**Innovation Labs**

**Quote:**

“Primarily it’s creating the time and the space to be able to do it. That’s minimal resources, but it’s giving people the time and space to look at a problem differently, think about what potential solutions are, do a bit of research and then test and try out the new ideas to see if they work. Initial successes are also very helpful as success builds on itself.” [[Jim Macrae Q&A with HHS Idea Lab on Operationalizing Innovation]](https://www.hhs.gov/idealab/2015/11/25/operationalizing-innovation-qa-jim-macrae/)

**Intro:**

The purpose of Innovation Labs is to create space for agency staff and key external stakeholders to imagine, test, and scale new ways to address their most intractable challenges. Labs are intended to promote a culture that is open to experimentation and learning, both of which are critical to success in carrying out any mission. A common fundamental goal among labs is to apply creative mindsets focused on ideation and iteration, often drawing on methods from human-centered design and Lean Startup frameworks.

**Why:**

Existing bureaucratic structures have enormous operational responsibilities. Consequently, they sometimes lack the bandwidth and capacity to work through the challenges of executing new methods for the first time. [Camron Gorguinpour, phone interview with Policy Design Lab, December 22, 2016]. By providing a space for agencies to cultivate ideas and build employee capacities to solve problems, labs are unique environments for enhancing the way business is conducted and generating new ways of addressing seemingly intractable problems.

A network of Innovation Labs can foster a culture of progress at Federal agencies by empowering and equipping agency employees as well as the general public to implement promising ideas that effectively serve the American people. In many cases, the best ideas for improving the effectiveness and efficiency of government activities, ranging from hospital patient intake processes to benefits processing, come from tapping internal expertise. However, front-line workers are not always empowered to work together to develop and test what they propose because of anticipated risks or other obstacles. The purpose of an Innovation Lab is to offer a physical space where employee ideas can collide and collaborate to solve problems. [“[A Strategy for American Innovation](https://www.whitehouse.gov/sites/default/files/strategy_for_american_innovation_october_2015.pdf),” Economic Council and Office of Science and Technology Policy, October 2015.]

**How:**

In recent years, a number of Innovation Labs have surfaced within agencies across the Federal government to increase capacity for innovation by bringing together individuals with a knack for problem-solving. Innovation Lab programs are generally structured to provide participants with autonomy to make decisions and to implement new approaches—with a preference for the sort of higher uncertainty, higher reward experiments that (if and when successful) can lead to increased efficiency and improved quality in the provision of government services. Innovation Labs are designed to encourage more rapid exploration, embracing the reality that intermittent failure is an integral part of any learning process: not getting something right initially creates a need to try again and do it differently the next time around. Innovation Labs provide resources and support for employees and members of the public to develop, test, and scale approaches that have been proven to meet agency goals, resulting in significant improvements to the effectiveness and efficiency of the Federal Government. [Adapted from “[A Strategy for American Innovation](https://www.whitehouse.gov/sites/default/files/strategy_for_american_innovation_october_2015.pdf),” Economic Council and Office of Science and Technology Policy, October 2015.]

**Examples of where Innovation Labs have worked**

Several agencies have made sustained investments in developing their internal innovation capacity through Innovation Lab models. These include HHS IDEA Lab, USAID Global Development Lab, Lab at OPM, VA Center for Innovation, and National Security Agency (NSA) Incubation Cell.

For example, the HHS IDEA Lab operates with the premise that many of HHS’s 90,000 career employees have creative ideas for improving their agency and reaching their strategic goals. Accordingly, the IDEA Lab is designed to empower HHS teams to pursue these ideas by providing time, mentorship, various levels of funding, and training in innovation methodologies, such as human-centered design. Teams that generate promising initial results are eligible to compete for follow-on funding to scale up their ideas.

**Case Study:**

**[N/A – INCOMPLETE]**

**Next Steps/Checklist:**

**Relevant Policies:**

**Additional Resources:**