

# Barefoot Innovation Podcast with Sonny Hashmi, Head of Public Sector, Unqork

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Jo Ann Barefoot: We have a terrific show lined up today. My guest is Sonny Hashmi, who is the Head of Public Sector at Unqork, and a former commissioner of the General Services Administration. Sonny, thank you for joining me today.

Sonny Hashmi: Jo Ann, it's such a great pleasure to be here. Thank you for inviting me to participate. Look forward to the conversation.

Jo Ann Barefoot: I have really been looking forward to this conversation, because we are going to talk about government technology modernization, which is a theme that runs really through practically all the shows that we do. But, in your case, we're going to be able to take it head on, really talk about what's happening, what's needed, what's the transformation that lies ahead as we've tried to pull government into the digital age. So, let me start though by asking you to tell us about yourself? Tell us about your own background?

Sonny Hashmi: Sure. Thank you again for the opportunity to have this conversation. I've been very fortunate for the last many years to be empowered to, in various roles inside and outside the government, to be at the center of this conversation around how does modern technology help deliver better services to the American people. I am an immigrant, but was trained as an engineer and moved out to the U.S. in high school. And I initially started my career as an engineer, wrote software for many years. And my first exposure to how the intersection of technology and public service came right after 9/11, when I saw the impact, of course, the terrible day in New York and how it affected directly the lives of citizens, not just the threat attacks themselves, but also subsequent to the recovery and response operations, how internet connectivity in the Lower Manhattan area, for example, affected the lives of people, how it affected how commerce operated and how the stock market operated.

I was actually part of IBM and the team that was deployed on site to overtime over the next many weeks try to recover internet connectivity and, therefore, get the stock market reopened, and then downstream make sure that public services will reopen. So, since then with that experience, I decided to move to D.C. to see how I can lend a hand in bringing my background as a technologist into public service. And I've been very fortunate to serve in many different capacities, including the CIO for the city of Washington D.C., as well as various roles of the Obama administration, and most recently as the commissioner for the Federal Acquisition Service under President Biden to solve for that problem. The impact that technology has affects in small ways and large how the government at local levels, at municipal levels, at the federal level affect the lives of American people, and that impact is growing ever larger.

One of the things we've seen through the pandemic is the government agencies who leverage technology to connect with citizens to deliver services are able to withstand a great amount of disruptions and can continue to deliver for the American people, yet not all government agencies are fortunate enough to have that technology core infrastructure. And so, through this conversation, I'm happy to share some of the things that we are doing certainly at Unqork, but also in the past what I've seen work and how agencies can think about modernizing the operations purely from a lens of delivering better for the American people.

Jo Ann Barefoot: So, do tell us about Unqork, and then we'll talk about the tech challenges.

Sonny Hashmi: Thank you for asking. I recently joined Unqork as the head of public sector go-to-market policy about four and a half months ago after I departed the administration. And Unqork, our mission focus is very simple. We believe that the demand on government agencies worldwide to deliver in digital ways for their citizens and stakeholders is increasing. It's increasing exponentially. And, in fact, as I mentioned before, some of that impact was already felt very acutely during the pandemic. So, as the pandemic happened, the existing or traditional models of delivering these services to the people got disrupted immediately. People couldn't go to a government office to fill out forms and ask for services or receive the services in person, whether it was receiving benefits, administration and checks, whether it was going to process a claim, whether it was to meet with an investigator, whether it was to get married. These services had to go to digital realms very quickly.

And agencies at all levels realized immediately that there's a gap in how services have traditionally been offered and been provided to the citizens. And so, there was an acute need and demand to deploy, not just move existing services to the digital world, but also create new channels and provide new services that citizens needed. If you think back to 2020, immediately upon the pandemic, it was an intense need for government agencies to scale up their ability to provide unemployment insurance payments, child support payments, meals delivered to underserved communities and families, scale up homeless services, because all these downstream impacts from the pandemic, whether it was a reduction in the workforce and labor impacts to the restaurant, tourism industry, et cetera, was causing unprecedented pressure on the government benefits and services. And many agencies realized that many of their systems and technologies were outdated to handle this demand.

And so, for us at Unqork, that is just a symptom of a long-standing trend that is happening. Agencies and companies worldwide need to move their services to digital. They need to be much more nimble and resilient and responsive to the expectation and ever-changing demands of their citizens and stakeholders, yet the way that they have built digital capabilities in the past are outdated. They take too long, they cost too much, and therefore the delivery of these services becomes a burden and an impediment in these organizations and agencies in delivering the promises that their stakeholders expect. And so, at Unqork, we're building a new way for enterprise organizations. Whether you are a bank, you're

an insurance company, or indeed a federal agency to deliver digital experiences, automate processes, and implement modernization in a way that allows you to do it 10 times faster at a 10th of the cost.

We are building a platform that allows you to implement modernization and go digital in a way that is, not just adds much more velocity to your operation, but allows you to become much more resilient to external factors and challenges. And so, I'm happy to share more on how we are continuing to do that, but the other results are great. We're seeing large organizations across multiple sectors deliver digital experiences in a fraction of the price and a fraction of time, but also modernize and digitize operations that historically were very difficult to do, so very costly to do so. That opened up all sorts of new opportunities, like how do we bring artificial intelligence to serve the citizens, how do we connect data and systems together to benefit the government employees and analysts, but also benefit the citizens? So, we are very excited about the work ahead of us, and I'm happy to share more on how some of the things actually are working through. And if you're interested to learn more, reach out to me anytime, and I'm happy to go deeper into details with you.

Jo Ann Barefoot: So, let's go back to, you and I had a chance to talk a few months ago and you were telling me some of the story of what you did when you were at GSA, and I think our listeners would be very interested to hear about the challenge as you saw it and what you did. What does that journey look like?

Sonny Hashmi: Thank you. I'm happy to share some of our successes and with a full caveat that obviously nothing happens, nothing is done through an individual. So, it's all with a team effort. And I was very fortunate at GSA through many years of serving there to be part of some of the best and most innovative, most forward-leaning and hardest-working teams in the federal government. So, I started my career at GSA as the chief technology officer many years ago and the CIO subsequently, and most recently I left GSA after serving for several years as commissioner of the Federal Acquisition Service, which is a operational missionary responsibility, not a technology responsibility per se. However, in most cases, when I was a technologist and CIO as well as when I was leading a business unit, certain teams remained consistent. First of all, many years ago when I started at GSA as a CTO and CIO, the challenge back then was how do we modernize the infrastructure that the federal agencies use?

There were all this money going towards operating data centers, a lot of focus on operational burden overhead of running day-to-day operations. How do we run these applications? How do we make sure they're secure? And we invested in processes, policies, and capabilities to enable federal agencies to leverage the power of cloud computing. This is way back when in 2009, '10 timeframe, I was part of the team that started the FedRAMP program. We were one of the first agencies that really invested in cloud as a force multiplier, differentiator, to allow essentially the extraction layer of complexity that the cloud offers so that agencies can focus on the mission and delivering the results rather than constantly worrying about data-centric capacity, investments, server refresh and

those kinds of things. And that trend honestly took off. Now, you'd be hard-pressed to see, find a federal agency or any other really highly regulated organization that is not fully adopting cloud as a force multiplier for them to deliver their mission, but that was 10 or 15 years ago.

In the most recent iteration, I saw the benefits of that change. I started in my recent role at the Federal Acquisition Service, right at the beginning of the pandemic and right in 2020. And we saw firsthand as an organization that manages about \$100 billion worth of operational responsibilities, the impact of the pandemic from supply chain disruptions to the advanced needs that the government had in helping citizens access COVID test kits and making sure that vaccinations were delivered on time, and making sure that goods and services that were disrupted in the marketplace, those factories got restarted and those deliveries got restarted, making sure the federal government can continue to support and deliver on its mission despite a lack of products and services in the marketplace due to the pandemic. And on top of that, we were faced with new global challenges from cybersecurity threats.

If you remember a few years ago, the impact of solar winds and [inaudible 00:12:13] and those main massive disruptions that we had to go through, but also global geopolitical challenges from repatriating many Afghan allies and partners to the United States, to making sure that our allies and forces overseas have what they need to carry out the mission. And so, this was a uniquely challenging three to four years. And one of the things we realized very quickly is that the traditional ways of working are not going to scale. We can't just throw more people at solving these problems, hire more people, more analysts, more contracting officials to solve these problems, and therefore a new way had to be found, and to us that had to be digital. We had to rely on data, data that we generated as a government agency, data that the private sector owned and use their operations, really connecting the supply chain end to end.

So that from the manufacturer all the way back to the consumer within the federal government, we had clear line of sight into what is being bought, what is needed, where it needs to be, so that we can pre-position some of those assets, we can negotiate better as a government. And the results were self-evident. We saw that the government not only was able to deliver in its promises, but also we were able to start to address some of those long-standing challenges around cybersecurity, around application of modern technologies, around supply chain risk, for example. And so, to me, it's always been about how do we get the data processed through an ecosystem and in the hands of the people who need to make real-time decisions at the time of need, to be able to enable those folks. Too much of government operations and frankly, too much time and effort is wasted in large organizations across the board where people don't have access to the information they need to make the decision and therefore do their jobs. And to me, for the last three or four years that has been the singular focus.

How do we enable a government employee, a contracting officer, a risk manager, an analyst, to be fully productive from wherever they are in a remote

or hybrid setting by empowering them to use the data that they need to make the decisions? And that's where it leads to investing in technologies like artificial intelligence, machine learning, really bringing artificial intelligence for the benefit of human intelligence and really enabling these folks to focus on differentiated work rather than routine and growth work. And so, with all of that in place, we spent a lot of effort and time over three years to really continue to put that as a focus, modernize, enable, connect. And as a result, we saw the adoption of our services at Federal Acquisition Service go from about 64, \$65 billion a year up to \$100 billion, so about 30, 40% increase over the period of three years.

We saw significant improvements in supply chain risk in a global supply chain environment, an agile mechanism to address disruptions. For example, when the Suez Canal disruption happened with the ever given ship, that had a massive downstream impact to the American supply chain and global supply chain, and we were able to find alternate suppliers very quickly. We were able to make sure the mission got done. We were able to repatriate over 100,000 Afghan refugees that moved to the United States in a very short amount of time, making sure that they had access to education and job opportunities and housing. All these big things don't happen through just personal heroics.

We were able to bring the data together, connect with our suppliers, connect with the information in the public domain to be able to quickly transact and do what needs to be done. So, lots of credit goes to the team that was on the ground every day doing this work, but it also gives me the data point, and I think it's an example of how smart thinking and marrying up the right technology and the right business problem together in the point of need, can really lead to a lot of acceleration and a lot of delivery. So, very proud of that work.

Jo Ann Barefoot: So, I was interested in your comment. I think I heard you say that most federal agencies now are fully committed to cloud computing. Where are they on that journey? Our listeners are focused mainly on financial services, and we have a lot of agencies in the U.S. that our financial services regulators are connected to that field, and they're in very different places on the cloud journey. But, I'm interested in, talk more about why it's needed and what it takes, and where you think we are on the process?

Sonny Hashmi: That's a great question. And listen, I think the journey towards adoption of shared services, cloud services, cloud is also a big word that means many different things to many different people. On the one hand, you may have a private cloud that is even in your own premises, all the way to the other side where you have a SAS environment where you have multi-tenant, global public cloud environment, and there's different degrees of architecture along the way. But, the move towards adoption of shared services and cloud services in government is inevitable. That direction is only going up. In fact, I think in the last year, the federal government alone spends close to \$10 billion a year in cloud consumption, and that number has gone steadily up every single year. And

that's also a loaded number, because \$10 billion sounds like a big number, but as a fraction of the overall technology spend, it's fairly small.

At the same time, it's also encouraging because the delivery of services through cloud models are actually far more cost-effective in some ways. So, it's actually good that that number is actually helping to defray traditional costs in data centers and other costly endeavors. But, anyway, to go back to your point, back to your question. The movement towards cloud has steadily been growing over the last decade plus now. In fact, back in the Obama administration, we were working very closely with the federal CIO at the time, developed the cloud first policy that really incentivized agencies to move in that direction. It was a brand new model at the time. There was a lot of questions around risks and security and consumption models and payments and everything. And that work continuously has refined over time with the previous administration leading the cloud smart policy that enabled and focused agencies' efforts in a much more thoughtful way to adopt cloud, all the way to today when we're talking about the ultimate benefits of cloud, including AI and cybersecurity and user experience and so forth.

So, look, here's the thing. I think historically people have thought of cloud as yet another model where they could deploy their infrastructure. We can do it in the data center, we can do it in the cloud, and there's pros and cons to each. To me, that's a false model. To me, if you are going to as an organization truly leverage the disruptive technology that is now mainstream, I'm talking about AI, I'm talking about machine learning, I'm talking about blockchain, I'm talking about the ways your mobile apps, multi-channel communication. If you're going to actually engage process and compete in a way leveraging this new technology paradigms that are on the table, you cannot do that without your foundation being based in cloud. So, secondary to that statement are how do we secure it? How do we make sure it's private? How do we make sure data is protected?

All those are relevant and very meaningful and important questions, then they require thinking and they require effort. However, the core assumption and the core premise of as you move forward into 2024 and beyond is that if your infrastructure is not based on and designed on the flexibility, the scalability, the continuous improvement, that continuous expansion and scaling and value of the cloud computing model, that you won't be able to take advantage of the secondary benefits that you're interested in. And so, I do a lot of public speaking. I talk to a lot of agencies and customers. I've worked very closely with many financial services organizations in my past career. And a lot of times people say, well, say I think it's hot. I also want to do a chatbot. I also want to leverage AI for risk assessment in my organization. I want to do AI, leverage AI to serve our customers better and have better insights of my data.

And the first question is, is your infrastructure designed to handle not just compute and storage, but the flexibility, the scalability, the training sets, all of the work you need to do to get there? You can't get there if you don't have modern backends. Then secondly, the question becomes, where's your data? Is

your data designed to be consumable, shareable, connectable? Does it make sense? Is it clean? Is it ready to be trained to train a model? Is it ready to be leveraged? And then, third question becomes, where are your business processes? Are your business processes digitized and automated so that you can actually plug in your capability, your machine learning, your AI, your algorithms into the right point so that the end experience can be delivered in the way we do? So, if you don't follow those steps, you're not going to achieve the outcomes that you're trying to do.

And so, where is government in the adoption of cloud? I would say at this point, every single federal agency, and I would say that by extension is also relevant to other agencies, states, locals, certainly have many of their workflows and increasing number of workloads in the cloud. Are there going to be scenarios which are not right for a cloud adoption? Surely, absolutely. The cloud model doesn't work in every use case. Some types of compute and some sides of workloads are not ideal for cloud. There certainly are some, especially in the government space, there certainly are some data sets and workloads that are so highly sensitive or require security that a public cloud model is not right for them. But, even in those cases, like organizations like the Department of Defense and the intelligence community leveraging private cloud models to be able to get to the same level of scalability, reuse, that a cloud model offers.

So, I can certainly see some concerns that organizations may have around adopting cloud, but I think there are models available in the marketplace, whether it's private, single-tenant, multi-tenant, IS, PaaS, SAS, there's a model that is relevant and then meets the expectations. So, my advice to organizations that have that concern is work backwards from what your security compliance specs and standards need to be. Don't automatically make assumptions around the security cloud. In many cases, I've seen cloud models are actually far more secure and can ensure privacy at the transaction level far better than traditional on-prem models could be. I used to deploy ERPs way back in the day in data centers. And if somebody said, point to me exactly the transaction level what encryption key was used per customer, per client, per user, those ERPs did not allow for that level of fidelity. But, in cloud, in many cases, you can do that level of fidelity, you can actually track exactly what happened, who logged in from what IP address, and you can have complete control over that entire experience and that backend.

So, in some cases, cloud actually offers a far more secure way to manage your data and your transaction. So, be open to what that model can offer, look at the benefits of that model, but also keep a line of sight into what your security is. Do you need Fender compliance? Do you need KYC? Do you need compliance that's FedRAMP? So, ask those tough questions for your corporate cloud service providers. And then, make sure that you're confident as you go through that journey, and what trade-offs are being made, and what new ways of working you may need to implement as a result of this transformation.

So, I hope that answered some of your question, but generally speaking, I think this is an inevitable journey that I think increasingly we'll see higher fidelity capabilities coming to the marketplace. CSPs 10 years from now did not have some of the capabilities they have today. They're able to deliver at a much higher level of assurance and a high level of capability. And you will see that the gap between organizations that are adopting cloud aggressively and those that are not is going to continue to grow. And then, at some point, increasingly that's going to impact the business capabilities those organizations get delivered to their end users, their stakeholders, and their shareholders.

Jo Ann Barefoot: I'm really glad that you're putting the emphasis that you are on this and being unequivocal about it. It's not just a nice to have. It's absolutely table stakes to be able to function in the environment that we're in today. And we feel that it doesn't get enough discussion in some of the communities that we're in discussion with. So, it's great to hear you emphasize that.

Sonny Hashmi: And then, to that point, just as a final point on that, I think too much of the initial cloud computing consideration in the CIO community unfortunately became about cost savings. There was this notion, there was this theme for a number of years in the community for, we go back to the 2010, 2011 timeframe where people were justifying the ROI of going to cloud through a cost savings lens. If you go to the cloud, we can reduce some of the spend on our data center and therefore it's worth it. And there's some truth to that. You should be thinking about cost savings and leveraging cloud model as the mechanism to get there. However, what didn't happen during those times was really talking about the mission impact or the business impact, the business acceleration, the new capabilities and products you can deliver, the new experiences you can deliver that can only be done when you leverage cloud.

And so, the business acceleration aspect of adopting cloud was under discussed and under evaluated and under considered for ROI, and that's what's important. Even if in a world where your cloud spend, but your operational O&M spending in a cloud environment is the same as it was before adopting cloud, even in that world, the business impact you can create by leveraging that model is 10 times greater, and that potential is 10 times greater than the potential you had without the flexibility and the scalability of that environment that you had before. So, when you want to go digital with a native mobile app tomorrow, or you want to build that and release it to millions of people and scale a service to millions of people in a matter of weeks, to do that in a traditional model where your computer is in a data center and it's all hardware centric, that speed and agility will just never ever be there. And so, you need to also think about in your ROI discussions, the actual benefits you're gaining on the business side by adopting that model, not just look at the cost side of the equation.

Jo Ann Barefoot: That's great. So, we have people listening from all over the world who are in government agencies and other large organizations as well. If I put myself in the shoes of a listener who agrees with what you're saying but is not very far into this journey, what is your advice on where they should start, what they should



expect, and what are the keys to getting it more right than wrong as you are making this transition?

Sonny Hashmi:

That itself could be just a podcast episode, there's a lot to discuss there. And so much smarter people than myself have written books about that topic, and I would certainly recommend picking up a few of those books. From my side, I've always been a business or mission-driven person. So, everything starts with a question, what is a business need? What problem are we trying to solve? What experience are we trying to create? What capability we're trying to deliver? If you can't describe that very clearly, then you don't really have a basis to understand whether your initiative is successful or not. So, I've seen too many technology initiatives or cloud migration initiatives that become technology initiatives. We're going to take this data center and we're going to reduce the footprint off it by moving some of this compute to the cloud. Well, that's great. But, if you can't equate that to a mission enablement conversation, then you just did an IT project for the sake of IT project. And you can't really describe that in a way that really resonates and builds a championship within the business.

So, the first question to ask is, what is the business strategy? Where is the business trying to go? What is the mission for the agency that I serve? And where is the gaps in that mission? Who are the stakeholders? What experience they expect and what experience are we able to provide today? And you will see those gaps very clearly. Any agency that is doing benefits administration, are your stakeholders happy with the speed in which those benefits get evaluated and delivered? Is the adequate checks and balances exist in administrating of that balance? Is fraud a risk that you're dealing with and tolerating to a certain extent? Are your internal employees fully productive or are they spending a lot of their times working on tasks that are not fully mission aligned and it's just necessary for them to operate in their functions? Can we reduce the burden on these folks? Is there downtime? Is there latency? Are there experiences that we wanted to deliver but we just can't because they're too expensive or too complicated, or our infrastructure is not designed that way?

You'll always hear these reasons, but we start with the business question first. What are we trying to do as a business or as an agency? What mission do we have and what experiences do we want to deliver? And then, you work yourself backwards from there and you'll realize that traditional models are just not designed to scale. By the way, in fact, this is very relevant for the work we're doing at Unqork as well. Because, Unqork, we are trying to disrupt a software layer. So, as we see our customers who are still developing traditional ways to build enterprise applications, you see that all those questions when they need to be answered through a software lens, hey, we need to build this application to deliver this experience, to improve this process, or deliver this data, or to do this analysis. The answer always or most often leads to, well, this is going to take us 18 months to build. It's going to require us millions of dollars to build. It's a high-risk project and endeavor. This may fail.

In fact, a significant portion, I'm going to say about 47% as of the last count of IT projects that are over a certain size, over about a million dollars fail in government. And so, these are not acceptable metrics to us. We want to create a world where every project is successful, and no project costs hundreds of millions of dollars and nothing takes 18 months to deliver the first capability. We want a world where end users can get the benefits that they were promised in a matter of days, if not weeks, and government agencies can deliver for a 10th of the cost that they're traditionally are accustomed to, and there's nimbleness and agility in the process so that as requirements change that you can change your process along with it. And so, that's what we're doing at Unqork, but that's just a software layer. But, if you go deeper into that stack, all of the traditional ways to build, maintain, operate, and deliver those technology capabilities get in the way of the promise that agencies want to make to their citizens or the promise that businesses want to make to their stakeholders.

And so, new models are required and cloud is one of those new models. So, step number one is to define success criteria. Step number two is to pull that thread back and say, what are the things that are getting in the way of us delivering into this vision? Don't let anybody tell you that, hey, it's going to take 18 months, it's going to take millions of dollars, it's going to take a wholesale capital investment. So, when you ask those tough questions, you then realize that maybe some of your existing infrastructure and processes are not designed to meet that expectation. So, then you go back to your partner ecosystem, you go to the market and you ask open-ended questions. Don't prescribe exactly what the solution needs to look like. Ask open-ended questions. We are trying to achieve this. We're looking for advice and engagement and partnership and architectures and best practices and demos and whatever for the industry to tell us how you've been able to achieve similar successes in the past.

And you'd be surprised at how many smart companies are doing amazing work in any one of these areas. If you do an RFI or spend of alternatives or you have an open-ended conversation with your supply community, you will see some amazing ideas, so be open to those. Develop a rubric on how you're going to evaluate these ideas or recommendations that are coming to you, the proposals, RFI responses, and that rubric needs to include things like agility. How quickly can you deliver? What is the total cost of ownership? How are you going to make sure that after you build a capability for me, it's easy for me to continue to maintain it so I don't have to hire lots and lots of people to maintain a very complicated thing. How am I going to make sure that technical debt gets resolved, so I'm not inheriting new technical debt as part of this initiative?

So, when you ask those questions, you'll start to see some really smart solutions emerge, and those are the solutions that you then start to invest real time, understanding, thinking, and then adopting, do some pilots. So, my recommendation is, don't solve the entire problem all at once. Break it down into consumable chunks. Solve one piece at a time, and test that assumption. Push the industry to provide solutions that actually makes sense. And in each instance, each case, ask for delivery. Don't just say, we did this component, one

day you will get the benefit of it. If you don't have working capability in the hands of the end users, don't pay somebody. And when you have those expectations that, hey, we'll pay you based on capability delivered to our business, to our function, to our end users, then you actually line up all the incentives for your private sector partners to be focused on delivery, which is exactly where you need to be.

And as long as you are aligned around how you measure that progress, then you'll see that you'll be amazed at how much progress can be made very quickly, and how you can actually see delivery of improvements along the way. So, I've seen too many projects fail because they try to solve the entire problem all at once. They have this waterfall approach, from one day we will see the capability many years or months later. And along the way, requirements change, environments change, expectations change, people lose track. And the payment is not tied to actual delivery of capability, rather it's tied to artificial project milestones like a document was generated or a certain number of hours you were expended, so we're going to pay you.

Let's really change the paradigm by really incentivizing the private sector to deliver. And when you set up those incentives, you make it very clear what the vision is, what the outcome is trying to drive, and you make it into an incremental agile process of continuous delivery, continuous integration, you'll see amazing results. So, that's just my high level recommendation. Of course, doubles in the details. There's a lot to work through and think through. And based on my past experiences, I'm happy to engage with anyone who might be interested on some more details and how you can make that process successful for yourself.

Jo Ann Barefoot: I was listening the other day to an a16z podcast, Andreessen Horowitz. I think I'll put it in the show notes. I think the name of it was From Silicon Valley to the Department of Defense. And something that really stayed with me from it was they said that traditional procurement in the government has been designed to figure out what the agency wants, and then write the standards, and have the bidders try to satisfy that. And instead, as you just said, what we really need is to put out, here's the problem we're trying to solve, and how would you solve it with the technology that you're going to provide? It's a completely different paradigm.

Sonny Hashmi: It really is.

Jo Ann Barefoot: So, we're going to run tight on time probably, and I've got two areas I want to drill down on a little more deeply. One is, do government agencies today in general have the people they need to be able to do what you just said, or do they need new people? And if they need new people, what are those skills and how are they going to get them?

Sonny Hashmi: I think generally the answer is no. I wouldn't say the government agencies need new people, but I think they need new skillsets, and that is very true. And by the

way, it's not just limited to government agencies. I've worked with a lot of financial services organizations, healthcare organizations, it's the same across the board. The availability of talent, especially in North America and in the United States particularly, over the last five years has been a wonky market. Companies have over hired, companies have under hired. There's been a little bit of turmoil just in the last few months in terms of companies trying to right size their labor environment. But, all of that aside, generally speaking, the situation is as follows. There is an ever accelerating corpus of post technology paradigms as well as the demand side that is requiring companies and organizations, agencies to continuously rescale and adopt and understand and internalize new skillsets, new paradigm. Not just skillsets as in we want to go from Oracle 11g to 13i, that's not the skillset gap.

Skillset gap is brand new paradigms that require analysis, that requires thought, internalization, and that require enough expertise to be able to convert the knowledge of that paradigm into an application. So, right now, the hottest thing right now is generative AI. Does the government have enough generative AI or AI expertise within in-house to be able to understand those models, understand the risks involved, understand the opportunity site, and then translate that into requirements essentially, or expectations, or ideas, or proofs of concept so that you can actually operationalize these technologies in production? And the answer generally is no. Government hiring processes sometimes can get blamed. Sometimes we blame many different things. But, the bottom line is this, government needs challenges like all organizations do, and all of these organizations are in a battle for the same talent. And so, that's where it becomes challenging.

From GM to Ford to Tesla to the Department of Defense, you're looking for AI experts, you are looking for machine learning experts, you're looking for computer vision experts, you're looking for automation experts. And so, that is a pretty constrained market. And so, those skills have become really high in demand, and therefore, of course, there's the whole supply and demand side that starts affecting the ability to hire and recruit at lower salaries and all those kinds of things. How do you solve this problem? A, the benefit and the power the government has is that government has mission and drives. There's nothing that comes close, and I've spent most of my career in public sector, I can tell you this much, there's nothing that comes close to the impact that you can create when you are empowered to do a job in government.

If you can bring your skillsets to public service and you're empowered to do so, you can create such impact. You can never do that, replicate that kind of an impact in the private sector no matter what you're doing. So, the government has this amazing draw to track talent, especially at the younger stages in their career, to actually make a difference. And honestly, as a dad of two teenagers who are thinking about their careers now, this next generation has an insatiable appetite to make a difference. We grew up in a world where it was like, you go to grad college, you graduate college, you do a job, and you just grow in that job and you grow up with better. This generation keenly wants to make a difference

in the world. And so, this is an opportunity for government agencies to really attract talent because you can offer an ability to make a difference, but then you have to change your culture.

You need to make sure that these young, enthusiastic, passionate people that you're attracting to join your organizations are then empowered to do their best work. They're not just sitting in a meeting taking meeting notes. They're actually given the runway to experiment, to innovate, to actually ideate and actually deliver. Number two, you need to have a mindset and a culture of continuous reinvention of your workforce. You need to create mechanisms for that workforce to continuously learn new skills and new paradigms, because that is just going to be a reality of the situation. And number three, you need to figure out what you need to insource, what you need to outsource. Some of these skillsets are going to be difficult or may take a long time to really build in-house. And in that case, you need to think about partnering with the right companies, really small businesses that are highly specialized in some of these areas to be able to use them as resources, as architects, as planners, as visionaries, to be able to kind of complement your team with that greater ecosystem.

And so, is the government ready to fully adopt these new trends? I don't think any organization is, and I think the government has some unique challenges in maintaining that workforce internally. They can all be overcome, but it requires a very intentional approach by leadership. It's not going to solve itself. And left to its own devices, it's going to just continue to deteriorate the ability for government to adopt these capabilities.

Jo Ann Barefoot: Great. I love that. I am always trying to make the same argument on talent, that if you can offer important work and also interesting problems, which the government has lots and lots of, you can attract people who want to come. They may not make a career there, but they'll come for a number of years and contribute.

Sonny Hashmi: We saw that firsthand when we started the AT&F program at GSA. We started the Presidential Innovation Fellows. Most recently when I was at the fed, we started the U.S. Digital Corps, and the exact premise was the same. We were attracting people making 3, 4, 5 times much money from Facebook, Google, Tesla, you name it. And the reason why they wanted to come and do a stint in government, had a great reduction in their salary and pay was because they wanted to solve real problems, and there's no shortage of real problems to solve.

So, we've seen some tremendous talent come through government by creating these programs that allow you to streamline recruiting. You don't have to go through months and months of recruiting process. Streamline the recruiting, give these folks important meaty problems to solve, empower the heck out of them, and you'll be amazed to see what results these guys can achieve. And it's evident, it's seen that these programs have stories that I'd love to share at some point, but there's some incredible people who have done incredible work

through these programs, and that's the model that we need to reiterate on more and really continue to lean into.

Jo Ann Barefoot: So, let me raise another area where I think maybe the government does have some unique difficulties, and that is procurement. You and I talked about this when we talked the last time, and I said to you that we hear all the time from people at government agencies that the procurement processes are tying their hands. And you pushed back on that a little bit and said, there are ways to do it. Talk about that. How do we make procurement work well in government?

Sonny Hashmi: It's a great question. Again, maybe a topic for a whole new podcast, but listen, generally speaking, and again, this is in my last role as a commissioner was very acquisition-centric. I oversaw somewhere around 3,000 procurement officials across the world in that role, and I got to learn both about the challenges and the opportunity I'd say in that space went really well. My general statement is this, the government procurement is going to be challenging and unique and difficult and frictionful by design in some cases. Procurement is one of the few places in government where money changes hands, and therefore there's a ripe opportunity for fraud, for collusion, for insider trading you name it. And so, there's going to be a very heavy policy framework to ensure that, and most of it is designed to mitigate risk. It's not really designed to create velocity or create innovation.

Most procurement processes are designed to mitigate risk. And as a result, they're going to be suboptimal to create innovation and create velocity. And so, let's start with that assumption that that is going to be the environment that we're operating in. Just like you're not going to expect a corporate bank or a personal finance organization to quickly deliver new products because they are highly regulated and they have many stakeholders they need to satisfy. Government procurement suffers the same challenge, lots of oversight, lots of stakeholders, lots of policy frameworks. Having said that, nothing is off out of the realm of possibility when it comes to procurement. So, when people say that we cannot do X because procurement wouldn't allow it, that I take exception with. While there's a huge policy framework in place on how proper procurement needs to be done, there's also lots of flexibility in that framework.

In fact, if you see what folks have done this in the last two or three years alone to support our allies in Ukraine to assist with quick turnout of temporary, I mean, my team was able to acquire a temporary housing situation where we leased out entire hotels to house temporary migrants coming through. And all that work happened in 24 hours. So, imagine going from zero to we need a hotel with security and specific expectations in a matter of 24 hours, this can be done. The challenge is that most procurement people, because it's become such a challenging job, it is a high-stress and high-challenging job. You have to learn so much. It's like becoming a brain surgeon. You need to learn so much and continuously keep your skills up to date in the procurement realm. Most procurement people, unfortunately are not, don't have the time or the energy to keep up to date in all the different flexibilities that may exist in the system.

And so, many procurement people will follow a particular path through the policy minefield, and therefore they only know how to buy or acquire things a certain way. And so, sometimes when they say, well, we can't do that, it's just because that particular pathway doesn't lead there. It doesn't mean that other pathways don't exist to get there. And so, it requires a much more thoughtful collaboration between the program people and procurement people. And just like I said before, agencies should be talking about what they want to accomplish and let the industry decide the best way to accomplish it or recommend the best way to accomplish it. Too often, program managers also prescribe a specific way to get there. They go to the procurement people and say, I want this particular product delivered in this particular way, and therefore, figure it out. And that leaves many options off the table.

Instead of you invite your procurement people into your conversation very early at the ideation stage so that they can understand what you're actually trying to accomplish, and then help you find the best pathway that achieves that goal, I think you'll see a lot more success. So, that's just my general comment. I will say there's, again, in my experience and over a \$100 billion worth of activities a year, including some high R&D once in a lifetime, never been done before type work. I have never seen a situation that government procurement does not have a pathway to achieve. However, different solutions require different approaches, different ways to buy them. You can do cost basis, you can do firm-fixed-price. Sometimes you can do quick turnaround competitions, you can do challenge.gov. There's so many different to get to the outcome you're trying to get to that it requires some creativity.

And so, my recommendation is to become friends with your procurement shop rather than being enemies with them, bring them into the fold, and then work with them to figure out the best pathway through the minefield, because they're the ones who have to walk it. They're the ones who get criticized when they make a mistake. They're the ones that the IG writes a report about. They're the ones who are threatened with, in some cases jail time if they mess up along the way. So, they're taking a lot of risk along the way. If you're not bringing them into the fold and helping them create top cover and giving them the top cover to be creative and thoughtful and innovative, it's going to be difficult to have that conversation.

So, again, details matter. But, when somebody says, we can't do that because of procurement, I take exception to that. The more apt answer is, I don't know how to achieve the goal you're trying to achieve through the ways that I know, and therefore, we need to bring in other experts. We need to do some research. We need to find a new way through this mechanism.

Jo Ann Barefoot: This is absolutely fantastic. I know we're about out of time. Is there anything we haven't covered that you wanted to add quickly?

Sonny Hashmi: Well, Jo Ann, first of all, again, thank you for the opportunity to connect. Always a pleasure. And I'm just thrilled that we had a great conversation and hopefully

this is relevant to your listeners. I would say if you're in public sector, public service, first of all, thank you for your service. Create your tribe, attract other people around you. Create a culture and leave a culture behind you that other people want to join. If you're in a place of leadership, it is your job to create that culture. It is your job to attract the job to create conditions for the next generation of people to join public service, because we need it. If you're in the private sector, you're thinking about working with a government agency, or you work with a government agency, try to spend a day in their shoes, understand the challenges that they're operating in.

It's not always readily obvious the reasons why certain things happen in government a certain way, but there's many challenges that are behind the curtain that your stakeholders have to live with. So, really spend time understanding them, and then of course, be a partner in that process. Don't just be single-threaded about making a transaction happen or making a sale happen. Of course, we're all motivated with those incentives. However, if you are trying to find a path to a solution that actually helps somebody achieve a mission outcome, then that's a much better long-term engagement model. And lastly, in the world of technology and if you're a technologist, there's a wave. We've been talking about this for the last 15 years, that things are changing fast in the technology world. Every year, new paradigms are showing up, how we keep up? And that trend is not going away.

And so, you need to create culture in your team that is a continuous learning culture. You need to figure out a way to empower people to take some risk. Innovation does not happen without risks. The risk of failure is inherent in doing something new for the first time. So, how do you create boundaries around it? How do you make sure that if you allow for a certain amount of failure to happen, that it's not going to fundamentally disrupt your business or your environment? Create and think through those options. Because, if the expectation you have of your team is that failure is never acceptable, then you also by corollary have to assume that innovation will never happen, because those things go hand in hand together.

So, you have to think about what the right balance is for you, because the world is moving faster than ever before. In the world of technology, especially, your business, your mission, your agency's services depend on you ultimately the technologists, and adopting some of these trends. And you can only do that through innovation and trial and error and taking some risks. So, good luck to you, and of course, I'm happy to engage with anyone who might be interested purely from a desire to see smart people do great things to help you in your journey, if I can in any way.

Jo Ann Barefoot: That's fantastic. Where can people get more information about Unqork?

Sonny Hashmi: Come on by to [unqork.com](http://unqork.com), U-N-Q-O-R-K, or drop me an email and I'm happy to chat. My email is [sonny.hashmi@unqork.com](mailto:sonny.hashmi@unqork.com).



Jo Ann Barefoot: All right, Sonny Hashmi, thank you so much for being our guest today. I know our listeners are going to be re-listening to this one and pouring over your words. I really appreciate it.

Sonny Hashmi: Thank you, Jo Ann. It was a pleasure being here. Thank you.