SAN FRANCISCO — Last month, innovationXchange, the innovation lab of Australia’s Department of Foreign Affairs and Trade, released a new innovation strategy.

Sarah Pearson, who has taken the newly created role of chief innovation officer, is featured in the report, which
explains that she will be “taking a leading role in embedding innovation at DFAT.”

**Meet the Innovation Leads**

Chief innovation officers at aid agencies and NGOs are tasked with changing the way development is done. How can these organizations make their work more efficient and effective, and can they keep up with the rapid pace of change in this technological revolution? Throughout 2018, Devex will be meeting the people doing this work to explore what they’ve learned along the way, and where we go from here.

Follow the series, or keep an eye out for more of our innovation coverage.

According to the strategy, she is tasked with providing leadership, expertise, and external connections in the innovation sector, and leading and supporting innovation across Australia’s aid agency.

“Having experimented successfully with innovation through the iXc, the department believed it was time to scale up its innovation activity,” Pearson said. “The new strategy addresses this, acknowledging that there is innovation activity already underway across DFAT and
encouraging more, building the capability so that DFAT employees can apply innovation to their work.”

The new strategy also outlines the need to carry out more evaluation, raise awareness through storytelling, and focus on ecosystem building.

As Devex reported, iXc is entering a challenging new phase as it transitions from early stage innovation to organization-wide change.

Pearson shared some of her strategies for the Meet the Innovation Leads series in an email interview.

Here is the interview, edited for length and clarity.

*To what extent has your experience so far aligned with your expectations and what has surprised you?*

DFAT is much more open to innovation than I expected, and I am amazed at the breadth of what DFAT does across foreign policy, development, and trade that could benefit from innovation.
I am also pleased to see that many countries in our region are pursuing innovation as a major part of their next economic transformation, and they are keen to receive our help.

This is a great way to build strong relationships with countries in our region, to build their economic strength and hence build a strong, safe, and prosperous region. It is also a new way to look at building infrastructure in the Indo-Pacific.

Sarah Pearson, chief innovation officer at Australia’s Department of Foreign Affairs and Trade, talks about innovation at DFAT. Photo by: DFAT.
What are your metrics of success?

Metrics are an interesting topic and much discussed — I believe they depend on the maturity of the activity and the end goals. If we manage to support a number of nonaid projects across DFAT with innovation input; if our surveys demonstrate that the culture of innovation is growing at DFAT, if our pilot projects supporting the acceleration of innovation ecosystems work and are taken up in other countries, if we extend relationships with current partners and bring in new partners, if we attract others to invest in our region and if the government recognizes our work as being leading edge, then we have succeeded.

One of the big takeaways from a Devex article on innovation labs was the need to move from an innovation island to an innovation peninsula. How does that look, and how has that evolved, at DFAT?

We are moving from experimenting with innovation in aid within a small unit to also providing support for others across DFAT to adopt innovation.
“We have to adapt to a service culture in our team, to work more closely with current DFAT projects.”
— Sarah Pearson, chief innovation officer at DFAT

This will mean we have to adapt to a service culture in our team, to work more closely with current DFAT projects. We must understand their needs, collaborate with others across DFAT to provide our innovation knowledge, connect to and provide expertise and external connections for DFAT projects, and build the department’s culture and capability.

It is also crucial to celebrate others’ innovation activity, outside the innovation lab. We need the broader department to own innovation — we have set up an internal advisory group to set the direction and connect us to opportunities — making it clear this is owned by DFAT.

What are the greatest challenges you face? Geoff Mulgan of the U.K.’s innovation foundation Nesta talks about “the radical’s dilemma.” If you operate as part of the system, you risk losing your edge. If you operate separately from the system, you risk having little impact. How does DFAT strike this balance?
If the right model had been developed we’d all be using it.

The iXc model is a good hybrid: We are slightly separate, with our own systems and processes that allow us to be more agile than usual government approaches, and yet we are part of the department so that we are engaged in DFAT activity and have significant networks across the department.

The most important aspect of any model is to ensure our work is relevant to the department, helping it reach its goals more effectively and faster. The other lesson to highlight is that innovation occurs across our department, not just at iXc, and this should be encouraged, rewarded, and celebrated.

*How do you learn from others? For example, I believe DFAT is involved with the International Development Investment Alliance. How is this forum helpful and what other forums and resources support your work in this arena?*

We are members of IDIA, which has been an invaluable group to learn from — many donors around the world are
looking for new ways to achieve greater impact — by taking part in a learning network we can find opportunities, tools, and approaches that work much faster, and we can share what doesn’t work too so that we don’t all have to make the same mistakes. Membership has also led to greater collaboration across donors, meaning we can have a bigger impact together.

DFAT is part of a number of other learning networks such as the Aspen Network of Development Entrepreneurs. There are an increasing number of networks, and the challenge going forward will be to decide where to focus our scarce resources — time and money — to make sure we learn as much as possible and find great partners to collaborate with.

*What have you found does and does not work in innovation strategies, specifically within donor agencies and more broadly in the global development sector?*

The global development sector has made great use of grand challenges and innovation competitions. Now, as a
sector, we need to organize ourselves to ensure we support the most promising ideas and organizations to scale.

We’re learning we need new skills, assessment tools, and partnerships to do this effectively. Within our agencies we’re learning innovation is about giving colleagues permission to experiment, rethinking our approaches to risk management, and equipping people with the confidence and capabilities to try different things to achieve their objectives and measure the results.

Doing this, we hope to build innovation into all of our work rather than leaving it as the responsibility of a small group of innovators.

What messages do you have for the sector as a whole on innovation? For example, Chris Vein, former chief innovation officer for global ICT at the World Bank and part of iXc’s Internal Reference Group, talks about the need to move from hype to self-discipline.

My message would be to do with resilience and learning. It’s not always clear what solution will work best and it
requires us to adapt as we apply it and learn. And sometimes we get knocked back or fail, so resilience is key.

https://www.devex.com/news/innovation-at-dfat-resilience-is-key-93214