

Building a Culture of Innovation in Government A VISION FOR THE FUTURE AND IDEAS FOR HOW TO GET THERE

February 28, 2023 BY CHAYENNE POLIMÉDIO AND MICHELLE LY



About the Partnership

The Partnership for Public Service is a nonpartisan, nonprofit organization that works to revitalize the federal government by inspiring a new generation to serve and by transforming the way government works. The Partnership teams up with federal agencies and other stakeholders to make our government more effective and efficient.

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Introduction

A myriad of internal and external factors have affected government's ability to build a culture of innovation and will continue to have an impact.

Demographic changes, emerging technology and changes in the workforce are the kinds of forces that champions of government innovation must grapple with. While many agencies across the federal government have formal innovation programs—The Lab at the Office of Personnel Management and the Department of Homeland Security's Procurement Innovation Lab are two examples—there remains a fundamental tension between the desire to innovate and disincentives that make it difficult.

This brief is the compilation of the findings from of a series of workshops on creating a vision for how our government can build and foster a culture of innovation over the next 20 years. It also addresses how to measure progress and engage key stakeholders in the process. **The brief focuses on four key pillars**¹ **that are integral to building a culture of innovation in government:**



Leadership: The individuals who manage government programs and policy implementation.

¹ These pillars build on and are informed by our report, "<u>Risk and Reward: A Framework for Federal Innovation</u>," published by the Partnership for Public Service in collaboration with Slalom Consulting.



Workforce: The individuals who comprise the federal workforce.

policy.

Process: The lifecycle required to develop and implement innovative



Partnerships: The collaboration with sectors, organizations and stakeholders who will help government serve the public well.

The ideas in this brief were developed in conjunction with the Partnership for Public Service's Federal Innovation Council, which believes in the transformational power of innovation. The council is comprised of strategically positioned career leaders who perform numerous functions in agency components across government. The council's aim is to generate insights on the barriers preventing good government operations and solutions to problems the public faces when seeking services. The council seeks to build a culture of innovation and experimentation in government by enabling and empowering federal employees to meet the challenges of the 21st century.



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A Strong Culture of Innovation: 20 Years into the Future

In our vision for the future, government would innovate and solve complex problems on a much larger scale than it does today. Innovation across the federal enterprise would be so ingrained in how work gets done that "Innovation Labs," those safe spaces to develop and test new ideas, would cease to exist. By fostering a culture of collaboration and innovation and using the latest research, technologies, models and processes, our government would markedly improve at addressing the most challenging problems facing society: poverty, national security threats, climate change, health care access and more.

Fundamental to this vision of innovation would be the belief that innovation works best when integrated into all areas of government, from mission-support work such as human resources and technology capacity to service delivery to the public. This ideal version of government would emerge when agency leaders and the federal workforce recognize its validity and do their utmost to make it a reality. By expanding partnerships and improving policymaking and policy implementation processes, leaders could take calculated risks, enabling the workforce to implement the most effective solutions. Below we outline the four main pillars that are integral to cultivating a culture of innovation in government over the next 20 years.



LEADERSHIP

All leaders across the federal government would have high standards for effective leadership, and would be skilled at engaging others, leading change, achieving results and becoming self-

aware, as outlined in the Public Service Leadership Model. Understanding the value of and embodying these principles would enable leaders to play a crucial role in championing and adopting innovation over the coming years.

Leaders would understand the importance of creating an environment with psychological safety at its core, where employees feel comfortable expressing their ideas and taking risks and have minimal chances of repercussions for working outside the norm. Leadership would consistently score at the highest levels on innovation in the Partnership's Best Places to Work in the Federal Government® rankings (the innovation category measures "employee perceptions of efforts to improve the way work is done, including their own personal motivation to promote change and the support and rewards they receive for promoting new ideas."). Leaders and agencies would meet or exceed the private sector scores on innovation.

Leaders would support policies and programs that foster collaboration and risk-taking and empower government employees to develop and test new ideas. All government leaders would see themselves as stewards of public trust and representatives of the public. Their unwavering commitment to protecting the public good would help them champion innovation as a catalyst for ideas that help government better serve the people.

As innovation champions, leaders would implement practices that ensure progress is measurable, and they would use performance management to hold managers accountable for that progress. To that end, leaders would create standards for releasing transparent data in real-time and for measuring how people experience the innovations agencies produce. Leaders also would set high standards for data collection, data quality and aim to promote transparency across agencies and to the public to the extent it is feasible and safe to do so. Such evaluations would inform timely. continual learning and improvement for agencies on how to innovate, and how to put these innovations into practice. In doing so, leaders will have the tools necessary to help the workforce meet emerging challenges in a complex and ever-changing world and increasing understanding of how the workforce implements policy.



WORKFORCE

The federal government would become a sought-after place of employment for potential candidates due to its cutting-edge approaches to solving problems and a range of available opportunities such as fellowships and "tour of duty" programs. More fellowships structured into cohorts of people working in government would create a community of individuals interested in careers in public service with built-in support and camaraderie. Tours of duty programs would enable individuals with careers in particular industries to come in and out of government without having to permanently change careers. These programs would continue to complement more

traditional pathways to service and would bring important knowledge and skills into government for a period of time. By offering more federal job opportunities, a greater number of individuals with a range of backgrounds and experiences would seek the chance to work in government. Training and development programs for government employees would focus on building the skills and competencies needed to support innovation and be transferrable across agencies.



PROCESS

Innovative processes would revolutionize the federal government's ability to quickly implement policy to serve the public more effectively. We envision a government that would break down procedural and policy barriers and adopt innovative practices—from reforming the public comment process to improving how policy is designed in the first place.

A reformed public comment process would enable our government to more proactively collect public comments and speed up the rulemaking process. In addition, cross-agency collaboration would make it easier to implement policy through mechanisms such as interoperable systems, data sharing and transparency—for example, via joint dashboards and the sharing of strategy and planning documents. Purposeful collaboration, rather than agencies working in silos, would increase the likelihood that policy is implemented successfully across government. Consistent frameworks and models would also help ensure that innovation programs function in a similar way across agencies.

Legislation would be introduced and passed to ensure federal services and programs are tailored to user needs, with an emphasis on identifying gaps in access or quality of service. This legislation could ensure public feedback is solicited anonymously and securely, protecting users from adverse impacts. For this to occur effectively, federal employees should work with members of Congress to ensure they understand how legislation would work in practice.

As policy is developed, members of Congress would also consider budget and staffing constraints that may affect how such legislation is implemented. They would add provisions on hiring flexibilities and workforce development, while ensuring that agencies have the financial and human capital resources necessary to implement proposed innovations.



PARTNERSHIPS

As federal officials become bigger players in driving innovation within and across agencies, forming stronger partnerships with state, local, tribal and territorial governments will be the standard for sustaining lasting change.

States can pilot products and modes of delivery more directly to their constituents. We envision a federal government that would invest more in intrastate innovation and coordinate interstate learning and sharing. To drive further innovation, the reframing of the partnership between federal and nonfederal levels of government could be applied to other partners, such as those in the private, nonprofit and academic sectors. Interconnected cross-sector partnerships would enable innovations to flow between the public and private sector with the same ease that we would see talent move.



Photo credit: U.S. Department of Housing and Urban Development

Getting to a Culture of Innovation Over the Next 20 Years

Agencies, and government overall, should track and measure advances as they change the culture through the reforms in leadership, the workforce, processes and partnerships described above. One of the most challenging elements of culture change for organizations, both inside and outside of government, is tracking progress over time to ensure they are working towards the change they seek. Often, organizational change can be opaque, and obvious, tangible metrics to indicate the desired change is happening, may not exist. To make progress, agencies and the government need to design feedback systems that enable leaders to have access to better data in order to make real-time decisions about operations, guided by input from employees and managers. In addition to helping change the culture, these kinds of investments and reforms will ensure leadership feedback is built into the processes promoting continual improvement.

A few options for how to get started and how to measure change over time:



LEADERSHIP

Leaders are core to culture and crucial to culture change—the federal government should consider augmenting its existing approach to leadership to include:

• Updating required Executive Core Qualifications and ongoing learning for Senior Executive Service members to include an experimentation and learning component and technical literacy—even for nontechnical roles.

- Enabling high-performing leaders to continue to share subject matter expertise and support implementation through cross-agency communities of practice, details and rotations to catalyze innovation and support implementation.
- Requiring performance targets, reviews and evaluations to keep leaders accountable for the results of their programs and the culture they create at their organizations they oversee.

To measure the government's progress on leadership change, agencies and individuals should take advantage of tools like the Partnership's 360 feedback tool and the Best Places to Work in the Federal Government rankings to reliably track performance across agencies, cohorts and administrations.



WORKFORCE

Reforming how the federal government manages its existing and potential workforce will ensure that leaders have the most engaged talent serving the public. Federal workforce reform could include initiatives such as:

- Expanding hiring reform efforts in the hiring workflow, such as using subject matter experts to assess the qualifications of candidates, and other innovations such as:
 - Having talent acquisition management systems that notify applicants throughout the process.
 - Soliciting agencies for how they decrease time-to-hire and sharing those practices.
 - Using shared assessments across agencies for technical and specialized roles, so applicants who do not get hired for a position can elect to be considered for roles in other agencies, enabling those candidates to move more quickly through subsequent application processes.
 - Improving the existing shared assessment process by allowing notification of all involved agencies when job candidates from a shared certificate accept job positions and allowing agencies to share info on all qualified candidates, not just those at the top.
- Ensuring federal job opportunities and the postings for them are designed in ways that enable more people, with different sets of backgrounds, experiences and modern competencies, to apply.

• Creating tours of duty in government for industry experts or other innovative cross-sector workforce models so the best ideas for innovative business practices and mission delivery, from both inside and outside government, proliferate throughout government.

To measure progress in the workforce over time, it is essential that the federal government continues to use tools such as the <u>Best Places to Work</u> in the Federal Government rankings, which are informed by OPM's Federal Employee Viewpoint Survey to track employee sentiment around topics such as innovation. The FEVS is currently the most comprehensive annual performance indicator based on feedback across the entire government. Serious consideration should be given to how to further scale the FEVS to generate more real-time insight about the workforce. More and better data on hiring, skills, competencies and retention of high-performing talent would also help track progress.



PROCESS

Reforms in policy-related processes are crucial for ensuring leaders and the broader federal workforce are set up for success. Below are a couple of recommendations for agencies and members of Congress:

- Agencies should consider working with government customers who have diverse backgrounds in the design, implementation and execution of programs across government—including public, agency and state, local, tribal and territorial government customers—incentivizing these customers' feedback along the way.
- Members of Congress should consider setting up responsive, agile structures that enable agencies to incorporate feedback from the public as well as state, local, tribal and territorial government across federal services and programs. This should include processes, mechanisms and structures that enable government to learn about the types of services that are lacking, or not meeting the public's needs, and improve them in real time—for example, based on user research and test-and-iterate models.

For innovative policymaking, agencies will need both capital funds and employees, and the flexibility to use resources to support an agile approach to innovation.

Good performance management helps mitigate risks inherent in process and policy changes, particularly when agencies are innovating through experimentation. Practices for reducing risk include risk assessments and mitigation, competency requirements for skills in customer experience, key performance indicators, objectives and key results, and the implementation of "equity action plans" that seek to redress inequities and promote equitable outcomes in

communities. If agencies are routinely and uniformly tracking core mission outcomes, they can see the effects of innovation in real time and adjust if the data reveals unintended consequences.



PARTNERSHIPS

Our government cannot do everything by itself—it has and will require a robust partner network to ideate and implement innovative programs. Support might include:

- Making data across all levels of government more easily shareable through APIs, research agreements and other practices.
- Engaging with the public and finding ways to co-design and evaluate programs by creating different entry points for engagement and feedback that draw people in and allow them to provide as much or as little input as they are willing and able to.
- Creating models for blended funding from different sectors to support specific program goals as well as models for government research and development funding, seed funding and other monies that put government at the forefront of innovation funding across industries.
- Dedicating staff and staff time to cultivate, manage and pursue partnerships between different levels of government and other sectors.
- Facilitating shared processes and technical solutions, such as Login.gov, that can work seamlessly across different levels of government.
- Convening annually with executive level leaders and staffs in state, local, federal, tribal and territorial governments as well as actors in private and nonprofit sectors to highlight innovation successes, share best practices and promote collaboration efforts, and feature successful models that others can learn from and apply to their own agency.

To track the performance of partnerships, agencies need to engage with private sector, nonprofit or academic actors to assess if the right groups are working together on innovation, and if government is playing a role that takes advantage of its partners' strengths. The federal government should work creatively with its cross-sector partners to identify tactics for engaging effectively with communities and evaluating how engaged those communities are.



Photo credit: U.S. Department of State

Managing Risk and Engaging Key Stakeholders

In addition to enacting the reforms suggested above, in order to successfully build a culture of innovation over the next 20 years, government must engage interested people and organizations across the innovation space to support, enable and help carry out this change. Historically, the ability to collaborate and mobilize across sectors has happened when government, industry, the public and other entities have been aligned in pursuit of clear goals. The 20th and 21st centuries saw mobilization around the world wars, the space race and, recently, around the COVID-19 pandemic. For the government to truly innovate, finding ways to weave this collaborative spirit into nonemergency operations is crucial. Engaging stakeholders is a means to do so.

Over the next 20 years, the government should focus on aligning the following groups with its program goals:



The Public – An innovative government is one that directly gathers input and feedback from and responds to the public. Centering the public in how it approaches innovation will help government create and implement better policy well as help our government earn the public's trust.



Civil Servants – No group of individuals in the country has more impact on the ability of the federal government to do its work and succeed in innovation than federal civil servants. Continuing to find ways to keep them engaged in the work and mission of government is critical to success.



Future Generations – Over the next two decades, a new generation of Americans will be born, grow up and enter prime economic and political age. Finding ways to bring this generation into the innovation process as customers as well as potential future government employees, and build trust between them and the government, is essential to long-term stability and innovation.



Congress – In the past two years, we have witnessed the passage on a bipartisan basis—of remarkable, landmark pieces of legislation aimed at tackling the toughest challenges facing our country. Implementation of those laws will keep on shaping the future of American innovation. This work will require engagement from Congress—including the appropriation of sufficient funding—to allow government to innovate and ensure the long-term stability of federal programs.



Private Sector, Nonprofit Organizations and Academia – As technology gets more complex, federal agencies must continue to turn to partners outside of government to help both conceive of and implement innovative programs. Finding ways to collaborate that are mutually beneficial for government and external stakeholders is essential to the government's ability to deliver in the long term.



State, Local, Tribal and Territorial Governments – Finally, as government recenters its focus on putting customers first, it will need to consistently partner with the different levels of governments that deliver many major programs of the public—think Medicaid, COVID-19 relief, unemployment insurance and more. These entities could benefit greatly from better support and coordination with the federal government to make service delivery to the public as seamless, equitable and consistent as possible.



Photo credit: Office of Naval Research

Conclusion

To create the culture of government innovation that we envision, one that is responsive to the public's needs in an ever-changing world, civil servants must lead the change by turning to the four pillars we have identified: leadership, the workforce, processes and partnerships. The strength of these pillars relies on the input and buy-in of a wide gamut of stakeholders. A culture of innovation can become a core part of how government can better and more equitably serve the public by solving complex challenges and earning back people's trust. A culture of innovation will inform the government's future norms, policies and programs and ensure our government will be empowered to meet the challenges of this century. This brief acts as one framework for federal leaders and federal employees to create the government of the future.

Authors



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Methodology

The vision outlined in this brief was developed over the course of three strategic foresight and futures-thinking workshops with members of the Partnership's Federal Innovation Council. Strategic foresight uses a range of methodologies to create opportunities for workshop participants to imagine different futures and possibilities and envision potential solutions. Council members shared their experience in and insights about government to come up a vision for how to build a culture of innovation in government over the next 20 years. The ideas expressed in this brief should not be attributed to any specific individual.

Acknowledgements

This work was supported by the Gordon and Betty Moore Foundation. We would also like to thank the Partnership's Federal Innovation Council members for guiding this work. Finally, we would like to share a special thank you to Microsoft for its ongoing support for our broader innovation portfolio.

Header photo credit: U.S. Department of Housing and Urban Development

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