The role of cross-sector collaboration in federal agencies

A report from: Deloitte Center for Government Insights
April 2023
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Foreword

President Biden’s infrastructure bill, the CHIPS Act, and the Inflation Reduction Act aim to bring about a massive change in America’s landscape over the next decade. Together they envisage decarbonization, setting up crucial and stable supply chains, and building next-generation technologies. This means huge investments in roads and bridges, broadband, wind farms, electric vehicle charging stations, battery supply chains, research institutions, semiconductor manufacturing plants, and more.

Implementing these bills could be another story. Every new administration offers big policy ideas to transform the nation, but the results are sometimes disappointing. One reason for this is that social problems tend to straddle boundaries—within departments and across agencies, sectors, and jurisdictions—and, therefore, so should their solutions. Consider homelessness, opioid abuse, crime, and immigration: They spring from diverse sources, are emergent and shifting, and will never have one right answer.

Finding and implementing solutions to such issues is generally a complex and dynamic process. It requires strong collaboration between multiple entities to address different parts of the problem holistically. Many of these initiatives require coordination between the public and private sector, various levels of government, different government agencies, and nonprofits.

To explore cross-sector collaboration in government, Deloitte and Senior Executives Association (SEA) recently surveyed 276 senior-level government executives in the federal government. The aim was to understand the level of cross-sector collaboration in government, current practices, and what future practices executives think would improve cross-sector collaboration in the federal government.

This report presents key findings from our survey. We thank the executives who participated and shed light on cross-sector collaboration in government.

— William Eggers, Deloitte Center for Government Insights, and Jason Briefel, Senior Executives Association
Key findings

- Fully 72% of respondents said that cross-sector collaborations help achieve mission outcomes.
- Almost 60% of respondents said that it is “challenging” or “highly challenging” to hold partners accountable for outcomes.
- About 62% said they spend less than 10% of their week working with state and local governments.
- More than 70% highlight leadership support and autonomy as key focus areas for enhancing cross-sector collaborations.
- Less than 30% of respondents consider themselves to be at a leading stage of maturity in managing different areas of cross-sector collaborations.
- Nearly 20% are involved in more than 10 collaborations simultaneously.
- Only 14% are involved in high-intensity collaborations.
- Only 14% are involved in high-intensity collaborations.
Respondents are bullish on the power of cross-sector collaboration to help accomplish critical objectives

- 72% of respondents said that cross-sector partnerships help them achieve mission outcomes.
- A majority of survey respondents also agree that such partnerships help them innovate and solve complex problems.
- Interestingly, less than half agreed that cross-sector partnerships help plug the skills gap—an important priority for the federal government. The government is finding it increasingly difficult to attract and retain skilled workers in the current war for talent. Leaders in the federal government should consider tapping into cross-sector collaborations as one way of plugging this gap.

“We are not motivated by oversight but by mission achievement.”

Government Executive
Environment sector

On a scale of 1 to 5, please indicate the degree to which cross-sector partnerships help you achieve the following objectives. (5 being highest and 1 being the lowest)

Percentage of respondents who said very helpful/extremely helpful

- Achieve mission outcomes: 72%
- Innovate: 65%
- Solve complex problems: 62%
- Engage more closely with US citizens our agency is designed to serve: 52%
- Leverage private sector resources: 46%
- Plug skills gaps: 43%
- Access technology: 42%

Source: Deloitte survey analysis
Wide variation exists in the volume of collaborations in which respondents participate

- Nearly 20% of respondents are involved in more than 10 collaborations simultaneously.
- However, a majority of respondents work on fewer than five collaborations simultaneously.

“Collaboration should be the default and go-to strategy, not an afterthought.”

Government Executive

How many cross-sector collaborations (partnerships between multiple entities including private sector, academia, think tanks, etc.) are you currently involved in?

A fifth of federal executives are involved in more than 10 collaborations

Source: Deloitte survey analysis
The private sector is the most prominent external collaboration partner

About 72% of survey respondents said they regularly work with the private sector.

Our survey data also revealed that respondents engaging in more than 10 collaborations are prioritizing the private sector, nonprofits, followed by academia. Respondents were less likely to collaborate with research think tanks.

“Better insight is needed into business pressures that drive the private sector to disengage or engage with the federal government.”

Government Executive
Defense sector

Which type of partners do you most regularly work with that are nongovernmental (outside of government contractors)?

About 72% of survey respondents regularly work with the private sector

<table>
<thead>
<tr>
<th>Type of Partner</th>
<th>More than 10 collaborations</th>
<th>About 10 Collaborations</th>
</tr>
</thead>
<tbody>
<tr>
<td>Private sector</td>
<td>72%</td>
<td>49%</td>
</tr>
<tr>
<td>Nonprofit organizations</td>
<td></td>
<td>42%</td>
</tr>
<tr>
<td>Academia</td>
<td></td>
<td>20%</td>
</tr>
<tr>
<td>Research think tanks</td>
<td></td>
<td>17%</td>
</tr>
<tr>
<td>Others</td>
<td></td>
<td>9%</td>
</tr>
</tbody>
</table>

Source: Deloitte survey analysis
The role of cross-sector collaboration in federal agencies

14% of cross-sector collaborations are of high intensity

The complex and multifaceted nature of problems we face today—from climate change to homelessness—requires strong collaboration across sectors to address different parts of the problem holistically. A piecemeal approach with just information sharing will not solve these problems.

Yet just 14% of survey respondents said they are involved in high-intensity collaborations that involve realignment of budgets, people, and resources.

There is a clear positive relationship between intensity and volume. Those involved in more relationships are more likely to be engaged in high-intensity relationships.

“There should be a greater focus on shared goals rather than competition or worry about credit.”

Government Executive Defense sector

How would you rate the nature of relationships in the cross-sector collaborations you are involved in?

Only 14% of survey respondents are involved in high-intensity collaborations

<table>
<thead>
<tr>
<th>Intensity of collaborations</th>
<th>1–2</th>
<th>3–5</th>
<th>More than 6</th>
</tr>
</thead>
<tbody>
<tr>
<td>Low intensity</td>
<td>39%</td>
<td>19%</td>
<td>9%</td>
</tr>
<tr>
<td>Medium intensity</td>
<td>53%</td>
<td>71%</td>
<td>61%</td>
</tr>
<tr>
<td>High intensity</td>
<td>8%</td>
<td>10%</td>
<td>30%</td>
</tr>
</tbody>
</table>

Source: Deloitte survey analysis
The role of cross-sector collaboration in federal agencies

Survey respondents spend the most amount of time working with other agencies in federal government and least with state and local governments.

The majority of respondents spend comparatively little time working with state and local governments.

About 62% of survey respondents said they spend less than 10% of their week working with state and local governments. Only 18% said they spend more than one-fifth of their week working with state and local governments.

With massive new funding flowing to state and local governments through recent legislation, including the Infrastructure Investment and Jobs Act (IIJA) and Inflation Reduction Act (IRA), federal agencies will need to collaborate more closely with state and local governments.

Interaction time is highest with other agencies of the federal government followed by partners outside government. About 55% of those surveyed said they spend more than one-fifth of their week working with other federal agencies; 33% said they spend more than one-fifth of their week working with partners outside government.

What percentage of your week typically involves working with partners outside your agency?

Source: Deloitte survey analysis
Honing the collaboration skill set
Strategic thinking and developing trusting relationships are the top cited skills for managing collaborations

Our survey revealed that the top skill for creating and managing effective collaborations is thinking strategically.

Developing trustworthy relationships and creating a culture of collaboration were ranked as the second and third most important skills for managing collaborations.

Thinking strategically was ranked as the top skill for managing cross-sector collaborations

<table>
<thead>
<tr>
<th>Skill</th>
<th>Rank</th>
</tr>
</thead>
<tbody>
<tr>
<td>Thinking strategically</td>
<td>1</td>
</tr>
<tr>
<td>Developing trustworthy relationships</td>
<td>2</td>
</tr>
<tr>
<td>Creating a culture of collaboration (network mindset)</td>
<td>3</td>
</tr>
<tr>
<td>Communicating a shared vision</td>
<td>4</td>
</tr>
<tr>
<td>Aligning incentives and motivations of all stakeholders</td>
<td>5</td>
</tr>
<tr>
<td>Building consensus between stakeholders</td>
<td>6</td>
</tr>
<tr>
<td>Measuring results</td>
<td>7</td>
</tr>
<tr>
<td>Managing conflict</td>
<td>8</td>
</tr>
<tr>
<td>Systems thinking</td>
<td>9</td>
</tr>
<tr>
<td>Creating equitable environment for partners</td>
<td>10</td>
</tr>
<tr>
<td>Other</td>
<td>11</td>
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</tbody>
</table>

“We need more specialists in the government for cross-sector collaboration. There should be more opportunities to rotate staff members through different sectors with the goal of identifying collaborative activities.”

Government Executive
Energy sector

Source: Deloitte survey analysis
Accountability and cross-sector collaboration
Comparatively few respondents consider themselves to be at the leading stage of maturity in managing cross-sector collaborations.

Rate the maturity of the following areas for managing the cross-sector collaborations you are involved in.

• The area in which maximum respondents (29%) say they are at a leading stage of maturity in managing cross-sector collaborations is identifying individuals and organizations with whom to collaborate.

• On the other hand, most respondents consider themselves at an early stage of maturity in developing accountability mechanisms. Only 13% of survey respondents are at a leading stage, and 18% have taken no action in developing accountability mechanisms.

Source: Deloitte survey analysis
Creating a shared culture is key to accountability

What type of accountability mechanisms are most effective in helping you manage cross-sector collaborations? (please rank the top three)

- Almost 60% of survey respondents said that it is “challenging” or “highly challenging” to hold partners accountable for outcomes.
- The most important accountability mechanism cited for effective cross-sector collaboration is the creation of a shared culture.
- Using performance-based agreements and having a customer focus were ranked as the second and third most important accountability mechanisms for managing cross-sector collaborations.
- Survey respondents ranked much lower media reporting and congressional and agency oversight as effective accountability tools.

“Accountability works best where there is a requirement for both organizations to contribute to outcomes that cannot be realized by either in isolation. The ultimate test is the expenditure of resources to achieve the shared outcome ... that often will not happen unless those expectations are in policy or assigned missions to do so.”

Government Executive
Defense sector

<table>
<thead>
<tr>
<th>Accountability Mechanism</th>
<th>Rank</th>
</tr>
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<tbody>
<tr>
<td>Creation of shared culture</td>
<td>1</td>
</tr>
<tr>
<td>Performance-based agreements</td>
<td>2</td>
</tr>
<tr>
<td>Customer focus</td>
<td>3</td>
</tr>
<tr>
<td>Rules and regulations</td>
<td>4</td>
</tr>
<tr>
<td>Internal agency/department supervisory oversight (e.g., Inspector Generals, Ombudsmen)</td>
<td>5</td>
</tr>
<tr>
<td>Longer-term evaluations of collaboration</td>
<td>6</td>
</tr>
<tr>
<td>Congressional oversight</td>
<td>7</td>
</tr>
<tr>
<td>Shorter-term performance management systems</td>
<td>8</td>
</tr>
<tr>
<td>Media reporting</td>
<td>9</td>
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</table>

Note: Composite score calculation: 3*number of respondents who gave rank 1 + 2*number of respondents who gave rank 2 + 1*number of respondents who gave rank 3.

Source: Deloitte survey analysis
Duration of public service doesn’t equate to a higher perceived stage of maturity in managing successful cross-sector collaborations

Rate the maturity of the following areas for managing cross-sector collaborations that you are involved in.

We studied survey responses by tenure of the respondent to understand if tenure plays a role in the nature and extent of cross-sector collaborations. We found that those respondents who have spent less than 20 years find themselves in a better position to manage the different activities involved in cross-sector collaborations.

While it is difficult to pinpoint the exact reason for this, one possible factor could be that those with a tenure of less than 20 years are in a reasonably senior position, understand the value of cross-sector collaboration to mission delivery, and are interested in advancing their career through networking and collaboration. Thus, they may be marketing the value of cross-sector collaboration to the accomplishment of respective mission needs and goals.

Source: Deloitte survey analysis
How can government agencies boost cross-sector collaborations?
High levels of confidence in leadership in cross-sector collaboration

Rate the maturity of the following areas for managing the cross-sector collaborations you are involved in.

There are three broad areas where almost three-fourths of survey respondents said that the federal government is doing well in building better collaborations:

• Leaders understand and support the importance of inter-agency and cross-sector collaboration.
• Agency grants enough autonomy to engage in cross-sector partnerships.
• Leaders have knowledge and expertise to lead cross-sector collaboration.

"Cross-sector collaboration should be encouraged without extremely tight oversight from the highest levels of the agency leadership. Allow the “doers” to move forward and build those relationships, cross-sector workgroups, etc. without a need to jump through multiple hoops."

Government Executive Human services sector

Top three areas where federal agencies are doing well (percentage agree/strongly agree)

Leaders understand and support the importance of inter-agency and cross-sector collaboration

Agency grants enough autonomy to engage in cross-sector partnerships

Leaders have knowledge and expertise to lead cross-sector collaboration

Source: Deloitte survey analysis
Developing core collaboration skills and providing stronger incentives are two areas where governments should focus to improve cross-sector collaboration

Rate the maturity of the following areas for managing the cross-sector collaborations you are involved in.

Only 58% of survey respondents agree that their agency provides learning resources to build skills for cross-sector collaboration. Governments should rethink their organizational learning and development processes and partner with other external partners to develop collaboration skill trainings.

By focusing on these areas, governments can help make cross-sector collaboration an intentional endeavor and institutionalize a collaboration mindset.

“We need more collaborations and opportunities for education and professional development.”

Government Executive
Energy sector

“Increased funding for internal training on methods of successful collaboration will help.”

Government Executive
Justice sector

Bottom three areas where federal agencies can improve to enhance cross-sector collaborations (percentage agree/strongly agree)

- Providing learning resources to build skills for cross-sector collaboration: 58%
- Tying work on cross-sector collaborations to annual performance evaluation: 58%
- Providing incentives for collaboration at state and local government levels: 45%

Source: Deloitte survey analysis
Federal executive respondents suggest their top strategies for enhancing cross-sector collaboration in government

“More readily available information on R&D programs and challenges within other federal agencies and up-to-date contact numbers. Often very difficult to identify which agencies might be interested in collaboration (either through participation, sharing data, or simply monitoring results). Interagency workshops on broad topics, such as transportation, databases, cybersecurity, etc., might be beneficial to initiate cross-agency collaboration. Also need to ensure that administrative transitions and new non-career leaders do not impede ongoing collaboration due to changing priorities.”

“Unless there is a formal charter or agreement, accountability becomes extremely challenging due to the “coalition of the willing” circumstances of many of these collaboration groups. In nearly all the groups in which I work, the participants are contributing their time and experience without formal recognition of their organization.”

“Due to spending authority generally being “local” in organizations (government, academia, private), successful collaborations are mostly driven by joint goals and needs, and the recognition that together we can do much more than alone.... Having joint funding helps often, but can also lead to food fights over available resources if there is no clear (impartial) management structure coming with the funding.”

“Getting Congress to allow interagency pooling of funding for joint projects.”

"An increase in headquarters-level coordination between the agencies would better enhance the cross-sector collaborations."

"Change OMB guidance on the President’s Management Agenda priorities and Agency Priority Goals to mandate that agencies align their strategic plan objectives and Annual Performance Plan measures to those priorities and goals. Identify the offices responsible for policy for the operations measured by each Annual Performance Plan measure. Identify the offices responsible for operations affected by each executive order. This creates a network of POTUS priorities, strategies, offices, operations, performance measures, policies, and public laws (as policies cite public laws as their authority). With this network, we can change strategies, responsibilities, and operations, and influence legislation; in fact, the project has already implemented examples of these changes."
The role of cross-sector collaboration in federal agencies

Moving forward

The success of the Infrastructure Investment and Jobs Act, CHIPS Act, and the Inflation Reduction Act will not be measured by the funding amount but by the societal impacts they create. Strong cross-sector collaboration involving different levels of government and external ecosystems of stakeholders with specialized expertise could prove important to successful implementation.

Our survey points to some important shifts to achieve successful cross-sector collaboration in government:

- Federal executives will need to work more closely with state and local governments to ensure new funds are put to proper use and policy goals are realized.
- A shared culture is important to develop accountability in cross-sector collaboration that can be achieved through shared goals, aligned resources, and higher trust.
- Leaders will need to develop the core competencies required to drive effective collaboration. Targeted training programs around collaboration skills could prove effective.
- By tying cross-sector collaboration to performance evaluation, governments can reward public officials for successful collaboration efforts.
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Let's talk

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About the survey methodology:
What is the current status of cross-sector collaboration in the federal government? We asked this to senior federal government executives.

Between August and September 2022, Deloitte and the Senior Executives Association (SEA) surveyed 276 SESers, GS13–GS15, Senior Level (SL), and Scientific or Professional (ST) executives in the federal government.

We asked about the collaborations they are involved in, their current practices of cross-sector collaboration, and what capabilities they think are needed to improve cross-sector collaboration in the federal government.

We analyzed these responses to get a glimpse into how cross-sector collaborations are working in the federal government through the experiences of federal executives and senior leaders.

Survey respondents represent multiple senior leadership positions of the federal government.

Survey respondents by sex

- Female: 36%
- Male: 60%
- Prefer not to answer: 4%

Career level of respondents

- SES: 61%
- GS-15: 26%
- Other (GS 13-14, Senior level, Scientific or professional, former SES): 13%

Source: Deloitte survey analysis
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