# Digital Acquisition Playbook

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# **Open Innovation**

#### **Definition**

The core of open innovation is that agencies can and should activate a broad network of solvers with diverse skill sets to accelerate internal innovation. It's a call for collaboration among agencies and the public noting that shared knowledge and resources will better help solve some of the tougher technology problems we face as a country. Crowdsourcing and competitions are common methods used to spur open innovation.

One of the goals of open innovation is to create a more open government to increase transparency, collaboration, and participation between the government and its citizens. To date, the open innovation portfolio currently consists of <a href="mailto:challenge.gov">challenge.gov</a>, <a href="mailto:citizenscience.gov">citizenscience.gov</a>, <a href="mailto:Open Opportunities">Open Opportunities</a>, and the Innovation Lab/Toolkit (Due FY17).

### **Key resources**

■ Learn more about challenges and prizes at <u>DigitalGov</u>

- Read the <u>OMB Memo: Guidance on the Use of Challenges and Prizes to</u>
  <u>Promote Open Government</u>
- Learn more Open Innovation from Innovation Lab/Toolkit (Coming FY17)

### **Key terms**

- Challenges and prize competitions: With a challenge and prize competition, a "seeker" poses a problem or question to the public and "solvers" respond and submit solutions. An agency pays only for those solutions that meet the criteria and are chosen as winners. Success in these competitions depend on the skill, judgement, and knowledge of the participants and does not wholly rely on chance.
- Citizen science: When the public participates voluntarily in the scientific process with the federal government and nongovernmental organizations, addressing real-world problems in ways that may include formulating research questions, conducting scientific experiments, collecting and analyzing data, interpreting results, making new discoveries, developing technologies and applications, and solving complex problems.
- Crowdsourcing: When organizations submit an open call for voluntary assistance from a large group of individuals for online, distributed problem solving.
- Hackathons: An event of any length of time where people, usually from varying disciplines, come together to solve problems around a specific topic.
- Open source: Denotes software whose source code is made freely available and can be modified and redistributed. The full defintion for open source can be found <u>here</u>.

# History

Dr. Henry Chesbrough is credited with originating the theory and coining the term "open innovation." He defines open innovation as "the use of purposive inflows and outflows of knowledge to accelerate internal innovation, and expand the markets for external use of innovation, respectively." In 2003, his book "Open Innovation: The New Imperative for Creating and Profiting from Technology" popularized the idea, but the concept can be traced as far back as the 1714 Longitude Act. As the

Longitude Prize states, "in 1714 the British Government offered, by Act of Parliament, £20,000 for a solution which could find longitude to within half a degree (equivalent to 2 minutes of time), and a group later known as the Board of Longitude was set up to assess submissions and offer rewards." This was an important step in showing the effectiveness of open innovation.

Since those days, open innovation has been used in the federal government by agencies such as NASA, the U.S. Agency for International Development (USAID), and the National Science Foundation (NSF). Also, <u>challenge.gov</u> has supported over 80 agencies by launching more than 640 competitions and awarding over \$220 million since 2010. <u>citizenscience.gov</u> supports a community of practice for nearly 300 federal practicinors who share skills, resources, and experiences to improve public participation across the government. Open Opportunities is a platform that crowdsources federal employees to collaborate across agency initiatives.

## Common questions about open innovation

Q: What's the difference between challenges, citizen science, and competitions?

A: <u>Learn more at DigitalGov</u>

Q: What's the difference between open innovation and open source?

A: Learn more in this ideXlab post

# **Deeper dive**

- challenge.gov
- citizenscience.gov
- White House Open Government Initiative
- Everything You Need to Know About Open Innovation