

The MIX Challenge Toolkit

Tools & Techniques for
Challenge-Based Innovation
Partnerships & Procurement



The Municipal Innovation Exchange (MIX) was a 3-year (2018-20) partnership between the cities of Guelph, London, and Barrie and the MaRS Discovery District. The MIX also drew support from the Guelph Lab, Innovation Guelph, and the Brookfield Institute for Entrepreneurship & Innovation.

The City of Guelph is a vibrant community of over 140,000 people situated in the heart of southern Ontario, just 100 km west of Toronto, Ontario, Canada. It is home to the Civic Accelerator, one of Canada's pioneer innovation procurement programs.



MaRS Discovery District is North America's largest urban innovation hub. It supports Canada's startups, and helps tackle society's greatest challenges with the goal of making a better world. To contact the MIX project team, email solutionslab@marsdd.com.

The City of London is situated in the heart of southwestern Ontario. With a population of 380,000, London is the economic, healthcare, and educational hub of the region. Londoners take great pride in the extensive network of recreation amenities, parks, and pathways available in their "Forest City."



The City of Barrie is a dynamic waterfront community located on beautiful Kempenfelt Bay, 90 km north of the Greater Toronto Area. Home to 148,000 people, Barrie offers an excellent lifestyle and a multitude of recreational opportunities.

The Guelph Lab is a collaboration between the University of Guelph and the City of Guelph to develop "public innovations" in response to challenges faced by communities. It is one of a growing number of innovation labs in Canada and around the world.



Since 2010, Innovation Guelph has been offering unique programs and initiatives in support of businesses from diverse sectors and at different stages of development.



The Brookfield Institute for Innovation & Entrepreneurship builds collaborative relationships to generate rigorous research, propose unconventional approaches, and pilot ideas to advance Canada's innovation economy and policy.

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About the MIX Challenge Toolkit

The Municipal Innovation Exchange (MIX) project team created this Toolkit to assist municipalities - individual line managers or project owners, or municipal strategic teams (like a Smart Cities Office) - that are contemplating or undertaking a procurement by means of innovation partnership. The Toolkit can help municipal staff decide which projects are a good fit for this approach to procurement. It can help them initiate and manage an innovation partnership. It can also help them assess the whole experience afterwards and determine if and how to apply innovation partnership again.

All the contents were designed to support the common efforts of municipal and vendor partners to build, develop, and test products and services, so that ultimately, something of significant value is created for the partners, potentially other municipalities, and most importantly, for residents.

It is hoped that this approach will inspire municipalities to build and adopt innovative solutions to local problems by working in direct collaboration with partners and stakeholders.

The Tools

The Toolkit contains three types of tools: examples, devices, and references.

- 1. Examples** are pre-filled tools that have already been used “on the ground” by participants of the MIX project team, such as the Request For Proposal that a municipality issued to attract vendors to an innovation partnership.
- 2. Devices** are templates, guides, presentations, and checklists that are blank and can be filled in or adapted to suit your purposes.
- 3. References** are devices that were developed outside of the MIX project, that might inform your planning or implementation of an innovation partnership.

In addition to a short title, the name of each tool has a prefix that corresponds to a specific chapter in the Toolkit (C1-C10) and is a tool type (E - example, D - device, R - reference). For example, the tool “C1D-The MIX Framework” appears in Chapter 1, and is a device.

From March 2018 to May 2020, the City of Guelph partnered with the cities of London and Barrie and the MaRS Discovery District to develop, test, and share new methods of municipal procurement. It was called the **MIX** - the **Municipal Innovation Exchange** - and its project team comprised representatives of all four bodies. The MIX also drew support from the Guelph Lab, Innovation Guelph, and the Brookfield Institute for Entrepreneurship & Innovation.

This Toolkit is designed to support the efforts of municipal and vendor partners to build, develop, and test products and services, so that something of significant value is created for the partners, other municipalities, and residents.

Each tool is listed in alphabetical order at the end of each chapter and can be downloaded for use.

Toolkit Organization

The Toolkit comprises 10 chapters, organized into five sections:

Section 1: Starting Innovation Partnership

- Chapter 1 - The MIX Challenge Framework
- Chapter 2 - Assessing Your Readiness for Innovation Partnership
- Chapter 3 - Telling people about the MIX Challenge

Section 2: The Challenge

- Chapter 4 - Identifying and Drafting a Challenge
- Chapter 5 - Early Market Engagement

Section 3: The Procurement

- Chapter 6 - Preparing and Posting the Procurement Opportunity
- Chapter 7 - Procurement is Open for Bidding
- Chapter 8 - Evaluating Vendor Proposals

Section 4: The Partnership

- Chapter 9 - Collaborating with a Partner

Section 5: Continuing Innovation Partnership

- Chapter 10 - Continuing to use the MIX Challenge Framework

The Toolkit does not need to be read in sequence and is not meant to be used as a step-by-step guide. You can read each section and chapter sequentially, or jump between sections and chapters based on your interests or if you are looking for information about a specific component of innovation partnership. Each reference to a particular tool is linked to the tool itself. All tools are also listed in the navigation bar on the left, under their appropriate chapter headings.

Turquoise text indicates a link to another page in this resource, or to external tools and references.

Case Studies

This Toolkit is separately accompanied by three case studies that examine how the cities of Guelph, London and Barrie each formed an innovation partnership with a vendor to develop a solution to a specific municipal challenge.

Within this Toolkit, several chapters contain vignettes that illustrate how each city applied the MIX Challenge Framework to their challenge.

The Toolkit on Google Drive

The Municipal Innovation Exchange (MIX) is also publishing its Innovation Partnership Toolkit on [Google Drive](#).

Contact the MIX Project Team

We would like to hear from you and your municipality; share your ideas, suggestions, and experiences using this Toolkit. Let us know which aspects of the Toolkit you would like us to develop further, or the areas to which you would like to contribute, based on your municipality's experiences in innovation procurement.

Questions, ideas, suggestions? Please contact the MIX project team through the MaRS Solutions Lab via email at solutionslab@marsdd.com.

Accessibility

To request this document in an alternate format, please contact the City of Guelph Accessibility Services at accessibility@guelph.ca or by calling 519-822-1260 extension 2670.

Toolkit Creation

This Toolkit is based on the collective experiences and learnings of the MIX partners, and materials they created and applied in the challenge-based innovation procurements undertaken by the cities of Guelph, London, and Barrie, and their respec-

tive partners. Over time we would like to see an expansion of the Toolkit's content in the following respects: how to complete a collaborative innovation procurement (*i.e.*, multiple procuring municipalities); how to scale innovation partnership solutions; and how to develop a solution to a highly complex problem.

The Toolkit's co-contributors are (in alphabetical order):

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- Sue Talusan, Design Manager, MaRS Discovery District - Partner Solutions
- Plus the assistance of employees in the municipal procurement departments of Guelph, London, and Barrie.

The first version of this toolkit was published online in August 2020.

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Disclaimer

Municipalities are encouraged to exercise due diligence to make informed decisions about using the contents of this Toolkit. Consider your organization's procurement policies, your legal obligations under established Broader Public Sector legislation and directives, and the procurement-related conditions of any Canadian and international trade agreements to which you are subject. The devices in this Toolkit should be used with discretion and in consultation with your municipality's procurement team.

Information in this Toolkit does not constitute legal advice. Municipalities should consult their own legal and professional advisors in the planning and implementation of an innovation partnership.

The Toolkit does not need to be read in sequence and is not meant to be used as a step-by-step guide. You can read each section and chapter sequentially, or jump between sections and chapters based on your interests or if you are looking for information about a specific component of innovation partnership.

Chapter 1

The MIX Challenge Framework

The MIX partners shared an interest in new methods of municipal procurement. Specifically, they wanted to explore an approach called “challenge-based innovation partnership”: how a municipality can use procurement to seek out private or nonprofit entities to devise an innovative solution to a complex municipal problem (the “Challenge”), in partnership with the municipality itself. The partners developed, tested, and shared insights and other learnings that were then condensed into what is called the MIX Challenge Framework, for the benefit of other municipalities.

Innovation Procurement and the “Challenge”

Municipalities can significantly improve their services and the lives of residents by purchasing new and innovative solutions to local difficulties and issues. However, innovation itself is often perceived as risky when municipalities are already so busy delivering day-to-day services to their communities. Innovation procurement is a promising way for municipalities to continue their service delivery while also exploring opportunities for significant change without a lot of risk. This was the premise for the development of the MIX.

The MIX began with a policy research study, whose findings were published in the report [What's in the](#)



[MIX: Challenges and Opportunities for Municipal Innovation Procurement](#). It explores how governments and procurement experts around the globe are talking about innovation procurement; how different sectors are describing it, and how different places and

entities are applying it. The study also outlines the opportunities and barriers faced by policymakers, academics, consultants, procurement experts, and companies who are making innovation procurement more effective. The report can help you think about what innovation procurement might mean within the context and rules of your municipality.

As the report points out, there is great variety in the ways that municipalities apply innovation procurement. But one promising method is to focus on “challenges” within the context of innovation procurement. The purchaser focuses on solving a municipal problem or “challenge” to which a solution does not yet exist. The challenge is expressed as a statement that captures the complexity of the problem, issue, and opportunity, and specifies the outcomes desired from the development and implementation of a solution.

You can educate your municipality about *challenge-based* innovation procurement by sharing and discussing the content of the [C1D - Innovation Procurement Training Presentation](#). You can also use the information and tools developed by the Government of Ontario, and others, for a deeper understanding of the current range of innovation procurement methods.

Innovation Partnerships

An *innovation partnership* is a type of challenge-based innovation procurement. Key to innovation partnership is the collaborative relationship into which purchasers and vendors enter in order to develop a solution together to a challenge. In fact, in a municipal context, the collaboration extends well beyond the purchaser and vendor to engage all impacted stakeholders (such as residents, back-of-house and front-line municipal staff, business own-

ers, and others) in the “co-design” of the solution. In short, the innovation partnership is not a typical fee-for-service relationship. The municipality, the vendor, and stakeholders should all gain value from working together.

The MIX Challenge Framework

Today's municipalities often contend with problems that are multifaceted and involve many actors. New services or technologies may offer solutions. Much more difficult to identify, however, are the services or technologies that a) can achieve significant outcomes and b) can be readily adopted by municipalities. Traditional tendering and procurement can be a poor way to identify and introduce something that is truly innovative.

The MIX Challenge Framework shows municipalities how to integrate innovation partnership into their practice of procurement, in order to embrace complexity and manage risk, especially when the features, costs, and implementation of something radically new and different are necessarily unknown. Through the Framework, the municipality and its partners first ground themselves in an understanding of the environment for municipal action. Rather than jump straight to the implementation of a solution, they engage with residents and other stakeholders to discern why things are not working. This *user engagement* enables the partners to expand and refine ideas for a solution and facilitates the subsequent adoption of a solution by stakeholders.

The Framework can also help demystify a problem that a municipality has repeatedly tried and failed to solve with “solutions” currently available on the market. The Framework lets your municipality “try before you buy,” by procuring a partner to co-develop and test a solution. The risk of spending a large percentage of project budget up-front on the wrong thing is reduced; instead, the purchase decision occurs at the latter stage of a close collaboration, when the business case for buying will be far stronger. Ultimately, by taking this approach, and then sharing learnings and solutions, municipalities will build trust with one another, so that each need not run its own testing and pilots. For vendors, the Framework represents an opportunity as well – to obtain key insights that may enable them to perfect a new service or product. Overall, the Framework will be appropriate for only 10-15% of procurements. For the other 85-90%, where requirements are clearly known from the outset, a traditional tendering and procurement approach will be more suitable.

In its original form, the MIX Challenge Framework borrowed heavily from two programs that were precursors to the MIX: the [Guelph Civic Accelerator](#) and MaRS's [Innovation Partnership: Procurement by Codesign](#). Features from these two programs were combined to create a preliminary process that Guelph, London, and Barrie each could comment on, adjust, and then apply

The MIX Challenge Framework shows municipalities how to integrate innovation partnership into their practice of procurement, in order to embrace complexity and manage risk.

The **Guelph Civic Accelerator** was launched in 2016 to reconfigure procurement. Its purpose was to embed private sector start-ups inside City departments – a low-risk environment in which to generate and prototype potential solutions to complex municipal problems.

Innovation Partnership: Procurement by Codesign (2016-2018) was a unique program through which healthcare-service providers could participate in the development of innovative solutions before procuring them. In turn, technology and service innovators with scalable business models could gain unprecedented access to end users and validate use cases to remain competitive. The program targeted complex systemic health problems while complying with the procurement guidelines of the broader public sector.

to a municipal innovation procurement. Their innovation procurement experiences enabled a revision of the Framework. This update forms the structure for chapters 2 through 10 of this Toolkit.

Learning by Doing

The MIX Challenge Toolkit encourages municipalities and vendors to engage in a shared-learning process through small-scale experimentation and iteration in the *partnership stage* of a procurement, where adjustments to the solution are still easily made. An outcome-based evaluation of the *minimum viable prototype*, before the *final procurement decision*, will help uncover insights into the support and training required for municipal staff to implement the solution. In addition to generating a solution that is highly valued by end-users and other stakeholders, this approach offers enhanced opportunities for further innovation. The innovation partnership can lead to an ongoing relationship that helps drive the adoption of the solution in other municipalities and widen the perimeter of mutual benefit. While experimenting with and iterating a solution, municipalities and vendors can explore and create novel business models that enable the vendor to sell and municipalities to purchase the solution.

Links to other Innovation Procurement Tools

When applying the MIX Challenge Toolkit to challenge-based innovation partnerships, feel free to make use of other resources and toolkits. In Ontario, the [BPS Primer on Innovation Procurement Interim](#) outlines approaches that can be

used to augment the innovation partnership. For more information and resources on engaging the market when conducting a procurement, refer to the [Healthcare Supply Chain Network's Innovation Procurement Toolkit](#). For more information and resources on using co-design tools and methods to develop a challenge, and then partner to develop a solution, refer to the [Innovation Partnership: Procurement by Co-Design Toolkit](#).

Approach for your Municipality

Before you first apply this Toolkit, determine which parts are most useful to your municipality, based on your responsibilities as a line manager or project owner, or as members of a strategic team supporting staff who are interested in this type of procurement. Many of the tools can be used in stand-alone form (although they will be more effective when used in conjunction with each other). Modify them to fit the needs of your municipality and your procurement policy. Experiment with this approach and let us know how it works for you.

Innovation partnership can consume a significant amount of resources and time. It is best suited to important opportunities and complex problems for which no straightforward solutions are available, or if they are available, are not viable for your municipality. Innovation partnerships should not be used for purchases of everyday goods and services where clear requirements are already known. Based on the procurements of Guelph, London, and Barrie, about 12-16 months is the minimum amount of time required to complete a MIX Challenge. Municipal partners and vendors need to be prepared to meet at least once weekly for the research, development, and testing stages. Therefore, municipalities should weigh the benefits of an innovation partnership, such as managing risk and procuring something innovative, against the cost and time that it will entail.

Tools

- [C1D - Innovation Procurement Training Presentation](#)
- [C1D - MIX Framework](#)

Chapter 2 Assessing Your Readiness for Innovation Partnership

Gaining an Innovation Mandate

The MIX Challenge Framework was developed to assist municipalities that are contemplating or undertaking a special approach to innovation procurement called *challenge-based innovation partnership*. They wish to try partnering with private or nonprofit entities in order to devise a solution to a complex municipal issue (the “challenge”).

However, that degree of municipal common purpose is unlikely to materialize of its own accord. A mandate for this innovative approach will have to be gained. There needs to be buy-in from other members of the municipal staff and support from senior leadership. Responsibility for the project needs to be anchored with specific people. Certainly, it would be very advantageous if the municipality already had some experience in innovation procurement.

Get Buy-In

If you wish to try this approach, the first thing to do is get buy-in. If you act as an individual, that means getting as much support as possible from other staff, such as your team members and your immediate supervisor. If you are planning to try this approach as a strategic team, communicate with other teams to ensure you are not taking responsibility for a type of work that is another team's mandate. Get their buy-in before you begin.

Second, make sure of your readiness to introduce this approach to your municipality's procurement staff. A variety of tools are available to help assess the readiness of an individual or a strategic team.

Here is an example:

- The [C2R - Innovation Readiness Tool](#) from Strategyzer is a questionnaire that can help you assess your readiness in terms of how much leadership support you have, and your municipality's organizational design and practices. Depending on your answers, your readiness may range from a “beginner” to an “expert” level. If you are a “beginner,” fewer resources and avenues of support and guidance may be available to you than someone at an expert level.

Get Executive Support and Approval

Third, widen your network of supporters by gaining support from senior leaders in your municipality.

For the most part, executive leadership will only be involved at the beginning and the end of the initiative. Still, senior leaders will be the ones that make or break the project's successful execution from beginning to end. They are the ones responsible for assigning and giving the green light to individual staff members; they are also the ones to whom you will be reporting progress.

Generally speaking, individual champions are essential to success when introducing challenge-based innovation partnership. However, depending on how your municipality is set up (e.g., do you have specific teams for innovation, or a strategy office? Is procurement centralized or decentralized within each department?), the support of senior municipal leaders for those champions may also help clear the path so that a solution is purchased and the challenge is resolved. In fact, their support might be critical.

That being the case, we encourage you to work with the municipality's senior leadership team to help them embrace the new approach. Explain to them the notion of a "challenge" and how certain municipal issues might be expressed as challenges. Point out how such challenges already align with key municipal strategy documents, such as council's strategic priorities, future vision plans, or an innovation pipeline (if one exists). Senior leaders will also have to be convinced of the value of innovation partnership itself. That additional step will be your responsibility. One of the tools you can use is [C3E - Presentation - What is a MIX Challenge](#). Customize it to your audience - add, delete, and modify the slides to suit these individuals. Likewise, if one-on-one meetings with handouts are a better fit than slides, print out the slides and diagrams that will make your case.

It may also be that senior leaders have already demonstrated support for "innovation" in a more general sense. In the recent past they may have pre-approved a budget and staff resources for a team to solve a difficult problem in a new way, such as a Smart Cities Portfolio in a Smart Cities Office.

Innovation Procurement Practice

Also in your favour may be a municipal track record in innovation procurement. Although innovation partnership may be new, chances are your municipality actually has tried innovation procurement before, without even realizing it. In Ontario, the [BPS Primer on Innovation Procurement Interim](#) outlines six innovation procurement methods, including the innovation partnership. Does your municipality already issue Requests for Expressions of Interest or send delegates to Trade Shows to identify solutions that are currently available in the market? These are both examples of the early market engagement strategies that are critical to innovation procurement. (The BPS Primer explains these and five more.) You likely are also familiar with the use of negotiation or competitive dialogue with shortlisted vendors. These too are methods of innovation procurement.

To build the readiness of the procurement team in terms of both their interest and availability for innovation partnership, work with your leadership support person or team, and likely with your municipal legal team. You may need to combine existing tools and processes with some new ones to enable an innovation partnership to happen smoothly. Some elements of the language and structure of your existing procurement templates and legal agreements may have to be modified to fit the new approach. Likewise, changes may be required to current procurement policy. (The procurement team will be able to advise you in this regard.)

Note, however, that the cities of Guelph, London, and Barrie all were able to carry out innovation partnership projects without any modifications to existing procurement policies. Their policies already enabled what, at the end of the day, is just one of many approaches to procurement.

Anchor the Project

Fourth, when trying this approach for the first time, you will need to decide where to anchor the procurement project for its duration. Will it be your individual responsibility, or that of your strategic team, or will you work with another division with more authority or responsibility for the ultimate purchase decision? It could be very confusing and disconcerting (for you and your partners) if responsibility for the procurement were to be relocated part way through the project.

Is there already a team or individual, like an Innovation Lead, that looks after innovation, continuous improvement, Smart Cities, or something similar? If so, the procurement could be anchored there, or they could provide support and advice as you proceed. (They may be waiting to see how well your project fares before jumping into this work in the future.) Overall, take into consideration such practical matters as budgeting and the processing of legal agreements when determining which team or individual(s) will have authority and responsibility for your innovation partnership.

Alternatively, since the project is all about using procurement to deliver an innovative solution to a municipal problem, perhaps the right place to anchor the project is the procurement team itself. A strategic procurement lead or team could help anchor the project based on its alignment to your municipality's overall procurement strategy.

Partnering with Other Municipalities

When it started, the MIX involved three cities working on three different challenges. Yet it was common to hear that one municipality had the same problem as another.

It makes perfect sense for one city to partner with others to explore innovation partnership through collaborative purchasing ("piggybacking," for example). Innovation partnership is a very promising way for municipalities to develop long-term alignment of action in terms of specific strategic priorities.

Municipalities that share a high level of readiness for innovation procurement can identify, test, and codify the best conditions under which they can work together on a common challenge (or perhaps, to identify a common challenge and how best to act on it). Municipalities are welcome and encouraged to explore innovation partnership together. Unfortunately, the MIX Challenge Toolkit has no tools to support such a process as yet. If you proceed, please document your steps and let us know how it goes!

Final assessment

Having taken all or some of these steps to understand your mandate or gain a mandate for innovation, take stock of your progress. Maybe this is the right time to try an innovation partnership, and maybe it is not. (The right time to start something new often seems to be "never"!)

To decide if you and your municipality are ready to tackle an innovation partnership, see which of the following three categories describes you best:

1. Your municipality's ready and you are ready.

The stars have aligned! Dive into the rest of the Toolkit's chapters, templates, and examples and apply them to finding and launching one or more challenges. The Toolkit will help you navigate an innovation partnership from start to finish. Although there are or will be other ways to pursue an innovation partnership, the MIX Challenge Toolkit is the only one rooted in the actual experiences of Ontario municipalities. From this point forward, this manual refers to the process you are undertaking as a MIX Challenge.

2. You are ready, but your municipality is not.

Coming to agreement on the time and the topic for innovation partnership can be difficult. If no such agreement is in sight, try to find a different champion or a different challenge that is better aligned with you and your municipality. Continue building your municipality's knowledge and capacity for starting this work. Alternatively, try waiting for a short period of time (six months might suffice) to see if the landscape changes. The municipality may hire a new staff person who can help you champion and initiate an innovation partnership.

3. Neither you, nor your municipality are ready.

It is okay if you are not ready yet. Take some time to familiarize yourself with the Toolkit and learn more about innovation partnership, and innovation procurement in general. Focus on developing the areas where you are not ready, such as gaining buy-in, building skills, or finding a challenge. Focus on building your capacity and that of your municipality while waiting a short period of time to see if things change. Try starting again when you think you have the right support.

Tools

- [C2R - Innovation Readiness Tool](#)

Innovation Procurement “in Disguise”

The fact of the matter is that innovation already features in municipal procurement. Municipal staff use the tools at hand to secure a product or service that they desperately need when vendors have no solution on offer, or only at an insupportable price.

Sometimes, however, the informal path amounts to a deliberate side-stepping of traditional procurement. In these cases, innovation procurement is conducted “in disguise,” and as a result, may be less beneficial overall to the municipality. Here are three examples:

- Municipalities are permitted to carry out projects that cost less than \$10,000, which can enable “rogue pilots.” This approach to innovation can prevent other municipal staff from participating in the project or even tracking the results. If it were to succeed, how is a purchase of the solution to occur?
- Products and services whose value falls below the \$10,000 level are purchased directly from a vendor already known to municipal staff. The absence of a competition prevents the exploration of solutions offered by vendors unknown to the staff.
- Something that is termed “consulting” in fact is a product or service provided to the city, and sometimes even paid for by the vendor. A non-disclosure agreement with the municipality allows the exchange of service to remain confidential.

Innovation procurement “in disguise” tends to be counter-productive. The experiences of Guelph, London, and Barrie demonstrate that, when municipal staff learn and apply innovation procurement, stronger relationships grow between procurement staff and the departments they support. Everyone benefits from knowing the tools that can be applied or introduced to carry out a replicable process in complete adherence to municipal by-laws. The procurement team is empowered to choose the best path forward for the municipality.

Innovation procurement “in disguise” tends to be counter-productive. When municipal staff learn and apply innovation procurement, stronger relationships grow between procurement staff and the departments they support. Everyone benefits.

We recommend that you embrace innovation procurement! It will help you find the right problem to solve, the right vendor partner, and the right solution to your challenge, and in addition, it will provide you with an opportunity for mutual learning and development.

Chapter 3

Telling people about the MIX Challenge

Communicating Executive Support and Approval

Having secured the official support of your executive leaders for a MIX Challenge, communicate their approval to the rest of the municipal staff. The way this is carried out will depend on which executive leader is backing the program and the manner in which they want to do so. It could be in the form of an official mandate, a directive, a program, but could also be as simple as an official email informing staff of this initiative. This step is important. Without explicit support from executive leadership, it will be a lot harder to rally other leaders and get departments to participate in the initiative. The best expression of support would be a commitment of resources in terms of staff time and program funding. At minimum, an official statement would be required as leverage for buy-in from senior leaders, such as a general manager or other executive.

Recruit Departments

Your next step is to “recruit” departments for the initiative.

Here, recruiting refers to the process of helping departments across the municipality understand this initiative. Just like the municipal leadership, they too need to fully understand the value of a MIX Challenge and how they personally could benefit from using an innovation partnership to solve municipal problems. This involves deeper engagement, beyond what you have communicated to leadership. The tool [C3E - Presentation - What is a MIX Challenge](#) was created for this very purpose. It is a

generic version of the presentations used in Guelph, Barrie, and London during the development of the MIX Challenge Framework. Again, you will need to customize the message for the departmental staff, so feel free to add, remove, or modify the slides as you see fit.

There are several ways to engage with municipal departments on this subject. One is to hold individual, one-on-one meetings with each department manager. A second approach is to hold a joint session for managers across departments.

In the City of Guelph, both approaches were used. While in the early stages of developing the MIX Challenge Framework, the Guelph team held one-on-one meetings with departmental managers to help build city buy-in and identify possible difficulties. After developing and refining this approach, a city-wide call-out was posted, with an open invitation to attend a 3-hour workshop. (The email that Guelph broadcast to city departments to recruit workshop participants is found in tool [C3E - Email - Civic Accelerator Challenge Workshop](#).) The first half of this workshop was a presentation on MIX (using some of the slides provided in this Toolkit), while the second half of the workshop was devoted to an actual challenge-finding exercise. (For more information on this topic, see Chapter 4, [p. 14](#).)

However, when first introducing municipal departments to the MIX Challenge Framework, focus on the first half of the presentation. Give departments time to digest this information. Later on in the workshop (or at a later date) introduce the second half of the presentation and let interested staff

imagine some of the challenges that are suitable for this approach. Departments might also want to engage with their staff at a separate time (outside of these specific MIX Challenge training meetings) to identify some possible challenges and determine the value for them in doing a challenge. If they do so, you and the department manager will need to have a good sense of how much staff time and resources a MIX Challenge will require, and for how long.

Engage the Broader Ecosystem

As you explain the MIX Challenge to your municipal staff and leadership, reach out to the broader community as well.

Does your region have a Regional Innovation Centre (RIC) (an organization which helps accelerate and coach local, regional and national ventures), an Innovation Lab, a university with an Innovation Centre or Lab, or any similar resource? If so, this would be the ideal moment to connect with them and discuss the ways in which they could help you with this process.

While not critical on all occasions, regional “connectors” like these can provide substantial value. If they are already familiar with several of the tools and techniques in this Toolkit, their support could be still more valuable. They could help de-risk the process by leveraging their experience and expertise with these processes, and by providing a more neutral, third-party perspective as you carry out many of the steps in the innovation partnership process. (For example, they can assist with the challenge-finding and framing exercises described in Chapter 4.) The City of Guelph benefited greatly by collaborating with its regional innovation centre, Innovation Guelph. (See the Vignette, “Guelph’s Civic Accelerator: Flexibility and Successful Collaboration,” p. 13).

The MIX program had the benefit of many partners. If you decide to form a partnership with a connector, manage it intentionally to avoid any conflict of

interest. For example, some of the MIX partners were regional innovation centres. For applying later steps in the toolkit, consider carefully and separate partners who aid in engaging the market and those that might be part of the selection committee.

In addition, this is an opportune moment to connect with organizations that will help you with the market engagement, scan, and eventual communication of the procurement document (Chapters 4-7). [MaRS Discovery District](#) is one organization that may be able to help. Others are [City Mart](#) and [Marketplace.city](#). They have a good overview of the problems that municipalities are facing, and which municipalities may be looking into challenges similar to your own.

Tools

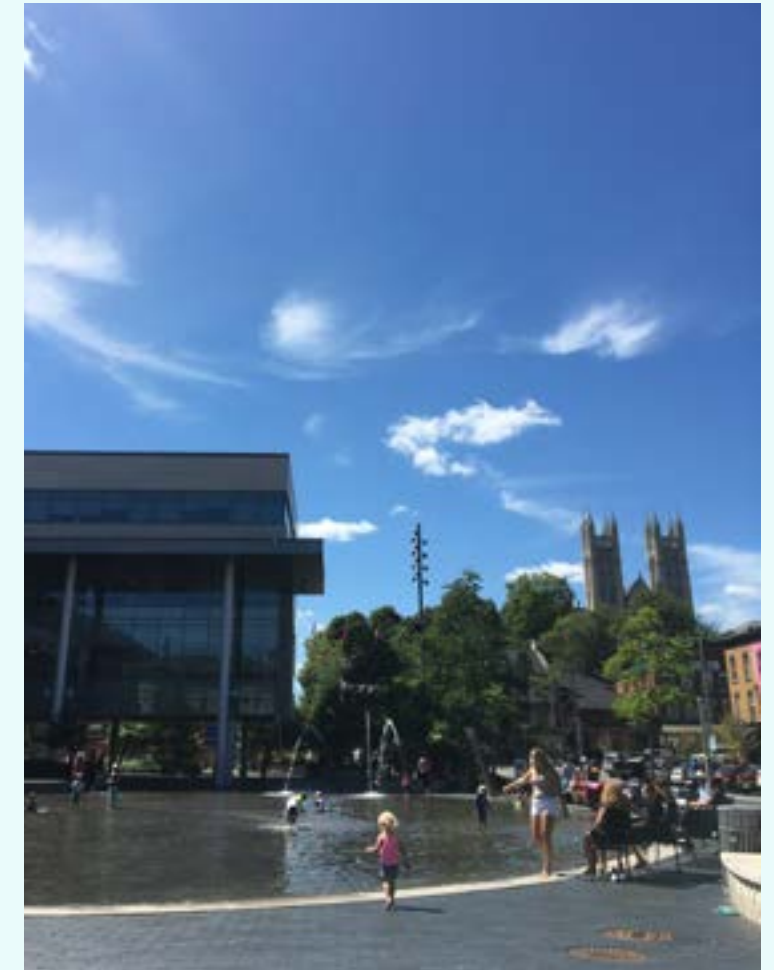
- [C3E - Email - Civic Accelerator Challenge Workshop](#)
- [C3E - Presentation - What is a MIX Challenge](#)

Guelph’s Civic Accelerator: Flexibility and Successful Collaboration

The City of Guelph’s “Roads Challenge” involved not only leading-edge technology, but also collaboration between the City and its chosen vendor. The City selected IRIS R&D, a recent start-up. Nevertheless, the role of an ecosystem connector organization, Innovation Guelph (IG), was crucial to that relationship. It provided liaison to the collaboration process and mediated when conflicts of interest arose between the partners. (This was different from the actual project management, which was handled by the Civic Accelerator program manager.) With IG’s support, the City and IRIS navigated unanticipated municipal delays and staff changes, and then made adjustments to timelines, expectations, and goals.

Innovation Guelph was crucial to the relationship between the City and IRIS R&D. IG provided liaison to the collaboration process and mediated when conflicts of interest arose between the partners.

Earlier rounds of the Civic Accelerator program had indicated how the City and its partners benefited from such support when issues arose. On the one hand, start-up companies experience significant pressure (and enthusiasm) to agree to ambitious goals on which they may find it hard



to deliver. On the other hand, municipalities are more familiar with behaving as the “clients” of vendors, rather than as their “collaborators.”

To take one example, gathering video of Guelph’s roads was key to the Roads Challenge, but there were delays in getting cameras onto City vehicles. Part of the problem was that the City had to protect citizens’ privacy and respect requirements in regard to data governance. While affording both the City and IRIS useful insights about data privacy, the delay impacted the timeline for developing the prototype solution. IG participated in project meetings and followed up with both partners to mediate reasonable adjustments to the project plan.

Chapter 4

Identifying and Drafting a Challenge

This chapter sets out the activities to identify a challenge and draft a clear challenge statement that can be discussed with stakeholders and potential vendor partners. This work involves five main activities:

- Initial screen of potential challenges
- Identify the challenge owner
- Research the challenges
- Second screen of potential challenges
- Draft challenge statement

The MIX Challenge Framework offers a process and tools which can complement those available in your municipality or be used in their stead. Like the other tools in this Toolkit, these bring together the insights and experiences of the cities of Guelph, Barrie, and London, the original drivers of the MIX. Each city used a different approach to identify challenges. The process described here condenses what was learned from all three cases into one set of recommendations and best practice.

Initial Screen of Potential Challenges

A MIX Challenge is all about *procuring innovation* – innovation that helps solve important yet persistent problems. How do you identify problems that justify an innovation, or in other words, the ones that have the makings of a *challenge*? They may be characterized by the following qualities:

- Your municipality has repeatedly tried to solve it with limited or no success, by using the tools on hand, by developing a solution in-house, or by the procurement of an off-the-shelf solution.
- It needs to be solved by creating new value, or delivering value in new ways. This is often

a result of legacy systems that have become obsolete without clear replacement. To bring this about requires the coordination of multiple stakeholders across the municipality.

- It is open-ended and involves a complex web of associated issues where best practices have yet to be determined and many possible solutions come to mind.
- It *really* matters. It is something so important that the municipality would be willing to invest time and resources above and beyond the usual in order to *procure an innovation* that solves the problem.

Where then can you go to find potential challenges? One excellent place to start is by leveraging systems and processes already in place, such as the municipality's innovation department or an innovation pipeline. (See tool [C4D - Challenge Selection Process](#) to help you get started.) Smart City initiatives or programs could also serve as an intake mechanism for potential challenges. See the Vignette, "Barrie: Social Innovation to Benefit Community," [p. 21](#), to read about that city's selected challenge.

Any of these systems or programs are likely to have in place a way to sort and rank problems according to their complexity and difficulty. Only a small fraction of municipal problems warrant the application of the MIX Challenge Framework. Some, for example, require more incremental improvement rather than innovation, which is typically addressed through management techniques like LEAN or Six Sigma. For example, the City of London dovetailed the Lean program of continuous improvement practices with an internal innovation strategy. (See the Vignette, "London: Growing a Municipal Culture of

Continuous Improvement," [p. 20](#), and the supporting presentation, [Spotlight on Lean](#).)

The Challenge Scoping Workshop is a good way to surface challenges that could benefit from the Framework. After departments have had some time to think about the value and opportunities this approach offers, this workshop would help them find and define those challenges. The process it follows is similar to the workshop [C3E - Presentation - What is a MIX Challenge](#) (see Chapter 3, [p. 11](#)) and the two could be combined into one longer workshop. Note that both these workshops could be facilitated by a partner organization that specializes in innovation. (Alternatively, such a partner could help you run it.)

The following tools will help you surface challenges appropriate for the MIX Challenge Framework:

- [C4E - Presentation - MIX Challenge Scoping Workshop](#) explains the importance of the challenge to innovation procurement, and details processes for writing a Challenge Statement, refining it, and identifying the support and resources required for its successful resolution.
- [C4D - Workshop Handout - Challenge Statement Specification](#) helps workshop participants draft an initial statement describing the scope and specifications of the challenge, including the stakeholders involved, and the impact and value of resolving the challenge. This Challenge Statement is what you and the departments will use to evaluate the success of the challenge.
- [C4D - Workshop Handout - Support and Resources](#) clarifies how well the challenge aligns with municipal strategic documents, the resources available for the innovation partnership process, and the support from other departments that could be required.
- [C4D - Workshop Handout - Refine Your Challenge](#) helps workshop participants "triangulate" key information to better define their challenge.

- [C4D - Workshop Handout - Value of MIX](#) helps identify which of the many potential values in the process are most important to those participating.

Identify the Challenge Owner

A key element in the development of the Challenge Statement is to identify the Challenge Owner: the person who will take charge of the process of researching the challenge, refining it, and – should it be suitable for innovation partnership – apply the MIX Challenge Framework until a solution is found or the process is discontinued. Usually the owner will be the person who put forward the challenge. But it also could be someone that reports to them or someone from the innovation department.

A key consideration is that the Challenge Owner will be present for the duration of the process. Many public servants (especially managers) move horizontally, vertically, or into the private sector over the course of 2-3 years. The MIX experience has shown that changes in the Challenge Owner greatly disrupt the process and can even stop it altogether. Make sure to hold at least one onboarding meeting with the entire challenge team that would be involved in applying the MIX Challenge Framework, and appoint someone as a back-up: to take their place in case staff move around.

Research the Challenges

Having compiled a list of potential challenges and refined each one, the next step is to get a better understanding of them. Challenge Owners conduct research to examine each problem from multiple vantage points: in terms of facts and figures, from the perspectives of innovators, the market, peers (i.e., other municipalities), and internal stakeholders (e.g. frontline staff, residents, and other end-users).

It is very important to record relevant information and take thorough notes of everything you learn. [C4D - Workshop Handout - Challenge Statement Specification](#) will help you complete the research.

Desk research may reveal that a fully-functional solution to a potential challenge already exists in the market, enabling the challenge team to proceed with a traditional procurement process. Still, elements of this Toolkit might help ensure that they procure the right solution from the right vendor.

It specifies the various aspects of the challenge that you need to explore and possible sources of information for each.

Desk Research

Some of the work is strictly “desk” research - the Challenge Owner needs simply to spend a few hours in front of a computer searching the internet for information. The Challenge Owner should call up colleagues and counterparts in other municipalities. Do they face the same challenge? How is it similar to yours and how does it differ? How have they tried tackling it so far? What vendor(s) have they worked with? Remember: all this information is essential. The more thorough the research, the more robust the challenge will be going forward.

If you find a municipality that has the same challenge, you can learn about how they have tried solving or addressing it, and which vendors they have reached out to and/or used. You can also learn about the way they have approached the market and the type of research they conducted on available solutions. If this problem is still a challenge for both, this is also a good opportunity to discuss the possibility of collaborating and potentially undertake a multi-municipality procurement.

Unfortunately, this toolkit does not cover multi-municipality procurement and has no specific tools to recommend for it. You might try searching other municipality procurement platforms that are looking for similar solutions or have similar problems. Or use the CityMart platform which tracks all challenges on their platform and provides a search function to connect new challenges with past challenges used on the platform by other municipalities. If you want to continue with other municipalities in a multi-municipality procurement, then work together to develop an approach that works for everyone. Please keep track of your experiences - both what works and what doesn't work - and tell us about it. Other municipalities could richly benefit from what you learn.

This aspect of the research may reveal that a fully-functional solution to a potential challenge already exists in the market and is being used in other jurisdictions. This would be very welcome news for the Challenge Owner and their department! It means that the challenge team can proceed with a traditional procurement process. That being said, elements of this Toolkit still might help ensure that they procure the right solution from the right vendor. (See the tools supplied to support the bidding and evaluation process in Chapters 7 and 8.) It bears repeating that many of the tools in this Toolkit are designed to reduce the risk inherent in *any type of procurement*. For tracking purposes we provide [C4D - MIX Vendor Scan](#), the spreadsheet used by our ecosystem partner Innovation Guelph.

User Research

Yet another, crucial part of the research is to reach out to the people that are or would be involved in the challenge - the “users.” This means engaging and

onboarding the departmental staff that would be running the challenge. (One of them may be the actual Challenge Owner, if they are different from the person who has put forward the challenge). Users also include anyone that the challenge will affect, directly or indirectly. This is likely to mean talking to frontline staff, and also residents. You might be surprised at the quantity and quality of information that can come to light once you step outside your comfort zone and the limits of your daily routine. For the original MIX partners, this revealed oversights and considerations they had not thought of themselves. This research could lead you to re-evaluate the Challenge Statement or its framing. It could reveal that the current framing of the challenge is very different from what those affected actually experience.

Consult [C4E - User Research Interview Guide](#), for an example of a research guide for user research, created for Guelph's second MIX Challenge. Innovation centres are typically experienced and well-prepared to conduct user research. Partnering with such an organization in this part of the process would be ideal.

Having compiled all the research results, revisit the Challenge Statement one last time. Does it continue to hold merit as written, or does it need further adjustment? This is actually a pivotal point. You might confirm that the Challenge Statement in its current form is suitable for an innovation partnership. You might also reframe the challenge, and give it a new direction that does not require the formation of an innovation partnership.

Second Screen of Potential Challenges

The next step is to carry out a final ranking and screening of the potential challenges. [C4D - Challenge Final Ranking Rubric](#) is a spreadsheet template that includes evaluation criteria, rubrics, weighting, and formulas to calculate the scores and ranking of each potential challenge. You can change the weighting of the criteria, the rubrics,

and the criteria themselves to match the needs of your own municipality. The same tool also provides a sample of how challenges may be screened and ranked based on the following factors:

- **Internal Resources available:** Does the department have the necessary staff and budget to support this process? The other departments whose engagement in the process is also required - do they have the necessary staff and budget? Does the challenge align with the budgetary cycle? (Its timing may not work in some municipalities, e.g., those that have an 18-month cycle.)
- **Impact:** If the challenge were resolved, how much of an impact would it have on local residents? How great an impact would it have on the municipality's finances or process efficiencies? Will it have an environmental impact as well?
- **Other considerations:** How many vendors are available to solve the challenge? How much time would it take? Does the challenge align with the municipality's strategic priorities? Is it a challenge that elected officials and the public are keen on solving?
- **Risk:** How much risk does the challenge involve, relative to the other challenges, but also to procurement methods that do not use the challenge process?

Note that in the ranking process you are comparing the potential challenges not just in terms of each of these factors, but all of them. For example, some municipalities may consider a potential challenge “unworthy,” because it seems small and lacking in sufficient impact. However, such challenges may also be very low-risk relative to others, like those that involve a substantial investment of capital or that require a greater initial investment in terms of time and other resources. The value of this and other tools in this Toolkit lies not simply in the effective application of an innovation partnership – they will reduce the risk involved in procurement of any kind. We are all too familiar with stories of teams

or departments that used traditional methods of procurement to buy very expensive products (e.g., software) that did not actually resolve the challenge at hand. This Toolkit can help you avoid such useless expenditures.

Thinking About Innovation

While developing the potential challenges, think about the *type of innovation* that each may entail. The [three horizon model of innovation](#) (originally developed by McKinsey and Company) provides a useful frame for assessing the degree of innovation of the challenges and their possible solutions. Note that this categorizes challenges both by the degree of innovation they involve (from a little to a lot) and by the period of time within which you can expect to see a solution developed – from a few months to a year or more, depending on the complexity of the challenge and the *technology readiness* of potential solutions that your market scan (see Chapter 5) will yet uncover. Some may already exist as prototypes whereas others are merely at the conceptual stage.

- Horizon 1 innovations involve things that are ubiquitous, commonplace, or even starting to decline. Innovations in this horizon tend to be the least disruptive. Generally, they might be termed “incremental improvements.”
- Horizon 2 innovations involve emergent, cutting-edge, and avant-garde technologies, processes, and business models. They involve real disruption and innovation, or “10x” improvement. They are often still in a state of evolution or development, with their full ramifications as yet unrealized or not apparent.
- Horizon 3 innovations represent the “true future.” They can be imagined, but they are not a reality because they involve technology that is still out of reach. Moreover, consumer habits, behaviours, and values have to evolve before innovations such as these will be adopted.

[Technology Readiness Levels \(TRL\)](#) are a type of measurement system used to assess the maturity

level of a particular technology. Potential solutions for challenges can be placed at nine levels of technology readiness. For two different ways to visualize the measurement system see [C4R - Technology Readiness Levels for Built in Canada](#) and [C4R - Technology Readiness Levels Innovative Solutions](#). The MIX Challenge Framework targets solutions that primarily fit levels 7, 8, and 9:

“Level 7: Prototype ready for demonstration in an appropriate operational environment

Prototype at planned operational level and is ready for demonstration in an operational environment. Activities include prototype field testing.

Level 8: Actual technology completed and qualified through tests and demonstrations

Technology has been proven to work in its final form and under expected conditions. Activities include developmental testing and evaluation of whether it will meet operational requirements.

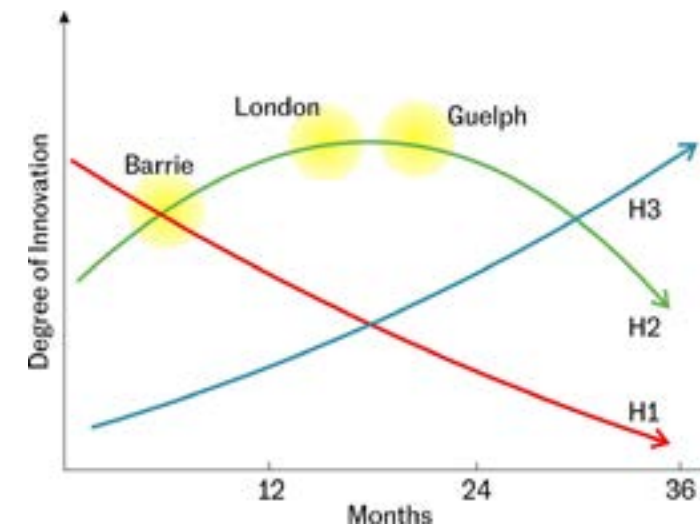
Level 9: Actual technology proven through successful deployment in an operational setting

Actual application of the technology in its final form and under real-life conditions, such as those encountered in operational tests and evaluations. Activities include using the innovation under operational conditions.”

Figure 1 on p. 19 depicts the degree of innovation for the challenges undertaken by the three MIX partners, Guelph, Barrie, and London.

- Horizon 1 (the red arrow) describes a challenge that would involve a lot of innovation immediately, but less and less over time.
- Horizon 2 (the green arrow) describes a challenge that would involve a significant and rising amount of innovation in its first 24 months.
- Horizon 3 (the blue arrow) describes a challenge that would require innovation that would

Figure 1: Three Horizon view of the three MIX challenges



steadily grow in its scale and impact, straight through the 36th month of the project.

Use [C4D - Picking the Right Challenge: Three Horizons](#) to help you gauge the time horizon within which you could expect a solution to be found or developed for each challenge. These two factors - the degree of innovation your challenge is expected to involve, and the preferred time horizon over which the innovation shall occur - together constitute your *innovation ambition*.

The Three Horizons framework will come more into play in Chapter 5, where the market is actually engaged and market research is conducted. Nonetheless it helps to begin framing each challenge before proceeding to that step.

Draft Challenge Statement

The objective of the process explained in this chapter is a Draft Challenge Statement for each challenge that remains after the ranking and screening. These statements will be used by the departments (and/or partner organizations) that will be conducting the market research. (See Chapter 5, p. 22.) In addition, each Draft Challenge Statement serves as a concise yet thorough and robust document that you can share with senior leaders and other relevant parties.

Defining Outcome-Based Specifications

The Draft Challenge Statement summarizes not only the problem experienced by the municipality, it also describes the desired outcomes the municipality hopes to achieve through solving the problem.

Define *outcome-based specifications* to describe *what* the solution will achieve for the municipality, rather than *how* the solution will achieve it. (See tool [C4R- HSCN Outcome-Based Specifications Guide](#) - section 3.5 to help you draft the specifications.) Use the information you collected through the various types of research described in this chapter to help detail the most desired outcomes for end users of the solution and for those who would be most impacted by the solution. Well-crafted, outcome-based specifications create space for multiple solutions to the problem.

Additionally, outcome-based specifications should be measurable. The measures will help you ascertain the success of the innovation partnership – both the development and the testing of a solution with your selected partner. (See Chapter 9, p. 45.)

Tools

- [C4D - Challenge Final Ranking Rubric](#)
- [C4D - Challenge Selection Process](#)
- [C4D - MIX Vendor Scan](#)
- [C4D - Picking the Right Challenge: Three Horizons](#)
- [C4E - Presentation - MIX Challenge Scoping Workshop](#)
- [C4D - Workshop Handout - Challenge Statement Specification](#)
- [C4D - Workshop Handout - Support and Resources](#)
- [C4D - Workshop Handout - Refine Your Challenge](#)
- [C4D - Workshop Handout - Value of MIX](#)
- [C4E - User Research Interview Guide](#)
- [C4R - HSCN Outcome-Based Specifications Guide](#)
- [C4R - Technology Readiness Levels for Built in Canada](#)
- [C4R - Technology Readiness Levels Innovative Solutions](#)



London: Growing a Municipal Culture of Continuous Improvement

Since 2015, the City of London has been on a journey to eliminate waste and instill a culture of collaboration, creative problem-solving, and continuous improvement across municipal operations, and across municipal jurisdictions. As a member of the Municipal Innovation Exchange (MIX) since 2018, London has joined with the cities of Barrie and Guelph to explore how procurement can build their individual and mutual capacity for innovation. In 2019, London co-founded City Studio to bring municipal staff together with the students and faculty of five post-secondary institutions to co-create solutions to specific municipal issues.

As a consequence, when approaching a challenge, City staff have a range of options from which to choose to develop a solution. They are encouraged to develop new processes through

which to enhance service delivery, reduce costs, and increase efficiencies. They can connect with faculty members to co-design curriculum around a civic challenge, and then mobilize the creativity of students and the resources of universities and colleges to contend with that challenge. Rather than simply purchase a third-party service or product off the shelf, they can collaborate with private companies to design something specifically in response to a complex need.

In short, to find solutions to increasingly complex problems and issues, the City of London is looking both inward and outward. It is striving to make the search for new, more efficient ways of thinking and doing a municipal habit, and to build common cause with citizens, companies, and post-secondary partners, near and far, along the way.

Barrie: Social Innovation to Benefit Community

The City of Barrie needed to solve a community need that was outside the responsibility of traditional municipal services. Barrie receives an average snowfall of 238 cm, which is more than twice the average snowfall of other Ontario cities. Each snow event triggers a significant spike in calls to the City from residents who want the snow cleared from the ends of their driveways (or “windrows”) but cannot do it themselves.

While snow removal from roads is a municipal service, clearing snow from a residential property is usually the responsibility of the property owner. However, for a variety of reasons (including health), snow removal is not an activity that some residents can perform. The best the City could recommend was that they contact neighbours for assistance or hire a private snow removal company.

The City sought a solution through challenge-based procurement. It issued a Request for Proposals (RFP) for a socially-innovative solution that would assist residents during the winter season but would not be managed or operated by the municipality.

The RFP was issued via the City of Barrie’s online procurement platform, Bids and Tenders. The RFP included the challenge statement, “How might the City of Barrie connect Seniors and Persons with Disabilities with an innovative service model for clearing of residential windrows during the winter season?” The RFP sought a third party to assist such residents with snow removal, but specified that the solution itself would be developed through an embed process involving the selected vendor and the City.

The RFP was awarded to Simalam Inc, creator of Snow Angels London, an online platform matching residents in need of snow removal



assistance with volunteers in their neighbourhood. A platform update, Snow Angels Canada, was launched with communications support from the City. A wide range of media helped to build resident awareness of this initiative and the engagement of volunteers.

Collaboration with the City has enabled Simalam Inc. to improve their social enterprise platform and promote it in other locations with an embed process already tried and tested in a snow belt community. Municipalities like Barrie can act as effective catalysts, connecting strategic stakeholders, third-party service organizations, and social enterprises to solve community needs.

Chapter 5

Early Market Engagement

Congratulations! You now have a first draft of the challenge you want to tackle through an innovation partnership. You could make the draft challenge the basis for a procurement and invite vendors to submit their bids. But there is a risk that the market will not respond. Vendors may not understand what an “innovation partnership” with the municipality may entail. They may not fully grasp the extent of the challenge, and offer to resolve it with existing products or services - things already rejected in the course of your research. As a result, your procurement could generate a lot of time and trouble with no solution.

Generally, open procurements take the form of a Request for Proposal (RFP). Given the growing diversity of procurement procedures, this document refers to them generically as Requests for x (RFX).

To lower this risk, it is recommended that you update your draft challenge with insights gained from early market engagement.

What is Early Market Engagement?

Early market engagement is about getting feedback from the market about a challenge before you finalize it and commit resources to a formal procurement process. Early market engagement tells you what solutions are currently available, how clearly the draft challenge is expressed, and the market’s capability to resolve that challenge. Knowing this, you can refine, pause, off-ramp, or proceed with a challenge with more confidence and less expenditure of resources.

Early market engagement encompasses a range of activities. Some “light” activities can proceed simply through your existing networks. Other activities

are more complex, and gather feedback from a wider audience.

If you have high capacity, the full menu of activities is recommended: review unsolicited proposals that the municipality has received; create a “pitch-the-city” program and prompt the market for feedback with Expressions of Interest, webinars, reverse trade shows, and forward procurement plans.

If your capacity is low, complete a modified set of activities: review unsolicited proposals that the municipality has received; and then prompt the market for feedback by issuing a webinar about the challenge targeting vendors that you identified in the initial market scan and through inquiries with other municipalities.

Engaging the Market Early

Getting market feedback

There are many ways to solicit valuable information from potential vendors without resorting to an RFX (especially an RFX to which vendors lack the capacity or interest to respond). Here are two that apply when dealing with a single challenge:

- **Request for Expressions of Interest:** This is a low-risk way to get feedback from vendors regarding a draft challenge – their interest in the subject, as well as their assessment of its terms and its logic. Even if you receive no formal responses, plantakers’ feedback and inquiries can help you improve the challenge. To boost the quality of information you receive, make sure your procurement team is equipped with specific interview questions they can pose to plantakers. See tool [C5E - Expression of Interest - Parks Challenge](#). The Vignette, “London:

The Power of Early Market Engagement,” p. 28, explains how that municipality used the REOI to test the market.

- **Webinar:** the release of a live or recorded webinar *before* the issue of an RFX can be a useful way to test your assumptions about the market’s capacity to respond to the challenge.

If your municipality faces multiple challenges and plans to make innovation partnerships a regular occurrence, consider the following:

- **Reverse Trade Show** is an event at which the municipality can share information about the challenges with vendors. While no commitments should be made by any party, the exchange of information might enable the municipality to gauge the capacity of the market to develop solutions to municipal problems.
- **Forward Procurement Plan** is a public schedule of the challenges that the municipality plans to take on with the assistance of the market. The plan is widely publicized in order to give the market plenty of advance notice of upcoming procurement opportunities. As with the reverse trade show, no commitments should be made between vendors or municipal teams at the time of publication.

In order for early market engagement to mitigate risk, three conditions must be in place:

1. Awareness of early market engagement tools, and the value of validating the outcome-based specifications defined in the Challenge Statement.
2. Understand what your innovation ambition is and how this relates to early market engagement activities.
3. Team capacity to undertake the engagement activities.

For information on points 1 and 2, see tool [C5D - Early Market Engagement Primer](#).

Note that early market engagement activities are also opportunities to learn what you can and cannot say to whom and when. For example, the rules pertaining to interactions between municipal staff and vendors differ between market testing activities and the bidding period of an official RFX. Interactions that are part and parcel of sensible market sounding in the first instance may constitute unfair market advantage (real or perceived) in the second.

Communicate what makes a “Good Partner”

Early market engagement can also act as a signal to vendors that the municipality wants to work in new ways with the market. Innovation partnerships require innovative partners! Innovative partners are people and companies that:

- Are capable of inspiring and pushing the municipality to do better. This might include discussions that do not normally occur in traditional vendor relationships, for example, when the municipality asks for and receives critical feedback about services.
- Deliver solutions and feedback that embody substantial improvements (those termed “10X improvements”) rather than small incremental changes.

By communicating the type of partner it is looking for, the municipality will be alerting vendors to how they should respond to future challenges, and how they should craft their approach to partnering with the municipality.

About Unsolicited Proposals

Municipalities all over the world receive many unsolicited proposals from the private sector. These proposals should not be dismissed out of hand as attempts by vendors to “sidestep” the normal, fair, and open procurement process. In fact, some of these proposals may offer valuable input about the development of services that municipalities have never before considered. As a consequence, reading your municipality’s unsolicited proposals may offer a glimpse of the market’s capacity to resolve the challenge in its current draft format. Depending

Unsolicited proposals may in fact offer valuable input about the development of innovative services that municipalities have never considered. There may be ways to review your municipality's unsolicited proposals to get an indication of how responsive the market might be to your challenge.

on how your municipality collects and values unsolicited proposals, there may be ways to review them to get an indication of how responsive the market might be to your challenge.

Ongoing Intake of Unsolicited Proposals

Here are some examples of how various municipalities view and manage unsolicited proposals.

The City of Adelaide devotes a section of its website to unsolicited proposals. It clearly explains how proposals should align with the municipality's strategic plan and lists the city's criteria for filtering proposals. It also provides a simple, 5-step intake portal through which proponents input contact information, a brief overview of how the proposal fulfills municipal filtering criteria, and financial and intellectual property issues. Proponents can then upload detailed proposals to the portal.

Los Angeles County Metro's transit system devotes a section of its website to unsolicited proposals. It supplies PDF forms for proponents to complete, attach to their proposals, and submit via email or carrier/mail. Notably, LA County Metro tracks and publicizes the number of unsolicited proposals that receive further exploration and implementation:

"Since the establishment of our unsolicited proposal policy in February 2016, Metro has received **199** Unsolicited Proposals. **32** proposals have been advanced to Phase II. **25** proposals have been advanced to implementation. Metro has awarded seven contracts as a result of Unsolicited Proposals, completed six proofs of concept, issued one lease, and has several additional contracting opportunities in the pipeline. Over 150 subject matter experts from various Metro departments have brought their talents to helping OEI [Office of Extraordinary Innovation] evaluate these proposals. Please see the [2019 OEI Innovation Portfolio](#) for more on projects that have come through the Unsolicited Proposal process."

The Province of Ontario devotes a specific area of its website to unsolicited proposals. Proponents use an easy, 5-step process to upload information to the province at the intake portal. The website also says that it generally takes proponents about 60 minutes to read the terms and input all the necessary information.

The City of Toronto has a specific policy for unsolicited proposals, which includes guidelines for municipal staff and criteria for proposals that are eligible for consideration. A promising unsolicited proposal may proceed to the "swiss challenge," a stage at which other vendors are invited to submit competitive proposals. A selection committee then chooses the best proposal for the municipality.

The City of London has a policy for unsolicited proposals. Interested vendors are encouraged to submit proposals on a fillable PDF form that is sent directly to the procurement department. It informs the appropriate service delivery area, where the proposal is evaluated and could trigger a traditional procurement process, e.g., sole-sourcing the submitted proposal, or the issue of an RFX to which the proponent can respond.

Pitch-the-City Programs

Outside of formal intake processes, municipalities may facilitate unsolicited proposals by providing a window at which vendors can "pitch" the municipality. Here are three examples:

The City of Philadelphia's Pitch & Pilot program solicits ideas to improve government services through technological innovation. The program may award proponents up to \$34,000 to test promising solutions of importance to the city.

The City of Ottawa's Department of Economic Development Services manages the Innovation Pilot Program. This program seeks innovative local, national, and international start-ups to pilot new technologies, products, or services within municipal partners or departments. As a result, municipal staff can improve municipal processes, programs, and services while fostering a supportive environment for companies in the early stages of commercialization.

The State of Pennsylvania limits the intake of unsolicited proposals to two months of the year (April and October). Knowing that unsolicited proposals will only be considered at specific times, vendors are better able to prepare their proposals. This also allows the state to temporarily allocate staff during this period to review proposals.

There are many ways in which your municipality might already be collecting innovative ideas from the marketplace. These ideas can offer valuable insight into the number and identity of vendors who may be willing and able to respond to your challenge.

Innovation Ambition

A key purpose of early market engagement is to learn if the market already offers solutions that match your innovation ambition. Did you see solutions that would fit your understanding of Horizon 2 or Horizon 3 innovations? Tied to this is also an assessment of the maturity of technology currently on the market.

After engaging the market, the municipality should revisit its decision about the horizon within which their challenge fits, and readjust as required. The MIX Framework works better for Horizon 2 solutions than Horizon 1 solutions.

Outside of formal intake processes, municipalities may facilitate unsolicited proposals by providing a window at which vendors can "pitch" the municipality. These ideas can offer valuable insight into the number and identity of vendors who may be willing and able to respond to your challenge.

Decide Next Steps

Based on new information from early market engagement, you can now update your challenge.

Perhaps your early market engagement activities revealed mature solutions to the problem are already available. In this case, off-ramp the challenge into a regular RFX. Alternatively, refine the challenge to capture the full complexity of the problem, which has made it impossible to solve in the past. When refining the challenge, expand upon the desk research completed on the challenge to date. Conduct more user research to reframe and broaden the outcome-based specifications desired, then check to ensure that other municipalities and the market remain on side with the challenge.

If vendors are using technology too immature for the municipality's requirements (this would likely mean a technology readiness level below 6), consider off-ramping the challenge into a research and development project. See the Vignette, "Guelph's Civic Accelerator: The Value of Early Market Engagement," p. 27, to learn how they engaged their ecosystem partner, Innovation Guelph, in market research.

If the challenge is not readily understood by vendors, identify and update the confusing elements. For example, during the original MIX project, one respondent to a draft challenge asked for outcomes that had more specific indicators. The respondent wanted to respond to the challenge if the expected outcomes fit nicely with their capabilities. If the market is not comfortable co-developing a solution with the municipality, then consider pausing the challenge.

Having paused or off-ramped your challenge, you still may want to attempt the MIX Challenge Framework. In such a case, go back to the initial challenge screen (see Chapter 4) and repeat the process with a different challenge that fits the innovation procurement ambition of your team.

This is also a good point in time to call your counterparts in other municipalities to report back. They are very likely interested in knowing what steps you will be taking in addressing the challenge you shared. In addition, they may be interested in collaboration or in a multi-municipality procurement of the solution.

Finalize the Challenge Statement

You have now validated the content of the challenge by confirming the capacity of the market to resolve it. Before finalizing the Challenge Statement, two last validations are required. First, make sure the challenge uses the same type of language that vendors use and understand. (To check the language, approach a vendor or vendor advisor who is not bidding on the challenge.)

Second, make sure the challenge uses the same type of language that senior leaders prefer. Include such changes as senior leaders suggest that specifically concern risk mitigation and the reputation of the municipality. If they suggest changes extraneous to these concerns, and the changes would override the language suggested by the vendor community, you will have to take action. Respectfully challenge the senior leaders' suggestions with documented vendor feedback as to why the language needs to remain in its current form.

All these activities are inputs to a "living" version of the specifications and the draft Challenge Statement completed in Chapter 4. Be sure to regularly update those templates as you gain new information: [C4D - Workshop Handout - Challenge Statement Specification](#) and [C4D - Challenge Final Ranking Rubric](#).

Tools

- [C4D - Challenge Final Ranking Rubric](#)
- [C4D - MIX Vendor Scan](#)
- [C4D - Workshop Handout - Challenge Statement Specification](#)
- [C5E - Expression of Interest Parks Challenge](#)
- [C5D - Early Market Engagement Primer](#)



Guelph's Civic Accelerator: The Value of Early Market Engagement

The City of Guelph's 2019 "Roads Challenge" targeted how the City collected and used data about its roads. Well prior to the launch of the challenge, however, a great deal of early market engagement had occurred. This was the work of Innovation Guelph (IG), the Regional Innovation Centre that has been integral to the success of the City's Civic Accelerator program from its inception.

IG's role blended market research and recruitment. It identified and alerted businesses that might be interested in the opportunity, and then sent them the RFP once it was issued. IG conducted desk research on a wide range of companies, some working directly on roads, others working in different industries or developing technology that could be applied to the challenge.

Many companies with a perceived solution that was already deployed in multiple municipalities deemed the challenge unnecessary, or requiring too much work for the resources available. In its research, IG identified 29 companies in total, which helped the City answer two questions fundamental to launching the challenge. Firstly, it confirmed that no product currently on the market satisfied the outcomes identified in the challenge. (Had there been such, the challenge would have been better suited to a traditional procurement process rather than the Civic Accelerator.) Secondly, the research suggested that companies would be interested in the challenge and would respond to the RFP once it was issued. Of the four companies that submitted a proposal, IG had shared the RFP directly with three, including the successful proponent, IRIS R&D.

London: The Power of Early Market Engagement

About 85% of the time, municipal procurement is a straightforward process. The need arises for an existing product or service, and the City uses a Request for Proposal (RFP) or some other traditional procurement tool to buy that product or service.

As cities are confronted with more and more complex challenges, however, there is a need for more complex solutions. These account for here the remaining 15% of procurement, when cities are in the market for products and services that they themselves cannot fully describe, or that may not exist on any shelf, or if they do exist, are not yet market ready. In these situations, a procurement tool as traditional as an RFP can lead to confused applicants, bids poorly aligned with needs, or in the worst case, no proposals whatsoever.

In 2019, the City of London went to market with the “Capturing, Monitoring and Analysis of Data for Municipal Outdoor Sports Facilities” challenge. But in anticipation of misunderstanding about what was sought, the City did not lead with an RFP. Instead, London opened with a Request for Expressions of Interest (REOI). This allowed City staff to test the market – to see which firms

understood the challenge and were open to participating in the co-design of a solution. While the REOI prompted no registered replies (“plantakers”), it did trigger a valuable dialogue with a few vendors whose business activities fell within the scope of the challenge. This exchange helped strengthen the information provided in the second stage of the procurement process, the RFP.

Backed up by an REOI, webinar, and advertising, London’s challenge RFP achieved nine plantakers and nine proposals, each with a strong application.

The City did not stop there. Coincidental with the release of the RFP was a webinar heavily advertised through social media, as well as partner Regional Innovation Centres. The webinar allowed for live Q&A directly with the project stakeholders in Parks and Recreation, Procurement, Information Technology, and the Planning division. It attracted about 15 participants, of whom at least three became plantakers.

With back-up from the REOI, the webinar, and the surrounding advertising, the challenge RFP achieved a total of nine plantakers and nine proposals. All nine applications were very strong, suggesting a variety of solutions ranging from sensor technology and GIS solutions to artificial intelligence. Overall, the City of London was very pleased with the quantity and quality of potential solutions that the market brought forward – a tribute to early and consistent market engagement.



Chapter 6 Preparing & Posting the Procurement Opportunity

In this section of the MIX Challenge Framework, the Challenge Owner uses the work to date to compose an RFX. In addition to the finalized Challenge Statement and Outcome-based specifications (see Chapter 5), the RFX requires:

- Vendor Evaluation Criteria to ensure the procurement is fair and triggers bids from the right vendors, for the right reasons.
- Language and a structure customized to the target market so that vendors can quickly grasp the nature of the challenge, as well as its details.
- Preliminary testing, to ensure it is clear, realistic, and does not impose undue burdens or barriers on respondents.

The RFX must also be supported by a communications plan to ensure it reaches the target audience.

The Procurement Instrument

Which procurement instrument is best for a challenge-based innovation partnership? The quick answer is that you can use any of the standard procurement instruments. That being said, as described in Chapter 5, the RFI or REOI is more effective for testing the assumptions on which the challenge is based, prior to creating the procurement opportunity. For the latter, experience indicates that the RFP is the way to go.

Guelph, Barrie, and London all used RFPs to find vendors to respond to their challenge statements. Like any other procurement, these RFPs were issued through the municipal procurement platform, adhered to all municipal by-laws, and were fair,

open, and transparent to all interested parties. That being said, each of these RFPs stretched a municipality’s “procurement comfort zone” in at least one of five ways:

- Market research activities extended beyond identifying existing public sector solutions.
- The legal division was required to make the language of the RFP as plain as possible.
- Extra advertising was necessary.
- Vendor evaluation was more complex, involving co-creative activities with the selection committee.
- All participating vendors were surveyed to get their feedback on the process.

Given the value of each challenge was less than \$25,000, the bylaws of all three cities would have permitted the RFP to invite bids from three vendors only, rather than being open to any and all vendors. The 3-vendor invitation assumes that the municipality has already identified every vendor who might bid on the opportunity. It substantially reduces the effort required to advertise the RFP. But this option also confines the procurement to vendors that the municipality is aware of, and excludes vendors that the municipality may have overlooked. Significantly, none of the cities chose the 3-vendor option, and in every case, vendors who had not been previously identified bid on the opportunity.

Preparing the RFX

Customize the RFX to your Audience

The RFX targets a very specific audience. Review your market research and other early market engagement activities to identify the characteristics

of your prospective respondents. That will help you to structure and express the information in the RFX in ways that conform to their needs, abilities, and perspectives as closely as possible.

Overall Layout

Get the advice of your legal division and procurement team as to the sections of the RFX that will enable the audience to determine if the challenge is a good fit for them. Then situate these sections prominently, so vendors can skim the document and quickly decide whether or not to make the effort to create a proposal.

Here is one way to structure an RFX. Note how each topic “replies” to a question posed by a hypothetical potential vendor (in parentheses):

1. Description of the challenge and its value. (Is this challenge of interest and value to me?)
2. Legal requirements. (Now that I am interested, can I actually legally bid on this opportunity?)
3. Proposal evaluation criteria and scoring. (How is my bid going to be evaluated? Am I a plausible contender, based on the scoring? What should my proposal focus on?)
4. Ownership of intellectual property. (Will I get to reuse the value I create?)
5. Terms and conditions of partnership. (If I do get selected how will this “partnership” work? What will be expected of me?)
6. The Agreement. (What aspects of this agreement remain negotiable?)
7. End of contract decision. (If I work with the municipality what are the possible partnership outcomes?)

Guelph, Barrie, and London all exercised their knowledge of their audiences within the constraints of the RFP templates developed by each city. For example, Guelph structured its RFP with a description of the challenge and the value (including non-financial benefits) of the procurement promi-

nently at the start. See tool [C6E - Guelph RFP Road Assessment Challenge](#).

Evaluation Section

It is recommended that the section on proposal evaluation be detailed. This makes the evaluation process clear and transparent. It provides vendors with more direction as to how to craft their pitch in the written proposal. That clarity also will assist the remote or in-person evaluation of shortlisted applicants.

For example, the City of Barrie included criteria and scoring for both the written and in-person components of the evaluation. This level of detail showed vendors what was important without specifying the components of a “specific solution concept” or how to demonstrate a “consultative co-development approach.” See tool [C6E - Barrie RFP Snow Service Challenge](#).

If your procurement opportunity involves multiple municipalities, make sure its language speaks to the issues of all the participating cities. Likewise, ensure the evaluation criteria meet the needs of all the municipal teams.

Contract Agreement

For their RFP, Guelph provided a separate draft agreement (see tool [C6D - Guelph Challenge Agreement](#)) in an attempt to make the RFP document more concise. Barrie also included a separate draft agreement as an appendix of their RFP. (See [C6D - Barrie Agreement Template](#).) London’s RFP, [C6E - London RFP Parks Data Challenge](#), did not include a draft agreement. Instead, the agreement was reviewed as part of the usual contract negotiation after the successful proponent was chosen.

Detail the Value of the Challenge

Make explicit what the successful vendor stands to gain from this procurement. This can be achieved not only by specifying the monetary value of the challenge, but more importantly by listing all its *development benefits*.

For example, when first exploring an innovation partnership in 2018, Guelph devoted an entire section near the beginning of the RFP to describe additional, non-monetized benefits. (See box at right.) One vendor later estimated that the experience accelerated the development of their organization by 1-2 years and opened up new revenue sources that shifted their business model.

What developmental benefits does the RFX hold for the municipality? The challenge format is designed to ensure that municipal staff consider multiple new ways of tackling a persistent problem. To the municipality, the primary value of the innovation partnership could be that an innovative service or product gets created that solves the problem. The secondary value could be that municipal staff get exposed to a partner who stretches and inspires them to approach both the problem and its solution creatively.

Specify the Evaluation Criteria and Scoring

Make the criteria that will be used to evaluate the written submissions clear, comprehensive, but to the point. That will accomplish two things. First, by making the effort to craft the evaluation criteria, your own understanding will deepen about what you are expecting from this challenge. You are defining what will and what will not be acceptable. Second, by detailing the criteria in the RFX, vendors will fully understand what is expected from them. They will know the elements on which they will be evaluated, and the relative importance of each. This also will be a metric against which they can compare themselves and decide if they are the right vendor to apply for the RFX or if their application will be a waste of their time (and yours). It will also ensure that they better understand your needs and can demonstrate this awareness in their proposal.

To create the evaluation criteria, start with the Outcomes section of the Final Challenge Statement that you developed by the end of Chapter 5. Ultimately, these are the key things you are expecting the successful applicant to deliver through their solution and therefore should be the basis for your evaluation of vendors’ submissions. Since the selected vendor is also expected to work on the challenge in partnership with the municipality, there should also be criteria concerning an applicant’s ability to “co-create,” or work collaboratively. You can also add criteria that the city departments involved in this procurement deem valuable or necessary.

After listing all the evaluation criteria, the next step is to create a scoring guide or “rubric” for them. To do so, you assign each criterion a maximum point value, and what the submission has to

Value to Successful Applicant

“To ensure the success of this road assessment challenge, the City [of Guelph] will provide the following support:

- Dedicated check-ins and working sessions with department staff and program Team;
- Access to program expertise around challenge-based procurement, municipal innovation, and municipal innovation procurement;
- Access to research completed by Guelph Lab (the City of Guelph’s relationship with the University of Guelph) in developing this challenge, which outlines areas of consideration; and
- Policy, strategic, and operational advice from the City of Guelph’s Program Manager of the Municipal Innovation Exchange and the MaRS Discovery District’s Challenge Manager.

Based on interest and needs from the Successful Applicant, the Civic Accelerator program may also provide the following:

- Supports from the City’s Economic Development Team for promotional and business development purposes that include, but are not limited to: marketing support, data and business intelligence, match-making, referrals to government and business support agencies, and more; and
- Professional mentorship and coaching opportunities through Innovation Guelph, which was previously involved and key to the success of the initial rounds of the Civic Accelerator program.”

demonstrate in order to achieve that point value. This will ensure that all members of the selection committee understand not just each criterion, but its importance relative to the others. The rubric will also ensure the committee members' scoring is congruent: that a score of 6 or 9 (for example) means the same thing to every member.

It is recommended that the members of the selection committee are also involved in creating the rubric. That means recruiting all the committee members well in advance of issuing the RFX and ensuring that they are available for the entirety of the evaluation process. This will help to ensure that applicants receive balanced and fair opinions.

See tool [C6D - Vendor Evaluation Rubric](#) for a detailed template of evaluation criteria and rubrics, including formulas. Keep in mind that your municipality may have specific requirements in regard to scoring (e.g., the electronic platform used to capture results may stipulate scoring on a scale of 5 instead of 10). See tool [C6E - London Vendor Evaluation Rubric](#) as an example of how a municipality adapted the evaluation rubric to its challenge.

Having developed the evaluation criteria and rubric, make sure that they are included in the RFX, so all potential bidders know exactly what you are looking for and how their proposals will be evaluated. In addition, indicate that applicants whose written submissions are shortlisted will undergo a second, face-to-face or remote evaluation. (This second evaluation is described in detail in Chapter 8.) Explain that at this second evaluation shortlisted vendors will be asked to complete specific tasks. This interactive evaluation is designed to test vendors on their ability to work together with the city on the challenge.

Get Prior Feedback from a Test Audience

Writing a RFX that is clear to your target vendors is critical. To confirm its clarity, share the draft RFX with an expert or vendor who speaks the same language (including the same technical terms) as the target vendors, but who will not be responding to the RFX.

Taking care about your language will likely result in more solid proposals. There are other benefits, too. If there are errors in the RFX, the issue of corrective addenda can be taxing on both the procurement and project teams. It will reduce the time that the vendors have to respond to the RFX – and reduce the reputation of the project team as well – even before the selected vendor starts work on the project. A language check by an outside set of eyes can be key to the quality assurance of the RFX.

Going Live

This section explains the promotional and logistical preparation to consider before publicly posting the final RFX.

Who to Target

From the market scan and screening done in Chapter 4, you should know if potential solutions to your challenge could be described as Horizon 1, Horizon 2, or Horizon 3. As discussed, innovation partnerships should focus on Horizon 2 or Horizon 3 solutions. Contact the vendors of these types of solution directly.

In addition, communicate with organisations that work directly with such vendors. In Ontario, regional innovation centres have a mandate to work with vendors who are refining market solutions ideal for innovation partnerships. There may be similar innovation ecosystems/communities in your jurisdiction and they too may be good places to find vendors providing Horizon 2 or Horizon 3 innovations. More broadly, [Marketplace.city](#), [Start-up-in-Residence](#), and [City Mart](#) have platforms at which municipalities can source vendors who are suitable for innovation partnerships.

Determine the Platform for Posting RFXs

Consider which platform you will use to advertise the opportunity. While there is likely one mandatory platform, your procurement team may consider posting the same information on additional platforms. Many cities in Canada use [Bids and Tenders](#)

and others use [Biddingo](#) and [MERX](#). These are paid services, so approach them as a discerning buyer.

For the original MIX project, all three municipalities used Bids and Tenders, including its custom website, bid management, and online submissions features. However, most preferred using in-house evaluation templates to the online evaluation feature offered by Bids and Tenders. (It requires all evaluations to be graded on a 5-point scale.) When choosing a platform, consider the formatting constraints imposed by each. These small details can save you time as you prepare the public posting.

One key capability to look for in a platform is the option to make the RFX [free to view, or to place it behind a paywall](#). Bids and Tenders has this capability. Some platforms make access to an RFX's official documents free, but require potential vendors to register. Another variation is to place official documents behind a paywall, but provide sample "unofficial" documents for free.

Certainly, making the information about the RFX free (as a sample or official form) encourages participation from vendors who may not normally provide services to the city. The RFPs issued by Guelph, London, and Barrie were posted with a "preview" watermark for anyone to view for free. Note that this makes it harder to track the number of interested vendors because viewing a "preview" RFP does not require registration. However, registration is an indication of a stronger commitment on the vendor's part to submit a proposal.

A second key capability to look for is the option to send official notifications to all registered vendors. Such notifications might include pre-bid meeting or webinar reminders, the posting of a recorded version of a webinar, the posting of answers to questions, and revisions to deadlines. In short, this capability enables you to transmit a range of information that might help vendors prepare their written proposals.

City Mart, Marketplace.city and Startup-in-residence all have different platform services that connect municipalities with vendors.

For example, the City Mart platform offers to assist municipal clients with the Challenge Statement and to connect them with other clients who have similar challenges. City Mart also offers services for identifying local and international vendors who might respond to the challenge. A service fee, calculated at a very small value of the procurement, is only applied if a successful match is made.

At Marketplace.city innovative vendors post solutions that might be applicable to city challenges.

Writing a RFX that is clear to your target vendors is critical. To confirm its clarity, share the draft RFX with an expert or vendor who speaks the same language and technical terms as the target vendors. Taking care about your language will likely result in more solid proposals.

Startup-in-Residence enables municipal challenges to be posted to start-up vendors. However, this focus on start-ups excludes larger organizations that otherwise might bid on a municipal posting.

Make a Communications Plan

Communicating with the public about a procurement opportunity can be a lengthy and diverse undertaking. Making your communications smooth and consistent as well as comprehensive is no simple matter, but it will boost the chances of a successful procurement. For that reason, it is essential to collect and organize in one place the following information: a) exactly who is to be contacted, b) when they are to be contacted, c) through which media, and d) with what messaging supportive of the procurement opportunity. That document is your communications plan.

Try to collect the names and contact information of *all* the stakeholders to whom you can turn to amplify the procurement opportunity and all the channels through which they might broadcast the message. For example, regional innovation centres have newsletters and social media accounts that target vendors that are Horizon 2 and 3 candidates. Trade associations also publish newsletters.

In addition, identify individuals who advise vendors one-on-one. As persons who have pre-existing relationships with vendors, and are therefore “trusted sources,” such individuals may be more worthwhile recipients of a brief email about the opportunity than the vendors themselves. Remember that key influencers, both internal (e.g., the mayor) and external to the municipality, may also be among the stakeholders who can communicate the challenge.

There are many tools available to assist this collection. Your municipality might use a tool like Salesforce to keep track of contacts. The procurement platform may have contact data for all the vendors who have already signed up for notifications. The original MIX project used a simple spreadsheet to track contacts and schedule notifications. See tool [C6D - Communications Plan](#).

Develop a timeline for notifying vendors, partners, and other stakeholders of the procurement opportunity. This timeline includes not only the date of the notification, but the media, and any preliminary work to ensure the notification is issued on schedule. For example, your municipal communications department may need two weeks notice to write a press release or to create a social media campaign associated with the opportunity. Similarly, align the timing of the release of the bid to the publishing deadlines of the newsletters of trade associations and connectors. (When it comes to their social media, however, their action may need to wait until the municipality has officially launched its own campaign.)

Keeping communications open, fair, and transparent is crucial. Pre-written emails, social media posts, and other materials not only save time when the opportunity goes live, they also ensure that everyone gets the same information at the same time. Similar to the language check for the RFX, each message should be checked by a vendor from an unrelated industry for readability, by the communications team for alignment to the municipal brand, and by the procurement team for compliance to procurement standards. See tool [C6E - MIX RFP Social Media Posts](#) and tool [C6D - MIX RFX Emails](#) for guidance when advertising municipal challenges to various groups.

If you decide to place direct calls to vendors and stakeholders about the opportunity, take detailed notes and adhere to a call script that matches all the information extended by email. Handle any direct calls with care. Questions may well be asked and answers given that differ from vendor to vendor and could be perceived as an unfair advantage.

In terms of your communications timeline, ensure that direct calling comes to an end and that all questions and answers are then posted to all registered vendors at least two weeks ahead of the proposal deadline. In this way all vendors will have adequate time to read them and adjust their proposals with new information as necessary.

Note that part of the communications plan will pertain to advertising other activities supportive of the procurement opportunity. Of major importance here is a webinar or pre-bid meeting that walks interested vendors through the process (and, among other matters, alerts them to evaluation activities very different from those which apply to traditional RFXs). Similarly, early market engagement activities perform an advertising function, by signaling to vendors the non-traditional type of relationship the municipality wants to foster with them.

Execute Communications Plan

Executing a communications plan is about generating interest and giving vendors enough time to submit an excellent proposal. Push the release of the RFX on all the available channels, including stakeholder email, social media, and newsletters. Tie the communication to a webinar or pre-bid meeting that will occur a week after the RFX launch to build momentum for the RFX and give you an early indication of interest in the RFX.

Leverage the RFX timetable to announce events that notify vendors of the opportunity and keep vendors engaged. For example, announce deadlines like the upcoming close of the questions period, upload of addenda (ie. answers to questions, recording of webinar/pre-bid meeting). The upfront work done to develop a communications plan will produce new contacts as part of the public release. If you discover new contacts during the open bidding period that haven't engaged with the opportunity, leverage the above events to invite them to participate in the opportunity.

Undertaking these tasks early in the live procurement makes a difference. Having a webinar or pre-bid meeting at the beginning of the open bidding period offers a foretaste of which vendors (and how many) ultimately might bid on the RFX. During the original MIX project, two of the RFPs were supported by such early meetings, and at least eight of the vendors who submitted proposals attended those meetings. By contrast, the third RFP involved no webinar or pre-bid meeting, and all seven vendors

registered as plan takers in the final week before the response deadline. Had there been an event to gauge the vendors' interest early in the process, municipal staff would have been spared a fair bit of anxiety.

Who should take charge of RFX communications? In the original MIX project, each city took a slightly different approach. In Guelph, the market scans and communications plan were developed and delivered by Innovation Guelph. In London, the communications plan was developed and delivered in partnership with the City of London and MaRS Discovery District. In Barrie, both the market scan and communications plan were developed and delivered by the City of Barrie. MaRS and other regional innovation centres were leveraged to share Barrie's communications within the venture ecosystem. In all three cases, information about the challenges were sent to Ontario Centres of Excellence to share across their networks as well.

Tools

- [C6D - Barrie Agreement Template](#)
- [C6D - Communications Plan](#)
- [C6D - Guelph Challenge Agreement](#)
- [C6D - MIX RFX Emails](#)
- [C6D - Vendor Evaluation Rubric](#)
- [C6E - Barrie RFP Snow Service Challenge](#)
- [C6E - Guelph RFP Road Assessment Challenge](#)
- [C6E - London RFP Parks Data Challenge](#)
- [C6E - London Vendor Evaluation Rubric](#)
- [C6E - MIX RFP Social Media Posts](#)

Chapter 7

Procurement is Open for Bidding

Once your procurement goes live, your communications team goes into high gear, enticing vendors to bid on the new opportunity. According to plan, the release of the RFX and events of importance are announced on all the available channels to vendors, most importantly, informing people about the upcoming pre-bid meeting or webinar (see below). The question period may trigger many queries (especially when innovation procurement is new to your municipality and to vendors), each requiring a careful but prompt response. New contacts will emerge to whom all this information must flow.

In short, the open bidding period is one in which you execute your communications plan, while responding effectively and at short notice to the unexpected.

The Pre-Bid Meeting or Webinar

Holding a pre-bid meeting or webinar a week after the RFX launch performs a number of valuable functions.

Even with effective early market engagement, there will be assumptions in the RFX that may require clarification during the open bidding period. These assumptions may pertain to the challenge itself or to municipal procurement processes. Providing this information upfront will be of particular importance to new vendors, so they can prepare an effective response to this opportunity and to future ones.

The pre-bid meeting (see tool [C7D - Pre-bid meeting template](#)) could include any or all of the following elements:

- An overview of the challenge, paying close attention to the initial evaluation criteria and the second, in-person level of evaluation for shortlisted applicants, and highlighting specific

elements of the challenge that might require flexibility in developing the solution, such as seasonal or time-of-day considerations.

- An overview of other municipal procurement instruments, such as the RFQ and RFI.

The Request for Information (RFI) is a means of collecting written information about the capabilities of various vendors. It is primarily used to gather information to help make a decision on the next steps to take. The Request for Quotation (RFQ) is sent to a supplier to secure a quotation of the cost of specific products or services.

- Guidance in the navigation of the procurement platform.
- A question-and-answer period. (For more information on the exchange of questions and answers, see below, “Responding to Vendors’ Questions.”)
- Advising vendors that they can ask for and receive feedback on submissions, successful or unsuccessful.
- Advising vendors that they can partner with others, rather than undertake the RFX alone. This may prompt small vendors who specialize in one part of a solution to work with another team to provide the full solution. An in-person or online event such as this, where vendors can see who else is interested, may facilitate the submission of joint proposals.

It is a good idea that the leader of the pre-bid meeting be a municipal expert on the subject matter. For example, London hosted a pre-bid webinar with experts from their Parks & Recreation and IT departments. They walked vendors through the challenge and answered technical questions. It was a unique opportunity for potential applicants to get answers from experts. See tool [C7E - London Webinar Parks](#)

[Data Challenge](#). The Vignette, “Barrie: The Pre-Bid Meeting,” p. 38, describes the pre-bid meeting organized by Barrie for the vendor community.

Responding to Vendors’ Questions

It is crucial during the open bidding period for the procurement team to understand the level of flexibility they may exercise when answering questions. Challenge-based procurements and innovation partnerships can be new concepts for large vendors who are used to traditional RFPs and for new or small vendors who may never have responded to an RFX before. Questions about the challenge and partnership will be a recurring theme for municipal staff members until it becomes a well-known process.

The experiences of Guelph, Barrie, and London indicate that it is good to ease candidates into the process. In these three cases, vendors were required to register with Bids and Tenders in order to formally ask questions and/or bid on the opportunity. Registration also meant they had to purchase a one-time or annual subscription for a small fee. The opportunity to attend a pre-bid meeting or webinar prior to registration gave vendors a low-risk entry point at which they could get their questions answered and see if the challenge was a good match for their capabilities.

Even with a pre-bid meeting early in the open bidding period, however, a vendor may choose to ask a question outside the official process. In such cases, it is very important that the correct procedure be maintained. For example, after a webinar during the original MIX project, one attendee emailed a question to a connector - the same connector that had alerted the vendor to the procurement in the first place. The connector then forwarded this question to the procurement team. The team responded to the connector that the vendor should register as a plan taker and ask the question through the platform. By the time the vendor posted the question and received an answer according to the correct procedure, about two weeks had passed. This left only a week for the vendor to decide if they wanted to respond to the procurement and prepare the RFP response.

Alternatively, the procurement team could have asked if the vendor’s question could be shared with all vendors bidding for the opportunity. Once that was confirmed, the procurement team then could post the question and answer on the platform and email the vendor. Both approaches are fair and open but the second requires more effort from the procurement team and the first (due to the delay involved) imposes greater risk on the vendor.

Tools

- [C7D - Pre-bid meeting template](#)
- [C7E - London Webinar Parks Data Challenge](#)

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Barrie: The Pre-Bid Meeting

Barrie's "Snow Challenge" was not the sort of RFP that vendors were used to seeing, and the City knew it.

RFPs typically have a specific solution in mind and frame the scope of the project around that solution. But this RFP was not scoped around a solution, it was scoped around a challenge: for vendors of all sizes and experience levels to solve the long-standing issue of the pile of snow (called a "wind-row") that many residents were unable to clear from the end of their driveways.

Barrie is one of many municipalities that use the **Bids & Tenders** procurement platform. It is an innovative and paperless way to manage the entire bid process.

To clarify this ask, the City mobilized a more familiar tool, the pre-bid meeting. It is an invitation to vendors (listed in the schedule outlined in the bid document itself) to walk through a newly-issued RFP and through the process of submitting a bid.

One week after the Snow Challenge was issued, the City of Barrie's Procurement Department hosted the pre-bid meeting in person and via conference call. It was very well attended by vendors who wanted to learn more about the RFP,



about responding to municipal RFPs, and about contracting with a municipal government.

In addition to reviewing the RFP's scope, attendees were taken through the schedule and received step-by-step instructions for registering at the Bids & Tenders platform. (Only registered parties, or "plantakers," can respond to RFPs.)

There were many questions. For example, not all those present were aware of basic contracting requirements when working with a municipality, like a Workplace Safety and Insurance Board (WSIB) certificate. All questions and answers, like others submitted during the bid process, were posted on the RFP site as an addendum for other interested vendors to read.

Thanks to the Pre-Bid Meeting, the vendor response to the RFP was good, and included vendors who had no prior experience with municipal RFPs.

Chapter 8 Evaluating Vendor Proposals

At this point you should have a selection of vendors claiming to hold the attributes of a "good partner," as described in Chapter 5. How then do you know that a candidate *will* make a good innovation partner?

This chapter first explains approaches, learnings, and tools for developing and executing a plan to evaluate vendors for an innovation partnership. This culminates in the negotiation of a contract with the winning applicant. The chapter then proceeds to a third process: how to engage vendors and municipal staff in giving and getting feedback about this procurement, and about the process in general. All three processes are indispensable if innovation partnership is to develop into an effective instrument of your municipality's operations.

Evaluating the Vendor on Paper

The Written Evaluation

The first part of vendor selection is the official, written evaluation of all the proposals. This is not much different from traditional, written evaluations of RFPs, so it should not feel too foreign to any selection committee member who has participated in these before. The key difference will be in the rubric, which will have greater depth and detail. (See Chapter 6, "Specify the Evaluation Criteria and Scoring," p. 31.) If any members of the evaluation committee did not participate in the development of the criteria and rubric, it is important to meet with them ahead of time to review these items and ensure everyone understands them.

There are three ways of going forward with the written evaluation. Traditionally, all members cast their scores individually and then the formulas are applied to decide the winner. A second option is for committee members to score individually, but then

come together to discuss their scoring. They will also have the opportunity to adjust final scores before submitting them for tallying. A third option is for the committee to come together and jointly evaluate each proposal, and score them by consensus.

Your municipality may have specific rules regarding how scoring can and cannot be done. It may also have specific requirements around the scoring itself. For example, the electronic tool used to capture and publish results may require scoring on a scale of 5 instead of 10. If decimals or fractions are not permitted, there will be rules as to how to round the scores.

It is strongly recommended that a discussion of each proposal takes place before the final ranking. Since the purpose of the committee is to bring a balanced perspective to the evaluation, it follows that some committee members might have deeper insight into certain aspects of the proposal (such as technical details) than others, and could off-set the relative lack of knowledge of the rest of the committee in these matters. Remember always to ensure strict adherence to municipal policies regarding openness, fairness, and transparency.

Remember also that you are evaluating the vendor as much as the proposal, because the vendor you select will then work with one or more municipal departments on the solution. The desired outcome of written evaluations is a list of vendors, ranked from the highest to lowest score. The highest-ranking vendors will move on to the second part of the evaluation process, the shortlist. Depending on the number of proposals you received or their quality, the committee might also consider increasing or reducing the number of vendors that can make the shortlist.

Off-ramp

One possible result of the written evaluation of vendor proposals is the discovery of a solution that is already available in the market. On the one hand, this reveals that things were missed or skipped in the market scans and early market engagement carried out in chapters 4 and 5. It is an opportunity to reflect on the messaging and channels used during these steps.

On the other hand, this means that you can “off-ramp” the innovation partnership and instead move forward with a regular procurement of these products or services. Nonetheless, it is recommended that you continue with the second part of the vendor evaluation. If it is necessary to close the RFX and issue a new one, use the evaluation tools you prepared for the challenge RFX to de-risk the vendor selection and choose a solution more effectively.

Side-ramp

Another possible result of the written evaluation is the realization that solutions, while currently unavailable in the market, are actually fairly close. While this is not reason enough to off-ramp to a traditional procurement, it will change the amount of time that a vendor and your municipality will need to work on developing the solution. It could therefore trigger a re-assessment of the time and resource commitments made by your municipal department. In this case you would proceed with the second part of the vendor evaluation as planned, and then revise the contract and terms of the embed period with the department and the vendor.

Evaluating the Vendor by Meeting the Team

Create an Evaluation Tool for Meeting the Team In-person or Remotely

The MIX project explored a range of options to develop a more effective way to evaluate vendors. Approaches were explored that took into account such qualities as the vendor’s fit with the city, fit with the department, and openness to innovation. Several processes were considered, ranging from

having the vendor interview the selection committee to the co-creation of a mini project plan by vendors and the city team.

The shortlist vendor evaluation was *not* understood as anything remotely like a standard selection committee interview. In most cases, the evaluation required selection committee members and vendors to stretch their comfort zones, ideate together, and explain their plans at a level of detail well beyond that of a traditional verbal presentation.

The choice of which options or activities to use were influenced by the following factors:

- upfront work invested in understanding the challenge, based on the involvement of the challenge owner.
- the technological readiness of the solution, based on the written submission of each proponent.
- the level of innovation comfort and risk that the Challenge Owner, challenge team and/or procurement team was willing to take.

Experimenting with these new approaches led to two key learnings:

1. When informing shortlisted vendors about the shortlist evaluation session, use straightforward language that emphasizes the interactive aspects of this event. Terms like “co-design” and “co-create” may mean little to vendors. In the MIX project, some arrived at the in-person evaluation primed to deliver a presentation or demonstration. It would have been better simply to have told them that during the evaluation session, the vendor and city team would undertake a variety of activities in order to complete a mini project plan together.
2. In advance of the evaluation session, outline the time allocated to each activity, with the caveat that there is room for flexibility. That schedule will indicate the relative importance of each ac-

tivity and enable vendors to track the progress of the session. Still, they will not feel constrained if, in their view, extra time is required to clarify an important point.

Guelph, London, and Barrie each opted to take a menu approach to evaluation, choosing different activities and sequences from a provided agenda. (The Vignette, “Guelph’s Civic Accelerator: Selecting Vendors for Collaboration,” p. 44, explains the overall evaluation approach used by Guelph.) For a detailed look at options for shortlist evaluation, see the tool [C8D - Vendor Shortlist Evaluation Guide](#). For a communication tool you might use to explain the various approaches to evaluation, see the tool [C8D - Presentation - Agenda Options for Vendor Evaluation](#). “Run sheets” were prepared to specify the role that each participant was to play in the evaluation shortlist session, so that everyone knew what they should do and when. See the tool [C8D - Run Sheet for Vendor Evaluation](#) for a sample of such a run sheet.

Negotiating Terms

Negotiating with the successful candidate essentially involves taking a one-size-fits-all legal document and customizing it to serve the needs of a partnership formed for the specific purpose of developing and testing a prototype. Therefore, you may need to make modifications to your standard procurement contract. The following items may all be subject to change when modifying and finalizing the contract with your selected vendor partner:

- The municipality’s position with respect to intellectual property.
- The municipality’s position with respect to a “partnership.” (Is this to be a specific type of legal relationship? Should a “collaboration relationship” be considered instead?)
- The municipality’s position on how the vendor should invoice costs. (Should invoicing be based on timeline milestones, on meeting project learning objectives, or some other basis?)

Work with your municipality’s legal team to build into the contract the municipality’s position on the items listed above. Engage the challenge team in the contract negotiation process to maintain the team’s accountability and commitment to doing the challenge project. As well, work with the legal team and vendor partner to negotiate requirements that might otherwise create barriers to an agreement. For example, will the \$5,000,000 liability insurance required by the municipality offset the risk of completing a prototype together? Although liability insurance is often set this high, the City of Barrie reduced it to \$2,000,000 in their contract template. (See [C6D - Barrie Agreement Template](#), p. 12.)

Negotiating with the successful candidate essentially involves taking a one-size-fits-all legal document and customizing it to serve the needs of a partnership formed for the specific purpose of developing and testing a prototype.

At the end of the contract negotiation, your vendor partner and then your municipality will sign the agreement. Each municipality's purchasing by-law outlines the levels of approval or signing authority that are required, based on the contract's dollar value and type of procurement. Often, the challenge team will not have authority to sign the contract. (For example, see p. 23 of the [Purchasing By-Law](#) of the City of Barrie, that outlines the various approval levels that pertain in that municipality.)

Improving Your Practice of Innovation Partnership

Congratulations - you have secured your new innovation partner! Now you can start creating feedback loops in order to introduce continuous improvement to your municipality's practice of innovation partnership.

In order to identify what worked really well in the process and what needs improvement, schedule debriefs and surveys with all the participants. Continuous improvement depends on reliable information from all sources. Planning, communicating, and scheduling formal debriefs and surveys with all individuals involved will go a long way to evolving processes that meet the needs of your municipality.

Why Schedule and Formalize?

Giving and receiving feedback is difficult. For many it is often associated with criticism that is focused on removing or changing elements that did not work in implementation or design. When unexpected or misunderstood, feedback can be misconstrued as a personal critique of the capabilities of the person receiving it.

Scheduling a debrief or survey lets participants know that it is a normal process. It is not something that represents a failure, but rather an opportunity to learn. It also ensures that individuals allocate time in their calendars to complete debriefs or surveys. This is important for participants to recall their experiences and provide an accurate and precise assessment. (Note that the scheduling of

debriefs would also be the right time to signal to vendors that feedback about their experiences will also be sought.)

Formalizing feedback is key to getting reliable information for making informed changes to program design and implementation processes. Designating a notetaker or recording debriefs is a way to retain all the information gathered. When you formalize a process you can guide individuals to provide more thorough and holistic feedback. This will ensure you gather information about both what worked and what might need to change. There may also be ways to ask individuals about how the team might implement changes to improve experiences.

Vendor Feedback - Giving and Receiving

How can municipalities continue to recruit innovative partners?

Asking vendors about their experience of the bidding process demonstrates that the municipality is committed to improving future bids. The MIX project participants sent a survey to every vendor who submitted a proposal in response to the RFPs. (See tool [C8E - Vendor Survey Snow Service Challenge](#).) For a survey that you can adapt for the purpose of continuing to attract innovative partners, see tool [C8D - Vendor Survey](#).

The City of London provided feedback to any shortlisted vendor who requested details on the strengths and weaknesses of their proposal and the rationale behind the scoring. Due to the nature of challenges and their focus on achieving desired outcomes, the feedback you provide to vendors may more frequently concern their fit as innovation partners than a specific technology or solution they put forward. Overall, the goal of the feedback is to encourage vendors to apply to future bids with more success.

If the municipality has a policy or intake mechanism for unsolicited proposals, the invitation to provide feedback to vendors is a good time to draw this opportunity to their attention.

Municipal Feedback

How can municipalities continue to source innovative solutions to persistent problems?

You may have started the innovation partnership process as an individual member of a municipal department with a problem to solve; or perhaps as a procurement team trying out a new method of procurement; or possibly even as an innovation team hoping to create a culture of innovation at the municipality. Whatever the case, it is important to get feedback from the municipal staff members who developed the challenge and played a role in selecting a winner. Their feedback can provide important information about the design and execution of the activities undertaken to date to recruit an innovation partner.

The timing of the debriefing is important, in order to give you the benefit of memories that are still fresh. The best time to debrief selection committee members is after all the evaluations of short-listed candidates have concluded.

The best time to debrief the procurement staff is after the successful candidates have negotiated and signed the agreement. If possible, this would also be an opportune time to get feedback from the city legal team that negotiated that contract.

During the MIX project, the format of the debriefs generally was based on the questions asked in the vendor participant survey. The debriefing of selection committee members differed in a few respects: rather than being asked about responding to the challenge, they were asked about the process of developing the challenge and evaluating vendors. See tool [C8D - Selection Committee Survey](#).

Tools

Chapter 6 tools which are in use:

- [C6D - Vendor Evaluation Rubric](#)

Chapter 8 tools:

- [C8E - Vendor Survey Snow Service Challenge](#)
- [C8D - Vendor Shortlist Evaluation Guide](#)
- [C8D - Presentation - Agenda Options for Vendor Evaluation](#)
- [C8D - Vendor Survey](#)
- [C8D - Selection Committee Survey](#)
- [C8D - Run Sheet for Vendor Evaluation](#)

How can municipalities continue to recruit innovative partners? Ask vendors about their experience of the bidding process. That demonstrates that the municipality is committed to improving future bids. Provide feedback to vendors, to encourage them to apply to future bids with more success.

Share Your Insights!

In the spirit of continuous learning and in order to make this Toolkit a living document, tell us about your innovation procurement experience. Which tools and processes has your municipality customized to suit its needs? What worked well? What did you need to drop? Please compile some experiences and insights into a document and upload it here.

Guelph's Civic Accelerator: Selecting Vendors for Collaboration

The “Roads Challenge” concerned how the City of Guelph collected and used data about its roads. But the RFP specified that the City hoped to “find vendors to innovate and collaborate with,” and as such the City took this opportunity to experiment with the selection process as well. In consultation with the Roads Challenge evaluation committee, the MaRS Discovery District designed an evaluation session that would help the City make an informed decision about the company best-qualified to collaborate in a co-design process.

In keeping with the goal of the Civic Accelerator (“to achieve solutions that are not just for the municipal sector, but built with the municipal sector”), the RFP indicated that “the successful applicant will work alongside the relevant city department(s)...to achieve a minimum viable solution and to accelerate the development of their proposed solution.” 25% of the scoring in the selection process was weighted to the proponent’s “suitability for the Civic Accelerator program.”

Two vendors were shortlisted and each was invited to meet separately with the evaluation committee. A number of elements in the session were designed to test the vendor’s willingness and ability to collaborate. Firstly, after the initial “pitch” presentation, vendors rather than panelists were expected to initiate a Q&A discussion. Secondly, vendors were required to develop key specifications for a version of their proposed



solution (a Minimum Viable Product) that could be built and tested in 16 weeks. Finally, vendors were to lead a conversation about key learning goals, assumptions they hoped to test, and how they wanted to test them.

Asking vendors to lead significant portions of the evaluation session changed its dynamic and enabled a dialogue so that both parties could make an informed decision.

The evaluation committee found these novel exercises extremely valuable (despite concerns that they required preparation that would deter vendors). Asking vendors to lead significant portions of the evaluation session changed its dynamic and enabled a dialogue so that both parties could make an informed decision.

Chapter 9 Collaborating with a Partner

Congratulations, you now have a partner who has agreed to collaborate with you to help solve your municipal challenge! You and your partner will now co-design a solution through an *embed process*. It will involve learning to work as a team, with time slots repeatedly dedicated to working sessions and progress evaluation. It will also involve the prototyping and testing of the solution. The embed period concludes at a time you have mutually agreed upon, when a decision is made to either continue with the co-design, discontinue the process, or declare the solution complete and ready for procurement.

Building the Project Team

How exactly will municipal staff and the vendor partner work together as a single team?

To begin with, consider your physical locations. Do your respective teams both live and work in the same municipality or one nearby? If they do, then identify a place where you might meet in person on a regular basis. If the location of your vendor partner will make in-person meetings infrequent or impossible, then you will need to choose tools for remote collaboration. That could mean working over the phone via conference calls, or enhancing the connection through such video and chat applications as Zoom and Slack. The Vignette “London: A Remote Partner, Dedicated to Success,” p. 52, describes how that city learned to work with a remote partner during the embed period.

An excellent way to establish the project team is by devoting an initial set of meetings to the co-creation of a team charter, see tool [C9D - Team Charter](#). At these gatherings the participants agree on such matters as:

- The members of the project team.
- The values that are important to the project team’s success.
- Norms for collaboration (i.e., the ideals by which you expect one another to live and work, such as what successful teamwork looks like for the team).
- The roles that each team member will play.
- The quality of work expected from the team and from each of its members.
- How often you will meet in-person or remotely, and how you will communicate.

When defining project team membership, consider which other municipal staff, residents, or businesses will have to take part at different points as the solution is developed. For example, if the solution will be supported by hardware, software, or both, engage municipal players that are responsible for IT infrastructure, data, and privacy. They need to be included as members of the project team. See the Vignette “Barrie: Community Engagement in Social Innovation,” p. 51, to learn how they engaged the community in solving their social innovation challenge.

The project team may also decide that a third party is required to drive the work forward. See the Vignette, “Guelph’s Civic Accelerator: Flexibility and Successful Collaboration,” p. 13, to learn how a regional innovation centre was engaged to help Guelph’s project team manage the collaboration.

Your municipality and vendor partner will likely have project charter templates. Use them as a starting point. Negotiate which sections are applicable to the project and determine the wording of each section by consensus. Add new sections as required. For a team charter template, see tool [C9D - Team Charter](#). Each participant in the MIX project used

The embed is a laboratory-like setting in which you and your vendor partner co-create an MVP and ultimately a marketable solution.

A **minimum viable prototype** (MVP) represents the core aspects of a solution, thoroughly tested for viability with real users. A **pilot** is a full working solution that can be tested to see if it works in the real environment to justify scaling or implementation. Find more details about each at the [nesta website](#).

Since the completion of the MVP will depend on the level of fidelity to which you have agreed, the length of the embed may vary.

their own versions of a charter template. (See tools [C9D - Guelph Project Charter Civic Accelerator](#), [C9E - London Team Charter](#), and [C9E - London Summary of Team Members](#).)

These initial meetings are also the point at which to determine which common tools to use to capture data, write reports, and create prototypes together. A shared document and collaboration platform like [Google drive](#) can enable a team to collaborate on all aspects of a project: writing and editing documents; drawing concepts and making prototypes; tracking data and accounting; managing the project timeline through a calendar; and communicating through email. Other online tools are available to enable team members to engage in innovation thinking together using a digital whiteboard, drawing tools, and other processes and templates. (Examples are [Mural](#), [Miro](#), [GoVisually](#), [Conceptboard](#), and [Ideafly](#).) Note that a team charter template is often available on such platforms as well, with prompts for the various issues that you and your teammates need to consider.

Setting Project Team Goals and Milestones

Having established the project team and team charter, the next step is to negotiate and define the minimum viable prototype (MVP) that will be completed as part of creating, developing, and testing the solution. The purpose of the embed is to complete an MVP, not a pilot. The embed is a laboratory-like setting in which you and your vendor partner co-create an MVP (that may become the basis for a pilot if desired), and ultimately a marketable solution.

To accomplish this, complete the tool [C9R - MVP Evaluation Plan](#). It summarizes in one place all the key information about your challenge, including the project outcomes and their respective baseline metrics and indicators as the MVP increases in fidelity through its development.

The MVP Evaluation Template is also where you define the milestones and timeline for the creation and assessment of the MVP over different stages of development. (See tool [C9E - Planning for the Innovation Partnership](#).) On the timeline, list the activities to be completed, including who will lead and who will support each one. Indicate when municipal staff need to be available to support the work (and when the demands on their time will be too much). Since the completion of the MVP will depend on the level of fidelity to which you and your vendor partner have agreed, the length of the timeline and therefore the length of the embed may vary. (See tool [C9D - MIX Embed Project Timeline](#).) Likewise, the length of the timeline will depend on the Technology Readiness Level of the potential solution that you chose. The timeline for potential solutions with a high technology readiness level (8 or 9) could be four to six months, while the timeline for something at a 6 or 7 level could be nine months or longer.

Prepare for the embed period by identifying and making available specific municipal documents and data that will help the project team explore and create the solution. In addition, identify the need for any annual reports, budget summaries, and specific datasets that will help you complete the embed's initial activity: a deep dive into the background of the challenge.

Four Embed Activities

There are four major activities for the project team to complete during the embed period: exploring the problem; creating and testing the solution; creating and testing the business model; and reflecting on the activities. At the end of the embed period you will make a decision if the solution is ready for the municipality to purchase.

1. Exploring the Problem

Before starting to design a solution, your first task is to fully investigate the challenge. This will help ensure that every member of the project team is working with the same level of understanding and information about the people, practices, policies, processes, behaviours, attitudes, structures, tools, etc. that contribute to the problem that requires solving.

Use tools [C9D - Ecosystem Map and Process Map Exercises](#) and [C9R - Ecosystem Map Exercise](#) to identify and document the current state of the problem. These are iterative processes. As you acquire more information, it may be necessary to update your description of the current state of the problem and to interact with more stakeholders to clarify it further. Use this time to validate uncertainties and test assumptions.

When doing your user research (see Chapter 4), you may have already interviewed, observed, and captured insights from stakeholders. However, your vendor partner may offer new insights and pathways to consider, and may ask questions that have yet to be considered. As necessary, the project team should identify additional key stakeholders,

including residents and municipal staff where applicable, to validate and test assumptions about the problem and reveal further paths of exploration. Observing and talking to people who experience the problem firsthand will help uncover things that are undocumented and misunderstood, and help the project team to empathize with those involved in, or affected by the challenge.

As you iterate these activities, use the information to update the outputs of the [C9D - Ecosystem Map and Process Map Exercises](#) tools. It identifies the desired, feasible, and viable future states that could deliver the desired outcomes for the challenge. In addition, use the data you are collecting to begin capturing baseline data related to the outcome-based specifications developed in Chapter 4 and 5.

2. Creating and Testing the Solution

The creation of the MVP is also an iterative process. Your project team is encouraged to build and test multiple prototypes with your challenge stakeholders, increasing the level of fidelity with each iteration. For example, prototypes may progress from paper concepts, to drawings, to live models that people can move through in person. Inviting stakeholders to be part of this process helps to get their buy-in to the eventual solution. They will also be less resistant to adopting the solution if they feel that they had input to the creative process.

Start with concepts, focusing on rapid iterations of low-fidelity prototypes, see tool [C9R - Concept and Field Prototyping Guide](#). These tangible representations of ideas should be made of low-cost or no-cost materials. For example, you might draw, write on post-it notes, or role play to convey your ideas. Use the prototypes to test your solutions and spark ideas with stakeholders. Encourage them to express what they are thinking and experiencing while interacting with the prototypes. As you receive feedback, modify prototypes or discard them without concern. Test as many ideas as early as possible so there is time and funding to make changes to the ideas.

Consider the questions you need to answer in order to determine which prototyping methods are most useful to your team to elicit information. For example, during the MIX project, Guelph and London both worked on solutions that involved the collection and analysis of new data. They first prototyped the file layouts and data elements to collect, then collected the “real” data to help develop reports and dashboards that city staff could use. The City of Barrie concentrated on understanding the needs of three stakeholder groups - residents, volunteers, and front-line City staff - and the key features that they required in a platform solution. They created prototypes of the platform, which eventually shaped the platform that was launched and is being used as a roadmap for future platform development phases.

Continue to iterate prototypes and increase their level of fidelity as you go, eventually trying out and field testing the core aspects of the MVP solution, see tool [C9R - Concept and Field Prototyping Guide](#), in the setting in which it will be delivered and with the people who will use the solution. During all stages of prototyping, ensure you consistently record your findings and decisions to ensure you are getting closer to reaching the desired outcomes. (The tool [C9R - MVP Evaluation Plan](#) will help you conduct and track the results of prototype tests.) The project team should determine whether to continue with the development of the solution as designed, to change and pivot the design, or to stop the project and celebrate your learnings to date.

Even though you are working iteratively, there will be instances where extra flexibility in creating and testing the solution will be key. For example, in the City of London, completing the challenge work in summer and issuing the RFP in October created a seasonal issue as the outdoor sport season was coming to an end. The City of London needed to be creative in how to create and test the solution during the winter months. (See the Vignette, “London: A Remote Partner, Dedicated to Success,” p. 52.) Likewise, in the City of Guelph, flexibility was

required in how to collect road data from a dash-cam; they discovered there were impacts on the solution's data quality when information was collected in the daylight compared to that collected in the dark.

If you collect personal information in any form in the course of prototyping, turn to the municipal privacy team for advice. Depending on your prototyping method, it may be important to include them from the start in order to ensure compliance with privacy laws and policies, and data governance procedures. You may also find that this work raises new questions for which answers do not exist, and that the solution in part lies in developing new data governance guidelines or updating the current ones.

Similarly, more municipal residents may become aware of your challenge, and you may even want to announce it publicly to build excitement. Consider issuing a press release or a council memo about (testing) your solution, see tools [C9E - Barrie Press Release](#) and [C9E - Barrie Memo to Council](#). Use a stakeholder engagement and communications plan, see tools [C9D - Stakeholder Engagement Plan](#) and [C6D - Communications Plan](#) to tell members of the general public about your challenge and its solution.

3. Creating and Testing the Business Model

While experimenting with prototypes, the project team should explore and create business models for the eventual production, distribution, pricing, and purchase of the solution by the municipality. In the same way you test a prototype of the solution, test your assumptions about the business model.

You can [build your business model in a lean way by testing in three key areas](#):

1. Identify a price and pricing model or structure that would be desirable, feasible, and viable for municipalities.
2. Compare different models to determine which would be the best fit for municipalities, or offer a range of options. (For example, would a tiered,

one-time fee pricing model work better? Or a subscription model?)

3. Build and test a business model before committing to the business. Test it and other models with other municipalities to see which is of the greatest interest before committing to a final model.

4. Reflecting on Embed Period Activities

Once the MVP has been developed and the embed period is over, reflect on how your project team worked together and on which aspects you focused. This is especially important if you need additional time to further develop the solution together, or if you plan to apply these methods to other challenges. Discuss the following questions with your municipal team, and ideally also with your vendor partner team:

- Which steps did you skip? Which did you find to be a waste of time? Which were the most useful?
- How would you do this again for another procurement project?
- Which aspects would you change? Which would you keep the same?
- Did you spend a lot of time on activities that the aforementioned process neglects? If so, which activities?

In light of the feedback from vendors and municipal staff, including feedback collected at earlier stages of the procurement, it may be possible to take action right away and improve your next innovation partnership. Go ahead and make these changes - so long as they do not require that the current innovation partner has successfully implemented a solution. However, it is advisable to keep your detailed survey or debrief notes until after the successful completion of the contract. Then you can decide if your process requires still more revision, based on the experience of the municipality and innovation partner working together.

Making a Procurement Decision

At the end of the embed period, the project team needs to make a key decision. Is your MVP ready to purchase?

You may wish to communicate the decision you make through different methods, such as a memo to council or through a press release about the project. (See tools [C9E - Barrie Press Release](#), [C9E - Barrie Memo to Council](#), and [C9D - Stakeholder Engagement Plan](#).)

Ready to Purchase

If the MVP is ready for the vendor to sell, the municipality is ready to buy, and the business model for an appropriate sale and pricing structure is in place (offered at a special rate for the municipal partner as the first purchaser of the solution), then follow the appropriate pathway to make a purchase, in consultation with the municipal procurement team. For example, the original RFX documents and contractual agreement may already specify the terms of purchase. (For examples see tools [C6D - Barrie Agreement Template](#) and [C6D - Guelph Challenge Agreement](#).) These are three possible procurement pathways for making a purchase:

- Enter into a Single Source agreement with the vendor if no other vendor in the market can offer the solution.
- Based on the expected cost, return to market to buy the solution in accordance with purchasing thresholds set out in your procurement policy.
- The municipality makes no purchase and does not return to market. The solution is to be operated and managed by a third party.

When the MVP is ready to buy, determine the final cost of the purchase (such as purchasing licenses, hardware, software, training, and/or other components for a formal implementation of the solution). A purchasing manager or director may have sufficient authority (up to a specific purchase threshold and within existing budget) to cover the purchase

cost. However, for high dollar value purchases, a business case or another similar summary document may be required to justify the purchase and ensure that funds are made available.

For example, the City of London uses a business case (see tool [C9D - London Business Case](#)) to help justify and plan for purchases of more than \$50,000. Purchases under that amount are completed through a direct purchase request to the procurement department, based on a pre-approved team budget and the director's sign-off. As part of a business case, you may have to provide the following:

- The baseline data for your challenge and evidence that the solution has improved the outcomes.
- The outcomes of your vendor partner relationship.
- The availability of funds for the purchase of the solution.

Not Ready to Purchase

If your municipality is not ready to make a purchase, consider which path forward is the most appropriate for you and your vendor partner.

The municipality is almost ready to make a purchase, but first, you need to pilot the solution in a real-world, larger-scale situation to demonstrate its viability and feasibility. The current project team may or may not be able to continue and deliver this pilot. Work with your legal team to determine how to proceed, and check your contractual agreement.

- Develop and test the solution further. You may wish to negotiate with your vendor partner to extend your contract in order to get the solution ready for purchase.
- The project team has learned something so significant from its work that you decide to pivot the direction of the MVP. You may or may not be able to continue working with your vendor partner to develop the solution, depending on the nature of the change and your contractual agreement.

- You no longer wish to work on this challenge with your vendor partner. The relationship is ended.

After the Partnership

Subsequent to the MVP purchase, you will need to work with your vendor partner to determine how to fully integrate your solution, including how you will scale it, and how your vendor partner may supply support, learning, and/or training. Share with us what you learn from these activities and we will include them in the Toolkit.

Tools

Chapter 6 tool which is in continued use:

- [C6D - Communications Plan](#)

Chapter 9 tools:

- [C9D - Ecosystem Map and Process Map Exercises](#)
- [C9D - Guelph Project Charter Civic Accelerator](#)
- [C9D - London Business Case](#)
- [C9D - MIX Embed Project Timeline](#)
- [C9D - Stakeholder Engagement Plan](#)
- [C9D - Team Charter](#)
- [C9E - Barrie Memo to Council](#)
- [C9E - Barrie Press Release](#)
- [C9E - London Team Charter](#)
- [C9E - London Summary of Team Members](#)
- [C9E - Planning for the Innovation Partnership](#)
- [C9R - Ecosystem Map Exercise](#)
- [C9R - MVP Evaluation Plan](#)
- [C9R - Concept and Field Prototyping Guide](#)

Barrie: Community Engagement in Social Innovation

For the City of Barrie, the Snow Challenge was literally as wide as the community itself:

“How might the City connect Seniors and Persons with Disabilities with a solution to clear the snow at the end of their driveway during the winter season, harnessing the power of technology and community engagement?”

It was crucial to ensure that the voice of the community was reflected in the City's work with Simalam Inc. and the Snow Angels Canada platform.

The City connected Simalam Inc. to such major stakeholders as service clubs, non-profit organizations, and advisory committees. Focus groups with these and other stakeholders ensured that the initial platform and its later iterations were informed by feedback from three essential groups of users:

- Clients – Seniors and Persons with Disabilities requiring assistance with snow removal.
- Volunteers – Residents ready to devote their time and effort to shovelling snow.
- Front-Line City Staff – Staff that had experience talking to residents who sought help with snow removal.

This engagement of user groups in the design and testing processes also surfaced new target users. Among them were residents with temporary needs, such as new parents and persons

recovering from acute health issues. Likewise, community engagement alerted local volunteers to people who were in need. The City reinforced this by promoting the platform through all levels of communications and by encouraging champions to come forward at the neighbourhood level. Targeted communications placed information about the program in seniors centres, libraries, and recreation centres.



The City was able to act as a catalyst in the resolution of a community need by bringing together the right stakeholders and supporting ongoing community engagement. As a result, Snow Angels Canada is a platform accessible to volunteers and to those in need of snow removal assistance right across the country.

The engagement of multiple user groups – clients, volunteers, and Barrie's front-line City staff – ensured that the pilot solution and its future development have addressed entire communities.

London: A Remote Partner, Dedicated to Success

The “Capturing, Monitoring and Analysis of Data for Municipal Outdoor Sports Facilities” RFP attracted several applicants. But it was the application submitted by Numina CTY. Inc that stood out. Numina was able to provide examples of a working concept and would supply the hardware and software. Equally important, it clearly understood the collaborative approach to the challenge that the City was after. In fact, Numina was excited by the idea of working with the City to build the necessary code and create the artificial intelligence.

Numina’s flexibility and dedication to the project, despite being geographically remote, has helped position its partner for success in the operation of London’s Parks and Recreation assets.

The largest obstacle to working with Numina was its location in Brooklyn, New York. It was agreed that Numina staff would not have to visit London in person to fulfill the obligations of the RFP. Instead, the partners found ways to reduce the barrier of geographical distance. They used video conferencing for check-ins and workshops, online services like a digital “white board,” and video tutorials on how to use the online applications.

When it came to the installation of hardware, Numina was very proactive. It worked directly with an electrical contractor selected by the



City, and participated in the installation via live video. Numina even made remote adjustments to signal strength and field of view while the electrician was on site.

Numina again demonstrated its flexibility when the issue arose of changing the testing environment from sports fields to recreation trails, the contract having begun at the least optimal time (Canadian winter) for testing sports fields. Numina agreed that the insights gained from a trails environment would add value to the project once spring arrived and sports fields were again active.

Numina’s flexibility and dedication to the project, despite being geographically remote, has helped position its partner for success in the operation of London’s Parks and Recreation assets.

Chapter 10

Continuing to Use the MIX Challenge Framework

As the collaboration between the municipality and its vendor partner draws to a close, assess the experience. Should your municipality continue to use the MIX Challenge Framework? If so, your first experience with it will have a significant influence on the path that the municipality chooses for the future. This chapter describes processes and exercises for determining what value you, your partners, and other stakeholders derived from a MIX Challenge, and charting the means by which to make it (or just parts of it) integral to municipal operations.

Assessment of your MIX Challenge

Work with other stakeholders of the recent innovation partnership (e.g., team members, vendor partner, other municipal departments) to determine if the MIX Challenge was valuable, and if so, how and for whom. Use tool [C10E - Value Cards](#) as a starting point for discussion and reflection. (For instructions, see tool [C10D - Mapping out the future of MIX Challenges](#).) For example, consider the following issues:

- How worthwhile was the time spent on each step (i.e., identifying, developing, and refining a challenge; preparing the RFX; selecting a vendor; developing and testing a solution in partnership with them)? What was not worthwhile?
- What value did the MIX Challenge bring to your municipality and its residents? To your vendor partner? Was the value significant?
- The MIX Challenge Framework is intended to help you identify and then minimize the risks involved in challenge-based innovation procurement (e.g., the technology readiness of potential solutions). Was this achieved?

- Under what circumstances would you use this Framework in the future?

If your discussions and reflections are positive, and you decide that the MIX Challenge has been of value to your municipality, you will need to consider how to make it a more regular practice, integral to municipal operations. The first step in this direction is to assess the municipality in terms of a variety of factors. These factors include the following:

- Which part of the organization should take charge of MIX Challenges?
- What resources would be available to continue MIX Challenges?
- Who should lead MIX Challenges?
- How will key decisions about MIX Challenges be made (e.g., making a purchase versus further experimentation)?
- How should MIX Challenges connect to other teams that also work on projects related to change in the municipality?
- In which respects will the integration of MIX Challenges into municipal operations entail a change in municipal culture?
- How and under which circumstances would the municipality work with other municipalities to undertake MIX Challenges?

Tool [C10D - Municipality Sustainability Preparation Guide](#) lists additional key factors to consider. If possible, complete this assessment with the assistance of other staff. Some possibilities are the procurement or strategic team, teams that work with new or emerging technologies, or teams that participated in your first MIX Challenge.

Work with other stakeholders of the recent innovation partnership to determine if the MIX Challenge was valuable, and if so, how and for whom. If your discussions and reflections are positive, you will need to consider how to make it a more regular practice, integral to municipal operations.

If you undertook the MIX Challenge as an individual, consider championing the next project, too. Identify other colleagues and departments that might be interested in learning from you and trying this approach themselves. Is there a senior leader you can recruit to work with you and help you share this approach across the broader municipal organization?

If your strategic team took the lead on the MIX Challenge, consider how you can share the learnings from that experience and engage the interest of other teams in the practice. How can you act as a mentor or coach to others in the municipality who want to try this approach? Can the municipality's innovation mandate be aligned with the engagement of teams in challenge-based innovation partnership?

You will have to determine when and how innovation partnership warrants an individual lead versus a dedicated office, and the relative value of centralizing innovation partnership operations or decentralizing them across teams.

You should also devise a strategy for troubleshooting issues that arise in future projects. For example, if innovation partnership became the mandate of a single champion and subject matter expert, what would happen, were that person to become unavailable? Would you pause the project or find someone else to carry it forward?

Thinking about the Future

Work with senior leaders in your municipality to get a better understanding of the current and future context of your municipality so you can weigh how best to position and anchor MIX Challenges. Select a time horizon for the implementation – an election cycle or a decade, perhaps. Use the STEEPLE framework (Social, Technological, Environmental, Economic, Political, Legal, Ethics) to describe the current and future municipal context for the MIX approach. Then consider the two most important and uncertain aspects of establishing and sustaining this approach to procurement. Tool [C10D - Mapping out the future of MIX](#) supplies instructions for these thought exercises.

Sharing the Value of the MIX Challenge

In addition, consider how you will develop new relationships, exchange information, generate new knowledge and key learnings, and build team capacity to apply the MIX Challenge Framework more frequently. This goes beyond just gaining value from creating a solution to a challenge. Use the [C10E - Value Cards](#) once again, this time with new individuals who are interested in working on or supporting a future MIX Challenge. As part of this activity, discuss the things that people found valuable in the first MIX Challenge. (Tool [C10D - Mapping out the future of MIX](#) supplies instructions for this exercise.)

Create and Maintain a Potential Challenge Backlog

To help make the MIX Challenge Framework operational, work with several municipal teams to leverage existing reports (e.g., strategic plans or an innovation strategy) to identify a list of potential challenges. Then curate, prioritize, and supplement this “Potential Challenge Backlog” over time. Refer to chapters 1, 2, and 3 for tools and information to help engage others, and to chapters 4 and 5 to identify and analyze problems that have the makings of a MIX Challenge.

Other Innovation Procurement Tools

Revisit other innovation procurement resources and toolkits to augment the MIX Challenge Toolkit and support your municipality in completing other challenge-based innovation procurements. The [BPS Primer on Innovation Procurement Interim](#) outlines other approaches to innovation procurement, and describes the innovation partnership. The [Health-care Supply Chain Network's Innovation Procurement Toolkit](#) supplies additional information and resources on early market engagement, on assessing total costs of solution ownership, on developing outcome-based specifications, and on procurement templates and sample agreements. Refer to the [Innovation Partnership: Procurement by Co-Design Toolkit](#) to learn more about co-design tools and methods for developing a Challenge Statement and for partnering with vendors to develop solutions.

Customize the MIX Challenge to your Municipality

Having considered the future of your municipality and how the MIX Challenge might be integrated into its operations, you may conclude that some portions of the Framework are more applicable than others. Excellent! Choose the parts that are most useful to you. Modify tools or templates to fit your municipality's needs and procurement by-laws. Experiment with the Framework and let us know how it works for you.

Annual Review of the Innovation Partnership Process

As your team and/or procurement staff become more accustomed to innovation partnership, several may occur over the course of a year. If you collect the information on each as described in Chapter 9, you are well-positioned to identify trends and then evaluate innovation partnership as a municipal program in its own right.

This could be as simple as observing which departments regularly use innovation partnership and which have yet to try it. Does this imply a need for more outreach? Or is there something fundamentally different about the services of each department, so that some are well-suited to this approach to procurement, whereas others are not? Another possible area of inquiry is the amount of effort that a project team devoted to successive challenges. Did the second challenge take less time for them to run than the first? If the same information were to be collected about traditional procurement processes, you might even be able to compare challenge-based innovation partnerships to traditional procurements that involve complex purchases. Which yielded the best outcomes?

Tools

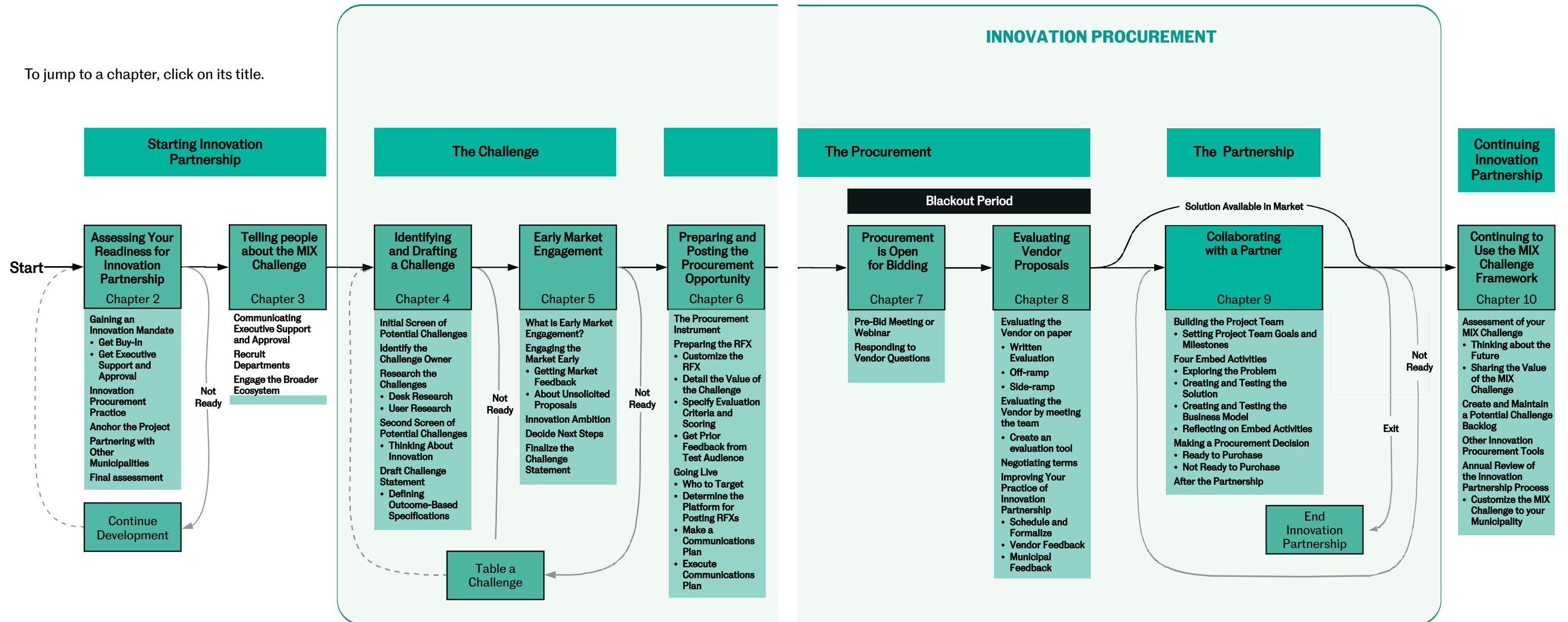
- [C10D - Mapping out the future of MIX Challenges](#)
- [C10D - Municipality Sustainability Preparation Guide](#)
- [C10E - Value Cards](#)

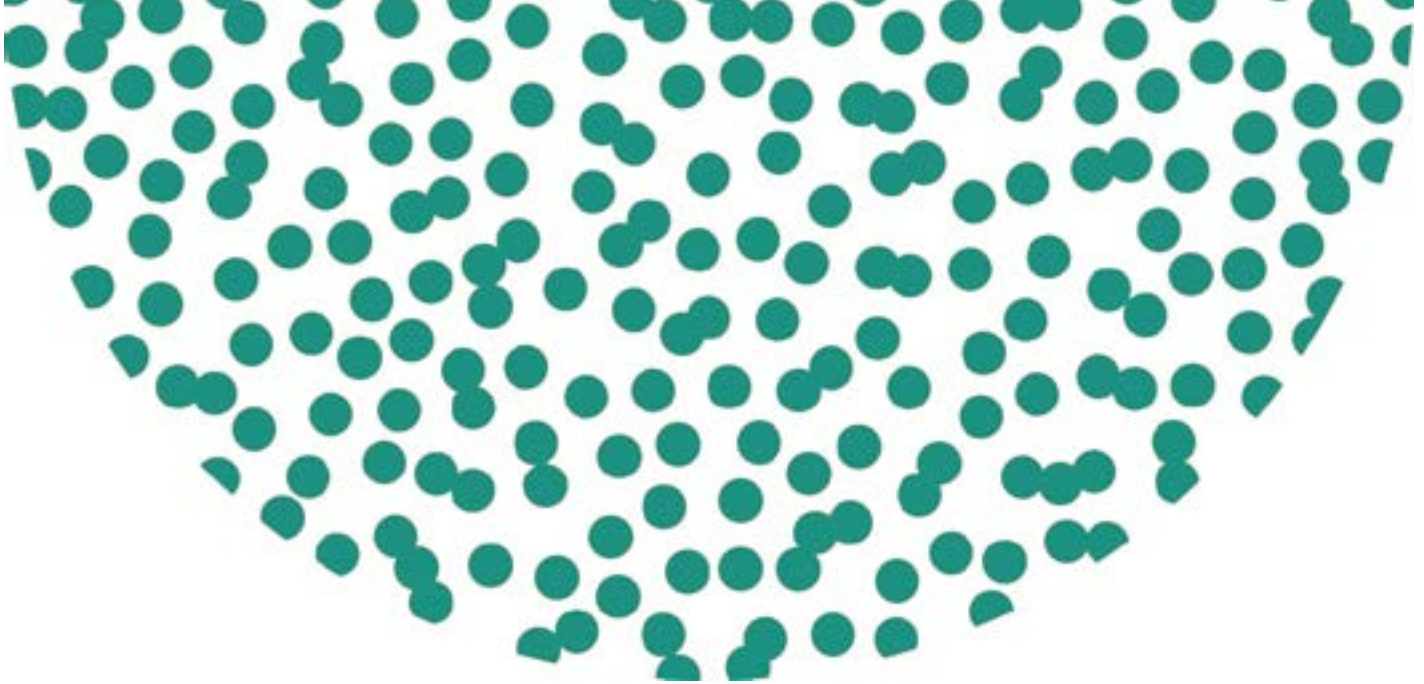
Share Your Insights!

In the spirit of continuous learning and in order to make this Toolkit a living document, tell us about your innovation procurement experience. Which tools and processes has your municipality customized to suit its needs? What worked well? What did you need to drop? Please compile some experiences and insights into a document and upload it here.

Municipal Innovation Exchange (MIX) Challenge Framework

To jump to a chapter, click on its title.





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