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Innovation for the Public Good: An Open Agency Culture Is Key to Innovation

Four Kinds of Permeability Are Important to Fostering Innovation

Kristina Costa   October 2011

Making your agency or organization into a center for innovation requires nothing less than a cultural transformation. You must change your agency from a cloistered, bureaucratic environment to an open and free-flowing organization committed to finding the best innovations.

There are several kinds of "permeability" necessary in an organization that truly wants to innovate. Your agency must be open to insights, suggestions, and feedback from both inside and outside the organization. You must be open to collaboration across organizations in your field. And you must be open to the possibilities created by new technologies. Together, these types of openness can lead to a more nimble and flexible organization that allows new innovations to emerge and take root.

Recent history is rife with examples of social innovations that succeeded in part because of organizers' willingness to try new ways of operating. Let's explore each type of permeability.

Openness to insights from employees and colleagues

Turning to your colleagues and employees is the first step toward fostering an open innovation ecosystem. Idea banks, competitions, and various forms of crowdsourcing have all proven effective at promoting a <u>strong flow of innovative ideas</u> in the public sector.

The government of the United Kingdom in 2010, for example, launched an initiative called the "Spending Challenge" to help identify potential budgetary savings nationwide. Public-sector employees and citizens could submit proposals through a website. One proposal that was adopted changed how citizens received their National Insurance Numbers, a code similar to a Social Security number.

Instead of mailing plastic cards to every person in the United Kingdom, the government began sending a letter containing the number. This simple change will save $1.5 million per year—all because of an idea from an employee.

Openness to input from outside your organizations

All too often, government agencies see themselves as responsible for devising and implementing policy and programs. But seeking input from outside government can lead to much better design.

For instance, the new Consumer Financial Protection Bureau is quickly proving itself to be deeply invested in innovation and transparency as it works to redesign mortgage disclosure forms. CFPB has modified two mortgage disclosure documents that totaled five pages into one double-sided, user-friendly form written in plain English.

This summer, the agency field-tested two versions of the revised documents with consumers as well as with mortgage lenders, and the agency's efforts earned plaudits from legislators, the American Bankers Association, and the Consumers Union, among others.

Comments from consumers and brokers will be used in revising the forms further before they are approved for use nationwide. As a result, the forms are much more likely to be effective at helping consumers make informed decisions about new mortgages.

Openness to collaboration with organizations across your field

The most innovative thing about the Department of State's "Apps4Africa" public diplomacy project isn't the immediate outcome—small cash prizes for the best mobile phone applications—but the process.

This year, Apps4Africa will bring together local innovators, entrepreneurs, NGOs, and government officials in 15 African nations to develop local solutions to mitigate the problems caused by climate change. Competitions will be held in East Africa, West and Central Africa, and South Africa. Three winners from each region will receive help from private-sector companies and foundations to implement and scale up their ideas.

"Climate change is an enormously complicated problem; it's not something that any one group or country is going to solve," says Jeffrey Fox, an American Association for the Advancement of Science, or AAAS, science and technology policy fellow in the State Department, who works on the Apps4Africa project. Fox calls the project "an all-hands-on-deck" approach that relies heavily on private-sector input and engagement with local partners.

Openness to new technology

The Internet helped enable many of these collaborations, and the web can be a powerful tool for innovation. But agencies should not discount the possibilities of other, more localized technologies.

In the United Kingdom's National Health Service, regional innovation funds have been used to prototype more than 250 new ideas generated by nurses, doctors, and hospital managers. Many of their ideas involve using new technologies, from sending text messages to asthma sufferers about the day's pollen count to patient check-in kiosks at hospitals in Birmingham. The kiosks embrace technology more commonly seen in the retail sector to reduce lines and make sure patients are seen promptly.

Of course, simply encouraging employees and users to share their thoughts and ideas may not be sufficient to identify the most innovative solutions. Next week, we'll explore the importance of offering real incentives for innovation.

This is the latest installment of a weekly column on government innovation produced by CAP's Doing What Works team in partnership with the Bellwether Education Partners and the Young Foundation, as part of the "Innovation for the Public Good" series.

Kristina Costa is a Special Assistant at the Center for American Progress.