# EMBRACING INNOVATION

How a Social Lab can Support the Innovation Agenda in Sri Lanka



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# Development should not just maintain status quo.

# It should bring about change.

Chaminda Rajakaruna Executive Director Sarvodaya "The innovation brought about by the Lab is expected to be a driver of change-- to encourage more critical thinking and close the inequality in Sri Lanka"

#### - UNDP Senior Management

A small island nation nestled within the Indian Ocean, Sri Lanka's size belies its great socio-economic potential. The economy has seen strong annual growth over the past 15 years, often leading amongst other countries in the region in terms of GDP growth rates. Provision of free health care and education has also helped boost the quality of life of its 20.48 million citizens.

Despite the statistically impressive growth, issues of poverty and income inequality remain, as well as struggles to reconcile the growing gap between Colombo and the rest of the country. Regionally, Sri Lanka's counterparts have seen lower overall extreme poverty rates (World Bank, 2015), and much of the improvement has been attributed to the growth not only in the overall economy, but also in the development of technology, skills, and innovation (World Economic Forum, 2016). In this area Sri Lanka is lagging with an investment of 0.1 percent of GDP in research and development, which compares unfavourably to a regional average of 2.41

percent (UNESCO, 2016). The acquisition of more sophisticated productive capabilities requires stronger partnerships, between the private sector, industry associations, public research labs, universities and unions, but first and foremost, an effective state.

The ambition of UNDP in Sri Lanka is to equip the country to adapt to the fast-changing regional and global context by enhancing state capability. An effective state is fundamental to the sound management of the economy, as well as to the resilience of society in the face of shocks and the sustainability of natural resource management. Integrating a strong focus on innovation into public administration will deliver better policy across the board, for the people of Sri Lanka.

Innovation can be defined as the ability to respond and adapt to change. In the context of Sri Lanka, this definition is pertinent as addressing some of the most pressing national issues, especially those in social development, is a top priority. To fulfill this mission, UNDP Sri Lanka aims to create an innovation lab to explore policy design and stakeholder engagement for national development. The creation of the Lab will provide a space for experimentation, collaboration and innovation within and across various sectors in Sri Lanka. This report expands on this goal and outlines the suggested approaches for the Lab, as it evolves in the years following its inception.



# **Our Methodology**

Drawing from Pulse Lab Jakarta's own experiences, we have collaborated with UNDP Sri Lanka to assess the organisational and ecosystem readiness for the innovation lab. We utilised a human-centred design approach in conducting our scoping mission, focusing on obtaining the stories, experiences, and needs of those who will be involved and impacted directly by the Lab.

The scoping mission is the first in a possible two-pronged process in developing the Lab. Subsequent to the scoping mission, we will conduct a multi-stakeholders workshop that simulates some of the lab approaches and the interaction between different stakeholders. It is expected that through the workshop, feedbacks can be collected that can be useful in determining (a) who the potential clients are, (b) what are the challenge areas that can be tackled in

# Our Approach in Numbers

the early phase of the lab, and (c) which approaches and skill-sets are the most relevant for the lab to add value to the Sri Lanka's innovation ecosystem.

During the scoping mission, activities included:

- Interviews with stakeholders, aiming at understanding their perspectives in the creation and operations of the Lab
- Concept testing, conducted through the interviews, where respondents are presented with a set of scenario and simulations. Their perspectives were then used to assess various stakeholders' views on innovation culture, skills, and processes
- Ideation and prototyping workshop to get the UNDP team exposed to key opportunity areas and to collaboratively design the lab's innovation processes

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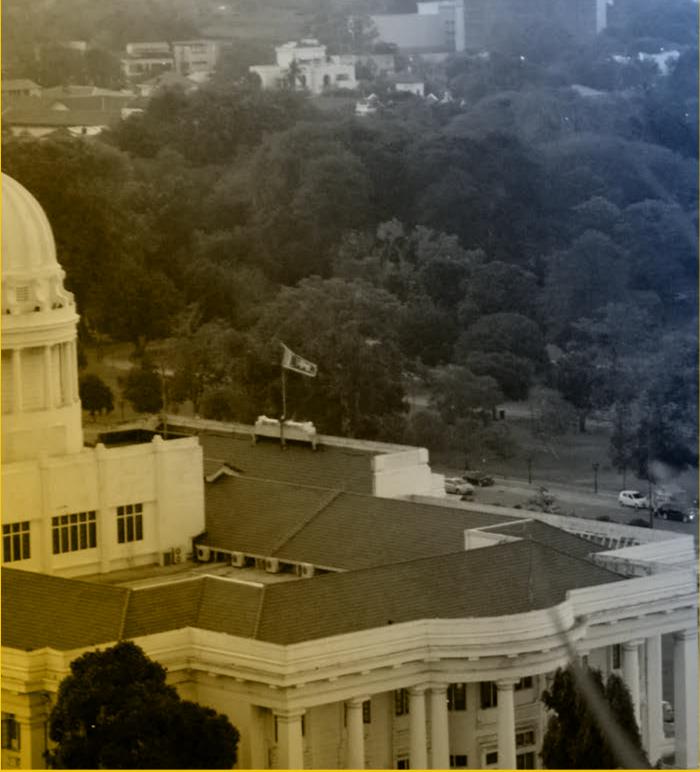
IN DEPTH INTERVIEWS & GROUP DISCUSSIONS

FIELDWORK DAYS

**IDEATION WORKSHOPS** 

- MINISTERS & GOVERNMENT OFFICIALS
  - DEVELOPMENT ORGANIZATIONS
  - 8 YOUTH LEADS
  - 5 PRIVATE SECTORS
  - 5 ADVISORS TO GOVERNMENT
  - 2 CIVIL SOCIETY ORGANIZATIONS

# THE CURRENT STATE OF AFFAIRS



"We need to find out why we waste so much money on budgets that has no proper expected outcome, and why we assess them using outdated techniques...Things change not because of what you've done, things change because you do other things"

> DR. HARSHA DE SILVA DEPUTY MINISTER OF FOREIGN AFFAIRS

### Within the Government

Sri Lanka has a total of 52 ministries operating in the public sector and over 200 members in the parliament, making the Sri Lankan government the largest employer in the country. The nation is often considered 'public sector-heavy' and territorial in the operation of different arms of government. Most respondents cite that one of the main challenges to public service delivery is the high overlap and lack of coordination amongst these sectors, causing challenges to policy-making and implementation.

Within the public sector, bureaucracy is the norm, and interpersonal relationships are characterised by high power distance (Hofstede, 2001), in other words, hierarchy is strongly enforced, and promotions are often tenure-based, which act as a hindrance to initiative and innovation. Despite this, however, we have found that the public sector is teeming with skillful people that are open-minded and forward-thinking, yet often lack agency to create change. While our aim is not explicitly administrative, an opportunity exists to complement the current structure by addressing this lack of incentive to innovate, and provide a means to innovation that is external to the government, in order to encourage and uncover these hidden talents.

There also exists a widespread belief amongst the public sector as well as the larger Sri Lankan society that success is the utmost goal to any activity. This has created a culture in which trial-and-error mechanisms are hardly explored, especially in the context of policy design. As a result, not only are policies not tested out before implementation, they also undergo a very slow, rigorous verification and approval process. There are plentiful discussions and policy initiatives in the public sector, yet feedback from the respondents reveal that many of these policy ideas are not being implemented effectively. As mentioned by a respondent from the Policy Development Office, there is lack of appropriate transition process from policy design to on-ground implementation. What we therefore recognise is that an opportunity exists to develop a safe space for experimentation, creating a learning-from-trial system that enables rapid solution formulation and testing, without compromising integrity and economy.

### **State - Society Relations**

Structural issues have translated into struggles in creating meaningful engagement between the government and civil society. Lack of testing for policy and project implementation has resulted in the failure of a few initiatives, most of which were not followed up by an appropriate evaluation mechanism to ensure lessons were learned for future successes. For these "failed initiatives," It is possible that the they could have been improved by applying an alternative approach to the design and implementation, taking into account the sentiments of those stakeholders who will consume the service.

Policy formulation often occurs behind closed doors, and citizens state that they feel disconnected from the policy-making process. A perception exists that what the government wants, and what it ultimately designs, often does not address the needs of citizens. There is a disparity in the expectations of the service provider and the recipients, an issue that can be addressed using a more human-centred approach to governance.

Respondents expressed that many initiatives have been concentrated in Colombo, and while Colombo is considered relatively developed, many areas outside the capital suffer from income inequality and lack of social welfare. Public officials repeatedly mentioned the importance of addressing inequality; however, some respondents questioned whether these statements were aimed at gaining the favour of various constituents within the nation to further their political goals.

There needs to be a mechanism in place to bridge the urban-rural divide within Sri Lanka, one that does not necessitate an upheaval of the policy design process, but ensures proper articulation of citizens' needs before the implementation, as well as incorporating citizens' feedback during the implementation.

"Sri Lanka appears to be doing well, but in the periphery there's a growing gap and inequalities... We need a system in place that can prompt cultural mindset change for the broader public to champion criticism"

UNA MCCAULEY UN RESIDENT COORDINATOR - SRI LANKA

# "If we want to get projects pass through, it's not hard to figure out who to talk to, because it's a small country and social networks are tight"

DR. AMANDA KIESSEL CATALYST AT GOOD MARKET

### **Between Individuals**

One of the most prominent findings that respondents unanimously agreed upon was that there is a high importance placed upon personal networks in Colombo. The small geographical area of the city, coupled with a high concentration of people, enables a very high degree of interconnectedness across diverse groups: from government ministers, to youth groups, to private sector CEOs.

A few of our private sector respondents expressed that they would benefit from more involvement with the government, on projects that involve service delivery. A more capable and efficient public sector has direct impact on the private sector, enabling it to deliver projects at a faster pace.

Working together with the private sector also has the opportunity to bring about benefits, cultural norms and lessons that can be adapted to the public sector. Many have mentioned the benefits of conducting Public-Private Partnerships (PPP), exemplified by the successful case of the Sri Lanka Institute of Nanotechnology (SLINTEC)-- citing that PPP in the field of innovation can be successful as it combines the skills and efficiency from the private-sector with the public-sector 'patient capital' and implementation.

Further, our findings suggest that not only would it be of value to build working relationships with the private sector, but also to connect the public sector with the variety of social development communities and CSOs in Sri Lanka. Social enterprises such as Good Market have been paving the way for the establishment and networking of socially responsible businesses through their shops and online platform, posing an opportunity to tap into some of the most innovative projects in the nation.

### **Among Neighbours**

While Sri Lanka is notably known to excel in certain areas such as health care and education, in the periphery a growing gap has been observed in access to such services. Public governance is often thought of as being stagnant, and respondents have expressed frustration that recent government policy agendas have not encouraged the kind of long-term strategic thinking that would allow the country to realize its full potential. For instance, the education system, although strong, needs to keep up with technological change. Albeit the high internet and mobile phones penetration all across the country, the usage of such technology has not been used effectively. There is a need to complement the growth in technological infrastructure with soft-skills development that can ensure better information literacy.

An enhanced focus on innovation is believed to be able to boost the overall economy. According to the National Science & Technology Commission (NASTEC), there exists a correlation between investing in research and development, and higher economic growth, potentially doubling GDP growth.

Our respondents also cited that while there is a growing number of startups and new businesses, ideas are still local instead of global. The issue is not so much setting up a business, but adapting the business to the global market, as most tech startups lack the most basic operational features, such as having an online payment system.

"Sri Lanka is moving towards being an upper middle-income country, and upon entering that level, we need to have a solid-decision making process and a focus on innovation"

DHARSHANA SENANAYAKE DIRECTOR GENERAL, DEPARTMENT OF PROJECT MANAGEMENT AND MONITORING





# **Enter: The Lab**

An initial look into the national context in Sri Lanka has provided insights into the challenges and opportunities facing the country. The public sector is often considered too large and cumbersome to be effective, yet within it exists many individuals who are enthusiastic and open to experimentation. With regards to policy-making, Sri Lanka has seen an abundance of well-meaning initiatives, yet it struggles to reconcile this with capabilities for implementation, in part due to a lack of citizen engagement. A clear opportunity also exists when considering the well-connected nature of the stakeholders, although some still struggle to create meaningful engagement with each other.

The findings suggest that there is a clear gap between the current state of affairs and the expectations of the stakeholders. If the country is to realise its economic potential, as well as enhance its resilience, it requires an effective and responsive state. The ambition of UNDP in Sri Lanka is to enhance state capability to accelerate economic development, enhance resilience to shocks, and ensure that today's choices do not negatively impact on the opportunities available to future generations. Integrating a strong focus on innovation into public administration will deliver benefits in terms of ideas, technologies, capabilities, and organisational culture.

The role that the Lab can play in this context is twofold: the first is is to **use existing networks and combine people** with new approaches, expertise and resources; the second is to hedge the risks of experimentation for the Sri Lankan government by testing new ideas in a controlled environment, and enabling citizen feedback from the outset.

#### **Objective 01**

Promote experimentation in government

#### Objective 02

Facilitate Interdisciplinary collaboration

### <sup>Objective 03</sup> Harness citizencentered solutions

# Objectives



#### **Objective 1**

Promote experimentation in government

Part of the Lab's role in addressing policy risks is showing how to test an idea and its subsequent assumptions with minimal outlay of time and resources. The lab will promote the testing, development and evaluation of new ideas to complement existing government processes. Applying this approach will encourage new ways of thinking and doing within the government, and promote a feedback mechanism that absorbs input from multiple stakeholders.

The Lab will be a facilitator to promote an evidence-based approach in government yet still situate itself within the cultural context, making sure that by enabling test and iterate approaches, policy or program failures are minimized.



### **Objective 2** Facilitate Interdisciplinary collaboration

To address the importance of connecting a variety of stakeholders for development, the Lab will encourage interdisciplinary collaboration -- gathering the most relevant stakeholders in order to contribute their respective skills and ideas, convening and working together to achieve a shared target.

We recognize that connection is a valuable asset and catalyst for innovation, especially in the context of bringing inspiration from a variety of perspectives and combining expertise to achieve meaningful action. Another opportunity to tap into is the growing number of youth who are passionate and skillful, a forward-thinking stakeholder group that are potentially beneficial when incorporated into the policymaking process.

The Lab will connect between public and private sector, as well as youth organizations, CSOs and NGOs.



### **Objective 3** Harness citizencentered solutions

Recognizing that citizens aspire to be more involved in government policymaking, the Lab will aim to connect between the needs of the government and those of the people across the policy cycle. The objective will be achieved through an open governance approach, moving away from a top-down model currently in place. The result will be a culture of government that promotes both transparency and citizen involvement through active participation.

What results will first be the facilitation of a governing mechanism that is more proactive rather than reactive, focusing on an initiative to gather citizen feedback. Secondly, the Lab will enable active collaboration by citizens, moving away from being passive recipients for services. In realizing this objective, we will promote inclusivity among the various social groups in Sri Lanka, bringing them to the central government by introducing new management approaches and participatory ways of thinking and doing.

# **Guiding Principles**

# **O1** Facilitate Learning to Enable Progress

02 Work Through Interdisciplinary Teams

Articulate Clear **03** Objectives and Work Towards Them in Incr Towards Them in Increments

04 Providing Structured to Problem Solving, Driven by a Sound Methodology

Value Citizens' Perspectives, 05 Co-create Through a Bottom-up Approach

"The whole country is transforming, but the system hasn't caught up. We want to look at new approaches to facilitate our adaptation to the 21st century"

- Policy Development Office

"Among the young officials in the government, they're quite fresh from studies, just learned the latest way of thinking. Many are willing to explore new ways of thinking and strengthen their competence"

- IICA Adviser

*"It is difficult to obtain optimal* not have one clear objective. So it's important to apply incremental, improvisational change along the way." - LIRNE Asia

"The biggest challenge is to get anything done. There needs to be some time taken to think, come up with a plan, go through testing, and only then

- Southern Development Authority

"So far the government has held consultations with the people, but not the sort of engagement that should start from the beginning, instead of building it at the top and gradually taking in people" - UNDP Senior Management

# **Constructing the Lab**

Recommendations for the inception of the Lab will consist of three main sections, which will serve as discussion points to inform the Lab's creation and operations. Firstly, we will define **the players** involved with the Lab, outlining the types of agents and how they can inform strategies that can be adopted by UNDP in order to ensure the participation and commitment of the most relevant stakeholders. Secondly, we discuss the **various models** that the Lab can take, its relationship to the government, and the defining qualities needed when gathering its members. Finally, a look inside the lab will describe the **various activities** that can take place, towards the Lab's objectives. A concluding roadmap then showcases the ideal journey that the Lab will take-- combining all aspects that need to be taken into account when creating the Lab.

### the players

the shape of the lab

the ideas and activities

### ERS D $\land$



# Personas

Considering that network-building is an integral part of the Sri Lankan social system, we find it valuable to create a stakeholder typology prior to determining the services of the Lab. A typology of stakeholders can serve a number of purposes:

- Determining the right people to approach: we recognize that the Lab cannot stand alone, as it would be counterintuitive to the objective of enabling a participatory approach. It is therefore important to involve the most relevant stakeholders to contribute to this objective
- Assigning the correct roles to each stakeholder: role identification is necessary when involving people from a variety of backgrounds. It is beneficial to clarify the workstream, to identify opportunities for intersectional teamwork, and to avoid overlap of duties which might render their tasks redundant
- Informing appropriate entry mechanisms: aside from determining roles that the stakeholders can take, it is also necessary to analyse them based on what the Lab could offer them, according to each of their needs. This will inform how to approach the stakeholders and incentivise them to take part in the creation and operations of the Lab

Stakeholders are grouped based on the basic needs that we have identified. The order of these needs are progressive, starting from the group that has the least resources, which in turn has the most needs, to those with the most resources, which necessitates an entirely different approach to engagement. To further illustrate the approaches that can be taken in engaging with these groups, we have divided the stakeholders into five different persona archetypes-- a humanization of important characteristics that represent the whole spectrum of the stakeholders. These characters are not described by their occupation or positions, but by their mindsets, needs and resources.

# Hierarchy of Resources:



# Dinesh



Dinesh is a young public official working at a department that contributes to national development and planning. He started his tenure a year ago at the department after graduating from a top-rank university abroad, bringing to the department a range of critical thinking capabilities, an open mind and fresh ideas. He believes that working in the public sector is a surefire way to bring improvements to Sri Lanka, and he is keen to apply his skills to an otherwise traditional bureaucratic environment in his office.

Dinesh is also proactive in his initiatives, and often participates at the variety of hackathons to further develop his knowledge and contribute his ideas for society outside of government.

He wishes to gain further knowledge on how to contribute to Sri Lanka's development, yet sometimes feels inhibited by his workplace, and dares not to overstep his boundaries as a junior officer.

### Needs

- Build professional credential by participating in national development projects
- Access to industry professionals to expand his network
- Space to experiment and learn new things
- Opportunity to expand his knowlege and skills as a development specialist

# Incentives



 Lab as an enabler of personal development; a stepping stone for capacity- and network-building

# Resources



- Manpower to contribute as a member of the Lab
- Necessary willingness and idealism to become an agent of change in his department

# Typical Archetype of..

First jobbers, Youth groups, Students

# Fathima



Fathima works in an NGO that specialises in empowering rural women in Sri Lanka. Throughout her experience in working with the development sector, she has established for herself an extensive network of connections which involve government officials and private sector counterparts.

Her network also includes grassroot-level organizations, providing her with in-depth understanding of the life-context of citizens. However, Fathima struggles to secure buy-in from the Government, partly due to the anecdotal nature of the evidence she presents, rendering her proactive efforts unsustainable, especially when it comes to implementing projects.

# Needs

- Comprehensive data from various sectors in Sri Lanka to aid her in designing projects
- Better opportunity to align her efforts with other stakeholders to achieve success

### Incentives



- Provision of data and analysis from Lab's own research initiatives
- Opportunities for Fathima to collaborate with other stakeholders and influence government

# Resources

- Extensive network of connections to help mobilize program design and implementation
- Portfolio of past projects and knowledge on how to initiate and manage projects

# Typical Archetype of..

CSOs with grassroot reach, Social Enterprises

# Naveen



Naveen is a high-ranking official in the Sri Lankan public sector that is responsible for handling issues related to development. He has been in public service for 20 years, and is seasoned in dealing with the nuances of government. While he thinks the public sector is not perfect, he has seen the department improve over the years and thinks change is unnecessary. He tries to support capacity building within the sector while at the same time upholds bureaucracy and a strong sense of hierarchy.

His department possesses the data necessary for policy design, and there has been ample discussions on programme designs, yet Naveen admits that more can be done to improve programme implementation. He is open to learning about new mechanisms to achieve this, but is reluctant to make significant changes to the system. Despite this, he has many peers in the department that are evidently excited and open to taking on new and more experimental approaches.

# Needs

- Methodologies necessary to achieve successful programme implementation, including planning and evaluation tools
- Extra skills to facilitate policy design and implementation

### Incentives



• Lab as an agent that does not intervene, but improves on existing initiatives

# Resources



- Comprehensive data set that can be analysed and used together with other stakeholders
- Portfolio of programs and extensive network to mobilize initiatives
- Deep knowledge of public sector culture and history

# Typical Archetype of..

Coordinating Ministries, "Traditional" Government Officials. Mid-size Private Sectors

# Devanand



As a senior data scientist at a leading research institute, Devanand has extensive experience in data analysis, knowledge production, and programme implementation. His organisation has been on the scene for ten years and is often considered as a trusted partner for the government in terms of data collection and analysis. Devanand aims to build the institute as a thought leader in the industry, which can only be achieved by building a credible portfolio of successful programmes.

Devanand claims that while he is well-versed in programme design and implementation, a lot of the challenges to effective implementation stem from the fluid priorities of the public sector. Programmes that depend on public sector intervention often experience roadblocks due to the lengthy verification process, preventing the institute to perform at its full capacity. Despite having a strong network in the public sector, Devanand claims that he could use further influence and opportunities to network.

# Needs

- Meaningful engagement with senior officials in the public sector to ensure smooth programme implementation
- Political and/or practical leverage to ensure buy-in from partners and users
- Credibility of the institution as a trusted partner for research

# Incentives

- Lab as a source of credibility that can amplify the development-related commitments of the organisation
- Meaningful interdisciplinary collaboration with senior government officials, as well as development bodies in other countries.

# Resources 🛛 🔒 🚭 🛢

- Data sets to be used as a basis for programme design and evaluation
- Skills with data processing and sense-making that can be extended for interdisciplinary collaboration
- Extensive network and experience in working across sectors in Sri Lanka

# Typical Archetype of..

Technical experts, Heads of Development Organization, Big Corporations

# Sara



Sara is a minister in the Sri Lankan government, and has extensive experience in the private as well as the public sector. She believes that the work she is doing will have a great impact on Sri Lanka's development.

Sara has identified many opportunities for the country, and is willing to take on new approaches to policy-making to realise her vision. She believes that policymaking could benefit greatly if the Government is better connected to the people at the grassroots level, as it would improve policy implementation. As a high-ranking official, she is willing to position herself as a champion of public sector innovation, utilising her data, network and gravitas to advance the cause.

### Needs

- Further amplification of government actions to better address the needs of the people
- Commitment from other partners who share the same vision as she does for Sri Lanka

# Incentives



- Lab as a partner to further the national development of Sri Lanka
- Lab as an amplifier for Sara to advance her values to the larger public
- Expand her network to the grassroots level, thereby informing policy-making strategies



 Extensive data sets, technical know-how, and meaningful engagement with senior officials that enable her to design and implement policies with relative ease

# Typical Archetype of..

Thought Leaders within government, development organization, and private sector



These persona archetypes suggest that while there are many stakeholder groups in the Sri Lankan context, approaches should be catered to individual motivations and assets.

The inception strategy should be informed by the above insights. For instance, to ensure the relevance of the Lab, it would be of value to approach individuals such as Dinesh and Fathima first, as they could bring in the people-power and initial network needed for the Lab. As Dinesh's power lies in his numbers, for instance, it is necessary to approach more people under his persona.

On the other hand, to amplify the positioning and standing of the Lab, it is necessary to approach those under Sara's persona. Her level of influence wouldn't necessitate more than a few individuals of her standing to be involved, yet it is important to approach her in order to ensure successful buy-in from senior officials and to establish the credibility of the Lab.

# INSIDE THE LAB

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### **The Focus**

The Lab is currently envisioned as a medium for policy innovation, a safe space that allows experimentation in policy development by harnessing citizens' insights. Policy prototypes are to be tested in a controlled environment, allowing the incorporation of feedback from small scale testing and informing further development.

Based on the discussions we had with stakeholders, a few challenges surfaced with regard to shaping the Lab as a policy innovation space:

- **Redundancy:** Several agencies are currently mandated to develop policies, with little coordination and communication between the actors. The Lab would "compete" in an already cluttered and currently politically unclear environment, if it decides to deal solely with policy development. As a result, there is a risk to the ongoing political buy-in, especially from the overlapping bodies, should this path be chosen.
- Action-orientation: Some of the important stakeholders, most notably the private sector, expressed that "action-orientation" and a " focus on results" are the most important principles that will determine their interest in engaging with the Lab. For these stakeholders, policy is perceived as a plan or a framework, rather than a result.

Taking into consideration the above challenges, as well as the opportunity for multi-stakeholder engagement, we feel that the Lab should have more flexibility in terms of what it can produce, as long as it promotes social change. This is also in line with the underlying reason behind the inception of the Lab: to enable Sri Lanka to adapt to the ideas and methodologies that support public sector innovation. Therefore, we suggest the Lab not to be solution-focused, but also methods-focused. This is where the lab's broader objectives and guiding principles play an important part in the services that the lab can offer.

"The Lab should focus on the practical side of policy - the rollout. It is better to focus on service delivery and social protection. There is a disconnect between what people want, what the policy does, and how they receive services."

SHUNICHIRO HONDA JICA ADVISER - DEVELOPMENT PLANNING "One thing that we do is to have ministers as champions for our initiatives, because government ownership is important for sustainability. Once you do that things will also move faster. "

DILHAN FERNANDO DIRECTOR - DILMAH TEA

### **Relationship with Government**

The Lab's proximity to government depends greatly on the buy-in from public sector stakeholders. The resulting format will therefore mostly be based on the approach to engaging the stakeholders who will be involved in the inception of the Lab. There is no one-size-fits- all rule when creating an innovation lab, but there exists a few options in choosing the right format for the Lab:

- Established as a unit in the Prime Minister's office. Ex: PEMANDU, Service Factory UAE, PS21
- Based in and managed by a specific ministry, with agenda set by that host ministry. Ex: Barcelona Urban Lab
- Co-owned by several government units, with more than one unit setting the agenda. Ex: Mindlab, Behavioral Insights Team
- An independent entity with funding fully or partially provided by government. The entity has autonomy to set its own agenda. Ex: TACSI, Nesta Innovation Lab
- Independent entity with funding fully or partially provided by development agencies or the private sector. The entity has autonomy to set its own agenda. Ex: Pulse Lab Jakarta

The ability of the Lab to achieve its three objectives - promoting experimentation in government, facilitating interdisciplinary collaboration, and harnessing citizen-centred solutions - will be impacted by its proximity to government. The closer it is to government, the easier it is to sustain the results and embed new practices in the public sector. However, proximity also entails more constraints, political and administrative, in undertaking the Lab's process. There is no optimal position as there are external factors that influence the Lab's relationship with government. Instead, the Lab should be close enough to government in order to legitimise its operations and maintain access, but only to a point where it won't negatively compromise the Lab's freedom to experiment.

The important thing to remember is that the relationship with government is not static. The position can change overtime, depending on the government's appetite to take on the Lab's initiatives. In addition, shifts in political power will also influence the Lab's position vis-a-vis government. Therefore, regardless of the relationship the Lab has with government, it is important to be accessible, transparent, and open to new networks -- as those are some of the ingredients needed to maintain the Lab's credibility, regardless of its proximity to government.

# The Mind of the Lab

Aside from determining the Lab's format and its ownership, it is also imperative to determine the qualities of the members of the Lab. This section examines the leadership team, as well as a series of principles to guide the selection of staff:

#### The Leadership Team

Qualities needed from the leadership team:

- Possess a strong network with high-ranking government officials and thought leaders within the private sector. Having leaders who possess such a network will improve the Lab's access, credibility and visibility.
- Able to navigate politics and government bureaucracy, but maintain a commitment to experimentation, flat organisational structures, and tolerance of uncertainty.
- Capable of protecting the Lab from fluid mandates and participation, ensuring the consistency and focus of internal operations.

#### Selecting Staff

The Lab members must possess qualities beyond technical skills. While interdisciplinarity is a priority, the most important feature that needs to be considered when hiring Lab staff is their attitude towards the innovation process. Several things that need to be considered:

- Look at their network. Make sure that the collective network assets of all team members in the Lab encompass most/all key stakeholders within the innovation ecosystem - from public to private sector, academia to creatives, subject matter experts to youth activists.
- Ability to facilitate learning processes and onboarding

   facilitation skills are crucial
- T-shaped profiles are ideal-- choose people who possess in-depth knowledge in one subject area, but also have exposure (albeit shallow) to different disciplines. Candidates holding T-shaped skills profiles usually have good ability to grasp new concepts and adjust their approach depending on their environment.
- Identify a few key areas of technical expertise that match the mandate of the Lab. It would also be beneficial to have unique skills to offer to the government, for example service design, technology development, behavioral insights, data science. Additionally, initiate rosters, so that technical expertise that falls outside the Lab's core competencies can be easily procured.
- Have at least one team member who has experience in both the public and the private sectors.
- There needs to be someone with more traditional project management skill - to make sure that projects are completed and wrapped up properly.

"We utilize our network and get champions connected to us to better ensure implementation. We hold mini-meetings and roundtable discussions with different stakeholders to identify the right champion for our initiatives."

PROF. AJITH DE ALWIS PROJECT DIRECTOR - COSTI

# AS THE LAB TAKES SHAPE..

Through discussions with the UNDP Sri Lanka team and also reflecting on Pulse Lab Jakarta's own experience, we developed an array of possible approaches and ideas to address some of the challenges the Lab may face in achieving its objectives.

The recommendations are based on the inferences that we've drawn from our observations on site and through the discussions with stakeholders. There are of course deeper cultural nuances that we did not fully comprehend, therefore we are unable to prescribe a specific approach that will precisely match the context of the organization. We encourage trialing the approaches and reflecting on the learnings to see how the different approaches can add value to achieving the Lab's objectives. Only the Lab team itself has the sensibility and expertise to discuss and choose how the different approaches should be explored further.



# Promoting Experimentation in Government

#### **Managing Risk Aversion**

#### THE LAB AS A SAFE SPACE FOR EXPERIMENTATION

Rather than framing the Lab as a "safe space to fail", it is more persuasive to position it as a space where new approaches and tools are being developed, tested, and refined. It is a space where government officials and other stakeholders can expose themselves to new approaches, with little to no risk associated, except for their time.

While it needs to be clear in the communications, it is also important to translate the invitation to experiment into the design of the space. On-hand prototyping materials, quotations on experimentation on the walls, plenty of wall space to write, and modular design are some aspects that can promote a sense of agency among participants and invites a Lab culture of open-mindedness, creativity, and collaboration.

#### CONTEXTUALIZED PROOF-OF-CONCEPTS

A tangible, proven example is always a good way to convince people to buy into a concept, especially if they are the more risk-averse. Rather than trying to reinvent the wheel, the Lab can act as a knowledge hub of successful social innovations. The Lab can contextualise the case studies to highlight the relevant aspects that can be trialed in Sri Lanka.

#### **IDENTIFY POSITIVE DEVIANCE**

Rather than building custom responses to problems, the Lab can focus on identifying cases of positive deviance – projects or initiatives that are seen to be successful in most or some aspects. Starting with the solutions that already exist accelerates learning. Opportunities and achievements can easily be seen as hit and miss if it is not documented and evaluated systematically.

#### **Onboarding Innovative Mindset**

#### TANGIBLE TOOLKITS

Toolkits provide guidance that makes it easier for people to navigate through an unfamiliar process. A good toolkit would facilitate positive interactions among the people using it, help them advance through the process within a specified time period, provoke discussions and creative ideas, as well as equip them with structures that facilitate analytical process. A word of caution though: toolkits and templates are means of facilitation, rather than a "shortcut" to arrive to solutions. Different situations require different ways of using the toolkits.

IDEO.ORG Design Kit: http://www.designkit.org/ KUALI: http://www.somiacx.com/thought/kuali-cx-cookbook/ SERVICE DESIGN TOOLS: http://www.servicedesigntools.org/ HYPER ISLAND TOOLBOX: http://toolbox.hyperisland.com/







#### **INNOVATION CHECKLIST**

The innovation process can be abstract at times, and a clear guidance on what makes an initiative innovative can help inform people on what it means, and showcase what it entails to use an innovative approach in designing projects. A step-by-step checklist can give reassurance throughout the process, and help people plan better in the resources that they need to secure every step of the way.

#### FELLOWSHIPS AND SECONDMENTS

On-the-ground experience in managing the innovation process is critically important. The Lab can be an agent that profiles and matches secondments between government departments and innovation units within businesses or universities. Through secondments, the Lab can help "soften" the resistance to innovation by providing a programme that is linked to public service professional development, and also strengthen or build ties between the different stakeholders involved.

Presidential Innovation Fellow: https://presidentialinnovationfellows.gov/

#### **Building Appetite for Innovation**

#### TAKE INITIATIVE

In the inception of the Lab, it may be strategic to initiate projects for which existing demand may not be present at the time. These projects, especially when tied with existing government data, are an effective way to showcase the value of the Lab. The point is not to wait for demand for projects, but to initiate projects that may lead to future demand.

#### INNOVATION CHALLENGE FOR CIVIL SERVANTS

Systemic change is difficult to achieve, but enabling initiatives among the outliers who advocate for change within the existing system might be a quicker win. One way to discover these agents is by running an open challenge for civil servants to submit their ideas. Submissions can include half-baked concepts or initiatives that have already taken place, but ones that can benefit from further refinement. In addition to discovering outliers, open challenges can also serve as positive media exposure and a way to further public sector innovation without having to start from scratch.

#### Urun Ide: http://bit.ly/2poNGMd

#### **INCUBATION SERVICES**

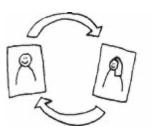
The Lab can also play a role as a space that helps bring half-baked ideas to fruition, through the help of mentors and experts in different areas. Riding on the increasing appetite for social innovation, the Lab can run a series of horizon scanning initiatives, competitions, and workshops, especially for youth who want to learn about and practice social innovation approaches from industry experts.

Pulse Lab Jakarta Incubation Tips: http://bit.ly/2oSJ6HE

#### **RESEARCH ON ENABLING FACTORS**

One way to establish a culture of innovation is by demonstrating that the Lab has in-depth understanding of the enabling factors for public sector innovation. Research on underexplored topics like data and information literacy, social rules of engagement, impact of technology introductions can provide insights that can inform policy and programme design.













# Enable Interdisciplinary Collaboration

#### **Coordinate Initiatives**

#### CROSS-MINISTERIAL CO-DESIGN WORKSHOP

While the Lab does not have the capacity to transform the public sector, it can be a space that provides a glimpse of what's possible. One way to do so is to run workshops to develop tangible solutions to solve challenges that currently fall between government siloes.

The workshop brings together participants (ideally 5 - 10 participants per facilitator) from diverse backgrounds, where they work to produce prototypes of services or programmes based on a given challenge to solve. The teams will progress through user research, synthesis, ideation, prototyping, and prototype-testing. The goal of the workshop is not only to make innovative projects, but also to establish the innovation mindset within the government, so participants can enrich their everyday practice and hone a sense of collaboration.

Global GovJam: http://www.govjam.org/

Service Factory: https://blog.wearefuturegov.com/the-service-factory-2e2f56c4ebe8

#### **CROSS-MINISTERIAL INNOVATION TRAINING**

A sense of collaboration can also be achieved through training sessions, where participants do not necessarily have to undergo the problem solving process, but work together to learn new skills. Training can be a good onboarding process for cross-unit collaborations, especially to assess power dynamics between different units. The Lab can establish its position as the thought leader in next generation governance by providing training workshops in new skills, like data visualization, digital ethnography, service design, and data analysis, among others.

#### Introduce the Unusual Suspects

#### SPACE FOR MEETUPS

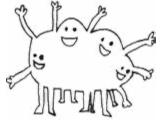
Hosting meetups is a good, rather inexpensive way to expand the network and establish a reputation as a leader in interdisciplinary collaboration. In addition, meetups will expose the Lab to "unusual suspects," players from within the innovation ecosystem that are not yet within the Lab's network.

Meetup: https://www.meetup.com/

#### ENGAGE LOCAL PARTNERS

It is important to view networking in two ways: network for influence, but also at the field level for a more grounded approach. Build ties with organisations with strong grassroot reach, as initiatives often need local technical expertise in the planning and implementation stages.









#### Unlearn

#### UNDO PROFESSIONAL IDENTITY

The hierarchical nature of government can lead to situations where one opinion carries more weight than others. Labelling of government officials also creates a natural barrier for par-level interactions across different generations. One way to bridge the gap is by requiring people exposed to the Lab's work to forgo their corporate (and hierarchy) attributes and have facilitators who ensure that each individual, regardless their "status", has an equal chance to voice their opinions.

#### Getting the Most out of Collaboration

#### GOOD COLLABORATIONS REQUIRE GOOD FACILITATORS

Having a neutral facilitator who can model behaviors and mindsets that lead to a more creative and thoughtful solutions is an essential part of familiarizing people with interdisciplinary collaboration. It is beneficial for the Lab to have individuals in the team who possess good facilitation skills, which include, but are not limited to:

- The ability to bridge between individuals with different mindsets, values, and experience levels
- The ability to energise the team when spirits are low, but also to let go and let the team work on its own during the state of flow
- The sensibility to manage group dynamics and manage conflicts between individuals in the team
- The ability to design the collaboration framework and workflow for the team that best promotes creativity, but also with the flexibility to adjust the approach according to how it plays out in the group
- The sensibility to not provide the team with solutions, but to direct them to undergo a learning process that enables ownership of relevant solutions

ACUMEN Course on Facilitation: http://bit.ly/2bmZtba



DRESSCOPE

CASUAL

# Harnessing Citizen-centered Solutions

#### **Getting Feedback**

#### **OPEN HOUSE**

Periodically, the Lab can open its door to citizens for them to test and share feedback on the Lab's projects. Open House can be a good opportunity for the Lab to showcase its work and to expand its network.

#### HEART-TO-HEART

To make sure lessons are captured to improve future projects, short interviews can be conducted with different users involved in the project. The interview will take on a reflective nature, meaning that it will not focus on ratings or certain performance standards. Rather, it should dig deeper into the users' experience - what works well, what has changed, what can be improved, and most importantly, the main lessons that they learned from being involved in the project.

#### Connecting Government Initiatives with Citizens' Needs

#### PLATFORM FOR CITIZEN PARTICIPATION

: The emergence of social media and the online space as a means for citizens to voice their opinions is an opportunity for government to establish informal exchange with citizens. The global use of online platforms to mine citizens' concerns and ideas have grown rapidly within the past couple of years. The Lab can seize the opportunity by assisting with the design of such a platform.

#### THE ENABLING FACTORS FOR CITIZEN PARTICIPATION PLATFORMS

In recent years different forms of citizen participations have emerged, taking the form of various mechanisms. Many fail, however, to achieve their intended objectives. It is common to see platforms become inactive a few months after their launch. We have identified two important enabling factors for ensuring the sustainability of a citizen participation platform: a well-designed **feedback loop** and other **incentive mechanisms**.

**Feedback loop:** A feedback loop enables users to understand their progress in the process. When used to provide information about progress towards a goal, a feedback loop typically motivates users to complete the other steps and remain engaged. In the context of a citizen participation platform, feedback loops provides assurance that the users inputs are being taken into consideration and acted upon.

**Incentive mechanisms:** We often associate incentives with extrinsic motivations, like money and gifts. While they are considered as incentives, what is important is to see incentives a means to keep people motivated to participate in the Lab's initiatives. Learning new skills, mastery of a subject, autonomy, a sense of agency, network building, strengthening existing social connections and status are all powerful incentives to remain engaged.







### **TYPES OF CITIZEN PARTICIPATION PLATFORMS**

the extent of the engagement

	EXPERIENCE FEEDBACK	COMPLAINTS REPORTING	IDEA SOURCING	COLLABORATIVE PROBLEM SOLVING
WHAT IS IT?	A medium through which citizens can share their satisfaction regarding a service delivered by the government, usually more relevant for front-line services.	A medium where citizens can report complaints regarding a certain aspect of government performance, and other areas that needs attention from government.	A medium that pools citizens' ideas on how to solve societal challenges.	A medium that enables collaboration between citizens and government in developing solutions to solve a specific challenge.
PROS	<ul> <li>Simple to administer</li> <li>An easy way to onboard government official in a feedback culture</li> </ul>	<ul> <li>Enables government to understand the layers of citizens' concerns and informs prioritisation</li> <li>A good way to establish trust in government.</li> </ul>	<ul> <li>Crowdsourcing of many, potentially novel solutions;</li> <li>Entry points to the innovation ecosystem.</li> </ul>	<ul> <li>Ongoing discussion throughout the problem solving process between government and citizens</li> <li>Enabling rapid, iterative development and testing</li> </ul>
CONS	<ul> <li>Often does not lead to any action</li> <li>Can be seen as a tool for reassurance, but does not really identify specific pain points that need to be addressed.</li> </ul>	<ul> <li>May create an expectation that government should fix everything</li> <li>Resource-heavy (especially if complaints are expected to be addressed in a short period of time)</li> </ul>	<ul> <li>Making sense of the ideas can be time-consuming;</li> <li>no guarantee of commitment from idea owner.</li> </ul>	<ul> <li>Fluid participation as it is difficult to maintain commitment.</li> </ul>
ENABLING FACTORS	<ul> <li>Periodic review of citizen feedback, openly discussed in team meetings.</li> </ul>	<ul> <li>Clear feedback mechanism - citizens can clearly see the status of the complaints and who's handling them;</li> <li>Dedicated team with responsibility for following up on the complaints.</li> </ul>	<ul> <li>Clear feedback loop and incentive mechanism</li> <li>The interface should facilitate discussion and interaction.</li> <li>Offline activations to select and take some of the ideas to implementation</li> </ul>	<ul> <li>Offline mechanisms like a prototyping workshop can supplement the online community, build commitment and ensure implementation.</li> </ul>

For Inspiration: "A Place to Experiment": https://www.kokeilunpaikka.fi/fi/ CIVIC IQ: https://www.artefactgroup.com/articles/civic-iq-1-0/

# MOVING FORWARD



# The Innovation Lab Roadmap

Drawing from Pulse Lab Jakarta's own experiences, we have collaborated together with UNDP Sri Lanka to assess the organization and ecosystem readiness to develop the innovation lab. We utilized a human-centred design approach in conducting our scoping mission, focusing on obtaining the stories, experiences, and needs of those who will be involved and impacted directly by the Lab.



**OBJECTIVE 03** 

### Stage 3

THE LAB AS DEVELOPER OF CAPACITY

The Lab will play more facilitator and advanced capacity development role, with projects mainly driven by government.

### Stage 4

THE LAB AS ENABLER FOR CULTURE OF INNOVATION

The Lab focuses its operation in mainstreaming innovation within government.

Fellowship and secondments, Toolkits and case study productions, Thought leadership, Training for Trainers

Impact reports, Number of change agents, Toolkits usage

#### CORE: NAVEEN AND DEVANAND

The order of priority at this stage shifts, as there is a higher interest to involve those with the repository of data and knowledge sources.

#### **PERIPHERY: SARA**

The Lab has possessed enough interest from talent resources, which in turn positions them at the periphery as operational support

#### OUTER: DINESH AND FATHIMA

Assisting the transition to the next phase as the enabler of innovation culture.

Collaborative problem solving platform, Enabling factor research

Impact reports, Project pipelining, International recognition, Change management evaluation

#### CORE: SARA

Support in equipping the Lab with the credibility necessary to be positioned as the ultimate answer for innovation and development in Sri Lanka. At this stage, the Lab would have enough portfolio of case studies to appeal to the altruistic side of the core stakeholder

PERIPHERY: REMAINING PERSONAS Source of support

# Capturing the Low Hanging Fruits

In the months following the creation of the Lab, it is imperative to undertake a series of activities that demonstrate the capabilities of the Lab via quick wins, thereby providing the Lab with proofof-concepts to appeal to stakeholders, to move on to other engagements and more ambitious projects.

A few initial partners and projects can include:

#### **Ministry of Megapolis and Western Development**

**Background:** Minister Ranawaka has stated that one of the main issues faced by the Megapolis and Western Development Project surrounds the transportation system. Among others, issues with infrastructure and vehicles drives the problem of congestion in the area.

What the Lab can do: It is firstly important to note that while the Lab can assist the Ministry, it is unlikely to have the capabilities of directly improving the infrastructure of the region, especially at inception. However, issues surrounding transportation in the region also include human-centred problems, including road discipline and culture. What the Lab can do, therefore, is to provide human-centred insights to address the issue.

#### **Potential services:**

- Usability research on mobility and transportation services
- Data analytics on transportation use
- Behavioural insights analysis for new and existing services
- Connecting the ministry with youth groups
- Facilitation and design of multi stakeholder workshop hosted by the Ministry and inviting participants from public office, private transportation providers, transport associations, designers, technology experts, and citizens

#### Sarvodaya

**Background:** Our interview with Mr. Chaminda Rajakaruna revealed that Sarvodaya has a high interest in developing the research ecosystem in Sri Lanka, particularly among youth. As practitioners, they can benefit from more evidence-based policymaking skills and a focus on social sciences to complement technology. What the Lab can do: Without infringing into the internal system and workflow of Sarvodaya, the Lab can position itself as a facilitator to improve the network of the organisation, as well as expose its members to new methods.

#### **Potential services:**

- Establish a network to connect Sarvodaya with youth groups, researchers, as well as social enterprise (e.g. COSTI, GoodMarket)
- Facilitate a human-centred design workshop to introduce the design mindset to the organization. This can also be an arena to build new networks and mobilise the research community around common goals. Participants will include those within the consortium.
- Present a toolkit for programme design to be used by the organisation for future projects.

#### Microsoft

**Background:** As one of the biggest private sector companies in the country, Microsoft has had a number of innovation-related initiatives in its portfolio. Ms. Janakie Karunaratne from Microsoft revealed that while this is true, it still struggles to provide a physical space for their variety of hackathons and in ensuring actionable commitment from the government.

What the Lab can do: At this stage, the Lab will most likely still lack full cooperation from senior officials in the Government, but it can facilitate multi stakeholder processes as a first step in building influence. Further, partnering with Microsoft can provide the Lab with the necessary resources that it might need, in terms of manpower as well as technology.

#### **Potential services:**

- Partner with Microsoft for ICT-related engagements
- Design implementation systems for existing Microsoft projects to pitch to government, including action items and targets
- Design and assist in the facilitation of ICT-related workshops, hosted by and involving participants from SMEs and youth groups in Sri Lanka

#### Ministry of Law & Order and Southern Development

**Background:** One of the challenges that the Southern Development Authority is addressing, as informed by Chairman Herath, is to get the proposed current industrial zone approved -an initiative that aims to repurpose private land into an industrial zone -- one that is not easily accepted by the residents. He claims that the Authority currently faces issues in communicating and engaging with the residents. What the Lab can do: Using a human-centred approach to look at the issue from the citizens' perspective, which will in turn inform approaches and services to suit their needs.

#### **Potential services:**

- User research to understand the needs, challenges, and opportunities of citizens in the area
- Design of communication strategy as a result of the user research
- Facilitation and design of a multi stakeholder workshop hosted by the Authority and inviting participants from public office, civil society organizations, youth groups, businesses, and creative organizations.
- Design of new services that can address citizens' needs, for example professional development opportunities to help them to transition between sectors.

#### Australian Department of Foreign Affairs and Trade

**Background:** As a prominent foreign donor in the country, DFAT is an important stakeholder to consider when setting up the Lab. DFAT will also benefit from the Lab's existence, as a more capable and effective public and knowledge sectors can enhance foreign investment attractiveness.

What the Lab can do: While at this stage, the Lab hasn't fully developed capabilities to provide data or comprehensively engage with the public sector, it is still imperative to gain the partnership of DFAT, and it can benefit from forming close ties to Australia-based agencies and innovation labs.

#### Potential tasks:

- Establish links with consultants and agencies from Australia by assigning secondments of Lab members and other government officials to the agencies.
- Invite thought leaders from the Australian agencies to host a workshops/training events at the Lab, or have them assigned to work on local projects.
- Consultants and agencies can include: FutureGov Australia, TACSI, Data 61

#### **Youth Groups**

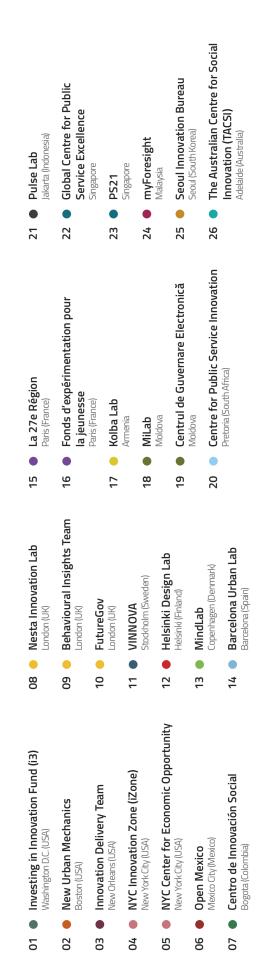
**Background:** As a cohort most open to change, youth in Sri Lanka are enthusiastic yet still feel disempowered by the system. They regularly hold discussion forums among peers as they think that "working with multiple opinions is lacking in the country". However, they struggle to formulate solutions out of the discussions, citing that forums often only discuss the issues without inspiring in action. What the Lab can do: Addressing the need to empower youth, the Lab can position itself as youth-led, by both employing youth among its technical staff, as well as focusing on youth-led initiatives. Further, it will position itself as a bridge between youth and other stakeholders that can empower their capabilities and promote their ideas.

#### Potential tasks:

- Hiring youth staff members with extensive networks
- Ensure participation of youth groups in every project that the Lab undertakes
- Connect youth groups with other resources, e.g. COSTI, in order to sharpen their existing projects, including Idea board







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Australian Government

Pulse Lab Jakarta is grateful for the generous support from the Department of Foreign Affairs and Trade of the Government of Australia