APRIL 2014

Building a service-oriented agency: Lessons from the USPTO

In this video interview, David Kappos, partner at Cravath, Swaine & Moore and the former head of the US Patent and Trademark Office, explains how government agencies can become more service focused. What follows is an edited transcript of his remarks.

Freeing up resources to fund new programs

For years, probably over 100 years, probably from when Lincoln was the president, the USPTO had been maintaining a kind of post-office-box service, with people coming in and needing to review patent applications in these old, dusty things that they called "shoes." And the reason they called them shoes is because when Washington asked Jefferson to start examining the patent applications that were coming in, right after our country was formed, what did Jefferson put them in? He put them in shoe boxes.

And plenty of people used it, and it was a very timely system in the 1800s. Fast forward to 2009: nobody's using this thing anymore. People are searching USPTO records on the Internet; if they come in, they're bringing their computer with them. Clearly, the service had outlived its usefulness. People are spending full time maintaining this service. So we shut that down. We went through all the right processes, took public input, talked to the people who still needed it, helped them transition, all the things that you would sensibly do, and shut it down.

That alone, you're liberating hundreds of thousands of dollars a year to maintain a service like that. And if you multiply that across a nearly $3 billion agency with 11,000 employees and millions of constituents using it, it's literally tens of millions of dollars a year we were able to liberate and use that money to do the things we needed to do in 2009.

The leader as listener

I get an e-mail shortly after I start from someone I had never heard of. It says, "I'm an examiner at the USPTO. I love my job. I thought you might be interested in coming in and working with me to examine a patent application." So I said, "OK, I guess I can do that."

So I literally came in on a Saturday, met this examiner at his office, started at, like, 8 AM. And we spent the entire day, until probably 4:30 or 5:00 in the evening, examining a patent application—him taking me through the process from the very beginning to the very end, all the tools, what works, what doesn't work, the good, the bad, and the indifferent—and learning firsthand how the productive workers spend their days.

And that was a pretty transformative day for me in many, many ways. I'll remember it the rest of my life. So how does that happen? Because you listen to people as a leader, and because you're willing to interact with them and spend a little bit of time with them. And I think it can have a huge, huge, positive impact.

Mentoring senior executives

We formed the Senior Executive Service council—the SES council—at USPTO. Fifty-five or so SES people got together every month or every other month, meetings I personally led, to talk about what's going on at the agency, bring in guest speakers, have candid discussions, conduct surveys, and study the results to make the agency better. But by doing that, you also get to know each other better.

Another example: I wanted to really ensure that each one of those leaders was able to live up to their potential. So I made it a requirement that every single SES member have an individual development plan, and that I personally read and edited every single one of them every year and had specific comments for every single person. That to me was really important, because obviously it sends a strong message to them if I am spending time on all of these. But also, it sends a message to them that the agency cares about their development, that the agency is going to make sure that they do the very best job they can, because they're the people who have the impact on the rest of the USPTO.

A story about agile development

The team came in, and everyone's looking down, and you could kind of tell that something's wrong. So I tried to tease it out of everyone. "So what's going on? What's not working? What's happening?" And as the meeting progressed, it became clear that we had some code broken, and the relationship with the vendor wasn't where it needed to be, and this turn didn't happen.

And you know what I learned from that meeting? Agile is going to work because we found out about this problem after about a week of frustration, not after two years of frustration. That's the difference. And that's why agile methodology works.

The costs of user testing

You actually can't afford not to do it. It's another one of those situations: if you don't stay really close to your users, you are in tremendous peril of building a solution that is not going to meet their needs.

The second thing is, it actually isn't very expensive to do, because a lot of the stuff can be done over the phone; it can be done with people at their computers, linking to a site that's got the mock-ups on it or whatever it is. You're talking modest numbers of meetings. Again, what we found was by the time you got to the third one of these focus sessions—and a focus session, you're talking about taking maybe 15 employees offline for a couple of hours to sit in this thing. So the cost, I would assert, is by no means overwhelming.

If there is a cost issue, I believe it is far more valuable to stretch the schedule a little bit in order to be able to afford to do those kinds of checkpoints than it is, essentially, to drive blind. Otherwise, it's like putting a big placard up in front of your windshield and taking your car out on the road. And nobody would say that's a smart thing to do. ☐

David J. Kappos served as director of the US Patent and Trademark Office from 2009 to 2013. He is now a partner at Cravath, Swaine & Moore. This interview was conducted by McKinsey Publishing's **Monica Toriello,** who is based in McKinsey's New York office.