

OBAMA

AND

HIS

PRESIDENT BARACK OBAMA HAS QUIETLY RECRUITED A SWARM OF TOP TECH TALENT FROM THE LIKES OF GOOGLE, FACEBOOK, AND AMAZON. THEIR MISSION: TO REBOOT HOW GOVERNMENT WORKS.

BY JON GERTNER
PHOTOGRAPHS BY DANIEL SHEA

GEEKS



Obama's tech startup doesn't have a name, but it is 140 people strong—and growing.



FOR ERIC MALAND, THE WHOLE THING GOES BACK TO THAT SAN FRANCISCO WEDDING. MIKEY WASN'T THERE—
WELL, WAIT, ACTUALLY, MIKEY WAS THERE. BUT ERIC DIDN'T MEET HIM AT THAT POINT. ERIC MET SOME OTHER FOLKS AT THE WEDDING WHO TOLD HIM THEY WERE DOING SOME FIX-IT STUFF IN WASHINGTON, AND IT SOUNDED KIND OF INTERESTING.

And now we're chatting about it in front of the White House security gate, where we're waiting to talk with the leaders inside about why guys like Eric are now wandering around this neighborhood with MacBooks in their shoulder bags and code in their heads. These are the "new techies," as longtime Washingtonians tend to say, but that's somewhat imprecise. These are people whose pedigree in Silicon Valley gives them the whispered reputations of gods and goddesses. I look at Eric. He's wearing a faded T-shirt; his sparse hair is seriously matted down. Did he sleep lately? Exercise? Shave? All debatable. "Ever wonder what you're doing here?" I ask him. He was the 13th engineer hired at Amazon, the first operations director at Twitter. Like everyone else on the stealth team that President Barack Obama is amassing and deploying inside the government, he never imagined he would live and work in D.C. "I guess I just like to fix things that are broken," he says, shrugging.

Then there's Lisa Gelobter. "Oh, you've gotta hear my story," she says. It's later that day, and we're walking near the Washington Monument under a searing midday sun. There was this call she got out of the blue last summer in New York, inviting her to some kind of roundtable discussion in Washington for tech leaders. Lisa had just spent time on the upper management teams at Hulu and BET. She decides, reluctantly, that she'll go take the meeting, which includes this guy named Mikey as well as this other guy named Todd, and turns out to be in the Roosevelt Room in the West Wing. Then President Obama opens the door and surprises everyone, and over the course of 45 minutes gives the sales pitch to beat all sales pitches. They need to come work for him. They will need to take a pay cut, the

THE D.C. TECH CORPS' LEADING EDGE

Top row, left to right:

Hillary Hartley
COFOUNDER, 18F
Previously Presidential Innovation Fellow

DJ Patil
U.S. CHIEF DATA OFFICER
Previously LinkedIn, Greylock Partners, Skype, PayPal, eBay

Matthew Weaver
ROGUE LEADER, DIGITAL SERVICES, U.S. DEPT. OF VETERANS AFFAIRS
Previously Google

Middle row, left to right:

Megan Smith
U.S. CHIEF TECHNOLOGY OFFICER
Previously Google

Mikey Dickerson
ADMINISTRATOR, U.S. DIGITAL SERVICE
Previously Google

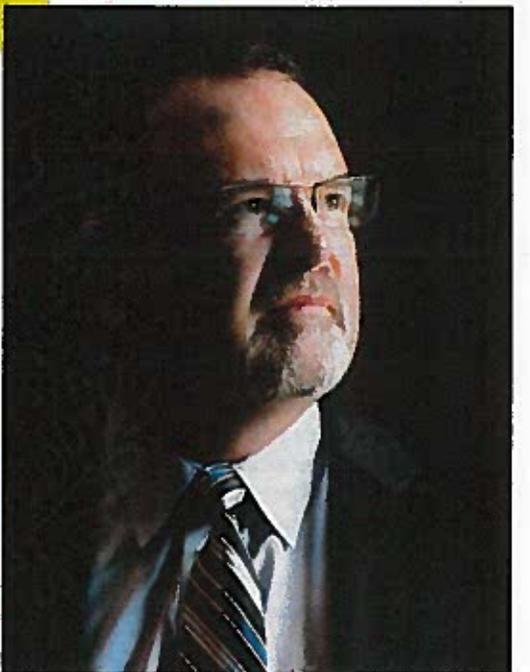
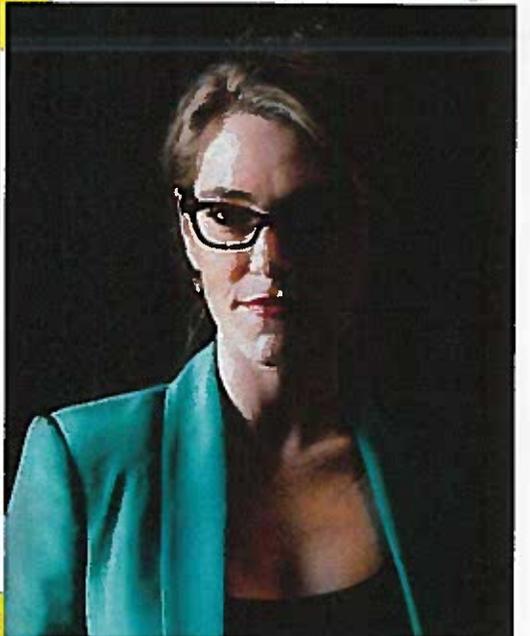
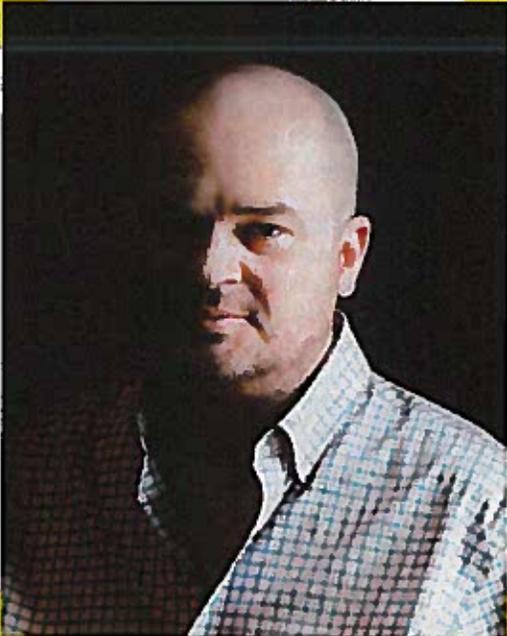
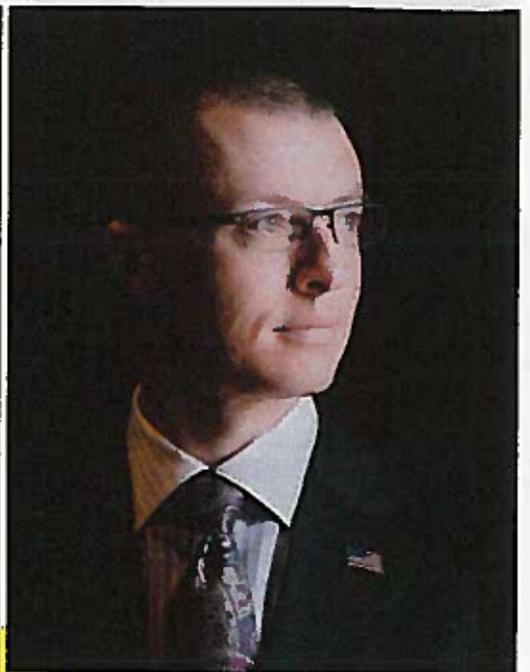
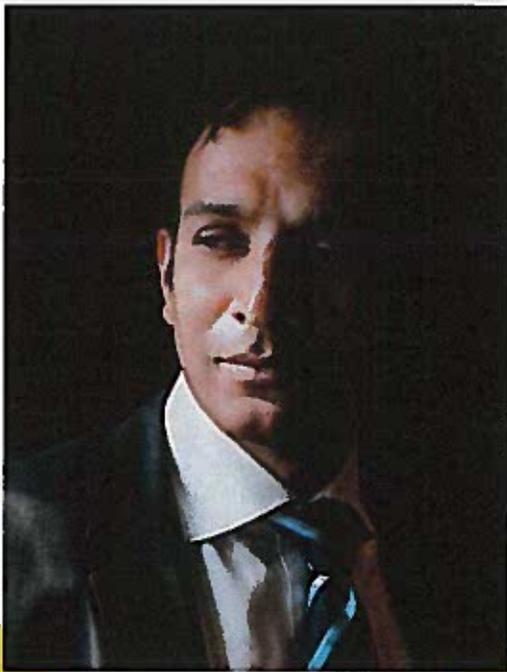
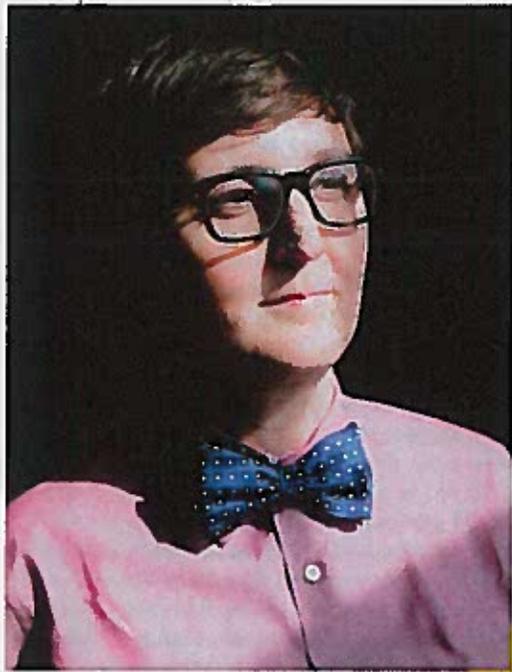
Haley Van Dyck
DEPUTY ADMINISTRATOR, U.S. DIGITAL SERVICE
Previously Obama 2008 campaign, FCC, USAID

Bottom row, left to right:

Jason Goldman
U.S. CHIEF DIGITAL OFFICER
Previously Twitter

Lisa Gelobter
CHIEF DIGITAL SERVICE OFFICER, U.S. DEPT. OF EDUCATION
Previously Hulu, BET

Tony Scott
U.S. CHIEF INFORMATION OFFICER
Previously VMware, Disney, Microsoft



president announces. But he doesn't care what it takes—he will personally call their bosses, their spouses, their kids to convince them. The crowd laughs. But he gravely responds: *I am completely serious.* He needs them to overhaul the government's digital infrastructure now. "What are you going to say to that?" asks Lisa.

Oh, and the stories about Weaver. "First name is Matthew," Weaver says, sitting on a cheap couch in a makeshift office near the White House. But no one calls him Matthew, he explains, since there are too many Matthews in any given room at any given moment. Even among D.C.'s new technorati, people view Weaver as someone separate from the fray. Maybe it's because he once lived in a camper in the Google parking lot without going home for an entire year. Maybe it's because he was the one guy who, if he didn't answer an emergency call, the whole search engine might go down. Or maybe it's because in a group of brilliant engineers, Weaver, as one of his new colleagues puts it, stands out as "someone who is, like, superhero-fucking-brilliant." Recruited from California last year by these guys Mikey and Todd to work on the broken Healthcare.gov website, Weaver decided this year to stay in D.C. and leave behind the comfort of Google and a big pile of stock options. He recalls it in terms that suggest the transfixing power of a holy pilgrimage. "That"—he says, meaning the Healthcare.gov fix-it work—"changed my life in a profound way. It made it feel like all my accomplishments in my professional life meant very little compared to getting millions of people through the hospital doors for the first time. And that made me see that I could never do any other work without a public impact." Weaver now spends his days in the guts of the Veterans Administration, helping the agency's digital team upgrade their systems and website—and trying to reboot the way government works. As an early test to see if he could challenge the VA's protocol, he insisted, successfully, that his official government title be Rogue Leader. And so he is: Rogue Leader Weaver.

Todd and Mikey—the ones who helped bring people like Eric Maland, Lisa Gelobter, and Weaver down here—are, respectively, Todd Park, the former chief technology officer of the United States, and Mikey Dickerson, who led a team of 60 engineers at Google and supervised the crew that fixed the Healthcare.gov website last year. Since that time, Park and Dickerson have been steadily recruiting an elite digital corps—a startup team, essentially, built

mainly from the ranks of top private-sector companies—and embedding them within the U.S. government. Their purpose is to remake the digital systems by which government operates, to implement the kind of efficiency and agility and effectiveness that define Silicon Valley's biggest successes, across everything from the IRS to Immigration Services. "We've got about 140 people in the network right now," Park says of the digital team. "The goal is to get it to about 500 by the end of 2016." Whether Park and Dickerson can find enough superstar techies to take a flyer on this risky project is just one of many concerns. There are bigger questions, too, such as whether a small number of technologists can actually bring about vast changes within the most massive, powerful, bureaucratic regime on earth.

It helps that the two men have substantial "air cover," as President Obama describes it in an exclusive, in-person interview with *Fast Company*. For the past year, the president explains, he has personally helped Park and his team hire talent and implement their ideas across a host of government agencies. While the reasons behind this initiative and its scope have not been made clear before, in the president's view, the idea of building a "pipeline" of tech talent in Washington starts with practical appeal: Better digital tools could upgrade the websites of, say, the Veterans Administration, so users get crucial services that save time, money, and (for veterans in need of medical help) lives. "But what we realized was, this could be a recipe for something larger," the president explains. "You will have a more user-friendly government, a more responsive government. A government that can work with individuals on individual problems in a more tailored way, because the technology facilitates that the same way it increasingly does for private-sector companies." In other words, if Obama's tech team can successfully rebuild the digital infrastructure of Washington—an outcome that is by no means certain yet—you might not only change its functionality. You might transform Americans' attitudes about government too. And you might even boost their waning feelings of empowerment in an ideologically riven country of 320 million people.

In the meantime, do you also end up with a dedicated group of Rogue Leader Weavers where none existed before? Tech geniuses who embrace public service as an essential element of their careers? The president is betting on that outcome as well. Get the country's technologists to change Washington, the theory goes, and maybe—just maybe—you end up changing the country's culture of technology, too.

The new hub of Washington's tech insurgency is something known as the U.S. Digital Service, which is headquartered in a stately brick townhouse half a block from the White House. USDS employees tend to congregate with their laptops at a long table at the back half of the parlor floor. If there's no room, they retreat downstairs to a low-ceilinged basement, sprawling on cushioned chairs. Apart from an air-hockey table, there aren't many physical reminders of West Coast startup culture—a lot of the new techies are issued BlackBerrys, which seems to cause them near-physical pain. Nevertheless, the corps at USDS tends to rely on the same jargon you hear around Silicon Valley these days. They'll say they're here to "iterate," or to "deliver product," or to "JFDI" (that is, just fucking do it). When I wander downstairs one morning in late April, Ben Maurer, a young engineer on sabbatical from Facebook, is huddling with a few colleagues on a project for the Department of Defense. "I'm not just fixing bugs here," he informs me, looking up from his laptop for about a nanosecond before going back to his coding. He seems tired but pleased to work on something big—in this case, to map out a broad digital structure for an upcoming project at the mammoth agency.

To a certain extent, the Obama administration has always been a comfortable place for techies like Maurer; the president—whose 2008 campaign was arguably the most convincing demonstration at the time of social media potential—was the first chief executive to appoint a chief technology officer and, more recently, a chief data officer. "Government has done technology and IT terribly over the last 30 years and fallen very much behind the private sector," Obama says. "And when I came into government, what surprised me most was that gap." But creating high-level positions like the CTO was a route to better government

"WHAT WE REALIZED WAS, THIS COULD BE A RECIPE FOR SOMETHING LARGER," THE PRESIDENT EXPLAINS. IF THE TECH TEAM SUCCEEDS, IT COULD TRANSFORM AMERICANS' ATTITUDES ABOUT GOVERNMENT.

technology *policy*, not necessarily better *operations*. Besides, the immediate priority was addressing the economic crisis and resolving military entanglements.

Tech moved up on the punch list in 2013 due to a new crisis: the Healthcare.gov fiasco. When the president's key legislative achievement was mortally threatened by a nonfunctioning website, Todd Park, as CTO, was among those asked to help rescue the endeavor. Before his stint in government, Park had started two medical IT companies now valued at over a billion dollars each, and it was that experience, not policy or politics, that he called upon. Park recruited Dickerson from Google, as well as a half-dozen other engineers. This small team, working around the clock in Maryland, fixed the site in seven hectic weeks. Not only did the effort "save the president's baby," as one former White House staffer puts it, it crystallized within the administration the impact that just a handful of deeply talented techies could have on our government's functionality. And it prompted Obama, Park, and their colleagues to wonder: Could an infusion of West Coast tech talent become permanent? What might that achieve?

As it turned out, there was a model to follow. The British government had demonstrated that the best digital practices from the private sector could be applied to the public realm with transformative results, through an initiative known as the Government Digital Service. (A columnist at the *Guardian* newspaper lamented that he couldn't invest in the GDS, even though it seemed like the best tech startup in Europe.) Park, meanwhile, had already put some pieces in place: a program known as the Presidential Innovation Fellows, begun in 2012, which brought bright young technologists into government for 12-month stints; and a group called 18F, within the government's General Services Administration, that deployed graduates of the fellows program to other government agencies on a project basis.

"WE NEED BOTH KINDS OF PEOPLE," SAYS PARK. "PEOPLE WHO CAN HACK THE TECHNOLOGY AND PEOPLE WHO CAN HACK THE BUREAUCRACY."

With the backing of the president, Park scaled up his recruiting efforts. His outward-facing policy job became focused on building an internal tech team. Dickerson had returned to the West Coast after Healthcare.gov—his goal was to sleep as much as possible for several weeks straight. But in May 2014, he came back to Washington for a meeting with Park, who harangued him late into the evening at the Shake Shack in DuPont Circle, the favored hangout of the West Coast techies. Park wanted Dickerson to pick up where he left off at Healthcare.gov and lead a new and more ambitious project. The two were gently kicked out of the restaurant by a manager locking up for the night. But by that point, Dickerson had decided to commit to running a new central technology bureau. The USDS opened for business a few months later.

One morning in late April I sat down at USDS headquarters for several hours with Park, Dickerson, and Haley Van Dyck, who, with Dickerson, helps run the USDS. If the president is effectively the CEO of the White House's tech startup, Park would be its chief strategist. He is excitable and charming, with a cyclonic energy that helps explain why he's been so successful as a talent recruiter. When he talks about two ideas, or two people, that he very much likes, he blurts out, "This is a total double-helix of awesomeness!" In describing the level of difficulty the new tech team in D.C. faces, he exhorts, "This is DARPA meets the Peace Corps meets SEAL Team Six!" ("Todd is the most enthusiastic person I know," says Obama.) Dickerson, by contrast, does not emote. In fact, Dickerson comes off at first glance as grumpy and rumpled—someone who, in a not-too-distant era, might have made an excellent clerk in a video-rental store. Then you talk with

Todd Park has just 18 months—until the Obama administration ends—to recruit a tech corps of 500.



"WE CAN GET A REALLY BIG PAYOFF"

him and wish to take your first impression back. Dickerson is an uncommonly skilled engineer with a deadpan wit and an unflappable nature. When I ask how he feels about the tech surge scaling up, he says, "Yeah, I'm losing all that free time I had." His business card carries no title but reads DON'T PANIC. Park calls him Buddha.

Outsiders often make the mistake of perceiving Washington's technical problems as the result of a dearth of engineering talent. This makes it tempting to frame the current wave of hires from Google and elsewhere as a wartime tactical team moving in to save us from the city's existing coding barbarians. But this is not quite correct. For one thing, the people Park and Dickerson are luring here aren't just software engineers; they're data scientists, user-experience gurus, product managers, and design savants. For another, these people are being matched with government insiders who can advise them on how to deploy private-sector tools like Amazon Web Services, for instance, that have long been considered forbidden within the Beltway, or how the procurement of contractors can be improved. Usually this involves cutting a jungle path through thousands of pages of overgrown government regulations. As Park says, "We need both kinds: people who can hack the technology, as well as people who can hack the bureaucracy."

The complexity is formidable. If you put your engineer's hat on, Dickerson says, you can look at government's approach to tech and decide that it's pretty much insane. But if you consider it as an anthropologist might ("If you're studying this alien culture," he says, "and you ask, Why do they behave so strangely?"), you see that D.C. has developed its dysfunctions for deep, structural reasons. For instance, Washington has plenty of smart people, Dickerson says. But they have been removed from the extraordinary growth—only occurring during the past decade, really—of the handful of West Coast companies that can now manage "planet-scale websites," as Dickerson puts it.

Above all, there is the inertia of the past. One of the first lessons Dickerson learned about D.C. when he arrived was that the city traditionally conflates the importance of a task with its cost. Healthcare.gov ultimately became an \$800 million project, with 55 contracting companies involved. "And of course it didn't work," he says. "They set aside hundreds of millions of dollars

IN AN EXCLUSIVE AND WIDE-RANGING CONVERSATION, THE PRESIDENT EXPLAINS HIS TAKE ON WASHINGTON'S TECHNOLOGY PROBLEMS—AND HIS SOLUTIONS.

INTERVIEW BY ROBERT SAFIAN

Fast Company: *From the outside, looking at all the different things that your digital teams are doing, it can feel diffuse, because it is dispersed. What are the overarching goals here?*

President Barack Obama: If you think of a startup, you figure out, Is there something big enough that is worthwhile doing? How do you get the best people on board? How are you going to make sure that you're serving your customer out there well? And what we've tried to do with the U.S. digital team—and our whole conception of technology generally—is to identify some big projects that will impact a lot of people. Because of this upgrade in technology, in delivery systems, in data . . . x million people are getting their veterans benefits faster. Or x hundreds of thousands of people are getting their green cards processed more efficiently. Or x thousands of small businesses are having their loans processed more effectively.

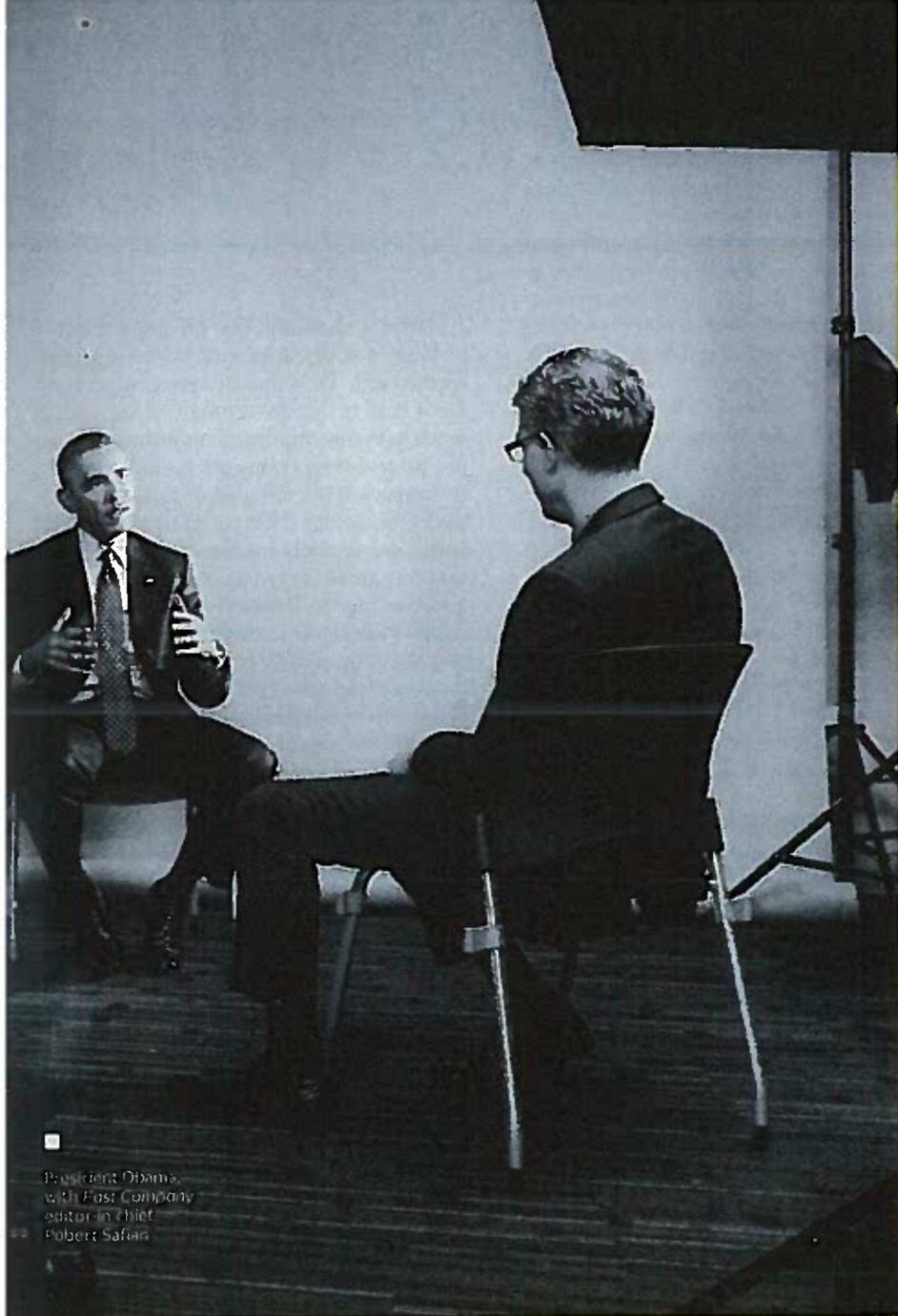
Although it's true that this is something that we hope ultimately will touch all of government, we know there are very specific areas where, if we leverage the best technology teams in the world and we pair them up with some really effective government managers, then we can get a really big payoff.

Do you have a vision where it all comes together and turns into something bigger? You know, the federal government is full of really smart people, with a lot of integrity,

who work really hard and do some incredible stuff. And it's on par with the private sector on all those measures. But technology [has been] terrible. And for me, given that our campaigns both in 2008 and 2012 were built on being at the very cutting edge of social media and technology and empowering people and speed and nimbleness, to see how lumbering this thing was, that was pretty distressing.

So I started working fairly quickly to say, This wasn't good enough, how do we make it better? We started putting more emphasis on technology and IT in each department. But I'll be honest with you. With all the crises we were dealing with—the economy collapsing, the auto industry on the verge of collapse, winding down wars—this did not get the kind of laser focused attention until Healthcare.gov, which was a well-documented disaster, but ended up anyway being the catalyst for us saying, "Okay, we have to completely revamp how we do things." The results there were so outstanding, and because we discovered that there are folks at Google and Facebook and Twitter and all these amazing firms who really wanted to find some way to engage in public service—and many of them could afford to do so because they had done very well. . . .

To go back to your original question, if we are able through the U.S. digital team to recruit a baseline of talent and create a pipeline—on a regular basis, top technology folks are cycling in for a one- or two-year stint,



President Obama
with Fast Company
editor in chief
Robert Safian

making a difference and improving the lives of veterans or improving our education system, or just making sure that social security network is operating efficiently. And if we build that culture of service, then, what I do believe will happen is the government as a whole will start thinking about its relationship to citizens differently.

And that can be transformative—not only in terms of people getting better service or government being more efficient, but in changing people's attitudes about government.

So the stakes here are making the government more competent, more efficient, more impactful?

Absolutely. Well, look, here's what we know historically: That societies where there is no effec-

tive functioning government don't do very well. Societies where government is all-consuming and quashes the private sector, they don't do very well either. What you want is a partnership between a robust market-based system where people are innovating, and it's dynamic, and things are moving fast, but you also want a government that makes sure roads are built and schools are teaching the next generation what they need to know and are willing to invest in things like basic research that serve as the foundation for private sector success and discovery . . . and has enough basic rules of the road so they aren't spilling a bunch of sludge into the water, and the air is breathable. And, you know, our private sector thrives because we historically have had a very effective government. Now, over the last several years that has become more ossified and stuck. And it hasn't kept pace with changes in technology. And part of what we're doing here is to yank government—upgrade it, patch it, and ultimately transform it so that it is responsive and can interface with this new private sector in a much more effective way.

Are there things you have learned from having these technologists around?

Well, it's probably not as much of a culture clash for me, for the reason I mentioned earlier: Our campaign was built around these guys. We were some of the first users of Facebook, MySpace. I had a bunch of 23- and 25-year-olds, tinkering around, and the next thing you knew they had created some new application and they'd explain to me how it was working and why it was that eight people in Idaho without any staff or direction had suddenly organized a 15,000-person meeting. Right? And I started paying attention.

And so I was pretty familiar with—and pretty comfortable with—working with our tech folks. I think where they're having more of an impact is in their interactions with the agencies, and the IT teams at the VA, or at HUD, or some of these huge organizations that contain a lot of excellent people but have been so stifled sometimes by this rule, or this statute, or this traditional approach to how we do something. And so, part of the reason why we've been successful so far is I have essentially provided air cover for these teams because I can call up the secretary of transportation, or HUD, or the Small Business Administration, and say, "I want this to happen. And I don't want us to find a reason not to do it just because it hasn't been done before. And I want us to bring together a team to be as creative as possible."

And by loosening up some of those constraints, our team then can come in and, I think, be really successful. So that's been more than anything the adjustment. I think there are some things we're going to have to institutionalize to take full advantage of some of those changes in culture. And probably the best example is how we have, (Continued on page 91)

**"WHAT WE'RE DOING
HERE IS TO YANK
GOVERNMENT—
UPGRADE IT, PATCH IT,
AND ULTIMATELY
TRANSFORM IT."**

to build a website because it was a big, important website. But compare that to Twitter, which took three rounds of funding before it got to about the same number of users as Healthcare.gov—8 million to 10 million users. In those three rounds of funding, the whole thing added up to about \$60 million.” Dickerson believes that the Healthcare.gov project could have been done with a similar size budget. But there wasn’t anyone to insist that the now-well-established Silicon Valley practice of building “agile” software—rolling out a digital product in stages; testing it; improving it; and repeating the process for continuous improvement—would be vastly superior to (and much, much cheaper than) a patchwork of contractors building out a complete and monolithic website. In his *Fast Company* interview, President Obama remarks that he made a significant mistake in thinking that government could use traditional methods to build something—Healthcare.gov—that had never been built before. “When you’re dealing with IT and software and program design,” the president explains, “it’s a creative process that can’t be treated the same way as a bulk purchase of pencils.”

Which is not to say that replacing Washington’s culture with that of Silicon Valley should be the goal. Some hybrid of tech people who can innovate with patience rather than aggression may be more effective. Dickerson notes that government tech contractors, even the most skillful ones, face the arduous challenge of trying to repair an aging digital system without compromising any essential services. The method for issuing Social Security checks, for instance, relies upon old mainframe servers running on the dying COBOL computer language. “That’s fine, and it’s lasted them a long time,” Dickerson says. But the people who can maintain and operate that generation of technology are not going to live forever; indeed, many of them are past retirement age already. In this case, the West Coast mentality could be counterproductive. “There’s an attitude in the entrepreneurial private sector where we don’t care what came before us: We’re going to disrupt it,” Dickerson explains. “But we are not going to disrupt Social Security. That’s a big reason why it’s so hard to make these changes, because you can’t interrupt the flow of operations.”

Dickerson adds, “It will not work, and you will not go far, if you come here with a big attitude, saying, ‘You people are stupid, get out of the way and we’ll show you how it’s done.’”

Are there really people like that in the Valley? I ask.

Dickerson laughs. The people he’s directing, he says, tend to be the more humble types. And the folks interested in curated meals and big equity packages and uncompromising disruption didn’t come east to help him. This is not the place for them anyway, he says. They just wouldn’t get it.

We’re not choosing these types of people when we recruit, Van Dyck, the USDS deputy, adds. “And they’re not choosing us, either.”

The White House chief of staff, Denis McDonough, enjoys walking meetings, so one morning he guides me through the corridors of the West Wing and out onto the South Lawn, where we spend 25 minutes doing brisk laps around a circular driveway flanked by green grass and blooming gardens. McDonough points out the Rose Garden and relates a few historical tidbits about the White House grounds. But mostly we talk about the larger goals of the tech insurgency. As he sees it, the web and technology tools “flatten everything” by allowing Americans to engage with government more directly. So the notion that better tech will yield better democratic engagement is to both him and the president an aspirational—and logical—pursuit. But McDonough also believes there will be other immediate benefits. The transparency that technology enables (consider, for instance, how health insurance plans can now be easily compared online) will not only yield tremendous efficiencies. It can allow Americans to have better control over their own decisions—to interact with government in the same glitch-free way we do with iTunes or Amazon. “Why should we be immune?” he says. “Everything else is getting done faster. Why should this institution be different?” McDonough tells me that he admires how the tech insurgents have brought to D.C. their skills and collaborative habits, as well as what he calls a “hunger” for increasing performance. He stops walking and turns to me to say, “They are in an industry that has constantly reinvented itself and become more efficient. And that’s because at the heart of that industry is the belief that you’re going to get twice as good every two years, and that’s held for 50 years.”

“EVERYTHING ELSE IS GETTING DONE FASTER,” SAYS CHIEF OF STAFF MCDONOUGH. “WHY SHOULD THIS INSTITUTION BE DIFFERENT?”

There is no Moore’s Law for government—at least not yet. And another thing that McDonough, Park, and Dickerson must confront is that this government startup will never have the same lean, concentrated focus of a private-sector company. Indeed, the tech insurgency is not even being built all in one place. Dickerson’s USDS currently employs 37 people, but it is only one aspect of an endeavor that has grown organically and sprawls all over Washington. It doesn’t even have a proper name. Park tends to describe the new tech corps as a “three-layer cake.” USDS is the first layer—a group of technologists who strategize about what projects should become government priorities and which people should work on them. The second layer is 18F—a group of 90 technologists and designers who work within the General Services Administration a few blocks away. 18F takes its name from its address (the GSA building is at 18th and F Streets) and has informal ties to USDS, but it is essentially a service agency. The group can take on jobs from anywhere within government that’s in need of digital help. Unlike USDS, it doesn’t necessarily follow the president’s political priorities.

And the third layer? That would be the tech teams, ranging in size from five people to 50, that will be installed within 25 government agencies over the course of the next 18 months. These teams will consult regularly with USDS for guidance and may utilize 18F for its services. The first wave is being led by people like Lisa Gelobter, who was given the hard sell by the president in the Roosevelt Room and who now works in the Department of Education. Matthew Weaver, formerly of Google, leads another group at the Veterans Administration.

The “tech cake” is only a metaphor, of course. And while visiting the different layers of the cake over the course of a week, I began to wonder if it’s the wrong one. What the designers of this effort actually want to create is something more dynamic—in effect, a technology ecosystem that long outlasts their stints in government. In that regard, you might consider Washington’s tech landscape, as it currently exists, as a kind of brown and barren field. And on that field, consider each agency as having a fenced-in plot of land. The USDS works now as landscape architects—the ones who design what kind of trees and plantings will go in each plot, and who will do the work. The people at 18F function like a nursery and contractors—they’ll (Continued on page 90)

Obama and His Geeks

(Continued from page 66)

provide the healthiest trees and do the plantings, either on their own or via someone they trust. They'll even teach you how to be a good gardener. Meanwhile, the tech teams at agencies like Education and Veterans will take what USDS and 18F advise to make their plot flourish.

The overarching goal here is to get everything to grow together—very tall, very fast, inevitably joining up into a forest canopy so as to create a functional and interconnected system.

"If we're trying to build new services that serve the public good, then the mechanism by which we do that is by combined services talking to each and getting you what you want," says DJ Patil, another Silicon Valley recruit of Park's, who works closely with USDS and serves as U.S. chief data officer. Plus, he adds, "If we combine systems, what kind of cool, amazing things will we find? What happens when we bring together climate data with health information—can we understand how the changing environment is impacting our health?"

If it's still too early to say whether this technology ecosystem will flourish, it is nonetheless true that the tech surge has moved beyond its conceptual stages. Various teams are now engaged in rolling out projects. One day in Washington I spend the afternoon at 18F, a large, bright, open space, where teams of two or three work at white tables. The group has 15 contracted projects under way. "Our two primary areas are delivery and consulting," says Hillary Hartley, who leads 18F. Delivery, she explains, "is where we would build the thing for an agency—the website, the service, the online transaction, whatever." That's what most of the teams in front of us are up to. "Consulting is where we're helping the client do some of the design thinking, or problem scoping," so they can figure out what to buy from a vendor.

We sit down with a team trying to revamp the Peace Corps website, then we walk over to chat with another team that recently created a user-friendly analytics web page, analytics.usa.gov, that tracks which government websites are trending (a National Weather Service page usually tops the list). The goal here is to reveal how U.S. citizens use government websites, and to spark healthy competition among agencies to create more popular services. In keeping with the tech corps' guiding principles, everything is open source, so outsiders are free to adapt the program. And they do: A few weeks after the analytics website went live, Philadelphia used the program for its own analytics website, which the 18F team considered a measure of success. Thanks to their open-source code, they had improved government without doing any extra work.

We visit another team at a nearby table. At this point, probably the most important work at 18F, done in conjunction with USDS, involves overhauling the Immigration Services website. 18F is helping to redesign the site to drastically improve the user experience—for instance, by simplifying searches to aid those whose facility with English may be limited. Meanwhile, USDS is laboring deep beneath the surface. One of the initial goals is to rebuild the technology for a form known as the I-90. It's how legal immigrants whose green cards are lost or stolen apply for a replacement, and the current process—paper-based and slow—can take as long as eight months. In creating a digital tracking form and a better online application, the designers think they can reduce the time to a fraction of that.

And that's only one bureaucratic improvement at one agency. There are dozens of other forms on the Immigration Services website alone, which hints at the scale for improvement. "This is a \$75 billion technology market," Andrew McMahon, a cofounder of 18F along with Hartley, says of the annual government IT budget. "So if you wonder, How far can we reach? Well, I think it's kind of limitless." Hartley, for her part, notes that 18F couldn't actually capture all of that IT work. "Our underlying goal is to make better clients, and to make the agencies understand a new way of doing things," she says. "We're never going to be big enough to take on the \$75 billion market. But we will be big enough to help people out there make better decisions on how to build, or buy, their digital services."

The paradox here is that when the tech teams succeed with a project like the I-90 form, or with any retooled government website, users likely won't think much about it. It will be fast and intuitive. It will not crash when you use it. And you will then get on with your life. When I ask Dickerson what USDS's biggest win has been since its start, he points to the open-enrollment season for Healthcare.gov, which went smoothly this year as compared to last year's debacle. "That's a big accomplishment," he says, "but we don't have any coverage of it because there's nothing to say. The train wreck didn't happen. We're proud of that."

The biggest problem with assessing tech startups is that most of them sound pretty good at the start. And even if you know the odds going in—that by some estimates, nine out of 10 will fail within a few years—it doesn't necessarily dim the shine of a new idea. Without question, a tech startup of 100-plus people, backed by the president and working deep within government, differs from a startup involving three guys in a Palo Alto crash pad cluttered with fast-food wrappers. As Park perceives the government mission: "This may be more like what some large corporations have done to basically disrupt themselves." Still, if you were a VC trying to game out the odds of success here, you might go through the risk factors facing the U.S. Digital Service, 18F, and

the tech teams now growing within various agencies. As a risky and ambitious startup, how do they measure up?

First, there's what we might think of as "talent risk"—as they scale, are these the right people for the right job? Tech managers like Dickerson and Weaver already proved their mettle during the Healthcare.gov rescue, and the folks now being lured to D.C. by Park's team are arguably among the industry's best. They are screened not only for IQ, but for EQ (that is, emotional intelligence). So they seem to pass that test. And that means we might next consider the risks of the tech corps' resources: Do they have the wherewithal and organizational structure to make this take root within government?

There are a number of reasons, some highly technical, to think the corps have a reasonable chance. One should never underestimate the difficulty of getting Washington to move forward quickly—or logically. What's more, budgets can always be vulnerable to political fights in congress. But the architects of the USDS—especially Park, Dickerson, and Van Dyck—made sure that their bureau was ensconced within the Office of Management and Budget, which gives the techies muscle within various agencies and an ability to influence various IT budgets and lines of command. What's more, with the solid backing of the president and his chief of staff, the USDS has enough of what Dickerson calls "hard power" to fix important problems around town. Quite simply, the president can (and does) ask his cabinet secretaries to take seriously any USDS overtures to work on projects within their agencies.

What about the market risk? Will there be enough business in D.C. for the tech teams? If you've ever been on, say, the U.S. Department of Education's site, it's a question that answers itself. Van Dyck tells me "there are now lines around the block" to tap the USDS's services. McDonough, the chief of staff, says, "Those guys"—the USDS—"went over to brief the secretary of defense and he said, 'I'm sold. Give me 10 teams.'" The techies' market demand is further buttressed by a lack of competition. The USDS is helping agencies find the best contractors, not competing with contractors or agencies. So, arguably, they pass this test too.

An unresolvable risk nevertheless hangs over the whole endeavor: the risk of running out of time. Many of those working with USDS talk about getting to "escape velocity," which means getting the speed and momentum necessary, much like a rocket at liftoff, before Obama's second term ends. "We have 630 more days," Dickerson tells me in late April. "We have booster rockets for those 630 days to get us into orbit. If [USDS] achieves a stable orbit in that time, then it will be here for a generation, or maybe longer." And what if the next U.S. president has a different agenda? In a number of conversations, I came away with the impression that improving government technology is less politically



and employees expect more, a CEO in the maelstrom just like them. Authenticity of the sort Legere projects is what moves merchandise. Even if it's just an act.

Legere seems to go out of his way to convince people he's a lunatic. In the middle of my interview with T-Mobile's straightlaced COO and CTO together at the company's Bellevue, Washington, headquarters, Legere—as if jacked up on jelly beans—pulls up to the conference room on his custom-designed Segway, which flaunts magenta-rimmed wheels (or “magenta,” as T-Mobile's all-male executive team refers to the brand's electric shade of fuchsia). Later, while I talk with another company executive, Legere pops his head into the office, and with a magenta-hued bullhorn, reenacts the kind of attention-seeking antics that got him thrown out of Catholic school in the small Massachusetts mill town where he grew up, the middle of five kids. “This is taking way too long!” he blasts, banging impatiently on the horn's button.

When I finally reach his corner office, Legere shows off the paraphernalia that comes with being a CEO-slash-performance artist. He props his feet on his desk, giving me a close-up look at his hot pink Converse high-tops embossed with T-MOBILE CEO on the side. His feet rest next to a Legere doll, a 10-inch replica of himself that's been mass-produced and has its own smack-talking Twitter feed. (@LegereDoll has 2,589 followers to @JohnLegere's 1.3 million.)

This is not what T-Mobile's conservative German owner Deutsche Telekom was buying when it hired Legere in September 2012. Legere was a suit, a Brooks Brothers catalog model with a slicked-back Gordon Gekko 'do. He had been CEO of fiber-optic networking company Global Crossing—an even bigger dog than T-Mobile when he took it over in 2001. Legere had to declare bankruptcy within months of his appointment and submit to being grilled in congressional hearings. Yet he dug the company out of the mess he inherited, and it was acquired for \$3 billion in 2011.

Despite his chops as a turnaround expert, when Legere became CEO of T-Mobile the following year, he felt vulnerable. Most of his career had been in telecom, but wireless was a specialty that he now admits he didn't understand. His doubt evaporated only after he spent evenings during his first few months on the job listening in on T-Mobile's customer service calls, a visceral window into the public's angst. “None of the [technology] mattered,” he tells me, his hand now anchored to a jumbo-size iced coffee, black. “There was this plethora of hatred for this industry and this never-ending list of things people wanted to change. They didn't want to know what I don't know. They don't care!”

Legere has spent his life defining himself against an opponent. A star runner in high school, he says he keeps tabs on his alma mater and still holds “most of the [running] records.” He rattles off the name of the guy who was the youngest officer in AT&T history until Legere took the crown. (Yes, Legere worked for one of “the pricks”

for nearly two decades.) When Legere talks about competition—one of his favorite topics—much of the thrill appears to be in inflicting pain. “Winning is fun,” he says, “but when somebody else can lose, it's even funner.”

The wireless business, where you can only grow by poaching customers from your rivals, turned out to be tailor-made for Legere. “Declare victory, designate an enemy. Attack that enemy,” he grins. “The bigger the enemy, the better.”

Legere's official debut came four months into his tenure, at the annual Consumer Electronics Show in Las Vegas in January 2013. He had already started to loosen up his wardrobe now that his customers were millennials and not milquetoast CIOs. “Open coat, nice collared shirt” is how Legere's longtime friend David Carey, T-Mobile's EVP for corporate services, describes Legere's first steps toward finding the clothes that would make the man. “It was very Silicon Valley-like,” he says.

But Legere began to worry he still looked like too much of a suit. “We were up in the suite,” Carey says, recalling the night before T-Mobile's press event at CES, “and he said, ‘What should I wear?’ And I said, ‘I don't know, look at me. What the hell are you asking me for?’” The two fiftysomething dudes bantered for a bit, until Carey suggested “this cool hipster kind of sport coat that he had just gotten.” Legere was receptive but still flummoxed. “What shirt?” he asked. Carey told him, “I'm not a fashion guy, but I think you're supposed to wear one of those T-shirt kinda things to get that cool look going.”

Legere came up with a twist. *What if it was a magenta T-shirt with a giant T on it?* Vegas, baby, Vegas. They had the T-shirt made overnight.

When he showed up at the Venetian hotel the next day for his first public introduction to the technology industry as T-Mobile's new CEO, Legere had accessorized the hip sport-coat-over-a-T-shirt look with a dangling silver chain and a chunky white plastic watch. He donned a New York Yankees cap in a nod to a partnership with Major League Baseball.

Legere had a script, but something about his sartorial transformation encouraged him to scrap it. He had all those frustrations coursing through him from listening to those customer service calls, so he channeled that. “My head exploded,” Legere says now, “and I just went on a rant about the wireless industry (Continued on page 95)

When Legere talks about competition, much of the thrill appears to be in inflicting pain. “Winning is fun,” he says, “but when somebody else can lose, it's even funner.”

fraught, and less partisan, than other Obama initiatives—yet it still might be the case that a future administration dismantles what Dickerson and Park are building, or even eliminates the office of chief technology officer. “I don’t personally worry about it a ton,” Dickerson says with a shrug. “Because the things we set out for ourselves just for the next two years—I mean, if we accomplish just those things, it will be worth all the effort, even if it all goes up in smoke just after.”

The people at USDS and 18F don’t seem to doubt that they’ll have an impact. Indeed, they believe it is obvious already. By constantly testing their software with users, they can gauge improvements in real time. Some of those upgrades may seem minor now, but they should, in time and in sum, add up to something significant—and perhaps something very big. Even if you never go onto the improved Veterans or Immigration websites, you may soon find that, say, the Federal Student Loan pages (a forthcoming project of Dickerson’s) are improved so that better information and clearer navigation increases participation and reduces defaults. And it doesn’t seem to matter, in this case or others, that USDS teams as small as

five or 10 people will be working inside agencies that are much larger than Google, Apple, or even General Motors. As the Healthcare.gov rescue effort demonstrated—or, indeed, any successful startup in Silicon Valley can prove—a very small number of tech people can have a disproportionate effect.

There is another side to the impact question as well: What about the effects on the recruits themselves? In terms of looking for meaningful work, the tech industry may not be what it was; one running joke on HBO’s *Silicon Valley* is that everyone has been led to believe that they’re changing the world with their app or algorithm, even when they obviously aren’t. Meanwhile, at the actual Silicon Valley companies that have genuinely changed global culture and business—Google, Apple, Facebook, Twitter—there may be a different dynamic. As those companies grow ever larger, the contributions of individual engineers may seem proportionately ever smaller. At least so far, these factors have created a pool of top-tier candidates open to taking on other kinds of work with depth and import. And the point for Obama is not to sell these candidates on a career in government, but rather to enlist them in a stint of a year or

two at USDS, or even a few months. For decades, accomplished lawyers and economists have worked in the capital between private-sector jobs, so why not technologists? “What I think this does,” says Megan Smith, the current U.S. chief technology officer, who spent much of her career at Google, “is really provide a third option. In addition to joining a friend’s startup or a big company, there’s now Washington.”

This idea appeals greatly to the president—in fact, it was built into the USDS design from the start. “I’m having personal conversations with folks, meeting with them, or groups of them, and pitching them,” Obama says. “And my pitch is that the tech community is more creative, more innovative, more collaborative and open to new ideas than any sector on earth. But sometimes what’s missing is purpose. To what end are we doing this?” As the president explains, he asks potential recruits, “Is there a way for us to harness this incredible set of tools you’re developing for more than just cooler games or a quicker way for my teenage daughters to send pictures to each other?” For the time being, at least, there seems to be. HBO might want to consider an on-location shoot. ●

gertner@fastcompany.com

Obama Interview

(Continued from page 65)

in the federal government, purchased IT generally. Part of the problem with Healthcare.gov was not that we didn’t have a lot of hardworking people paying attention to it, but traditionally the way you purchase IT services, software, and programs is by using the same procurement rules and specification rules that were created in the 1930s... What we know is, the best designs and best programs are iterative: You start out with “What do you want to accomplish?” The team starts brainstorming and thinking about it, and ultimately you come up with something and you test it. And that’s not how we did Healthcare.gov.

It’s something, by the way, I should have caught, I should have anticipated: That you couldn’t use traditional procurement mechanisms in order to build something that had never been built before and was pretty complicated. So part of what we’re going to have to do is just change culture, change administrative habits, and get everybody thinking in a different way.

Arguably the next killer app for tech would be online voting. That’s a state and local issue, but I wondered whether you think that it’s something that should be a priority for technologists?

Absolutely. So we’ve been talking about the U.S. digital team, and a lot of this is: How do we deliver services better to customers? But there are other aspects of this process that we are trying to

develop. We want technology to help shape policy. Think about our big data projects. We know that in the same way that the National Weather Service or the development of GPS and satellites created entire new ways that people organized their lives, that in health care, for example, there are going to be transformations taking place because of the ability to collect and analyze data and then transmit it in very individualized fashion to people.

And so in our policy making, we’re trying to make sure that insights and knowledge coming out of tech are informing how we think about regulations, how we think about opportunities to solve big challenges. But there is a third part of this. And that is: How do people engage and relate to their government? You know, our constitutional design is remarkable; it has lasted for many years. But it’s no secret that many people feel alienated and distant from government. And I think the opportunities for us to think about how tech can empower citizens and make them feel ownership for their government is really important.

Some of it is as simple as giving people quick, easy access to information about how taxpayer money is spent, or improving transparency, or being able to navigate a site easily. But eventually, what we should also be thinking about is, How can technology enhance the experience of democracy? How can we make it easier to vote? How can we make it easier for like-minded citizens to petition their government in a way that is meaningful? And so, a lot of what we’re doing

now, I believe, is just scratching the surface of potential. And I look at my daughters, who are, as every teenage kid is today, completely fluent in technology and social media. They might not go to a town hall meeting physically, the way their grandmother might have around some issue, and sit through a two-hour debate. Because they’re just used to things moving faster. But we can imagine creating a corollary process for them that is consistent with how they interact generally. We can think of apps that promote engagement and the power of people.

Their expectations are different, and how they build communities are different. They might be less geographically based. So that’s stuff that we’re spending a lot of time thinking about as well. And this is not something that I believe will be done in two years, by the end of my term. The most important thing we’re doing is building a pipeline, a set of traditions, in which really smart folks from the private sector can come in, and hopefully a tradition whereby the president recognizes what a powerful tool that is and is providing them the space to do their thing. When I’m out of government, I’ll continue to be working on promoting social change and building platforms and engines for social change, and I think the experiences I’ve had here will enhance that. But this is something that all of us in every level of public life should be thinking about. Because ultimately our goal is—or should be—to make “we the people” mean something in a 21st-century context. And I think this is part of that process. ●

Starbucks

(Continued from page 74)

and offered three bullet points for possible sentiments to convey, including, “Our company feels responsible to do our part as the country faces ongoing racial tension.”

It didn’t take long for #RaceTogether to start trending online. Just 24 hours after the initiative launched in stores nationwide, public affairs VP Vivek Varma told the board—incidentally in another meeting, this time in Seattle—about the negative reaction on Twitter. Varma and the board spent five or 10 minutes discussing the hiccup, but it was too early to fully appreciate the PR disaster looming. No one suggested pulling the campaign; they figured Schultz and Hobson (who is black) could give it more context at the company’s annual shareholder meeting the next day. “It was happening in slow motion,” Hobson says. “The difference between that Tuesday [when we met] and Wednesday was dramatic.”

It kept going. “Honest to God, if you start to engage me in a race conversation before I’ve had my morning coffee, it will not end well,” tweeted *PBS NewsHour* anchor Gwen Ifill that Tuesday afternoon. Communications chief duBrowa, feeling “personally attacked in a cascade of negativity,” disabled his Twitter account, which some saw as a symbolic end to the “dialogue” on race. Many also noticed that of the 19 members of Starbucks’s own leadership team, just two are black, which fanned the flames. By Sunday, John Oliver was blasting the initiative on his HBO show, joking that “it’s pretty clear no one has said no to [Schultz] in 25 years.”

Like most Twitter witch hunts, the stake-burning didn’t last long, perhaps because so many people wrongly believed Starbucks had decided to cancel Race Together. Starbucks, however, remained committed. “The irony is, we did create a national conversation—not how we intended, but you learn from mistakes,” Schultz says. He adds that he feels that the campaign was misconstrued—that Starbucks never envisioned baristas and customers solving the racial divide over caramel macchiatos.

This contradicts what Schultz himself said when introducing the initiative to partners. (“What if we were to write RACE TOGETHER on every Starbucks cup, and that facilitated a conversation between you and our customers? ... If a customer asks you what this is, try to engage in a discussion.”) But there were other, more egregious problems with the rollout. For one, it’s a mystery why Starbucks didn’t heed its team’s own warnings about potential pitfalls; strategy officer Matt Ryan tells me the company did no market research to vet whether Race Together would resonate with the public, a decision both refreshingly authentic and inexplicably naive. Second, the messaging was tone-deaf. The press release,

which led with “It began with one voice,” all but heralds Schultz as a savior: “As racially charged tragedies unfolded in communities across the country, the chairman and CEO of Starbucks didn’t remain a silent bystander.” Critics have also lambasted the company for leaning on its low-wage workers for such emotionally taxing labor. While Starbucks says participation was voluntary, it’s evident the company didn’t think through even the most basic repercussions of this dynamic. (For example, if a store manager or employee chose to opt out of the program, would he or she be perceived as disloyal, or even racist?)

How could Starbucks get something so important so wrong? Chris Carr contends that the company was swept up and “misled” by the success of the partner forums; Starbucks simply assumed that its goodwill would engender public support. Hobson feels there’s a greater force at play. “I told Howard this would be hard—that this conversation would get people worked up,” she says. “Because the de facto suggestion to white people, I believe, is that they’re somehow being called racists. America has a shame about our history around race.” (As for John Oliver’s comments, she says, “There are plenty of times we’ve disagreed and said no to [Schultz].”)

Schultz has less patience for the Monday morning quarterbacking. “We made a tactical mistake. So what?” he says. “We’re moving forward.”

If Starbucks wanted to see what an effective campaign for social change looks like, it only needed to wait a week. In late March, Silicon Valley rose up against “religious freedom” legislation in Indiana and Arkansas that many worried would discriminate against the gay community. Salesforce CEO Marc Benioff led a fleet of high-profile technology executives, including Apple CEO Tim Cook and PayPal cofounder Max Levchin, in protesting the bills. (When Schultz witnessed the groundswell, he immediately emailed Benioff, lauding his efforts, but recalls explaining that “given how hot the brand of Starbucks was” from Race Together, he “thought it would be ill-advised for me or Starbucks to stand with [you all], because it would potentially cause [you] problems.”) Benioff even threatened to reduce Salesforce’s operations in Indiana, where the company is the state’s largest technology employer. Soon, the CEOs of Marriott, Walmart, and Gap lent their voices, too, and the states’ governors retreated.

To many, it was a perfect display of CEO activism. In leveraging their economic influence, these executives had an unbeatable argument: this legislation is not only morally wrong, it’s bad for business. The effort served as a loud juxtaposition to Starbucks’s campaign. Whereas Race Together seemed top-down, this demonstration seemed organic and democratic. In Schultz’s view, these CEOs “used social media as an advantage to them, converse to our situation.” Then there’s the larger, more fundamental difference: CEOs seemed willing to speak up about gay rights but not about racial inequality. Sounding upset

and acknowledging how he’ll “probably regret saying this” since “many of [them] are friends,” Schultz reveals during the Atlanta forums weeks later that “I have not heard from one CEO in America, black or white or Hispanic, to say, ‘Is there anything I or my company can do to help, assist, or support what you’re trying to do as a result of Race Together?’ Not one.”

When I ask Benioff about Race Together, he simply says that Starbucks had an “execution problem.” In contrast to many of Schultz’s other social-good initiatives, he says, “Race Together was not well-executed, and he paid a price for that, just as he would if he had launched a product that was not well-executed.”

Julian Bond, the longtime civil rights leader and former NAACP chairman, was a strong advocate for the gay community in Arkansas, working with the Human Rights Campaign to condemn the controversial legislation. But he becomes increasingly anguished when we talk about Starbucks, not because of Schultz’s missteps—he’s proud of the company for taking a stand—but because it solidified to him how little support there is for black issues in general. “My impression is American corporations are generally more eager to stand for gay rights than black rights, and they ought to be equally progressive,” he says. “The tech industry is so bad with respect to racial diversity, but that’s no excuse. All this is depressing.”

Throughout my reporting for this story, I struggled to find business leaders willing to talk candidly about social and civic issues. Race, especially, was a topic no one wanted to touch. It could be that they simply don’t know what change they can effect, or whether their voices would even be welcome in the first place.

Asa Hutchinson, the governor of Arkansas who faced a public fight against Walmart CEO Doug McMillon over Hutchinson’s support for the state’s “religious freedom” measure, feels that companies would be better served by not engaging in social issues at all. “If they start entering into the world of social debate, they’re going to have everybody from Greenpeace to the Rainbow Coalition saying, ‘We want you to support our initiatives.’ Where do you draw the line once you start down that path?” he says.

Levchin, the PayPal cofounder, has dealt with this type of criticism firsthand. In a post entitled “The Discrimination Double Standard,” *Re/code* called him out for not addressing Silicon Valley’s gender disparities as forcefully as he did homophobia in Indiana and Arkansas. Levchin considers blowback like this inevitable, and recommends “picking your battles and sticking to them,” because if you try to anticipate cynicism or charges of hypocrisy you’ll ultimately talk yourself out of doing anything. “What if Howard Schultz read all the negative press for [Race Together], and said, ‘Fuck it, I’m just never going to start another controversial thing because all I get is flak in the press, while some people think I didn’t do enough?’” Levchin says. “I don’t think that’s how he should feel. He should feel like he tried his best,