# GROWING GOVERNMENT INNOVATION LABS

# An insider's guide





# **PURPOSE OF THE GUIDE**



Over five years, UNDP has seeded, started-up and scaled four innovation labs in Armenia, Georgia, the former Yugoslav Republic of Macedonia and Moldova. The labs have successfully re-designed public services at scale and influenced policy-making. They act as transformational vehicles for culture change in government, delivering better, cheaper, digitally-enabled public services that help citizens to get things done.

Over the same period, FutureGov has supported UNDP to grow their labs in Eurasia, as well as developing their own labs with governments across the world, mainly in the UK but also advising in the United Arab Emirates, Indonesia and beyond.

Collectively, we have over five years of learning - successes and failures - under our belt, and want to help others who may wish to start a government innovation lab. Perhaps you have spotted an opportunity to improve a public service? Or perhaps you are solving problems in new ways, and want to bring your expertise into government? This guide is for you. Effective and inspirational labs exist in many highly developed countries. In Western Europe, MindLab (Denmark) and The Behavioural Insights Team (UK) push their governments to re-imagine public services. In Asia, the fantastic Innovation Bureau in Seoul, South Korea, co-designs better services with citizens.

However, this guide is aimed towards those working in the development context. We believe our collective experience of running labs in Eurasia, Asia and the Middle East is directly transferrable to other regions who face similar challenges, for example, moving from poverty to inequality, or from a recent history of democratisation towards more open government.

Among such regions there are similar opportunities, too: the ability to build world-class, modern public services from scratch, leapfrogging legacy systems (much like Estonia has done since the 1990s)<sup>1</sup>. Government innovation labs in still-developing countries like ours also have a special cultural and political significance. They deliver better public services, yes, but also nudge governments to interact with citizens more openly, leading to healthier democracies and greater economic development (a country's GDP is increasingly correlated with its innovation capability)<sup>2</sup>.

That said, setting up, maintaining and scaling government innovation labs is challenging. No fewer than nine UNDP country offices have asked for our support in the past six months, asking: "Where do we start? What should our first project be?"

We do not offer a "how-to" of innovation techniques -- there are plenty of guides out there<sup>3</sup>. Instead, we give the real story of how government innovation labs develop in regions like ours: organic and people-driven, often operating under the radar until safe to emerge. We share a truthful examination of the twists and turns of seeding, starting up and scaling labs, covering the challenges we faced and our failures, as much as our successes. We hope you find it helpful in starting your own journey.





Milica Begovic Innovation and Knowledge Team Leader, UNDP

Alex Oprunenco Policy and Social Innovation Specialist, UNDP



**Dominic Campbell** Founder and Managing Director, FutureGov

# **BROUGHT TO** YOU BY

### UNDP



Since 1956, UNDP has worked around the globe to eradicate poverty, reduce inequality and exclusion, and promote sustainable human development. Innovation has been a relatively recent addition to UNDP's portfolio, but has quickly led to new ways of developing public services by using digital technologies and leveraging government data<sup>4</sup>. Co-design of public policy with citizens underpins all initiatives. Today, innovation is one of UNDP's core services.

At the heart of UNDP's innovation agenda is the belief that addressing complex global challenges (of the kind that underpin the Sustainable Development Goals) via incremental change is not enough. We must learn from the emerging "development mutants" who are radically disrupting the development sector<sup>5</sup>, leverage UNDP's global presence and local expertise, and tap into cutting edge development approaches.

# FutureGov

FutureGov is the digital and design company for public services. For almost 10 years we have been working with public services to support their transformation.

We have worked extensively with public services in the UK and Australia, with national governments around the world, and partnered with UNDP on multiple innovation projects in Eurasia and Asia-Pacific. We have launched eight government innovation labs, accelerating change, building organisational capability (fast) and designing better services.

We are proud of our strong partnership with UNDP, and our role in supporting their teams to grow impactful and sustainable innovation labs. We helped the UNDP offices in Armenia, Georgia, the former Yugoslav Republic of Macedonia and Moldova to test and learn new innovation methodologies. They have, in turn, upskilled their governments, greatly contributing to better experiences for citizens.

# With thanks to

Juan Felipe, Executive Director, Laboratorio de Gobierno

Indy Johar, co-founder of 00 and Dark Matter Laboratories, Senior Innovation Associate with the Young Foundation

Kit Lykketoft, Senior Consultant, Workz.dk

Susana Nascimento, Policy Analyst, EU Policy Lab, Joint Research Centre, European Commission

Alex Ryan, Vice President and Director, MaRS Solutions Lab

Giulio Quaggiotto, Associate, Nesta

**FUTUREGOV** 

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# WHAT IS A GOVERNMENT INNOVATION AB?



# **COLLABORATIVE SPACES**

Government innovation labs are partnership spaces where government and other organisations experiment with new ways of solving old problems. They have a different kind of membership to the rest of government<sup>6</sup>. Labs include people who are public servants, but only rarely people who have always been<sup>7</sup><sup>8</sup>. They bring public servants together with wider teams of designers, researchers and developers, just as research about innovation suggests they should<sup>9</sup>.

Labs are specific about which problems to tackle, rather than innovation for innovation's sake. They are not about delivering "business as usual government". Through projects, they trial government-of-the-future: efficient, effective public services, enabled by technology and a modern civil service. Labs tend to horizontally slice through siloed government departments, re-inventing services to be user-centred, disregarding legacy structures.

Government innovation labs may be initiated by government (as in Chile's Laboratorio de Gobierno), or by external partners, as UNDP did in Armenia, Georgia, Moldova and the former Yugoslav Republic of Macedonia. Government labs usually host a space where people colocate -- to encourage multi-disciplinary working and the creativity that comes from diverse people with different skillsets. The space may be located within government, outside, or in a hybrid space combining the benefits of the two<sup>10</sup>. Any of these approaches can work, and there are examples of each. Many established innovation labs have shifted location and governance into and out from government more than once<sup>11</sup>.

True to their origins in science and commerce, the essence of a lab is experimentation. Labs commonly act as a lightening rod for new methodologies, drawing them together in one place and exploring how they work together (methodologies such as human-centred design, digital product development, data science, behavioural science and agile working). Labs upskill the civil service in best practice service and policy design, through practical application on live projects rather than theorybased training.

Labs are also *fun*. There's a special kind of energy generated through the mingling of innovation practitioners and policy specialists. Add in the motivating mission to solve problems that matter with smart colleagues, and labs can attract high calibre talent. This energy can boost a lab's impact by scaling cultures and behaviours through government, beyond the lab itself.

# AGE-OLD NATIONS, YOUNG STATES



# LABS IN DEVELOPING **COUNTRIES**

"Unlike the labs in developed countries whose efforts have been described as 'throwing a grenade at bureaucracy,' our experience has been that these spaces, operating in an already volatile environment, provide a degree of continuity and stability with a mandate to do things differently".<sup>12</sup>

Milica Begovic, Innovation and Knowledge Team Leader, UNDP

# Challenge and opportunity

Armenia, Georgia, the former Yugoslav Republic of of Macedonia and Moldova are divided by the huge expanse of the Black Sea, and, while they vary enormously in history and culture, they are united as age-old nations, but young states. All four republics were born in the last 30 years. The former Yugoslav Republic of Macedonia is a former member of the Socialist Federal Republic of Yugoslavia and Armenia, Georgia and Moldova are post-Soviet societies.

Institutions of market, government and civil society have grown up rapidly and impressively, but are less embedded than in the west, and still growing. This brings a series of challenges:

- IGrowing the economy sustainably, to improve standards of living and retain young, talented citizens within the country and address inequality
- Eradicating corruption across government (much progress has been made) and building a professional, merit-driven civil service
- Retaining international trade and aid relationships, while ensuring these work for the countries themselves
- Building democratic confidence, and distributing power throughout a thriving civil society

These are significant challenges, but the young states are energised by the opportunities ahead. For their government innovation labs, this mix of challenge and opportunity is palpable. In highly developed stations, public services are built on complex institutional architecture and legacy systems. Armenia Georgia, The former Yugoslav Republic of Macedonia and Moldova have the opportunity to build genuinely state-of-the-art services from the ground up.

See page 68 to find out more about the Furasian labs.

# Three critical roles for innovation labs in Europe and CIS

#### Effective, not just better or cheaper

In the US and the UK, for example, government innovation labs are often about redesigning existing, working services to make them more usercentred and cheaper. In the Eurasian context, the work of labs has a sharper edge: it is more often about creating new services to meet user needs, and getting them to function.

#### A new source of stability

Government innovation labs set their sights not on re-election or the achievement of specific government programmes, but on improving outcomes for citizens over the long-term. Many such labs are self-styled "radical disrupters". In Armenia, Georgia, the former Yugoslav Republic of Macedonia and Moldova, this is not helpful. Here, government innovation labs are starting to become a source of wider governmental stability, potentially contributing to the developing security of these developing societies.

#### Spaces for collaboration and leadership

In post-Soviet and post-socialist societies, there is a history of dominant states. In reaction, entrepreneurs and activists have naturally carved out public spaces where the state is less present. As a practitioner in the former Yugoslav Republic of Macedonia observes, it is as if public life is characterised by "two extremes": of state control, and of state absence. However, great innovation depends upon collaboration between different sectors and specialisms. Government innovation labs bring people together across professional and sectoral divides. In these societies, this has a deeper significance, modelling a mature democratic public sphere in which government, its agencies, civil society and citizens work together in the open.

MiLab

**Social Innovation Hub** The former Yugoslav Republic of Macedonia



# LAB DESIGN PRINCIPLES



# PRINCIPLES FOR THE DEVELOPMENT CONTEXT

#### 1. Be a safe adventure for government

Innovation inevitably ruffles feathers. Labs should be critical friends, not filled with "yes people". However, it's important in still-developing nations not to "throw a grenade into the system"<sup>13</sup>. The innovator's cry to "radically disrupt" has positive connotations in developed countries. It means something quite different to new democracies that were recently born out of, or continue to experience, social and political upheaval.

#### 2. Work with government, for the citizen

It's no coincidence that many government innovation labs start with human-centred design as their foundational methodology. Finding out what citizens need and bringing those needs into government is an essential role of labs. Your team should be doing user research regularly. Take public servants with you too, encourage them to leave their offices and talk to the people they serve.

#### 3. Scale your impact not your lab

Paint a vision of the systemic change you want to effect in your society. What does the world look like when you've achieved your mission, when government innovation labs are obsolete, and your approaches are thoroughly embedded in business as usual?

#### 4. Design for 10 years ahead

Raise aspirations in government by thinking big and questioning the status quo: demonstrate the transformative power of new technologies to deliver services in completely new ways. What will artificial intelligence mean for services in your country? Learn, borrow and engage with others creating the future, be they other governments or local startups.

#### 5. Model the future

Be the change you want to see in government. Show people what you're doing, blog and hold events. Use cheap, effective tools to facilitate collaborative working. Be the entry point for bringing innovation methodologies into your country, such as behavioural economics, design thinking and big data. Adopt an "always in beta" mindset of continuous experimentation to accelerate learning, explore new solutions and derisk investment<sup>14</sup>.

#### 6. Be policy-focused, not people-reliant

Most labs begin with an excited band of innovation enthusiasts, some outside of government, and some inside government. But, over time, to ensure longevity, you must transition to become the innovation partner of specific policy areas, rather than specific people in government.

#### 7. A network, not (just) a room

Creating a space for your lab is important, but only as far as it facilitates a multidisciplinary team to work together. Think of your lab more as a network of like-minded people and devil's advocates, and a set of problem-solving approaches, rather than a physical space.

# UNDP GROW

- Incubating and accelerating labs by identifying entry points for innovation, designing and running experiments and managing a lab's digital presence
- Hosting labs in UNDP offices and providing back-end resources
- Mentoring on strategic development, product development and growth
- Building innovation capability in a range of methodologies
- Advising on access to investment and other resources for the lab's growth
- Connecting to international players, such as FutureGov
- Coaching senior leadership
- Enabling access to expertise and partners in traditional places (academia, research, activism, NGOs) and less traditional places (startups and other innovation labs)

# THE GOVERNMENT INNOVATION LAB PLAYBOOK



# JOURNEY OF A LAB

Seed Driven by a few motivated people, excited by new methodologies. Addresses a clear need, but survives only via a barter economy of favours, handouts and coffee	Start up Building momentum and a compelling narrative through partnerships and a portfolio of experiments, based in a physical space.	Scale Driving more and/or la new approaches. Build differentiated offer. Of
Strategy and operations No formal governance Tactical, not strategic Operates as a side project, no funding (or very limited)	High-level agreement between partners Tactical, but strategic themes emerging Some funding from partners	Formal governance Clear strategy with vis Consultancy model ar
Outputs Small exemplar project with "wow" factor, sometimes digital-led	Several exemplar projects in different policy areas Thinkpieces (blogs, talks)	Better public services Standalone commerc
Challenges Legitimacy	Finding resource Losing skilled staff Reliant on future tech and gadgets instead of solving problems	Losing important spo Change-resistant orga Delivering often Losing focus
Checklist for success Identify the energy in your locality or sector Form a dynamic group of people that others want to join Offer time, space, thoughts in exchange for the resources your project needs Make people "shine" acknowledge those that took the risk to work with you	Hire good people & convince them to stay Give government sponsors opportunities for fame and glory Be opportunistic piggy-back on other initiatives Manage expectations (everyone will expect a win)	Quantify your impact your lab will take gove Turn down projects if strategy Find a sustainable bus Source multiple spons departments

r larger projects and institutionalising uilding a longer-term strategy and Often outgrown physical lab space

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# **SEED YOUR** LAB



### Checklist for success

#### Seed

- Identify the energy in your locality or sector
- Form a dynamic group of people that others want to join
- Offer time, space, thoughts in exchange for the resources your project needs
- Make people "shine" -- acknowledge those that took the risk to work with you



# If you do one thing...

"At this early stage, find the energy in your locality. Source people who believe in better government, and are dissatisfied enough with the status quo to take risks with you. In turn, demonstrate your commitment to them".

Alex Oprunenco, Social Innovation Specialist, UNDP Moldova

# The people you need

One person may be able to play all of these roles. It doesn't matter how many people share them, just make sure they're all on your team. If you get it right, you'll form a dynamic group that draws in others to the cause.





#### The Driver

Motivated to solve "wicked" problems and has the "grit" to see things through. Often creative problem-solvers who are inspired by new approaches to improving public services.

#### The Connector

Charismatic facilitator, knows everyone there is to know in your locality. Loves bringing people together around issues.



#### The Bureaucracy Hacker

Someone who knows how to sidestep bureaucracy and hierarchy to get things done. Perhaps (ideally) works in government themselves. Motivated by the big picture and solving problems for citizens.<sup>15</sup>

### Start with a prototype project

Unfortunately, not everyone wants to hear about "innovation": it can sound like a marketing fad. Stakeholders will be much more responsive to a specific, prototype project that creates traction quickly, enables you to show people your ambition in practice, and makes a difference to both government and citizen. The prototype won't be perfect, but it will build recognition, trust, and learning.

# Pick a problem to solve

Which problem should you choose to tackle in your prototype project? There's no right or wrong. Armenia picked healthcare, Moldova chose childcare benefits and the former Yugoslav Republic of Macedonia chose agriculture. Our rule of thumb is to choose a problem that:

- · Affects both government and citizens
- Matters to your Bureaucracy Hacker, and their government network
- Is not politically charged (at this early stage, you don't want to be trying new things under a media spotlight)

# Hustle for resource and sponsorship

In the seeding stage, under scrutiny, fledgling public innovations are vulnerable. Legitimacy is their most sought-after ingredient. It's likely you will need to hustle, a little to secure resources at first. Consider:

- In-kind support from universities, companies, non-profits or international agencies
- Public sponsorship from an intrigued government minister, or local mayor or public servant who champions your work
- Generating positive media attention to raise the lab's profile (and make government look good)

# UNDP'S ROLE

UNDP can play a crucial role for fledgling innovation labs, as they did in Armenia, Georgia, the former Yugoslav Republic of Macedonia and Moldova:

- Provide sponsorship and brokerage, identifying new sources of energy and growth within societies. UNDP can take risks here, where government cannot, due to its international role (which gives it license to experiment), connection to expertise in policymaking networks and its long-term view of state development
- Offer "political cover" for the idea of an innovation lab (and even sometimes the Bureaucracy Hacker themselves)
- Enable access to networks, buildings and other resources



# **START-UP** YOUR LAB



### Checklist for success:

#### Start-up

- Hire good people & convince them to stay
- Give government sponsors opportunities for fame and glory
- Be opportunistic -- piggyback on other initiatives
- Manage expectations (everyone will expect a win)



# If you do one thing...

"Startup phase is frenetic -- try to step back and see the big picture every so often. Are you working on the right projects? Do you have the right mix of skills?"

> asmina Belchovska-Tasevska, Social Innovation Specialist, UNDP the former Yugoslav Republic of Macedonia



At this stage, you will need to acquire more skills by working with more people. They don't have to be full-time employees. Sometimes a network of associates or interns is a better option:





#### The Designer

Has a sophisticated problemsolving toolkit, knows how to get started and what great ideas look like. Understands how to use technology to produce human-centred solutions.

# your fledgling lab. They should see how the lab fits into their professional mission in government.





#### The Funder

Can come from anywhere as long as they are a good strategic fit. Most labs have a combination of the third sector, business and technology.

The Partners

Labs often start with seed funding, and move to become funded on a project-byproject basis. UNDP provided seed-funding for Moldova's innovation lab, and partners like UNWomen contribute on a project basis.



#### The Government Sponsor

Usually a minister, deputy minister, or senior adviser. Their gravitas is critical to building momentum around



#### The Doer

Junior innovators (often students). Excited by the mission and want to learn new skills. You need them to run prototype projects and do the day-to-day, like managing social media.



#### The Champions

Anyone who is excited by what you're doing and wants to support it. Hold and publicise events -- those who stay behind to network are likely to be your Champions.

# Build momentum and embrace failure

Making a success of startup phase is about building momentum by connecting to potential partners. It is about managing an emerging portfolio of experiments, testing out new methods and approaches and supporting a growing group of public sector employees willing to try out new things. It is about showing not telling - helping partners to see and feel the creative energy of a lab.

# Diversify your toolkit

While the innovation lab may still be working on a formal range of service offers, it should be becoming more confident in its work, and starting to build a set of strengths. Some examples:

- Human-centred design
- Ethnography
- Data science and Big Data
- Horizon scanning
- Policy design
- Challenge prizes
- Social venture incubation

No methodology is better than another, but it's no coincidence that many of UNDP and FutureGov's labs used human-centred design in startup stage. The approach builds energy and excitement:

- Co-design can motivate different partners from citizens to Ministers - to work together to create practical solutions.
- Ethnography can provide deep insight into citizens' own experiences, motivating people by showing not just how people behave, but why.
- Horizon scanning can provide examples of great practice from around the world, providing a benchmark for the work of the lab, as well as practical ideas.

# Develop a signature project

Now is the time to build on the prototype project(s) to develop a signature project, to show the lab is greater than the sum of its parts more than a single moment, project or partner. A signature project needs to:

- Encapsulate a narrative about the lab, what it believes and what it is for
- Showcase a way of working that is strategically important to the innovation lab
- Generate impact and advance the capabilities of the lab

Many government innovation labs have been "made" by a signature project, for example, The Behavioural Insights Team in the UK are famous for improving tax compliance by 15% simply sending a letter to citizens informing them that most people in their town had already paid their tax.16

In order to shape the right signature project:

- · Distil all that you are learning about the barriers your lab faces, and flip them into design constraints.
- Think about the innovation potential in the dominant culture that surrounds the lab -- what are the dynamics the lab can tap into (for example, national pride)?
- Focus on what will truly be motivating to public servants and other stakeholders.
- Combine methodologies that you feel comfortable using -- and stretching to their limits.

### Develop your purpose

Alongside this signature project, develop a broader story about the lab's mission, focus and style. Describing the work you want to do in the future can be powerful in attracting the right partners, and reassuring others about your ambitions. All government innovation labs have a:

- Meeting place
- Mandate
- Mindset
- Methods
- Membership

Think about which elements are most significant for your lab. It may be the Mandate - that the overriding purpose of your lab is to solve a particular social challenge. It may be the Membership - the energy, ideas and resources in your citizenry or professions that the government needs to better connect with. Your purpose should grow naturally out of your environment. For example, the purpose of Moldova's MiLab is to:

Improve governance by introducing new social innovation techniques, building the capacity of public servants and advancing broader culture change inside the Government.

### Establish governance between partners

In well-governed labs, leaders know under what circumstances they can wake the boss or text the Minister. So, some form of governance between partners is important<sup>17</sup>. Designing the governance of the lab is a chance to explore and deepen the partnerships on which it is built, binding partners beyond government, providing new sources of knowledge, challenge, legitimacy and long-term commitment. If you get it right, the governance will allow the lab to take risks because of the range of partners standing together behind it.

# UNDP'S ROLE

### UNDP can support by:

- Supporting the leadership of the lab in a range of ways, from strategic advice to providing interim leadership
- Drawing on its own innovation expertise to strengthen the lab's methodology and help its staff to learn and develop
- Brokering partnerships across and beyond the government to help the startup lab grow funded projects
- Using its neutral status to convene partners and supporters, and playing its own role as co-founder to boost public legitimacy
- Offering limited seed funding plus time and energy from talented people with experience of government innovation and humancentred design methods
- Providing a neutral source of impact evaluation and monitoring, helping the lab to learn guickly and assuring others of the guality of its work



# **SCALE YOUR** LAB



#### **Checklist for success:**

### Scale

- Quantify your impact and paint a vision of where your lab will take government, and society
- Turn down projects if they don't align to your strategy
- Find a sustainable business model
- Source multiple sponsors in different government departments



### What is scale?

"I do sometimes worry that we are like high energy missiles that launch ourselves at impregnable structures before bouncing off with exhaustion, having made a marginal impact. I'm being a bit unfair - there is real evidence where we have moved the dial but it's still not as architectural or systemic as it needs to be." 18

A recent study found that the average lifespan of a government innovation lab is three years<sup>19</sup>. Some of our UNDP labs are going strong at five years old and counting, but we cannot say for certain that we are operating at scale. Part of the problem is that "scale" is a slippery word. What do we mean? Number of employees? Budget? Number of government departmental partners? Quantified impact -- for large numbers of users?

Between UNDP and FutureGov, if there's one thing we've learned, it's that there is no one size fits all. Scale will mean different things to different labs, depending on context. For Laboratorio de Gobierno in Chile, scale means impacting the lives of users by improving direct services used by millions of Chileans. For Moldova, the MiLab is operating at scale because the team are starting to influence national policy-making. Some possible indicators of labs working at scale:

- Saving money (and/or generating income)
- Delivering better services that directly impact citizens in a positive way
- Working across multiple policy areas
- Influencing the design of policy
- Designing for complex systems where there are many unknowns
- Other teams in government starting to use your methodologies
- Shifts in the working culture -- greater permission for behaviours such as challenging orthodoxies and embracing failure
- A shift in language from "innovation is technology" to "innovation is something new that has an impact"
- Budgetary and political commitment from high profile politicians and civil servants

Perhaps it's better to talk about "maturity", rather than scale -- the

Martin Stewart Weeks, Public Purpose

sophistication of a lab's approach to change, its ability to design systems not just services, its ability to pivot to address new problems, or reinvent itself. In our view, government innovation labs at scale are not about budget, or size of team. They're identifiable when they have demonstrable impact: delivering on user and business needs.

Whichever definition of scale you choose for your lab, you will face the following challenges:

# Measuring your impact

Proving impact is critical to a lab attempting to scale. How will you persuade government or other partners to invest, if you cannot provide evidence of a return, whether that's savings or improved citizen satisfaction with services? There is no one way to measure impact, and you may wish to work with academic partners to understand different methodologies and when/ how to deploy them.

### With scale comes structure

While the governance of the lab may be well-settled during this period, levels of investment in its work may grow significantly, as may the scale of its work. Greater scale calls for greater rigour, in management, organisational systems, finances and people management. Looking after high-performing staff is now critically important. You will need to find sustainable working rhythms and help them to craft career paths that excite them. With luck, the lab leader(s) will be thriving. However, they too cannot go on forever. Succession planning is vitally important.

# The people you need

A tricky phase for any lab. The people who were instrumental in seed and startup phase may not be the right people to take your lab to scale. You'll need to make some tough decisions.





#### The Manager

Someone who delights in the detail, has experience of running organisations and understands knowledge management. Able to align people with just-enough process to get results.

#### Has the ability to decide what not to do, as well as what to do, and can steer the lab from the creative chaos of startup to a more professional outfit.

The Leader

# Saying no

As a lab grows, it may develop greater capacity, and people will make more requests for help. In this period, labs have to retain focus. Doing too many things, over too broad a terrain does not simply blur the lab's brand, it prevents it from doing sophisticated, serious work. To avoid mission-creep, you will frequently need to turn projects down (Denmark's MindLab delivers three only projects per year). In addition, the knowledge base about innovation suggests it is "sticky". It is often harder than we think to transfer innovation between issues<sup>20</sup>, places<sup>21</sup>, organisations<sup>22</sup> and technologies. The lab may succeed in one or two such transfers, but succeeding in all of them is unlikely. So, as innovators, you may need to focus on a few sectors where you've developed reputation and expertise. Now would be a good time to return to your original Meeting place, Mandate, Mindset, Methods and Membership: arguably, they should look different in scaling stage.

# Productising your offer

"If you are learning, you must have something to teach others".

Geoff Mulgan, Chief Executive, Nesta

At this stage in its development, it is crucial that the lab develop a genuinely differentiated, sophisticated capability. This requires some research and deep thought – what can the lab really do better than anyone? The answer to this question is likely to be in the way the lab fits different activities together to make them work better than ever. Whatever it is, it must be clear, understood by the lab team, and translated into a detailed methodology and a range of service offers, that the lab knows how to price, sell and deliver<sup>23</sup>. At scale, government innovation labs must be confident about what they have to teach others.

- UNDP Project Cycle Hacker's kit aims to embed innovation in the way the organization does its work.24
- UNDP Data Innovation Guide focuses on embedding data innovation in projects within UNDP.25

# **UNDP'S ROLE**

UNDP can support by:

- Offering international brokerage and fund-raising to support the lab's work
- Guarding the role of citizen voice and empowerment within the work of the lab, ensuring this retains a central role amid increasing institutional demands
- · Providing ongoing evaluation support and critical friendship, helping the lab to keep revisiting its founding ambitions



# **NHAT'S NEXT?**

# Provocations from innovation experts

We asked seven innovation leaders (including our own Milica Begovic and Dominic Campbell) to give us their view on growing government innovation labs. What follows are some thought-provoking questions and future scenarios:

- Are labs here to stay, or will they design themselves out of government?
- How should we tackle the ever-present issue of proving impact (without which, there is no scale)?
- How will the methodologies of labs change?
- What can the Eurasian labs teach the West about the role of innovation in strengthening democracy?



#### Alex Ryan

Vice President Systems Innovation and Director MaRS Solutions Lab

MaRS Discovery District

# Four growth strategies for labs

For labs that survive their startup phase, the question arises: what next? Four options for growth:

- 1. Grow the size of the lab. This enables a lab to take on more projects and build more capacity, but internal organisational complexity limits performance. The lab grows big, like a whale, but is forced to spend much of its time locating the resources to feed itself. This centralised lab is also fragile, presenting a tempting target for short-term efficiency savings.
- 2. Replicate the lab across government, starting up labs in many different departments. Rather than growing like a whale, the lab scales as a school of fish<sup>26</sup>. An internal network of labs has the advantage of tailoring innovation to different contexts and challenges. It becomes more difficult to kill off from the top down, as the labs are owned by many different leaders. Outputs will vary in quality in this option, risking the reputation of government innovation labs as a whole.
- 3. Transform to include the roles of an innovation hub. Labs demonstrate practice leadership through completing projects, hubs convene creative collisions between intrapraneurs from across (and beyond) government. Hubs shift the responsibility for innovation from the lab to the public servant, and offer them training, toolkits and a community of practice. The innovation hub becomes a school for schools of fish. The risk is that the centralised hub becomes disconnected from delivery, making itself irrelevant.
- 4. Redesign public service so that it no longer requires a lab: the most radical option. What if we could redesign the civil service around a new social contract that begins with citizens' participation in addressing their own needs? Government would shift from a paternalistic arbiter to a facilitative convener and ecosystem gardener, organising itself as an ecology of interconnected and autonomous pods. A new breed of public servant would emerge: entrepreneurial, collaborative, and outcome-driven. This option does not just school more fish, it replaces the water the fish swim in. It also carries the highest risk, requiring radical transformation of the public service itself, while it continues to deliver essential services.

We will likely see all of the above play out, with varying degrees of success. Lab practice will evolve, and with it different and new forms of government (and governance) will emerge.

# Scale your impact, not your lab

"So long as policymakers are not afraid of you, labs will not achieve the level of change you are aspiring to."

A provocation issued by a senior EU official, to a labs meeting in Copenhagan in 2017

2016 saw much soul-searching in the lab community, prompted by recent political developments, combined with decreasing trust in institutions and the woefully inadequate pace of action on issues such as migration and climate change. To impact these big societal challenges, we need to evolve to:

- 1. Articulate bigger and bolder visions that demonstrate long-term commitment. Too often labs are framed as single-method evangelists (be it design-thinking or data innovation) and, as a result, they are seen as tinkering around the edges. Labs often fail to articulate that they are here for the long-term, to tackle complex issues. Doing so can attract a different type of stakeholder and funder, and help root labs in their respective governments.
- 2. Boost systems thinking and political street smarts. The ability to see interconnections, to explore oblique answers to social challenges, to understand the political cycle, build movements and identify windows of opportunity within the political system: these need to become core skills if labs are to achieve big impacts.
- 3. Decouple scale of lab organisational growth from scale of system impact. Can labs paint a clear picture of a future, not concerned with their own self-preservation, but with how they will enable actors in a system to make better decisions over time? Being able to decouple concerns of organisational structures ("is the lab inside or outside government?") from questions of impact ("how do we get a whole society to change attitudes to corruption?") is the key pivot for labs moving forward.



**Giulio Quaggiotto** 

Associate, Nesta



#### Susana Nascimento

Policy Analyst

EU Policy Lab | Foresight, Behavioural Insights and Design for Policy Unit, Joint Research Centre | European Commission

# Closing the impact gap

Government innovation labs have proliferated over the past 10 years. The labs' dominant narrative is one of systems change through collaboration, new methodologies and taking risks. It's a good story, but are labs really achieving the systemic change they aspire to? If there's a gap between lab theory and lab impact in practice, which I suspect there is, then, here are three ideas that labs could adopt to close the gap:

- 1. Provide robust and evidence-based insights, and measure your results. Avoid "solutionism" or quick fixes to complex and multidimensional problems (tempting in fast-paced policy contexts, or politically sensitive areas). Being able to evaluate and demonstrate credible results is crucial to labs' survival, even in the short term.
- 2. Check if a "lab approach" is fit for purpose in a given situation. Not all contexts or initiatives are suited for applying an experimental process. It's crucial to find the places where citizens or stakeholders not only are at the centre but also where new or unexpected solutions can be effectively used. Similarly, assess early local conditions before applying innovative tool or process. Not every practice will work in any context.
- 3. Strengthen networking and capacity building within public administrations. Internal capabilities need to be developed through methods adapted to and targeted at civil servants. For example, emerging networks of "champions" or invested civil servants (for instance OECD's Observatory of Public Sector Innovation or GovLab's Network of Innovators) are other encouraging efforts.

# From lab to field

We are witnessing the birth of a new generation of "field innovation labs": innovating in and with system context, more sophisticated in design and more impactful in results than the early government labs that preceded them. This evolution from isolated lab to field lab is driven by three factors:

- 1. Increasing recognition that transforming public outcomes, say, educational attainment, is not a product of any single magic bullet, but the collective impact of a complex group of institutions, products, services and conditions. In this scenario, the state is increasingly a strategic and legitimate convener as opposed to the sole driver of change.
- 2. Understanding the power of the oblique to significantly impact public service outcomes. In North London, a barber's studio supports young men with their mental health challenges<sup>27</sup>. In Todmordon, a small town in Yorkshire, UK, a mass civic gardening project educates citizens about healthy food, stimulates the local economy and even reduces vandalism<sup>28</sup>. Oblique innovation strategies require imagination, subtlety and lateral thinking.
- 3. Recognising the need to redesign core functions of public institutions. What does policy-making look like in a complex world? How do we commission for outcomes? How do we reimagine incentive structures to support cross-departmental innovation along with cross-institutional innovation?

Innovation labs that innovate "in the field" could become crucial instruments in the transformation of governments and the wider system as whole, as opposed to transforming services and products. This has implications for the design and development of labs: physical design, location, openness, storytelling capacity, tools and techniques, leaderships styles, KPIs and political patronage.



#### Indy Johar

Co-founder of 00 and Dark Matter Laboratories, Senior Innovation Associate with the Young Foundation



#### Kit Lykketoft

Kit Lykketoft, Senior Consultant, Workz.dk

# A feedback loop from new to old democracies

The four Eurasian labs have shown that a lab approach is relevant in new democracies as well as in a developed setting. In some ways, they have outpaced existing Western labs. Not just in their results, but their contributions to the long-term sustainability of governance in their countries. They have navigated unchartered waters. In the West, everyone has been talking about disruption. In Eurasia, the approach is to work with systems, not disrupt or provoke them.

Now is a good moment to examine what the UNDP-supported Eurasian labs can teach the wider lab community about proving indispensable to government and strengthening democracy itself. How did the Eurasian labs achieve this? Through showing government in its best light (open, collaborative, innovative) and inspiring belief that the public sector works hard to provide the best possible solutions for the citizens. Through generosity too, sharing knowledge, giving-away credit and creating a safe space for failure. When standing on the shoulders of the tangible results of others, every lab becomes stronger.

Given the emerging political instability we're seeing in the West due to protectionist ideologies, the Eurasian labs may well need to share their insights -- a feedback loop from new to old democracies.

### Labs as development engines

To those that say our UNDP government innovation labs in Eurasia have "caught up" up to labs in developed countries, I reply: that is only half the story! Innovation labs in Eurasia are actually doing a bigger job than their developed country counterparts. They act as key players and catalysts in the economic, social and political development of their countries. Through human-centred design they, in fact, support a shift from democratization to meaningful participation and open government.

Our labs have begun to skillfully and sensitively rebalance power between citizens and state, mindful that the citizen/state relationship often has a painful recent history. Our labs achieve this by providing a positive image of the potential of government. They create an inspiring vision of government at its best (perhaps that should be a goal of development more generally), with public servants resisting the pressures of private interests.

Can labs take a more public development role through their work with government? Certainly, the Eurasian labs raise questions for UNDP about both the goals and the process of international development. There is growing international dialogue about the complexity of achieving the Sustainable Development Goals, and calls for more systemic approaches<sup>29</sup>. Are labs well-placed to rise to the challenge? Watch this space.



#### Millica Begovic

Innovation Specialist, UNDP



**Dominic Campbell** Founder and Managing Director, FutureGov

# The innovation tipping point

Are government labs a moment in time -- a decade-long experiment into how we might recode the operating system of government, like the previous waves of foresight groups, think tanks and strategy teams before them? And if so, what's next? The clues lie in examining labs in their maturity.

Mature government innovation labs tend to take a heavy, bureaucratic approach, because that's the way to win arguments with (occasionally intransigent) government officials. Once a lab has made its way into the corporate centre of power, its weightiness turns the centre of government into a "force multiplier", catapulting new approaches and techniques out to government departments. These new approaches, like agile working and user-centred design, have a habit of slicing through departments to create citizen-centric, rather than silo-centric, public services. This is the greatest impact a (good) lab has on its organisation. We see this seismic change happening in the way improvement teams, policy teams, legal teams, finance teams and, yes, even procurement teams organise to support change and improvement in government services.

If government innovation labs are a moment in time, I hope it's because they generate enough momentum to arrive at the innovation tipping point. Here, the innovation techniques deployed by labs become the new norm, implanted in the DNA of government. At this point, the lab is no longer necessary, and the organisation accepts these new methodologies, decisively shunning ineffective approaches from the past. Better, more effective, more empathetic services beckon us from this future state, and with them, better governments.

# TRENDS

### Labs around the world

The number of innovation labs has grown rapidly<sup>30</sup>. As the space becomes more crowded and competitive, labs have had to think more clearly about their value proposition and the niche they occupy. To describe some of the trends this has helped to create, we will describe some leading and distinctive government innovation labs from around the world.

### City-based: Barcelona Urban Lab

22@Barcelona is 300 hectares of disused industrial land, which has been converted to an innovation district by the city. Among a number of labs included in the district, the Urban Lab primarily focuses on helping technology businesses to start and grow. To achieve this, it has the infrastructure, permissions and experience to help companies test new technology, particularly new sensors and monitors capable of generating new kinds of digital data. However, it is more than a startup hub – the lab builds on its Government partnership to create public value. It seeks both to realise the public value of innovations for Barcelona's citizens and to connect them to the procurement and delivery of the city's public services.

### Democratic: Open Mexico

Open Mexico exists at the heart of the Mexico Government, as a lab strongly tied to the achievement of its e-government agenda. However, it brings a particular perspective – the imperative of using new tools and new data to empower citizens, and through their contributions and pressure, to improve Government performance. For example, they run "data squads", which work with Government departments to help them to identify, generate and share new kinds of data with the public. They also run an open dashboard, bringing together performance metrics from across Government, to inform and empower the public.

# Owned: Centre for Public Service Innovation (South Africa)

The Centre for Public Service Innovation in South Africa is interesting because of the way it has developed over time. Founded by the Government, but as an NGO, the Centre was later "spun-into" Government, to allow it to build the knowledge and networks required to achieve change at the heart of Government. However, having done so, the Centre was recently spun out again, enabling it to combine these knowledge and networks with governance that now sees an alliance of fifteen NGOs sitting alongside Government. This allows the Centre to play a unique role in driving and coordinating Government and non-Government action to tackle deep-seated social problems in South Africa.

# Networked: MindLab (Denmark)

MindLab is the "poster child" of government innovation labs, and its founding director Christian Bason has done more than anyone to proselytise for their potential internationally. MindLab's strategy is intriguing: throughout most of its existence, it resisted most invitations, engaging in depth work with just three Danish ministries in any one year. Equally, for all its narrow focus, it remains frustrated not to have achieved more. MindLab's current director is looking to complement its projectbased approach through the creation of a network of public servants – the "Labrats" – to create a movement of thousands of public servants looking to achieve wider change in Denmark.

# **CASE STUDIES**



# SEED CASE STUDIES

# Climate Challenge:

# How challenge events build networks and capability

In 2014, USAID, the Swedish Embassy, the former Yugoslav Republic of Macedonia's Environment Ministry and UNDP worked together on a climate change project with a difference. While there is expert consensus on climate change, the project partners wanted to know what citizens thought, reaching out to citizens through different channels. More than 700 people responded, answering that they viewed climate change as a major challenge facing the country. They wanted to know: what action was the Government taking? How could they, as citizens, positively contribute?

To generate ideas, and build energy around solutions, UNDP's innovation lab, The Social Innovation Hub (SIH), launched an open Climate Challenge. The first Climate Challenge in 2015 was a success: high awareness, social media buzz and quality entries. SIH brought shortlisted projects together at a workshop to prototype the ideas, where young innovators and entrepreneurs got the rare opportunity to network with policy-makers, investors and experts. The winning idea was a "smart sole": shoes that generate small amounts of energy as their wearer walks (several use cases were identified). However, the SIH team found that it is difficult to build an innovation ecosystem overnight -- the "smart sole" product didn't reach production.

Learning from this, the team's second Climate Challenge in 2016 surfaced a growing innovation network. This time, the Challenge was more focused, with the theme of increasing urban resilience to climate change. The local authority was deeply engaged, ready to nurture the best idea through barriers like licenses and policy change. More investors attended and the Mayor of Skopje stayed for hours, drawn in by the energy and sense of possibility.

In 2017, the Challenge will be stronger still, via a partnership with a private company-run accelerator, providing all Challenge finalists with crucial support to take products from idea, to prototype, to production.

#### Social Innovation Hub

UNDP the former Yugoslav Republic of Macedonia

See page 78 to find out more about the Social Innovation Hub **United Arab Emirates** 

### The Service Factory

How a pop-up lab can seed innovation throughout government

The United Arab Emirates' (UAE) Prime Minister's Office Government Services Team, and the Mohammed bin Rashid Centre for Government Innovation, approached FutureGov to help them design a "pop-up" innovation lab. Named the Service Factory, the longer-term ambitions of the lab were to create 7 star services and, over time, increase the happiness of UAE citizens.

The short-term goal of the Service Factory was to build new innovation capabilities within Government. FutureGov's approach was to design the learning experience of the Service Factory around new, user-centred services that cut across existing departmental siloes. We had to turn "noun" services, like "birth certificates", into "verb" services, like "having a baby"<sup>31</sup>. A process of taking all the disparate elements of interacting with Government around your new baby (birth certificates, vaccinations etc) into one seamless user experience.

80 Government professionals with diverse backgrounds worked in multidisciplinary teams on eight different services, working through the design process of user research, prototyping and iterating. The Service Factory provided participants with an opportunity to experiment with new ways of doing things in a safe environment and the chance to apply their newly learned methods and tools to real projects, with FutureGov as facilitator and mentor.

As a "pop-up" lab, the Service Factory has officially ended, but the majority of Government participants wanted to start-up and scale their new services. They continue to work on them to this day. Many Government professionals adopted new tools and methodologies and use them to enrich their everyday practice.

# **STARTUP CASE STUDIES**

# lab

112 Can You See Me?

The most dialled phone number in Georgia is 112. Each year, eight million people call to access a huge range of different emergency services. It's a fantastic tool for Georgian citizens, but very little help if you are one of the 3,500 deaf people in Georgia (unofficial estimates).

UNDP and 112 Emergency Services of Georgia took on the challenge of making 112 accessible for deaf people. At a three-day workshop, members of the deaf community, international experts, the 112 service and Service Lab staff generated ideas for creative solutions. Building on the workshop, Service Lab supported the prototyping of two solutions: video-calling to enable communication via sign language, and a textbased service. Each allowed deaf people to contact 112 about an emergency for the first time.

Deaf citizens and the staff of the 112 service were active partners in prototyping. Live testing and simulation workshops were used to test all aspects of the ideas, from the ease of registration to the signing ability of the new service staff. Service Lab's methodology provided the framework for this development work, helping the diverse group to retain a shared focus on user needs. Here, innovation was initiated by a Government service and UNDP, with Service Lab getting involved to drive the project through the design process, providing support around prototyping and testing.

In March 2015, Amiran Batatunashvili, the president of the Union of the Deaf of Georgia, became the first person to sign up for the new service; a service his organisation had played a key role in creating. Both prototypes are now operating nationally, providing a fast, user-friendly service for deaf people, with 453 registered users (approximately 13% of Georgia's deaf population).

# How a signature project can tell a story about your

### Service Lab

UNDP Georgia

See page 74 to find out more about Georgia's innovation lab: Service Lab.

# SCALE CASE STUDIES

# An embedded lab How Chile's innovation lab scaled

"Our greatest challenge has been to install a new public institution in a country where public trust in state institutions is very low. So we approached it as a design problem: understand the ecosystem, discover the problem, formulate the value proposition, test and learn."

Juan Felipe, Executive Director, Laboratorio de Gobierno

In some ways, Laboratorio de Gobierno is atypical. Not every lab is born from presidential mandate (President Michelle Bachelet first announced the idea to the Chilean Congress in May 2014). The lab's mission is twofold. Firstly, build the innovation capacity of public servants to improve how public services are designed and delivered. Secondly, create solutions to public challenges (e.g. natural disasters, energy) through collaboration between the public and private spheres.

To Laboratorio de Gobierno. "scale" means that their services achieve national impact, improving the lives of thousands of people. An example of this impact is the lab's famous project to transform electricity bills in Chile, a collaboration with the Ministry of Energy and the Ministry of Economy. Together with Chilean citizens, the team developed a new, simple electricity bill that every home in Chile is now using, helping people to better manage their energy usage.

Laboratorio de Gobierno scaled quickly because it's "inside out", not "outside in", in contrast to many government innovation labs. Some examples of what that looks like in action:

- Prototyping solutions, but then scaling them up fast (like the new electricity bill), through direct access to the strategic and operational levers of Government
- · Co-designing solutions with Government to make them stick. For example, Experimenta, a skills-building programme that was created by public servants, for public servants.
- Representatives from five ministries sit on the lab's board

Laboratorio de Gobierno offers their Government something genuinely different: freedom for participants to express their opinions and ideas, and a methodology for turning those ideas into tangible projects.

Not that everything is plain-sailing. The lab is a new entity, born out of a presidential (political) mandate. But, through strong relationships with multiple actors, Laboratorio de Gobierno is already being recognised as a sustainable institution of state, rather than of a particular Government.

#### Laboratorio de Gobierno

Chile

#### Kolba Lab

**UNDP** Armenia

See page 70 to find out more about Armenia's innovation lab: Kolba Lab

### #Inno4Dev

### A broad engagement platform

UNDP Kolba Lab's #Inno4Dev programme began in 2015, funded by the European Union. The programme aims to build new capabilities in both citizen engagement and open government in Armenia. It does so in three ways:

- Idea incubation for citizens
- · Idea incubation for public servants
- Public engagement and dialogue

#### Idea incubation for citizens

Kolba Lab is holding a series of Innovation Challenges to crowdsource solutions to social problems in Armenia. Kolba Lab then works with the creators of the best solutions to help them turn their ideas into ventures to deliver growth and impact. Kolba Lab will also connect creators to insights from service users and practitioners, and advice from expert mentors and supporters (including UNDP and the European Union).

#### Idea incubation for public servants

#Inno4Dev conducts competitions to gather civil servants' ideas for strengthening citizen engagement with Government. Most recently, Kolba Lab launched competitions with two Government departments to encourage senior civil servants to put forward ideas to optimise internal business processes and create new links with citizens. The competitions came out of Armenia's first Public Sector Innovation Week: a series of dialogues and workshops across Government, including a pop-up innovation lab run by FutureGov.

#### Public engagement and dialogue

Kolba Lab aims to build lasting capability and networks within Armenia to support long-term innovation, beyond Kolba Lab's activities. The third element of #Inno4Dev is a series of monthly networking events to foster collaboration between citizens, policy-makers, activists, tech developers, social entrepreneurs and students. At the same time, Kolba Lab is working to ensure that the innovation community stretches right across the United Nations, bringing people together from across the UN, UNICEF, UNHCR and UNFPA.

# Honey exports

### Designing policy to achieve impact

Moldovan honey is delicious, but only 18 producers are licensed to export to the European Union. MiLab believes that if they can make the process of exporting honey smarter, quicker and cheaper, exports could double, bringing economic development to Moldova.

However, there are many barriers to overcome to simplify and standardise how Moldovan honey is tested, sold and exported. MiLab are exploring a diverse range of interventions, from reviewing the law and guidance for the testing of honey, to digitising the certification process for honey sellers, and re-engineering the process of securing export certificates.

MiLab knows Government but they are not of Government, providing a trusted, neutral space for players to collaborate. The team also bring a youthful energy and talent – and tenacity to problem-solving. As one partner noted: "the MiLab team are happy to work out of their comfort zone, and that makes them different and the project different".

MiLab's methodology is multi-disciplined to reflect the complexity of the system they are trying to change. The MiLab team are building on desk research and expert interviews to engage the many different players in the system, articulating a vision for how exports could be better in future. Partnership working is embedded in MiLab's approach. In this instance, they are collaborating with Moldova's Prime Minister's Economic Council (with whom they are co-located), who can quickly source information, bypassing bureaucratic formal processes. Other partners include the E-Government Center, who will help to work through the technical complexity of aligning honey exports with Moldova's emerging Agricultural Digital Registry.

Here, we can see a scaled government innovation lab working at the level of system design, designing policy, as well as processes and technologies to solve a problem.

#### MiLab

UNDP Moldova

See page 82 to find out more about Moldova's innovation lab: MiLab

# LESSONS FROM UNDP

# Analysis of UNDP's four labs

In the past five years, UNDP has supported the development of four government innovation labs in Armenia, Georgia, the FYR of Macedonia and Moldova.

Each lab has responded to its own context, followed its own trajectory and received support from UNDP in different ways. Nonetheless, there are similarities in how the labs were seeded, started up and scaled. Each began not with a design for an innovation lab, but with an urgent problem to solve, and new insight about how to tackle it. Each grew gradually, with careful sponsorship and energetic leadership. And each developed from an organic response to a particular challenge into a broader institutional model for innovation in government.

Here, we examine the ingredients that have lead to sustainable labs, and the challenges we have faced along the way.

# UNDP ARMENIA: KOLBA LAB

### Staff

3 consultants, UNDP Armenia



### Location

UNDP Armenia offices in Yerevan



### Key partners

Open Governance Partnership

Armenia's Ministry of Justice

UITE

UNDP Armenia (seed funding)

European Union (project funding)

# Purpose of the lab

Address big social challenges in Armenia by creating a diverse innovation community that gathers citizen ideas, and creates a space in which Armenia's institutions can respond to and support those ideas.

# Signature project

#Inno4Dev, a collaboration with the European Union in Armenia, connects the energy and ideas of Armenian innovators with the Government's own innovation approaches. Under #Inno4Dev, Kolba Lab has held citizencentric ideas Challenges, the country's first open data hackathon, as well as the first idea Challenges within Government. The project has boosted Kolba Lab's credibility, due in part to financing from the European Union Delegation in Armenia.

### Offer

- · Design and deliver challenge events and prizes
- · Host innovation networks and communities
- Provide access to expert social networks to improve policy-making
- Provide social venture incubation
- Use new data for policy-making
- Apply human-centered design thinking to policy and service development

# 7

# Ingredients of success

Strategic partnerships that build legitimacy. UNDP Armenia's senior management gave their backing, which proved vital in protecting the fledgling lab (when it was still unproven). Armenia's primary IT consortium, UITE, filled a crucial knowledge gap and opened up networks within the technology sector, Armenia's fastest growing industry. Armenia's Ministry of Justice and the Prime Minister's Office have sponsored our work.

# A B

# Biggest challenge

We've had to constantly validate our assumptions about priority areas with citizens and with colleagues in Government. Our assumptions tend to be reflections of UNDP corporate agendas, and we risk losing our connection to the real needs of Armenians. To combat this, we developed our own horizon scanning tool, an online survey that surfaces the priorities of the users in our network (this is how we identify the challenges for future rounds of idea incubation).

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### What's next?

Building the innovation network in Government to move further into delivery.

# KOLBA LAB'S JOURNEY

as human rights

eed	Start-up			Scale
011-2014	2014		2015	2016
Camps	Kolba Lab launch	Network growth	OGP partnership	EU and tech partn
novation Camp (SICamp), nere citizens submit ideas tackle social challenges. artners included local	UNDP creates Kolba Lab, a specialised team within UNDP Kolba Lab focuses on developing impactful ideas through connecting partners	Kolba Lab develops its brand and engagement, through events and social media, creating space for experimentation in Armenia, and raising the profile of citizens' ideas Kolba Lab becomes a public interface for UNDP, expanding	Kolba Lab begin to work directly with the Armenian Government via #Inno4Dev and the Open Government Partnership (OGP)	Partners from the sector come onbo including Armenia consortium, UITE Kolba receives sig
ganisations. Hundreds of ality ideas were generated	and private sector sations. Hundreds of ideas were generated with innovators and local activists, holding Challenges that use crowdsourcing to		Further Challenges are held on the topic of climate change	support from the E Union, and embark more extensive pro of crowdsourcing
	<b>Camps</b> NDP holds the first Social novation Camp (SICamp), nere citizens submit ideas tackle social challenges. Artners included local GOs and private sector ganisations. Hundreds of uality ideas were generated NDP holds further SICamps	2011-2014 2014 2014 Camps NDP holds the first Social novation Camp (SICamp), here citizens submit ideas tackle social challenges. artners included local GOs and private sector ganisations. Hundreds of hality ideas were generated	O11 -20142014CampsKolba Lab launchNetwork growthNDP holds the first Social novation Camp (SICamp), nere citizens submit ideas tackle social challenges. artners included local GOs and private sector ganisations. Hundreds of iality ideas were generatedKolba Lab focuses on developing impactful ideas through connecting partners with innovators and local activists, holding Challenges that use crowdsourcing toNetwork growthNote the first Social novation Camp (SICamp), there citizens submit ideas tackle social challenges. and private sector ganisations. Hundreds of itality ideas were generatedNetwork growth	2011-2014 2015   Camps Kolba Lab launch Network growth   NDP holds the first Social novation Camp (SICamp), here citizens submit ideas tackle social challenges. tackle social challenges. tackle social challenges. through connecting partners included local GOS and private sector ganisations. Hundreds of ality ideas were generated Network growth Kolba Lab begin to work directly with the Armenian dengagement, through events and social media, creating space for experimentation in Armenia, and raising the profile of citizens' ideas Kolba Lab focuses on developing impactful ideas through connecting partners with innovators and local activists, holding Challenges that use crowdsourcing to Kolba Lab becomes a public Kolba Lab becomes a public

its network into the tech

community, artists and

Government changemakers

rights

on anticorruption and human

#### rtnerships

he private Iboard, nia's primary IT FE

Kolba receives significant support from the European Union, and embarks on a more extensive programme of crowdsourcing and public sector innovation

#### Kolba supports government

Kolba helps Government to crowdsource ideas for strategy under the OGP

Idea challenges held to identify innovation advocates in the Ministry of Justice and the Prime Minister's office

FutureGov supports Kolba Lab to upskill Government workers

# UNDP **GEORGIA: SERVICE LAB**

### Staff

3 Service Lab staff members, Access to PSDA employees

6	
V	

# Location

**Tbilisi Public Service** Hall, Public Service Development Agency, Tbilisi



### Key partners

Government Administration, 112 **Emergency Services** of Georgia, Scientific Library, UK Department for International Development (funder), Sida (funder), Public Service Designers' Network, Academia, Liberty Bank, UNDP (funder), PSDA (funder) (project funding)

# Purpose of the lab

Create the mandate, space and capacity for rethinking public services in Georgia, through collaboration and partnerships between diverse groups of internal and external experts.

# Signature project

Partnering with 112 Emergency Services to design emergency call services for people with hearing impairments. For the first time, Government, non-Governmental actors and users collaborated to co-create public services in Georgia. Learning from this experience, PSDA went on to introduce over 30 additional online services for people with disabilities.

### Offer

- Support for policy and service development through user-centered design, including ideation, project management and training
- Analytical support to public policy and reform agenda (research, data, analysis)
- Access to diverse expertise from national and global innovation organisations
- Reverse engineering solutions to public and social challenges

### Ingredients of success

- Internal demand and backing for experimentation and building in-house innovation expertise
- Strategic partnerships and financial support from UNDP, Sida and PSDA
- Exposure to UK, French and US-based innovation organisations
- Rapidly evolving Service Lab in response to institutional changes

# **Biggest challenge**

At the onset of the lab, the division of responsibilities between the owners of the problem (the Government agency) and the lab staff was unclear. We realized that degrees of "handholding" from the lab throughout of the project cycle is still instrumental in problem owners successfully achieving their goals. As a result, we now plan lab resources for the entire project timeline, rather than design stage only.



A

Strengthening the legitimacy of the lab as an intra-governmental innovation hub in order to respond to increasing demand for Service Lab projects internally and externally.

# **SERVICE LAB'S** JOURNEY

interest in the lab

Seed	Start-up			Scale
2014	2014		2015 I	2016
PSDA experiments with design The Public Service Development Agency (Ministry of Justice) starts experimenting with service design approaches to tackle issues such as high child mortality rate	Building Service Lab's reputation PSDA team's proposition for Service Lab secures the Justice Minister's backing Service Lab creates IdeaBox (supported by FutureGov), a digital platform to capture ideas from PSDA staff	Signature projects bring fame A public-private partnership with Liberty Bank launches Express Community Centers, enabling delivery of a range of services to remote regions of Georgia 112 Emergency Services holds a design exercise to develop	Service Lab team re-designs Tbilisi Scientific Library, introducing 3 new services	Growing ambition Sustainability sec funding from PSD Governance Refor (UNDP and Gover Sweden) To scale further in Government, Serv Lab develops co-c
PSDA undertakes a UK study tour, visiting innovative organisations like FutureGov, Government Digital Service, Behavioral Insights Team and	Service Lab trains 600 PSDA colleagues in innovation methods, boosting PSDA's capability and generating interest in the lab	digitally-enabled emergency services for people with disabilities		partnerships with across the Georgi Government

Policy Lab

# 2016

#### ons

ecured through SDA and the form Fund ernment of

in ervice o-design th Ministries rgian

Service Lab partners with the Human Rights Secretariat of the Administration of the Government of Georgia to involve people with disabilities in the implementation of the Human Rights Action plan for Georgia

# UNDP THE FORMER YUGOSLAV REPUBLIC OF MACEDONIA: SOCIAL INNOVATION HUB

# 1899

4 part-time, 4 volunteers

Staff



# Location

Campus of the Faculty of Computer Science and Engineering (FCSE), Skopje



# Key partners

Skopje Lab FCSE

Fund for Innovation and Technology Development

Smart Up Social Innovation Lab

StartUp Macedonia

State Faculty of Architecture

Faculty of Philosophy

NGO BEST

Private companies

UNDP (funder)

# Purpose of the lab

Bring together citizens and experts to explore and co-design new ways of tackling societal problems.

# Signature project

Designing a solution to solve the problem of farmers' lack of access to real-time advisory information from the pest monitoring system in Prespa. Using open innovation approaches, we developed two simple, cheap products, an SMS app and a Facebook page, that help farmers in Prespa to reduce their use of pesticides and adopt more environmentally sustainable agricultural practices. The products are now used by 82% of farmers, and pesticide pollution in one of the oldest lakes on Earth has significantly declined.

### Offer

- Horizon scanning to identify problems and opportunities
- Organise innovative events (hackathons, innovation Challenges, TEDx)
- Provide access to expert networks
- Use new data for policy making
- Apply human-centered design and other innovative methodologies to service, project and policy development

# 7 Ingredients of success

The interest and willingness of private companies in supporting SIH. In addition, the City of Skopje has given its support and expertise in designing, developing and testing innovative solutions under Skopje Lab.

# $\underline{\wedge}$

# Biggest challenge

Our assumption that having UNDP as a listed partner in SIH would increase financial support from other organisations was wrong. Instead, having UNDP as one of the main partners made it harder for SIH to access funding resource, as the UNDP is still seen as a donor -- other funders were reluctant to come onboard. We are currently developing a new, sustainable business model.

# What's next?

Build the innovation capacity of public servants through codesign partnerships that will design, develop and test citizen-led solutions to two major challenges in Skopje: air pollution and waste collection.

# SOCIAL INNOVATION HUB'S JOURNEY

Seed	Start-up			Scale
2012	2013 - 2014	2015	2016	2016
UNDP starts working with the Faculty of Computer Science and Engineering (FINKI) in Skopje to develop an app concept (providing real-time information about dangerous events, such as floods and fires). The successful app is now owned by the national Crisis Management Center in Macedonia A new pilot with FINKI creates products to help farmers to reduce use of pesticides in Prespa. UNDP partners with FINKI to establish the country's first Social Innovation Hub	Prototyping solutions SIH designs and tests 20+ tech-led prototypes, experimenting with different innovation approaches (human-centered design, crowdsourcing, gamification), for example, <u>PRV.MK</u> , a mobile app that provides unemployed people with immediate access to real-time info on job opportunities	Network growth SIH launches first national climate change citizens' challenge, with over 120 ideas received. The winning solution was prototyped: shoe soles. that generate electricity.	Growing reach SIH works with 35 students on the first Design Thinking Winter School, prototyping seven social innovations UNDP runs a second climate change Challenge, resulting in ReBot, which aims to stimulate a recycling culture through incentivising behaviour SIH organises six TEDx salon events to further engage the public, potential partners and donors	Institutionalising Lab A review of the Hu that stronger Gov ownership over in required UNDP supports th Skopje to establis Lab, the first publ innovation centre Macedonian Gove institution With partners, UN launches two croi competitions to d Skopje's Smart Bu a hackathon to de solution for better public buses

### 2017

#### ng via Skopje

Hub reveals overnment innovation is

the City of lish Skopje blic service re within a overnment

JNDP rowdsourcing design Bus Stop and design a tech ter utilisation of Build the innovation capacity of public servants through co-design partnerships that will design, develop and test citizen-led solutions to two major challenges in Skopje: air pollution and waste collection.

# UNDP **MOLDOVA:** MiLAB



### 4 full-time, 2 part-time



### Location

Staff

State Chancellery Offices. Government of Moldova



### Key partners

State Chancellery

UN Women (funder)

E-Government Center

Embassy of the United Kingdom to the Republic of Moldova (funder)

Moldcell (private telecom company, funder)

UNDP Moldova (seed funding)

# Purpose of the lab

Improve Governance by introducing new social innovation techniques, building the capacity of public servants and advancing broader culture change inside Government.

# Signature project

Re-design of childcare benefits service, in cooperation with the e-Government Center, the National Chamber of Social Insurance and MindLab (Denmark's innovation lab). The project resulted in the digitisation of the childcare benefits service, reducing the number of steps required from 26 to 6, with faster and more productive service delivery, time savings for citizens and service providers, and an increase in citizen satisfaction.

### Offer

- Support the future national action plan to modernise public services, together with colleagues from the e-Government Center
- Help public servants to use design thinking to transform public services
- Promote evidence-based policy-making (for example, via RCTs)
- Support Government engagement with citizens
- Test new solutions to public sector challenges, and facilitate implementation

# Ingredients of success

- · Aligning with the strategic priorities of the Government, developing a partnership with the State Chancellery
- Being flexible in responding to the needs of the Government and focusing on delivery
- Ability to deal with the ambiguity of the development context and political volatility
- Partnerships with social innovation organisations around the world

# **Biggest challenge**

Countries like Moldova, with volatile politics and an unfinished civil service, have a high turnover of public servants. At one point in time, MiLab's civil service counterparts changed several times over a single year. This was disruptive to partnership working -- and beyond the lab's control. With the benefit of hindsight, the solution seems simple to us now: we needed to align MiLab's projects with the strategic priorities of the Government and demonstrate added value to advance those reforms. In short, become policy-focused, not person-focused.

What's next?

Using social innovation to help define the Governance of tomorrow's Moldova. The next step is to use new data sources to make evidence-based policy.

# Milabs's Journey

• -					
	Seed	Start-up		Scale	
	2013	2014 - 2015		2016 - 2017	
	MindLab support UNDP and e-Government Center in Moldova observe growing pressure on the Moldovan civil service to deliver	Diverse projects Launch of MiLab begins with an exploration phase. New projects and external partners are brought in for their technical expertise	Team launches crowdsourcing initiatives, supporting the Ministry of Education through a civic engagement campaign to help schools teach more useful skills to pupils	National impact MiLab is institutionalised via the State Chancellery and nationally scales two projects: the re-design of childcare benefits, and the tuberculosis	Minister's Office
	Team test using human- centered design to transform the maternal benefits service. MindLab (Denmark) mentors the group	MiLab launches its first initiatives to support evidence- based policy: a tuberculosis treatment project that uses behavioural insights and a	treatment approach Team develops a methodology for Government to use human-centred design for public service modernisation	with support fron Minister's Office a Chancellery	
	First Innovation in Governance Forum organised, attended by the Prime Minister (first attempt to legitimise the Innovation in Governance Agenda)	Randomized Control Trial (RCT) for policy design and evaluation		modernisation	

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### Policy design

MiLab is commissioned by the Economic Council of the Prime Minister to redesign the process of honey export certificate issuance

MiLab starts to use big data for national policy making, for example, piloting the use of energy consumption data for estimating population density

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# CREDITS

#### Writers

Emily Bazalgette, FutureGov John Craig, FutureGov

### **Contributors**

Milica Begovic, Innovation Specialist, Istanbul Regional Hub, UNDP

Dominic Campbell, Founder and Managing Director, FutureGov

Alex Oprunenco, Policy Specialist, UNDP Moldova and Social Innovation Specialist, Istanbul Regional Hub, UNDP

Jasmina Belchovska-Tasevska, Social Innovation Specialist, UNDP Former Yugoslav Republic of Macedonia

Khatuna Sandroshvili, Innovation Specialist, Istanbul Regional Hub UNDP and Programme Associate, Governance UNDP Georgia

Marina Mkhitaryan, Kolba Innovations Lab Lead, UNDP Armenia

Alex Ryan, Vice President and Director MaRS Solutions Lab

Susana Nascimento, Policy Analyst, EU Policy Lab, Joint Research Centre, European Commission

Giulio Quaggiotto, Associate, Nesta

Indy Johar, co-founder of <u>00</u>, Dark Matter Laboratories and a Senior Innovation Associate with the Young Foundation.

Kit Lykketoft, Senior Consultant, Workz.dk

# Designer

Simone Carrier, FutureGov

If you would like to explore how UNDP could support you, please contact:

Millica Begovic

milica.begovic@undp.org



