# Towards an experimental culture

Enabling better development practice for public impact

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Nesta Innovation Skills Team



#### Take-aways from this session

When to use what kind of experimental approach?

Experimentation as a continuum (of approaches)

Experimentation as a method → experimentation as mindset and culture

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### Let's start with a challenge



Barcelona is planning to move away from a city that is dominated by cars, that comes with excessive pollution and noise levels.

How might we turn the streets into Citie "citizen spaces" for culture, leisure and the community, to make the city more liveable ("fill our city with life")

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Resili

thegua

lifestyle fashion environment tech travel business africa middle east cities development

the rescue: Barcelona's reets back to residents

The Catalan capital's radical new strategy will restrict traffic to a number of big roads, drastically reducing pollution and turning secondary streets into 'citizen spaces' for culture, leisure and the community

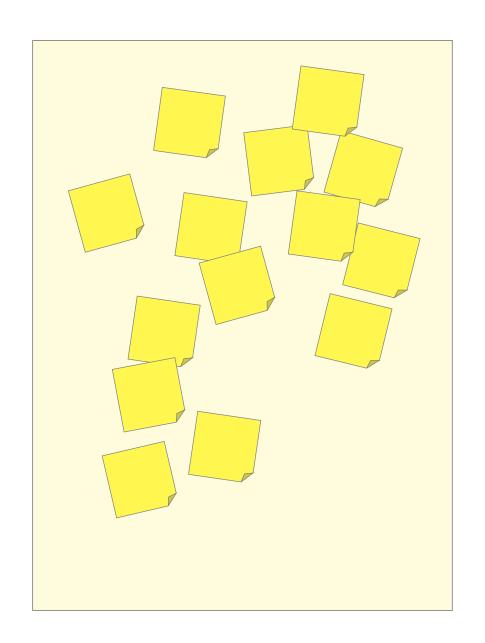




#### **IDEA GENERATION**

You have 5 minutes to generate as many ideas as possible with your group.

Write each idea on a post it, and stick it on a flip chart.



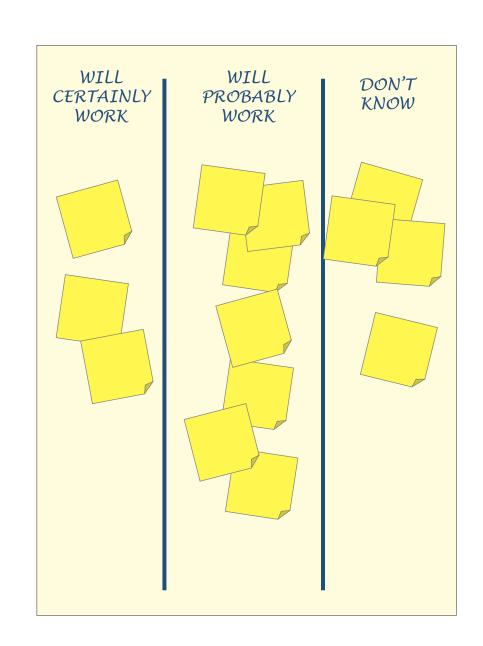
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# Welcome in the room of the unobvious...

### IDENTIFYING KNOWLEDGE GAPS

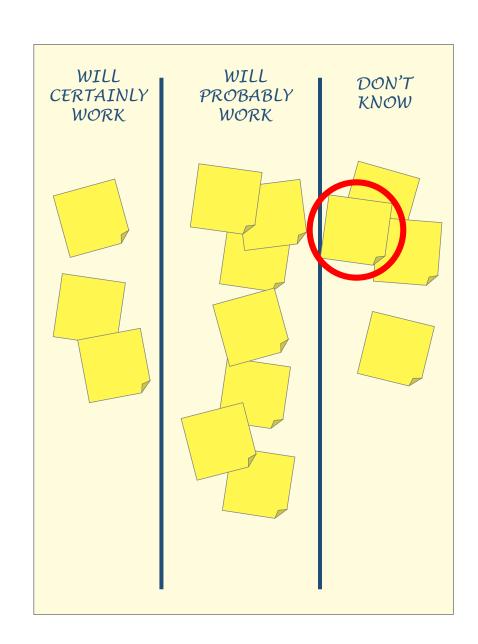
Cluster your ideas into three categories

- Ideas that will certainly work (based on what we know)
- Ideas that will probably work (based on what we assume)
- Ideas we don't know if they will work



## IDENTIFYING KNOWLEDGE GAPS

Take one idea (post it)... from the category "don't know", or "will probably work"



# "Innovation amateurs talk good ideas; innovation experts talk testable hypothesis."

Michael Schrage (Strategyzer)



IDEAS --- HYPOTHESIS

# "A hypothesis is a testable belief about future value creation"

Michael Schrage (2014)

## If ... then ...

If [we do this] then [this will happen]

action/intervention

observable/measurable effect

## Now take your post-it with your one idea, and translate it into a testable hypothesis



Embrace uncertainty

Manage risk

**Imaginative mindset** 

WHAT IF...?



Analytical mindset IF...THEN...



#### SOLUTIONS ARE UNKNOWN

Understanding of the problem is unclear. Risk cannot be managed.

#### SOLUTIONS ARE KNOWN

Understanding of the problem is clear. Risk can be managed.

#### **EXPLORE**

GENERATING HYPOTHESES What might be

#### TRIAL-AND-ERROR

ESTABLISHING A HYPOTHESIS What could be

#### **VALIDATE**

VALIDATING A HYPOTHESIS What should be

#### Shaping direction

Action is taken to open up new possibilities

#### Creating basis for redesign Action is taken to find out what works

**Legitimising initiative**Action is taken to justify decision-making

#### **METHODS**

Speculative Design, Horizon scanning, Foresight, Ethnographic Research, Citizen Science, Crowdsourcing, Positive Deviance, etc Prototyping, Human-Centred Design, Behavioural Economics, Data-led approaches, Open Innovation, etc Randomised Control Trials, Pilots, A/B testing, Multiple Parallel Experiments, Quasi-Experimental Designs, Development Evaluation, etc

# Experimentation as a continuum





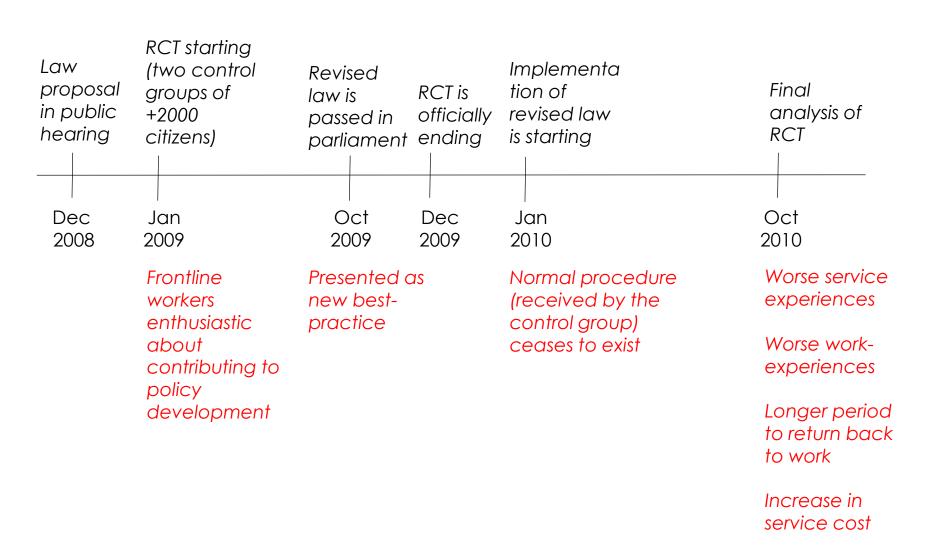


A failed experiment in the Danish employment system:

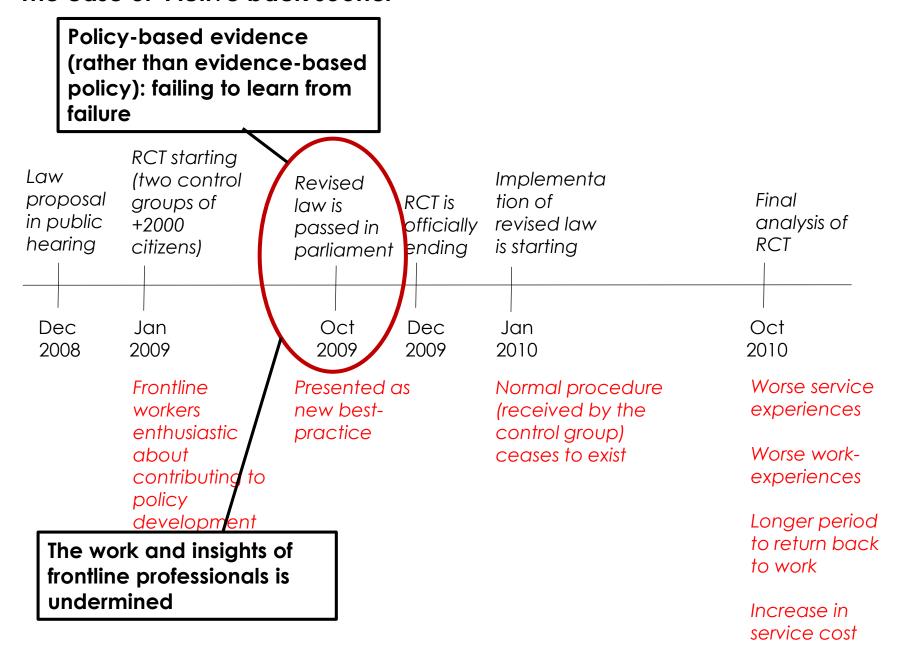
The case of 'Active back sooner'

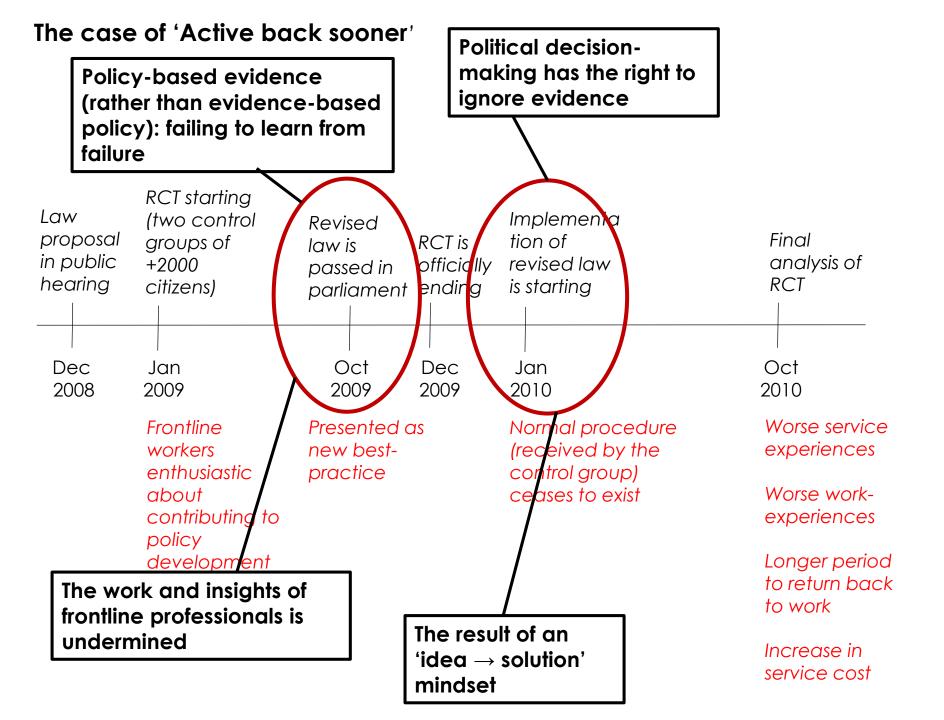


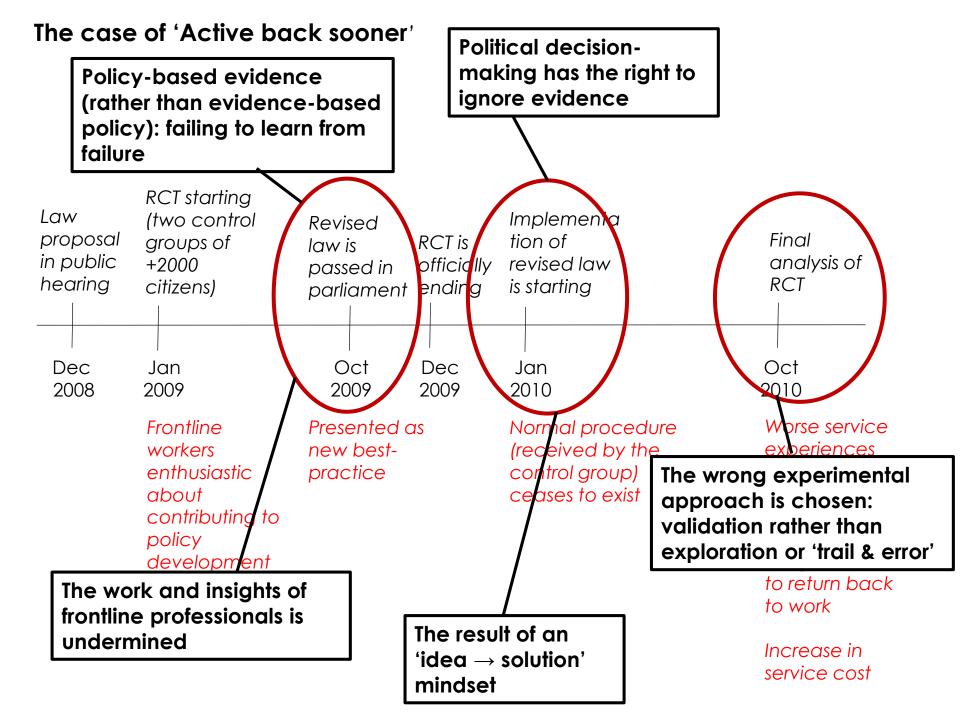
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## The less recognized value of experimentation...

Experimentation as a way of accelerating learning

Experimentation as a way of exploring the "non-obvious" (with new forms of data)

Experimentation as a way of turning uncertainty into risk

Experimentation as a way to reframe failure



# Experimentation as a mindset and culture







#### Decades of "failures"...?

- 1978: ATB law: reform focusing long-term unemployment
- 1994: Labour market reform
- 1995-1998: Finance agreements: reform of social benefits, new efforts for young unemployed, adult education reform
- 1998: Finance agreement: new demands of unemployed in terms of activation; shorter period for unployment benefits
- 1999: Finance agreement: more targetted and flexible activation effort
- 2002: Activation service reform
- 2003: Reform: "More people in employment": system simplification, coordnation and effectiveness
- 2004: Reforming efforts for supporting people with higher education
- 2007: "Quality reform"
- 2009: Municipality reform

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- 2012: Reform of early pensions and flexjobs
- 2013: reform of sickness leave benefits
- 2013: Reform of social benefits system
- 2014: Reform of unemployment benefits system
- 2014: Structural reform of employment system
- 2015: Job reform phase 1



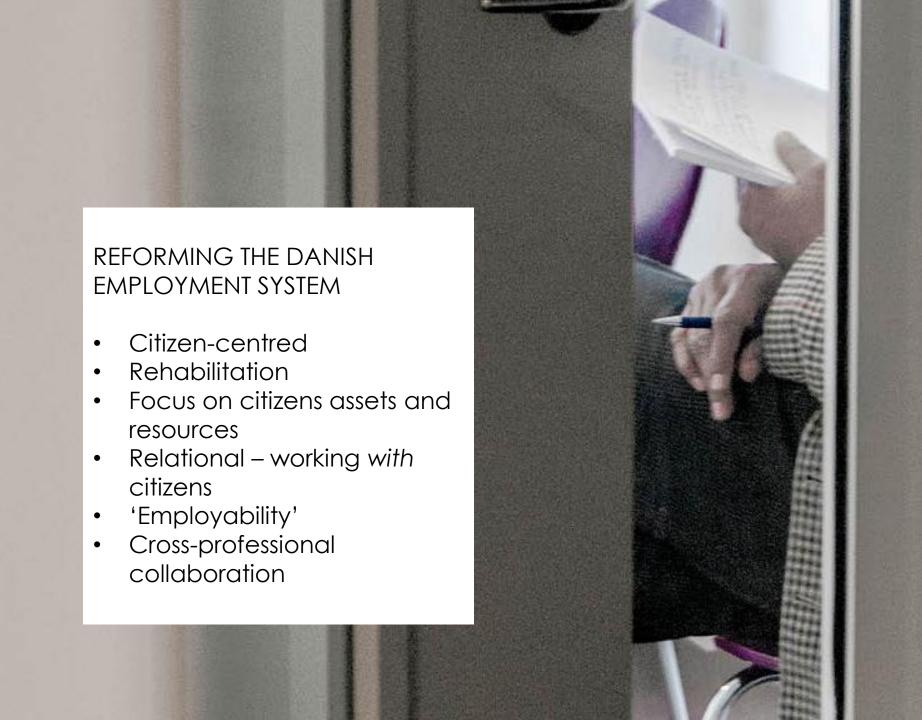
#### Still a very ineffective service system...

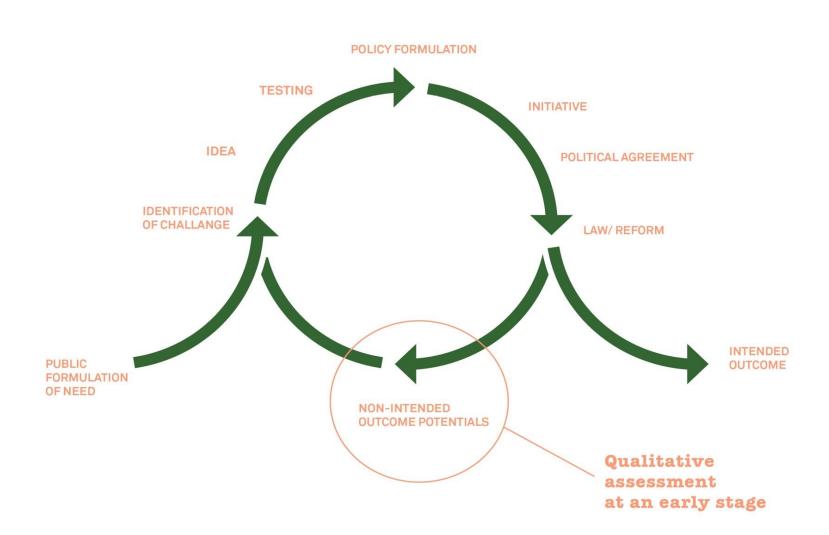
- Bad service experiences
- A system that does not make sense to people
- A significant lack of coordination in the wider public service system
- A failed effort to deal with long-term unemployed and vulnerable citizens



#### THE CHALLENGES OF POLICY-MAKING...

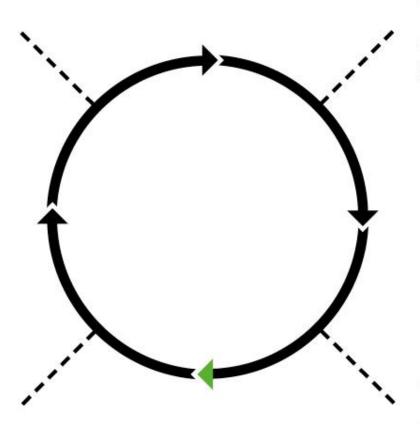
	Problem	Consequence	We need to enable	New approach
Policy and implementation	Separating the development of policy and implementation as two different tasks	Policies are developed by few people that are not involved in their implementation		
Theory of change	Assuming that change is a product of a specific planned process	Policies fail to create the intended outcomes / get caught on the wrong path		
Focus in support system	Prioritising pre-planned support and evaluation activities	When policies fail, they are often likely to be failed by wider networks of support.		





#### **ANALYSIS**

Identifying insights
Visualisation
Pattern recognition



#### **SYNTHESIS**

Ideation Concept development Selection

#### KNOWING

Project scoping Challenging the problem Citizen-centred research

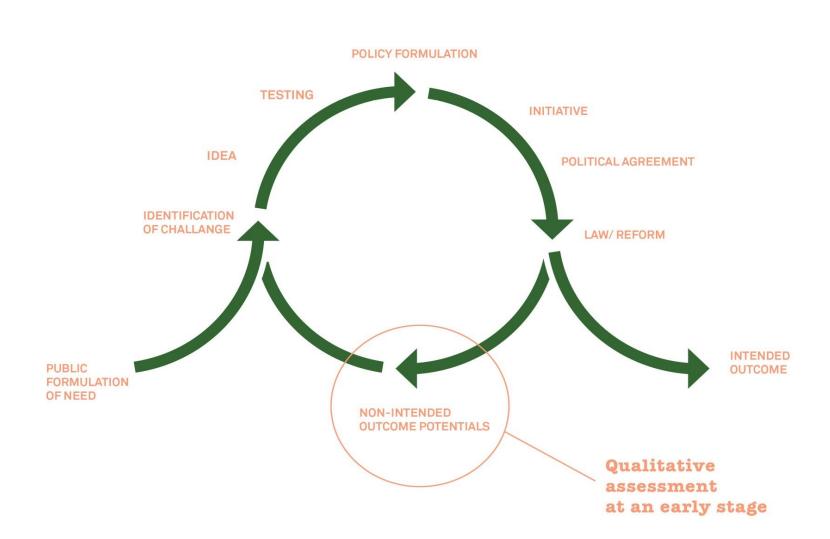
#### **CREATING**

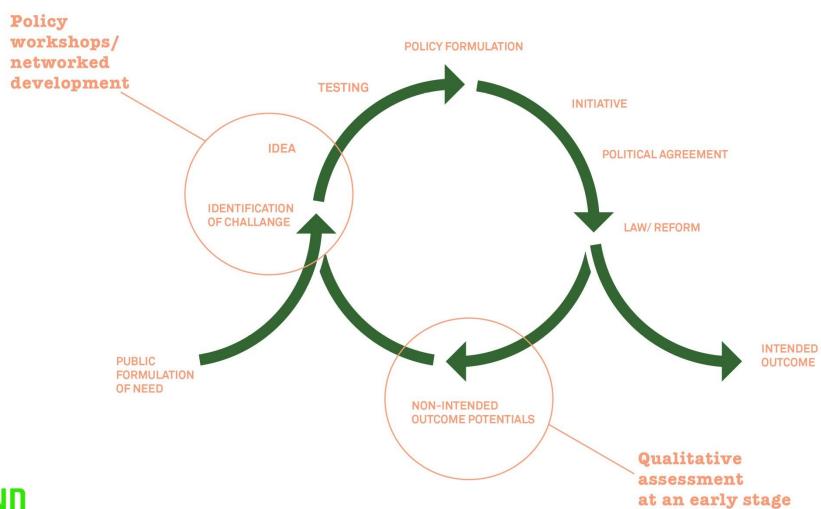
Prototyping Testing Implementing



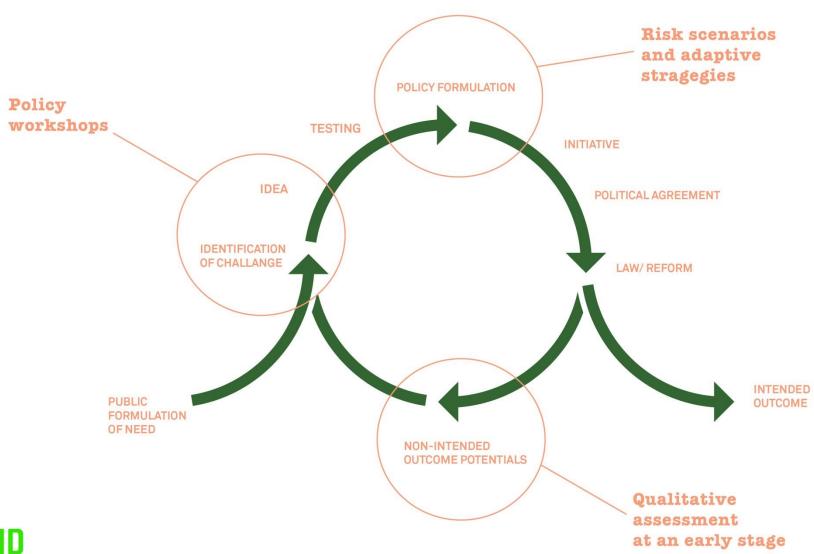




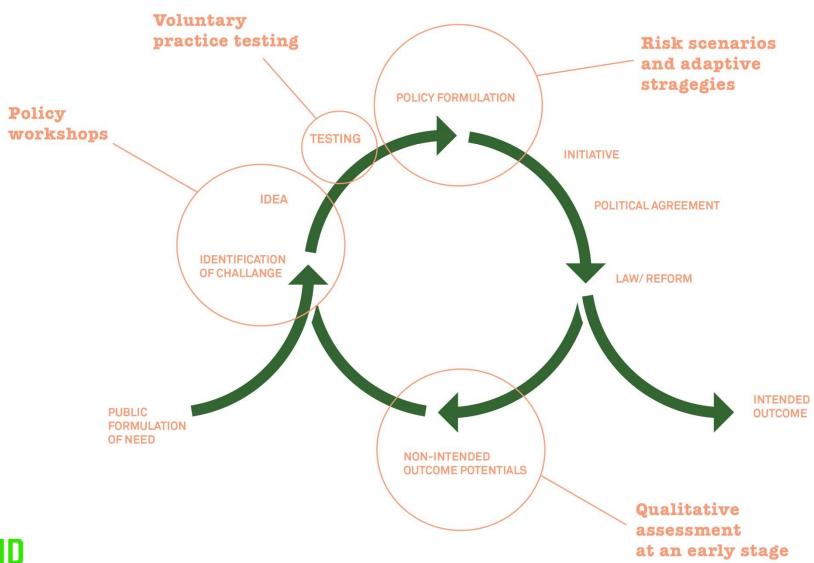




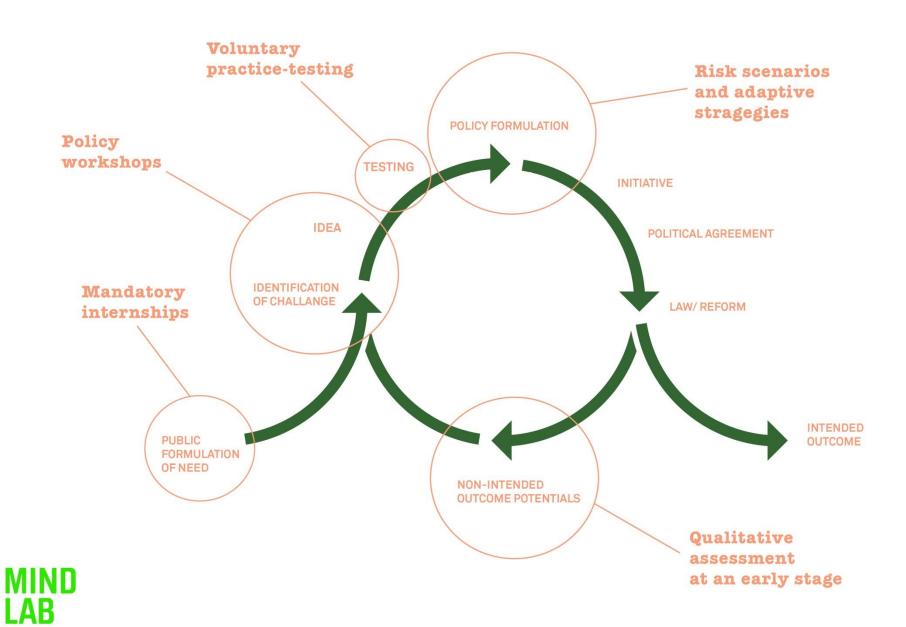


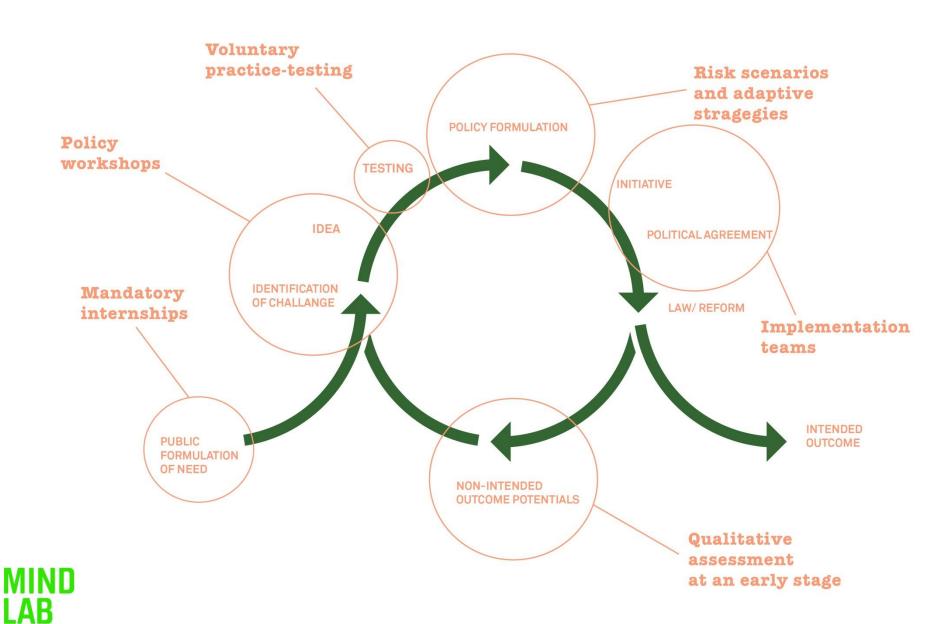












"A reform is not a reform until there are people that are experiencing something different"

Mette Frederiksen, Former Danish Minister of Employment



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"It is not our job to solve the problem of unemployment. It is our job to continuously tackle or address it"

Peter Moerk, Former Permanent Secretary, Danish Minister of Employment

# EMBEDDING NEW PRINCIPLES OF POLICY-MAKING...

Focus	Problem	Consequence	We need to enable	New approach
Policy and implementat ion	Separating policy and implementation as two different tasks	Policies are developed by few people that are not involved in their implementation	A more experimental culture	Outcomes-focused experimentation (test, learn, adapt)
Theory of change	Assuming that change is a product of a specific planned process	Policies fail to create the intended outcomes / get caught on the wrong path	Better dynamic between policy and practice	Policy-platforms: using policy create practical responses to local needs
Focus in support system	Prioritising pre-planned support and evaluation activities	When policies fail, they are often likely to be failed by wider networks of support	Shared ownership and open dialogue	Focus on local sense-making, creativity and collaboration

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# TRADITIONAL PLANNING

PRINCIPLES OF EXPERIMENTAL CULTURE

**Attitude** 

# EXPERIMENTAL PRACTICE

#### **PREDICTABLE**

Outcomes are predictable and result from careful (process) execution

# Outcomes

#### UNPREDICTABLE

Outcomes are not predictable and result from trial-and-error

#### "WE KNOW"

Using existing knowledge/methods to achieve desired outcomes

#### $\cap \cap \cap$

"WE DON'T KNOW (FOR SURE)"

Testing and seeing what works, or tapping into other sources of knowledge (citizens / partners)

#### A SPECIFIC FUTURE

Planning is done for creating a specific future

# Planning

#### **MULTIPLE FUTURES**

Planning is done for multiple possible futures

#### REARVIEW-MIRROR

Decisions are based on historical facts and past successes

# **Decision** basis

Citizens

#### **FUTURE-ORIENTED**

Decisions are open-ended and based on indications from experiments

#### **PROBLEM**

Citizens are seen as a problem to be solved or the cause of the problem

#### POTENTIAL

Citizens are a source of insight and potential for transformative action

#### HIGHLIGHT AND VALIDATE

Knowledge is used to make generalizable assumptions on socetal problems at scale at a point-in-time

# Purpose of knowledge

#### UNDERSTAND AND GENERATE

Knowledge is used to capture human experience/social complexity and test assumptions in real-time over time

#### **PRESCRIPTIVE**

Policy documents that describe or prescribe a predefined course of action

### Tools

#### EXPLORATIVE

Innovation tools that enable creative thinking, collaboration and learning

Engage with users and stakeholders

to figure out what course of action to

#### INSIDE THE OFFICE

Try to figure out from behind a desk what course of action to take

# Location

take

**OUTSIDE THE OFFICE** 

#### **ACKNOWLEDGED**

Uncertainty and risks are coped with and minimised via trial--and-error approach

#### CAMOUFLAGED

Uncertainty and risks are camouflaged via detailed plans or sometimes even a deal-breaker

#### **AVOIDED**

Failure is seen as something to avoid

## Failure

Uncertainty and risk

#### **EMBRACED**

Failure is accepted as part of iterative learning and improving

What principle of experimental practice are you most comfortable with? And why?

What are you least comfortable with? And why?

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#### PRINCIPLES OF EXPERIMENTAL CULTURE

# **EXPERIMENTAL** PRACTICE



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What would be needed to go from traditional planning to experimental practice?

What is the most pressing question in relation to this transition?

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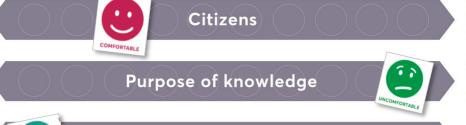
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## **Decision basis**







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# Wrap up...



#### Citizen & Stakeholder Engagement

Actively involving citizens, stakeholders and unusual suspects

#### **Creative Facilitation**

Creatively processing different perspectives and deliberating multiple options

#### **Building Bridges**

Orchestrating interaction to find common ground and create shared ownership

#### Brokerina

Political &

Awareness

Operating political

strategic support

procedures to ensure

dynamics and bureaucratic

Financing change Understanding the many ways

to liberate and use financial

Intrapreneurship

Articulating the value of new approaches and solutions for

decision-making purposes

Using narratives and media

information in compelling

to articulate vision and

Storytelling & Advocacy

Being insurgent and use business acumen to create opportunities

Demonstratina Value

resources for innovation

Bureaucratic

Mediating contrasting interests and reducina friction between multiple stakeholders

# WORKING **TOGETHER**

Engaging with citizens and stakeholders to create shared ownership of new

#### Empathetic

Understanding others' experiences and frames of reference

#### Aaile

Responding to changing environments with flexibility

#### Resilient

The perseverance to deal with resistance

#### **COMPETENCIES FOR**

# **EXPERIMENTING & PUBLIC PROBLEM SOLVING**

#### **Imaginative**

envisionina new possible futures

#### Outcomesfocused

Strong commitment

# **LEADING** CHANGE

Mobilising resources and legitimacy to make change happen

#### Actionoriented

Biased towards action and learning by doing

CORESKILLS

# Curious

The desire to explore multiple possibilities

# Reflective

Habit of critically reflecting on process and results

#### Future Acumen

Connecting long-term vision with short-term achievable tasks

#### Prototyping & Iterating

Testing ideas and systematically improving them

#### Data Literacy & Evidence

Using different kinds of data effectively to accelerate sense-making

#### Systems Thinking

Combining micro and macro perspectives to grasp complexity

#### Tech Literacy

Understanding technological developments and use their potential

Exploring and

to real world effects

#### Courageous

Willingness to take risks

## **Competency Framework for Public Sector Innovation**

**ACCELERATING** 

**LEARNING** 

Exploring and iterating

new ideas to inform and

validate solutions

Public sector innovators combine key attitudes and skills to successfully drive innovation in government

and solve public problems

#### nesta May 2017