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## Innovation for the Public Good: Developing a Plan to Change Agency Culture

Planning Is the Fifth and Final Ingredient to Promoting a Culture of Innovation in Government Agencies

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As this series has shown, many public-sector agencies around the globe are working hard to create a culture of innovation. Leadership, finance, permeability, and incentives are all key ingredients to doing so. Today we cover the final ingredient: a plan to promote innovation.

Plans should start with a clear sense of where innovation is most needed in an agency's work and how it will measure progress. They should explore needs across the system in a policy area, not just in the particular work of an agency (for example, by looking at schools or hospitals). And plans often need to combine strategies that develop specialized capacity for innovation with broader actions that change agencywide cultures.

## Clarify your goals and your measures of progress

Agencies need to set out clearly where innovation is most needed so that they can focus their resources on these issues. New York Mayor Michael Bloomberg, for example, has defined poverty, sustainability, education, and customer service as priority areas for innovation. The U.S. Department of Education is focusing its innovation energy on improving student achievement and increasing graduation rates. ARPA-E, the Energy Department's advanced research project, seeks to promote transformation in energy use and is investing in projects that could quintuple the range of electric cars to 500 miles.

## Look across the system, not just at your organization

Major government agencies are often just one player in a sophisticated web that delivers services to citizens. Federal agencies in particular can be far away from those who benefit from their work—the children in schools, the homeless who use shelters, or the house-holders who save on energy bills thanks to cheaper clean energy.

But federal agencies have a special responsibility to lead change across their entire field, and innovation planning must contemplate the entire policy space. The Education Department, for instance, is less interested in promoting an innovation culture within its walls but cares deeply about finding ways to encourage schools to try the latest innovations. Similarly, ARPA-E is trying to invest in innovations that could transform the nation's capacity to develop clean energy solutions, something that involves universities and businesses, in addition to government.

## Combine dedicated teams with cross-cultural strategies

Many organizations seeking to promote innovation set up dedicated teams for that purpose and assign them leadership roles. Such teams are often charged with reimagining the status quo. They acquire special skills to think outside the box, and bring enormous energy to the organization. Bloomberg has set up teams like these focused on sustainability, poverty, and improving organizational efficiency.

But innovation teams must be complemented by plans to change the culture of the organization as a whole. That's why work on improving educational outcomes and customer service are led by mainstream agencies in New York. The State Department has a small unit dedicated to innovation, which has the capacity to develop and implement new ideas. But in many ways that team's work is about changing the way the agency operates in general, for example, by influencing the training of Foreign Service Officers.

Agency culture is notoriously resistant to change because set ways of working are often deeply embedded. But it is possible to alter them by developing a clear set of actions. Next week's installment in our series focuses on what practical steps agencies should take to embark on the action-planning process.

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