

Perspectives on the Innovation for Defence Excellence and Security Program

by Kelly Grounds
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BRIEFING NOTE

PERSPECTIVES ON THE INNOVATION FOR DEFENCE EXCELLENCE AND SECURITY PROGRAM

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Between April 2024 and November 2024, Triple Helix held a series of roundtable discussions with industry members to better understand their relationships with the Department of National Defence and their perspectives on federal government innovation programs.

In April, Triple Helix and Aéro Montréal hosted various aerospace industry and government stakeholders in Montréal; in August Triple Helix partnered with the Atlantic Canada Opportunities Agency and Thales to host a roundtable in Fredericton with members of New Brunswick's defence and cyber industry; and in November, Triple Helix partnered with Invest Ottawa to host a roundtable discussion with Ottawa's defence industry.

While the discussions covered a variety of topics, a common thread across all three events was the participants' experiences with the Innovations for Defence Excellence and Security (IDEaS) program. Briefly, the IDEaS program is run out of the Department of National Defence to provide funding to Canadian companies to solve defence and security challenges through five mechanisms: (1) competitive projects, (2) innovation networks, (3) contests, (4) sandboxes, and (5) test drives. While the intent of IDEaS is to promote Canadian innovation, participants across these recent roundtables had mixed experiences and questioned whether the structure of IDEaS met the intent.

A Cumbersome Process

At the outset, a common challenge participants mentioned was the application process, which many described as too cumbersome. Larger companies had the option to outsource the application process to firms that would fill out the applications for them, freeing them to focus on developing their products rather than doing paperwork. For smaller companies, the application process alone could be challenging as they often lacked expertise and capacity to devote time to the application process. This in turn could disincentivize them from applying, or could see these firms run out of resources to continue the program. For some firms, the IDEaS program is the first opportunity to engage with the government, directly show their know-how, and promote their products. Having barriers, such as a demanding and resource-intensive application process could dissuade them from pursuing it.

Lack of Transparency

Another impediment was the transparency of the IDEaS results. Some participants had found that despite their IDEaS applications obtaining high scores, they did not receive neither funds nor feedback. The lack of feedback was difficult as without it, participants often felt that they were having a one-way conversation. They described this lack of engagement on the IDEaS team's part as a veil raised between them and an understanding of the pathway to take their products from the development stage to a government procurement. Smaller firms would eventually lose interest in participating, choosing to focus on other revenue sources, as they did not know how to improve their applications.

For those who were able to advance through the IDEaS application, some participants reported difficulties communicating with the program administration. In one case, while pitching a new way to approach a problem, the evaluators wanted to know if the proposal would solve the problem as described under the IDEaS structure. However, because they were proposing a new way of approaching the challenge, the participant was unable to provide an answer. Overall, they found that their innovative approaches and solutions received push-back and perceived the evaluation process as being risk-adverse.

A Lack of Expertise

Some participants expressed concern that evaluators may lack sufficient expertise to adequately assess their proposals for IDEaS. There were also several instances where participants described perceived biases in the selection process and the difficulties they had experienced as a result. Additionally, they shared instances where the criteria for proposals appeared to be pre-determined, limiting the potential for their own projects.

In a similar vein, some participants noted the changing staff assigned to the IDEaS program as a challenge, especially if staffing changes occurred when a project was underway. The time to rebuild relationships with new staff and bring



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them up to speed on the program, project, and solution was often time consuming, creating delays. However, participants did note that this issue was not unique to IDEaS and happens across government programs.

Innovation Sans Procurement

Participants noted that while an application could achieve a high score and move through the program, IDEaS offered no procurement opportunity at the end. This meant that their products, which were tailored to a need identified by the Canadian government, had no potential buyers. Participants also noted that in some cases they did not become aware of the fact that there were no procurement possibilities once they were already well into their project.

However, some participants had found the IDEaS program to be useful as it could be the first opportunity for newer, smaller firms to interact with the government, showcasing their products and solutions. Ultimately though, the lack of a procurement option at the end of the process proved to be a deterrent for many of the participants.

Throughout the conversations, participants compared IDEaS to their experiences within the private sector and when working with other governments, namely the United States. They found that, when comparing their experiences, IDEaS lagged in multiple areas like the application, as previously discussed. Participants expressed their desire for the application process to be reworked to a pitch-based approach, much like what is expected at investment institutions, reducing the paperwork and bureaucratic burden.

Participants also reiterated the importance of having a procurement pathway at the end of the process, much like the United States, the United Kingdom, and Australia have. Ultimately, there was agreement that clear methods of procurement at the conclusion of an innovation program would incentivize both large and small companies to continue engaging in IDEaS with the potential for a return on investment. Currently, instead firms expressed instead discouragement, questioning if their work would ultimately be worth anything.

► About the Author

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