

Note: Document 1, included in this teaching case, is a lesson plan that provides a script to facilitate a 1-hour fast-pitch workshop. To forgo the workshop and just have participants construct a pitch, the Fast Pitch Outline is included as Document 2.

If you don't think the strategy is viable, propose an alternative solution that will enable RMRS to grow and maximize their stewardship of the natural world.

Based on this case study, what do you envision is the best-case scenario in the relationship between bureaucratic structures and entrepreneurial efforts?

Document 1:

Facilitated Fast-Pitch Workshop

Time: 1 Hour

Ideal Number of Participants: 4 to 24 people

Materials:

- Copy of Lesson Plan For Each Presenter
- Fast Pitch Outline Handout
- RMRS Business Plan Summary Handouts
- Pitch Feedback Form Handouts
- Post-it Notes Numbered 1-4

Set-up:

- Have Participants Sit in 4 Groups
- Draw the Chart Below on a Whiteboard

	<i>Pitch 1</i>	<i>Pitch 2</i>	<i>Pitch 3</i>	<i>Pitch 4</i>
Total Score				

Lesson Plan:

Team Pitch Creation (25 minutes)

The group will form 4 teams of 5 people each. Each team will take on the viewpoint of John Phipps and his team at RMRS. Their job is to craft a 2-minute pitch about a business plan to institute the Intraprise System. They will pitch to their classmates who will be representing the leaders at the USFS, who ultimately grant approval *or not*.

Each team will have 15 minutes to write and practice, then they decide on 1 person who will deliver the pitch to the class. Then put a number on the team's table to determine the order of pitches.

Tell them to think about how they can tell an emotionally compelling story as well as pre-empt key objections likely to be raised by the leaders. You might think of this as a mix of offensive and defensive strategy. Also distribute a 1-page summary of RMRS' Business Proposal.

Their classmates will be evaluating the teams with a Pitch Feedback Form. They may want to look at this to help inform their pitch.

To help structure the pitch, also provide them with a general template for fast pitches. Optional: Have facilitators join groups to answer any questions.

Distribute the following handouts to participants:

- *Fast Pitch Outline*
- *RMRS Business Plan Summary*
- *Pitch Feedback Forms (each person needs 1 for each team)*

Place numbered post-it notes on the tables of each group to determine presentation order.

Pitch Presentations (20 minutes)

The format for the pitches will be a 2-minute pitch by each team representative based on the numbers assigned to each group. After each pitch, audience members representing the leaders at the USFS will write questions and criticisms specifically **related to the content** of each pitch on your Pitch Feedback Form. We will debrief all pitches at the end.

Pitch Debrief with Participants (15 minutes)

Tally up your own scores on the grading rubric. Facilitators will ask participants to hold up the total number for each pitch team and create an average tally based on the whole audience's scores.

Write the scores on the whiteboard in a similar format:

	<i>Pitch 1</i>	<i>Pitch 2</i>	<i>Pitch 3</i>	<i>Pitch 4</i>
<i>Total Score</i>				

Let's discuss the results.

- **Report:** Which team would you give approval to and why?
 - Who had the best story?
 - What were the strongest arguments you heard?
- **Reflect:** What vulnerabilities do see in the RMRS' business proposal?
 - How would overcome each of these vulnerabilities?
- **Apply:** What lessons do you take away from constructing and delivering a pitch?
- **Generalize:** What do you envision is the best-case scenario in the relationship between bureaucratic structures and entrepreneurial efforts?

Document 2:

Fast Pitch Outline

Story: What is the problem?

Story: Why should we care?

Status Quo: What happens if we don't change?

Solution: What is the solution?

Solution: How does our solution address the problem?

Solution: Why should the government say yes?

Document 3:

Rocky Mountain Research Station's Business Plan Summary

Definitions

- **Intraprise Team** - Self-governing entrepreneurial team within an existing organization. Generates revenue to reinvest in operating activities. A unique aspect to many is that no one outside a team can influence hiring and firing.

Proposed Changes Needed to Implement Intraprise Teams

- Implement a Working Capital Fund: Would Allow for continuity of research funding, growth from year to year, and more self-determined research decisions.
- Implement a Steering Committee: Committee evaluates employee business plans, provides feedback, and decides who to fund. They serve as a point of contact for the Intraprise System.
- Cultivate a Center of Excellence: With localized decision making power and flexibility of funds, Intraprise Teams can tailor their work toward becoming leaders in their research fields.

Rocky Mountain's Products and Services

1. Traditional Science: Observational, often multi-year, peer-reviewed; (e.g.) Article on the impact of forest fire on mushroom growth
2. Applied Science: A customized action plan based on scientific research; (e.g.) A written plan and training for a city to assess and prepare for fire risks
3. Literature reviews: A comprehensive report from the entire body of research on a particular topic; (e.g.) A compilation of every article discussing temperature change effects on forest fire probability

Value of Intraprise Teams to Forest Service

- Increases employee productivity by 1.8x
- Increases employee retention of highly skilled and award winning researchers
- Increases reputation of Rocky Mountain as a center of innovation and discovery
- Increases collaboration and coordination within the Forest Service and among external partners

USFS Leaders' Perception of Intraprise Teams at Rocky Mountain

- Rocky Mountain needs to stay within boundaries of United States law and Forest Service policies
- Rocky Mountain needs to continue its traditional research and core functions
- Rocky Mountain needs to conduct ethically produced and scientifically sound research
- Rocky Mountain needs to preserve the integrity and reputation of the Forest Service

Intraprise Teams Financial Strategies

- Financial growth through new customer segments within the Forest Service
- Financial growth through new products (applied science) to new and current customers
- Financial growth through multi-year research
- Financial growth through scientific discovery
- Increase in production of core research through funding flexibility and local decision-making
- Decrease in costs through resource sharing with university partners

Document 4:

Pitch Feedback Form

This is feedback for Group (Circle One)

1	2	3	4
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How would you rate their pitch of the **problem**? (The group makes the case that there is a BIG problem that needs to be corrected now).

Low effectiveness-----*High effectiveness*

1 2 3 4 5

How would you rate their pitch of the **solution**? (The group makes the case that the plan can be implemented and would most likely work).

Low effectiveness-----*High effectiveness*

1 2 3 4 5

How would you rate their pitch of the **content**? (The group tells the story in a concise, logical, compelling, and attention-getting way).

Low effectiveness-----*High effectiveness*

1 2 3 4 5

What was the best argument in this pitch?

What are the reasons to not approve this pitch?

What questions does this pitch leave unanswered?

Would you give them approval?

Yes

No

Document 5:

Sample Strategy Map for RMRS

