The Conference launched the **OECD Observatory of Public Sector Innovation** to share knowledge and build innovative solutions together:

www.oecd.org/governance/observatory-public-sector-innovation
Introduction

Governments are operating in a new landscape. The public sector faces economic, social and environmental challenges; technology is revolutionising how citizens interact with government; individuals and organisations across society are forming new kinds of partnerships; and citizens are more informed, demanding and connected than ever.

Together, these factors create opportunities for new ways of thinking about government and how it works. The OECD Conference Innovating the Public Sector: from Ideas to Impact confirmed the central role that innovation has to play in supporting countries to navigate this landscape.

Innovation was not only the theme but also the modus operandi of the Conference which brought together more than 300 participants from over forty countries from the public, private, academic and civil society sectors. Participants learned how innovation labs work during a workshop organised in collaboration with MindLab; how to design and prototype public services in a workshop by Nesta; about disruptive approaches to digital innovation in a workshop organised by Futurs Public; heard innovators from the frontline share their stories during Innovation Talks; and discussed how governments can be best equipped to respond to the public sector’s imperative for innovation.

“Tried and tested doesn’t necessarily result in optimal”. Ms. Mari Kiviniemi, Deputy Secretary General, OECD opened the Conference by emphasising the role that innovation has to play in getting the best results for citizens by helping governments to find new ways of engaging and addressing their needs.
The discussions underscored that a strategic vision can support governments hoping to make systematic changes to welcome innovation. A vision can incorporate perspectives from within and beyond the public sector, and articulate how the capacity and capability for innovation will be developed and nurtured. Ministers from France, Spain and the United Kingdom responded to the Conference’s Call to Action presented in the Innovation Imperative to embed more innovation in government and expressed their vision of innovation going forward.
The OECD has set out a CALL TO ACTION to promote and enable public sector innovation:

Action 1: Focus on People
Action 2: Put Knowledge to Use
Action 3: Work Together
Action 4: Rethink the Rules
Innovation requires an understanding of people, be they government counterparts (citizens as users, clients, stakeholders and partners), or government agents themselves who are at the frontline of innovation.

Public servants are innovators

One overarching conclusion of the Conference was that public servants can and do innovate. Across all the sessions, presenters shared stories of the innovations that they see, use and are implementing themselves. During the Innovation Talks, participants had the opportunity to hear 14 frontline innovators share advice about how to innovate. Talks ranged from the role of evidence in innovation in the United States to how the police are using social media in Iceland, and how Turkey’s online application process for visas has now been reduced to three minutes.

Mr. Pasi Pohjola, Development Manager, National Institute for Health and Welfare, Finland, shares the benefits of open innovation during the Innovation Talks.
While public servants do innovate, another conclusion of the Conference was that they are often constrained in this regard. During the closing panel, ministers emphasised the importance of empowering public servants to provide them with the space and freedom to do things differently, and perhaps even better.

During the closing ministerial panel Mr. Francis Maude, Minister for the Cabinet Office and Paymaster General, United Kingdom, shared his observation that the desire for change is often strongest closest to the frontline of public service delivery.

Mr. Maude talked about public sector mutuals in the United Kingdom. Over 100 groups of public sector workers have chosen to spin out of the public sector as a mutual to deliver public services on a contractual basis with dramatic increases in quality, productivity and innovation.

Developing capacity for innovation is crucial

Innovation requires energy, creativity and entrepreneurship. This means that the public workforce is a strategic partner for innovation.

In the Breakout session: ‘Government Capacity for Innovation’, participants discussed the role that public managers have in enabling and supporting the development of the workforce and public organisations so that employees have the right skills and competencies, as well as the opportunities to put them to best use.

Key means for doing this include specifying appropriate competencies for civil servants and ensuring that they are managed well so that teams, units and organisations have people with the relevant set of skills and knowledge for the job.
Innovation depends on employees who are engaged and committed. Understanding how to motivate and develop staff can help governments ensure that employees can use their full range of talents and potential. This implies considering questions of management, organisational development, health and engagement.

Evidence and data on the workforce can help support the alignment of workforce capacity to innovation outcomes. By collecting, analysing and using the right data to develop appropriate strategies and human resource management policies, governments can better respond to the needs of staff, citizens, businesses and other stakeholders.

The profile of the workforce is also important. The public workforce needs to balance a diverse range of perspectives, in terms of gender, ethnicity, background and age. Innovation is more an art than a science, and task teams of diverse professionals bring more ideas to the table to develop innovative solutions.

Workshop: ‘Prototyping and Designing for Public Services’

One interesting new aspect of public servant skills that was discussed during the Conference is public service design. Workshop participants were exposed to what design means for public services, how it can provide new approaches and insights to help frame public service challenges differently, and in particular, hone in on user needs and the user experience.

While not every public servant needs to be an experienced designer, an awareness of and exposure to some design methods can help to better orient public servants’ thinking about users’ perspectives.

Workshop participants discuss services from the user’s perspective.
Finally, leadership is crucial to developing the workforce and ensuring that there are opportunities to innovate. Strong and transformational leadership is required to support employees. Leaders need to be trained to engage and lead, and need the right tools to do so.

During the discussion, participants concluded that to realise the potential benefits of innovation awards it is important to consider what all entrants (winners and contenders) to innovation award schemes should receive by way of follow up. This includes training to improve and expand projects, feedback, coaching and visibility. Rewarding the replication of existing innovations in new sectors and contexts could also help inspire others and promote better learning across the public sector.

**Workshop: ‘Beyond Innovation Awards?’**

The Workshop brought together public servants, teams managing innovation awards and innovation award winners to discuss the role, benefits and continued salience of innovation award schemes. This session highlighted how the use of innovation awards can influence staff motivation, shape organisational culture, and inspire further innovation.

**Mr. Sandford Borins**, Professor of Management, University of Toronto, Canada, shared his research about how applications to innovation award schemes can provide case studies or databases to enhance understanding of the process and outcomes of innovation.
Innovation necessitates the free flow of information, data and knowledge across the public sector. Shared information provides a basis for simplification, accountability and collaboration, and allows organisations to learn collectively across the public sector.

The digital revolution

It is clear that the use of digital technology is revolutionising the delivery of public sector programmes and services. Mr. Henri Verdier, Director of ETALAB, Public Data Portal, French General Secretariat for Modernisation of Public Action, argued that public services have a responsibility to take full advantage of the possibilities that this revolution in digital technology offers so that the public sector can be as competitive and adaptive as other sectors. Mr. Verdier noted that government also needs to see itself as a platform, making its data open and accessible so that it can be a resource to support creativity within society at large.

ACTION 2: PUT KNOWLEDGE TO USE
Workshop: ‘Disruptive Approaches to Digital Innovation’

The Workshop illustrated that the public sector is already making important use of the potential of digital technologies to improve access to public information and services for citizens.

Mr. Christian Quest, President of Openstreetmap, shared how his organisation is attempting to harmonise quality and accessibility to data in France, working towards a national open dataset.

Mr. Carlos Fernandez Guerra, Communications Director in the Spanish National Police, shared how social media is providing a new way for the police in Spain to solve crimes. (Read more about how the Spanish police’s use of social media helped them to track down a convicted murderer who had been on the loose for months on the Observatory blog.)

Knowledge for citizens

Knowledge sharing is not just about increasing the capacity of government to innovate but also sharing data, information and knowledge with citizens so that they are able to become co-producers and more informed consumers. One aspect of this knowledge sharing is government making its data accessible and usable for society through open data initiatives so that new, more tailored products and information can be generated. For example, the French city of Rennes has developed an application to facilitate the movement of disabled visitors in the city.

Knowledge sharing is also about making information available to citizens so that they know which services they are entitled to and what they can expect from their public services, allowing them to assess and provide feedback on performance. This will help create better informed citizens and put greater pressure on services to perform and even out-perform other services.

Citizens are not just the recipients of knowledge but also the providers. Being able to access, share and understand citizens’ experiences is important for the
public sector to develop an appreciation of service demands, how well it is meeting them and how it can improve.

Governments need to facilitate the ‘co-creation’ of services with citizens and consider how to address some of the barriers that might prevent citizens from engaging and actively participating in co-creation with public institutions.

Citizens also generate data – whether knowingly or not – on public service needs (such as reporting potholes on the road), context (such as on traffic conditions), impact (such as through impact analysis) and information to improve management (such as through their usage patterns of public services).

Workshop: ‘Knowledge Sharing for Innovation’
Sharing knowledge of what works and - perhaps as importantly - what does not work in different contexts supports individual innovations and helps the public sector to grow and mature as it learns from past experiences.

Mr. Cheol H. Oh, President of the Korean Association for Policy Studies and Member of the Government 3.0 Implementation Committee noted that, since no single agency can tackle society’s problems alone, knowledge sharing is critical. It can improve collaboration and efficiency by supporting integrated services, and thus enhance the capacity of the public administration. It can also address information asymmetry in different parts of the administration. According to Mr. Cheol H. Oh, tools and strategies such as cloud computing and shared service centres can provide some of the infrastructure to support this.
Innovations often arise from mixing people with different skills, experiences and perspectives to tackle a common problem or objective. Yet the traditional structures of government often make it difficult to collaborate across organisational boundaries or to leverage partnerships to improve capacities and tools.

In his opening address Mr. Christian Bason, Chief Executive of the Danish Design Centre (DDC), made a call for a more open public sector. He noted that there is a tendency for public services to operate on the assumption that the public administration knows what is best, and that those who do seek to innovate, the innovators, are often lonely actors in the public sector. Mr. Bason argued that we need to change this spirit by creating a collective movement for public sector innovation and looking again at the relationship between the public sector and society, to create a more open, permeable public administration.
Breakout session: ‘Partnering for Innovation’

Partnerships are essential for achieving a fundamental change in the way services are designed and implemented. This is not an easy job, as the private, public and civil society sectors have different resources and incentives. Each of these sectors needs to cooperate to support the development and adoption of new solutions. This means thinking of innovations not only in terms of their internal government dimension, but also as a common approach that draws on external actors and citizens as service users.

Ms. Katju Holkeri, Head of Public Governance Unit in the Finnish Ministry of Finance, reasoned that an important factor in realising the potential of partnerships is to ensure their relevance and to provide useful results for the actors who are engaged in them. This means that partnerships need to be built jointly by all the actors involved, who define common objectives. They then need to be integrated in daily working practices that are collaborative and equitable.

sector where the views of citizens, service users and businesses – can more easily and systematically be integrated into the policy cycle.

Involving users and focusing on public needs is critical

During the innovation process, carefully defining the final user group and their needs is paramount. The final innovation needs to match these needs and preferences, and innovators should always keep this final objective in mind.

Ms. Françoise Waintrop, Head of Insight and Innovation in the French General Secretariat for Modernisation of Public Action, stressed that the human dimension of each innovation needs to be considered throughout the process. This means continually involving citizens, keeping them updated on progress and providing feedback on the results of public consultations.
Mr. Thierry Mandon, French Secretary of State to the Prime Minister, in charge of State Reform and Simplification, set out how France has made important advances in the field of simplification. One example is the simplification of standards where a collaborative approach that involves co-producing with the business sector, public servants, citizens and civil society has been used.

**Workshop: ‘Innovation Labs’**

Workshop participants had the opportunity to discuss setting up and operating an innovation lab. Innovation labs provide a dedicated space, either real or virtual, for developing new ideas and working together across traditional sectors and boundaries. They tend to be characterised by: their use of co-creation techniques which involve service users in the active development of public services, bringing together a range of different partners and stakeholders from across society such as public, private and civil sectors; and their use of different disciplines and approaches with staff from diverse backgrounds covering design, social research, ethnography, data analysis and policy making.

The discussion about setting up a lab identified important considerations to be: the context in which the lab will operate; who is responsible for the lab and its outputs, especially where these might be shaped by a host of different actors; and how the work of a lab can be integrated into the mainstream agenda of an administration and not be perceived as a separate entity with a separate agenda.

The presentation by Ms. Jo Casebourne, Director of Public and Social Innovation at Nesta on her organisation’s i-teams work inspired a discussion about measuring the impacts of labs. Identifying and assessing a lab’s impact can be challenging, but is necessary to build the business case for its establishment and justify its presence.
Government’s rules and processes are generally put in place for good reason: to ensure quality, equity and responsible use of resources. But when the rules and processes cannot be easily adapted to specific needs and to fast changing circumstances they can restrict innovation.

Bureaucratic and legal frameworks can impede the innovative potential of public servants

During the closing ministerial panel, experiences from Indonesia and Spain illustrated that bureaucracy and legal frameworks can unduly constrain public servants, limiting their capacity to innovate. Nevertheless, as Mr. Jaime Pérez Renovales, Under Secretary, Ministry of the Presidency, Spain, pointed out during his intervention, an appropriate and timely modification in the legal framework may work as a powerful tool to enable the effectiveness of certain innovations in every layer of government.

Ms. Marylise Lebranchu, French Minister for Decentralisation and the Public Service, argued that the central government needs to take on an enabling role, addressing these blockages to create a framework for the public sector that supports innovation.
Public institutions need to be supported in taking responsible risks

Innovation means that the public sector needs to accept some element of risk. It must also be able to recognise when things are not working, and be willing to stop them. Government can play a supporting role in creating a culture that engenders both of these behaviours by creating the space for innovation and the expectation of trying new things, so that public servants have the confidence and freedom to experiment.
Sam Markey, Senior Advisor in the United Kingdom Cabinet Office’s Implementation Unit captured this succinctly as “Think big, start small, move fast”.

**A strategy for innovation can help navigate the bureaucracy**

As a government moves beyond a serendipitous approach to innovation and into one where the desire is to develop and institutionalise a cultural mindset and a set of processes that support repeatable, sustainable innovation, an enterprise-wide strategic approach becomes essential. According to Mr. Roger Scott-Douglas, Assistant Secretary for Priorities and Planning in the Treasury Board Secretariat of Canada, during the session ‘The Role of Innovation Strategies’, innovation becomes strategic when it encompasses an intentional, repeatable process that creates a significant improvement in the value delivered to clients/citizens. This is accomplished using a combination of disciplined, yet creative approaches, designed to yield a sustained and ingrained culture of innovation. This session, moderated by Mr. Geoff Mulgan, Chief Executive of Nesta, explained how innovation strategies can help guide innovation. During the lifecycle of an innovation, long bureaucratic processes and the need for engagement and cooperation from different actors may mean that direction is lost. Strategies can help navigate some of these obstacles and mark out a coherent, structured path to support innovation.

“We need a silicon valley of innovation for the public sector”, Mr. Rolf Alter, Director, Public Governance and Territorial Development, OECD
What next?

1: Check in regularly to the Observatory of Public Sector Innovation
   Read about what is working (and what is not) for innovators on the innovation pages; what governments are doing on the country pages and chat with other innovators from across the world.

2: Showcase your own experiences
   Use the Observatory to share your own stories by submitting your innovation directly to the Observatory.

3: Identify real world problems that need innovation
   Respond to other countries’ ‘Challenges’ on specific areas where innovation is needed and create your own ‘Challenge’ for others.

4: Talk to others
   Create a collaborative working space on the Observatory and launch your own discussions to hear others’ views.

5: Send us your blog items
   Send in your ideas, suggestions and your own articles to be included in our innovation blog.
What next?

6: Create your own innovation community
   Invite the OECD to help you create your own innovation community at local or national level by developing a network and collecting innovations.

7: Be an entrepreneur
   Help to spread the word about the Observatory across your own organisation and beyond. Encourage your colleagues to visit the Observatory and submit their own innovations.

8: Organise an Observatory event
   Organise a seminar, workshop or just a short presentation to share the Observatory and its work with your colleagues.

9: Ideas2Impact
   Tweet using the hashtag #Ideas2Impact when you have something to say about innovation.

10: Look out for the next Observatory event in 2016.
1. Mindlab is a Danish cross-government innovation unit which involves citizens and businesses in creating new solutions for society. http://mind-lab.dk/en

2. Nesta is an innovation charity with a mission to help people and organisations bring great ideas to life. It is based in the United Kingdom. www.nesta.org.uk

3. Futurs Publics is a programme by the French government that seeks to use innovation as a lever to modernise the public administration. http://www.modernisation.gouv.fr/mots-cle/futurs-publics