



## **State of Oklahoma**

*Office of Management and Enterprise Services*

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# **2018 George Cronin Awards for Procurement Excellence**

**Innovate Oklahoma**

**“The Market of Government Innovation”**

## Executive Summary

A technology challenge familiar for many state governments is how to foster innovation without diverting funding of current citizen services. The advent of the internet's Software as a Service (SaaS) model provided an opportunity for the State of Oklahoma to become a leader in creating a program to promote modernization, service delivery and citizen engagement. The Innovate Oklahoma program provides a solution designed to solicit citizen input on the most pressing technology challenges facing our state, and encourage local developers to create and implement software solutions to solve these problems. This web portal is the only place where citizens, technologists and government truly collaborate to ensure the success of IT development endeavors. Innovate Oklahoma serves as an example of originality in a state known for helping our neighbors for the benefit of the greater good.

### Innovation

- Departs from Oklahoma's typical IT procurement and project process.
- Establishes value through unique citizen engagement proposition.
- Fosters collaboration by developing positive relationships with local technologists.
- Creates its own, proven, first successful project through the development of the innovation portal.

### Transferability

- Predecessor project to The Society of Innovators in Government, a national marketplace which will be available to all states.<sup>1</sup>
- States will be able to implement immediately (one click) and without cost by joining the T-SIG.
- States can create an innovation portal of their own to foster local technical communities by licensing the software Oklahoma has developed.
- States can grow their tech economy by encouraging and supporting the startup technology community.

### Service Improvement

- Radically transparent process to citizens, technologists and state agencies at every stage.
- Ensures state agency collaboration and decision-making by involving them in all phases of development.
- Fosters a creative environment and partnership with local technical developers and community.
- Provides opportunities for local technologists to collaborate on state government challenges.

### Cost Reduction

- Minimizes funding of third-party software development for state services.
- Reduces use of legacy technology that can be costly to support.
- Reduces cost exponentially of entry on new technology solutions with collective buying power of additional T-SIG states.

## Innovation

Last year, *Forbes* ranked Oklahoma 47th in innovation, referring to our state's worst-in-the-nation graduation numbers for science and engineering graduates and abysmal research and development spending.<sup>2</sup> Oklahoma's eGovernment stance was only marginally better receiving a C grade in a 2014 Digital States Survey conducted by the Center for Digital Government.<sup>3</sup> To confront this problem, a new

initiative was developed to foster interest in STEM, bolster in-state technology spend, and promote our local developer community.

Innovate Oklahoma provides an inlet for the public to share problems it would like the government to solve. Users can comment and vote on the proposals via social media, and teams with top ideas will be invited to collaborate with state government to develop solutions that can ultimately be purchased and implemented by the technology office.

Innovate Oklahoma creates value by working collaboratively to leverage the skills and knowledge of our citizens both for problem identification and solving our state's inherent challenges. The concept of open innovation, also called network innovation, was formerly known as the wisdom of crowds, or more colloquially, crowdsourcing. Crowdsourcing platforms, like Innovate.ok.gov can identify new and more efficient processes, unearth innovative technology solutions and build better relationships with brands and products. These methods have never before been used in our state. Technology innovation is not a typical part of a technology project when working with legacy and out-of-date technology. Legacy systems can continue in state government due to lack of funding, resources and time to update the out-of-date technology.

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*“Oklahoma is rapidly changing in economic, demographic and technological areas,” stated CIO Bo Reese. “This plan will help Oklahoma continue to work together and collaborate on improving citizen services and our missions to provide those services with technology at the forefront.”*

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The launch of Innovate Oklahoma was the first successful challenge of the program. Tapzot is a collaborative limited liability company formed by several Oklahoma-resident technologists to meet the challenge of developing the software behind Oklahoma's innovation portal. And, just as the program promises to all future campaigns, Oklahoma state government employees were tightly involved with the site's design and development process, helping to ensure its success. At the launch, Governor Mary Fallin repeated a term which was coined by Patrick Fitzgerald an advisor on her Cabinet, when she announced with pride, “Oklahoma is on its way to becoming the silicon prairie of the heartland.”

## **Transferability**

A critical part of the program's success was the ability to implement solutions created from the program on a nationwide scale. The Innovate portal was designed to be used by other states. Leveraging economies of scale model, the portal can help reduce the cost of the development of common software products through its purchase and use among multiple states. Many citizen-facing government services are moderately standardized across states, meaning minimal development would be required to repurpose one state's solution for deployment in another state. As software deployment reaches nationwide saturation, the customization to cover every possible need of a state that has uncommon needs should have already been addressed and implemented in the software.

The portal itself has already provided the first example of how inter-state demand will work. Tapzot, LLC, the development company behind the portal at Innovate.ok.gov, has already received numerous inquiries from other states, the private sector and higher education institutions. Because the portal was built by a third-party developer, states are able to participate in our SaaS contract and license the software to create their own portal to foster innovation in their region.

Interest in the foundational aspects of the program has been prevalent within other states, spurring the formation of T-SIG. This working group is designed to help facilitate adoption of the eGovernment Innovate platform, and participate in the united development of its core functionality. Other states

that join T-SIG can provision a technology marketplace of their own in a matter of seconds, with no additional cost or individual effort required. Member states will also participate in future changes of the Innovate platform and focus groups to improve the global portal's citizen/developer features and overall engagement.

## Service Improvement

The very nature of a web-based portal for citizen feedback and technologist engagement is a level of transparency never before attempted in Oklahoma government. Additionally, a web-based portal for vendor response permits a truly democratic process of managing the software development company responses to citizen issues. Finally, STEM-focused state agencies will support the development of the project and each new startup company.

i2E (Innovation to Enterprise) will help developers hone and market their products so other states and private companies can also take advantage of the work that comes out of the program. This helps ensure that great ideas can be turned into winning new startup companies that provide high tech jobs. Throughout the process, developers work with the state agency customer and OMES to provide continuous feedback to foster informed software application development at every stage. The aspects of managing application health and entrepreneurial health is an internal project management service level never before available to vendors that partnered with state government.

## Cost Reduction

Oklahoma currently spends \$170 million annually on technology professional services and application support. As the state updates its legacy technologies, countless opportunities exist for local technology startup companies to collaborate on state government challenges, creating innovation projects to find innovative solutions. The program model can minimize funding of third-party software development costs for state services and new IT projects, and can slowly reduce the need for expensive legacy computer systems with every new application being developed.

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*OMES Director of Technology Services Dustin Crossfield emphasized the core problem, stating, "The legacy systems are what cost the state the most, because we have to call in techs to fix them so often."*

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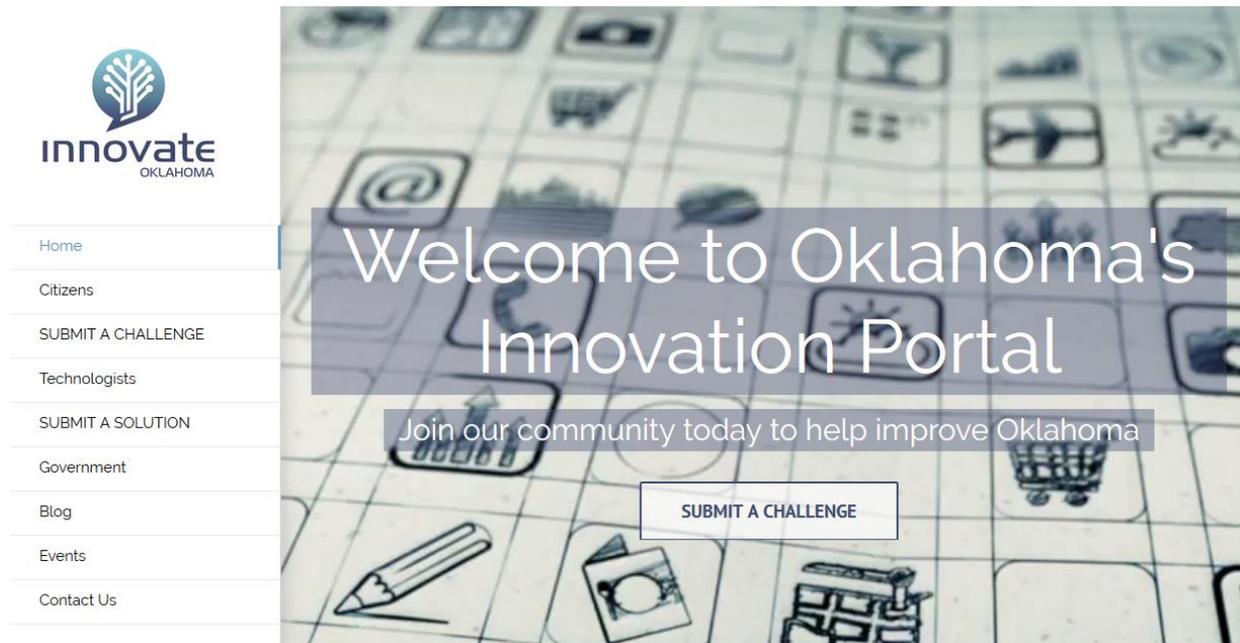
With the involvement of other states and regions, and as awareness builds, Innovate Oklahoma can become a free market enterprise, with developers bidding on new software development projects creating a market for government innovation.

## Conclusion

Innovate Oklahoma is directly aligned with the Oklahoma statewide IT Strategic Plan which demands a focus on the citizen experience, the requirement of the public sector employees to apply technology to improve service levels, and innovation as the central core to success. More importantly, the initiative serves as a paradigm for reengineering eGovernment services and revitalizing citizen-facing and state agency technology processes to automation, which will help position Oklahoma as a leader in technology innovation.

*“Let’s look to the future and see technology as a strategic investment,”  
said CIO Bo Reese. “This way, when we solve a tech problem,  
we only have to solve it one time.”*

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**References:**

1 Society of Innovators: Creativity and Innovation

<http://www.nwisoi.org/creativity-innovation/>

2 Top 10 Worst and Best Innovative States

<https://www.forbes.com/sites/laurabegleybloom/2017/03/28/the-10-most-and-10-least-innovative-states-in-the-u-s/#32ea683a10a6->

3 Digital States Survey 2014 Results

<http://www.govtech.com/cdg/digital-states/Digital-States-Survey-2014-Results.html>