Government Organizations Must Innovate Like Entrepreneurs

Sabra Horne (BMNT)

The public sector has long benefited from partnerships with private sector companies that allow innovation and entrepreneurship to flourish. However, government agencies themselves often struggle to embody the key characteristics that make private sector companies innovative: iterative, "fail fast" approaches, risk-tolerant cultures and entrepreneurial workforces. Rather than turning to private-sector organizations for vision, the public sector itself should innovate more robustly to solve current and emerging problems. The challenge that looms for most government organizations is **how** to adopt and foster a culture of mission-driven innovation.

This article discusses some tangible steps and implementable solutions to help organizations innovate fast and build an entrepreneurial workforce.

Role Models: NASA and DARPA

Many public sector organizations, academic institutions and non-profits are only beginning to realize how transformational innovation can be in helping them achieve mission impact. A handful of government organizations have always innovated because they were founded on the principles of innovation, such as the National Aeronautics and Space Administration (NASA) achieving the historic "moon shot" in the 1960s at the behest of President Kennedy and the Defense Advanced Research Projects Agency (DARPA) creating the building blocks of the Internet in the 1960s and '70s. These exceptions serve as potent examples of how innovation can drive the mission focus of an entire nation, but they are few and far between within the government.

In fact, many government organizations, and similar bureaucracies, must carefully invest their resources and focus exclusively on projects and programs that will be successful. After all, these organizations are often established and supported by taxpayer funding, and as a result they are charged with being good stewards of those precious funds. Wasting time or money on efforts that will not be successful could directly harm their mission, or could at least delay it because of increased scrutiny from governmental watchdogs charged with protecting taxpayer dollars. Fear of this scrutiny encourages governmental agencies to avoid risks that are necessary to innovate, and forfeit the possibility of the kind of breakthrough that helps further a critical mission.

Government must intentionally build a workforce that encourages entrepreneurial thinking. This means incentivizing and rewarding people who take necessary risks, as well as recognizing other entrepreneurial skills and behaviors. Adopting a **talent management pipeline** to best manage the talent of public sector innovators and entrepreneurs, along with introducing flexible organizational structures and appropriate incentives for innovative activities, can help to balance the risk and reward scale in what is sometimes necessarily cautious work.

FINDING AND HIRING THE NEXT GENERATION OF PUBLIC SECTOR INNOVATORS

To counteract the stifling pressures of risk aversion in governmental agencies, leaders must intentionally seek out and incorporate innovative thinkers into their organizations and processes, and involve them in critical mission-focused work. Agencies need people who can act with deliberate speed; who show resilience and a bias toward action and completion; who are persistent and can tolerate risk; and who demonstrate optimism, creativity, and a collaborative spirit. These characteristics can be instilled and encouraged in a wide range of organizational roles and mission experiences; seeking personnel with these common traits and crafting a team of innovators with a myriad of backgrounds only strengthens the entrepreneurial workforce.

Finding innovative people starts with the way a large organization crafts job descriptions and engages

potential hires. Language that focuses on specific innovation characteristics, as well as skill sets, tasks, and knowledge that drives innovation will help attract solid candidates. Applications should be reviewed and approved by leaders committed to filling key roles with innovators and can identify appropriate innovation characteristics and skills.

A STANDARD FOR INNOVATION

Once the right people are on board, the next step is to ensure the right skills and processes are in place. An innovation competency model is needed to better define the skill sets, tasks, and knowledge necessary to execute innovation. Such a model, developed internally by a selected team of leaders, should include:

- Innovation methodologies, such as agile, lean, scrum, and human-centered design approaches;
- Rapid and flexible acquisition and procurement authorities and methods, which reduce the speed with which organizations can acquire new capabilities;
- Project and program management skills, with an emphasis on iterative processes and a focus on the end user, reducing costly and unnecessary steps; and
- Methods of stakeholder management and communication.

Some great resources can be used to create this model. They include the 2014 National Institute of Standards and Technology (NIST) National Initiative for Cybersecurity Education (NICE) Framework[1], first published in 2014, which delineated the skill sets required to mature cybersecurity within an organization. Moving beyond what was once an ill-defined and opaque set of responsibilities designed to keep organizations safe from cyber threats, the NICE Framework articulates 120 skill sets necessary for building cybersecurity roles. This framework meant that for the first time, organizations had a concrete plan for creating cyber job descriptions and performance plans, and for hiring for uniform roles. A similar document for innovation would spotlight the necessary skills required to build innovation within an organization or agency.

TRAINING

Training for innovation skill sets and knowledge is a necessary step in embedding innovation into all government organizations. Developing innovative organizations and building the skills necessary for innovating can strengthen our public sector. To foster innovation in government, we need to build the workforce skills required to create and execute innovative processes. We also need to encourage collaboration, partnership, and communication; creative problem-solving; persistence and resilience; and balancing risk with opportunity.

We have offered training to a number of public sector and defense organizations through our Innovation Navigators course, and we have witnessed the transformative power of building understanding of innovation principles among a workforce and its leaders. For example, at one agency, we measured participants' perception of the value of learning and practicing innovation principles in their daily jobs; a full 100% indicated the content was either extremely or very relevant and helpful to their jobs.

RETAINING TALENT

Rewarding new and existing personnel for their innovative skills, knowledge, and characteristics is important to retaining valuable talent. Agencies should give these employees roles and experiences that intentionally draw upon their skills and traits. The agencies must also understand the value of innovation, and articulate in performance plans how these skills support vital organizational activities and accelerate mission impact.

Innovators will stay loyal to an organization that recognizes their skills, knowledge, achievements and value. Too often, high performers selected to carry out the difficult, and often alienating, job of bringing about innovation within an organization face the daily struggle of challenging "how things have always been done." The resulting friction developed over time between these innovators and their organizations can sometimes lead them to being sidelined in an agency's important work. Or even more regrettably, this isolation can even ensure they leave an organization, a net loss for both the organization and the individual.

To prevent innovators from being penalized for the very work they were asked to perform, individual bonuses can be tied to innovation successes, and sometimes even failures, if those failures advance important programs or project knowledge and development. Innovators should be promoted within organizations,

thus creating organizations that grow dynamically over time. Recognize that friction is inevitable at organizations trying to innovate. It can help to create a longer-term reintegration plan for the individual once the challenging work has been established.

CONCLUSION

From teaching our Innovation Navigators course and from feedback on the corresponding book, Creating Innovation Navigators, (https://www.amazon.com/Creating-Innovation-Navigators-Achieving-Mission/dp/B0B3GSJHS5/ref=sr_1_1?crid=3QCSX6QAFUT4Y&keywords=innovation+navigators&qid=1673015628&sprefix=innovation+navigators%2Caps%2C76&sr=8-1) we have learned that building innovation in public sector organizations is a deliberate process. Public sector organizations have a lot more work to do to become truly innovative, and to equip themselves to undertake critical missions aimed at solving society's most vexing problems. We do not have time to waste.