PUBLIC SECTOR INNOVATION

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The potential benefit of public sector innovation is large. While public sector size varies by country, the size of the public sector in the average country is a third of that country's economy. Such a size suggests that innovation in the public sector has the potential for contributing significantly to a country's economic growth and prosperity directly by reducing the cost of delivering public services and by increasing the quality and quantity of those services.

Given the uncertain nature of the innovation process, it is not possible to characterize the ideal level of public sector innovation. However, it is possible to characterize the conditions necessary for generating innovation in the public sector.

"WHAT I THINK PEOPLE SHOULD REALIZE IS THAT PROGRAMS LIKE SOCIAL SECURITY, PROGRAMS LIKE MEDICARE, PROGRAMS LIKE THE VETERANS ADMINISTRATION, PROGRAMS LIKE YOUR LOCAL PARK AND YOUR LOCAL LIBRARY - THOSE ARE, IF YOU LIKE, SOCIALIST PROGRAMS; THEY'RE RUN BY [AND] FOR THE PUBLIC, NOT TO MAKE MONEY."

BERNIE SANDERS, AMERICAN POLITICIAN

Public Sector Innovation: Challenges

1. Lack of Competition

The public sector is typically considered a stable environment without much competition. Indeed, competition is often viewed as a destructive force in the public sector. The one notable exception to the lack of competition in the public sector is the competition that occurs between local governments in their attempts to attract residents.

2. Constrained Ability to Act

Action in the public sector more often than not requires that others (superiors or other branches of government) be informed beforehand and give approval to the action. Add to this a requirement that approved actions follow prescribed procedures, and the result is that innovation becomes more difficult to conduct.

3. Difficulty of Perceiving Demand

Profits indicate the innovation is of value and encourage the entrepreneur to increase the delivery of the innovative good or service; losses indicate the innovation is not valued and lead the entrepreneur to reduce production. But this market mechanism does not in general exist in the public sector. To be sure, elections provide some feedback, but because they typically centre on a number of issues and occur infrequently, they do not provide useful feedback for assessing the value of individual policies.

4. Problem of Institutional Size

Many public sector organizations, particularly those at the national level, are quite large (military establishments, health care programmes, and education systems are examples that come to mind) and with that size comes difficulties of organizational management and motivation that are a significant impediment to innovation.

Public Sector Innovation: Trends

- Performance Improvement in Public Service Delivery
- Citizen Involvement
- New Forms of Partnership
- Leadership and Management for Change
- Smart Public Service Delivery in a Cold Economic Climate
- Opening Up the Public Sector Through Collaborative Governance
- Going Green
- Creative Solutions in a Time of Crisis

Note:

It is important to **differentiate** between **innovation "in"** and **innovation "through"** the public sector. In the first case, the focus is on internal innovation aspects, for instance organizational and management issues (workplace innovation); while in the second case the focus is on the role of the public sector in driving business and social innovations, for instance through public procurement, targeted funding for research.

Immediate priorities and challenges to be addressed:

I. Innovation through Governance eTransformation

Public sector innovation is a multi-dimensional effort, and technology plays a crucial role in innovation process in government. **The Internet** and other **digital technologies** have proved to be powerful enablers of innovation, changing the way governments innovate. **Social Media**, **Mobile**, **Cloud** and etc. are reshaping our reality and changing the way we live, work and learn! Change is the norm in the age of hyper-connectivity, mobility and **digital consumers**. Citizens have become used to 24/7 availability of **services and information in the digital world**.

Governments should use the power of digital technologies to be able to adapt and respond efficiently and effectively to challenges and demands coming from people. EGovernment tools play a key role in reshaping the way governments engage with people, deliver better and personalized services. Governments should welcome change and not fear it, to stay relevant to the people they serve.

Wikipedia gives the following definition of **e-Government**: from **electronic government**, also known as **e-gov**, **digital government**, **online government;**
refers to the use of internet technology as a platform for exchanging information, providing services and transacting with citizens, businesses, and other arms of government.
E - Government may be applied by the legislature, judiciary, or administration, in order to improve internal efficiency, the delivery of public services, or processes of democratic governance.

Governance e-Transformation aims to equip government institutions with the relevant state-of-the-art digital tools and platforms, open up efficient, effective and open government for innovation, as well as enabling service redesign and digitization, Data exchange and reuse of government IT systems, cloud computing and shared platforms, plus mobile and social media platforms have all been used to develop government e-Services delivery infrastructure.

The Government's goal is to **digitize all services that can be delivered online**, and make them accessible through a single government platform.

Governance e-transformation: results achieved

security and identity

digital signature

client support

electronic messaging

electronic payments

Immediate priorities and challenges to be addressed:
II. Innovating the Public Sector through Citizen Engagement

Nowadays the citizen is not only a customer, but also or even more so, a participant. e-Government should take this wider, multipurpose relationship into account. Moreover, citizens should be given more opportunity to present their views on topics like **quality, satisfaction and involvement.**

Many public organizations strive to improve their services by trying to make them citizen - centric. The good news is that they are discovering the customer. The bad news is that each organization is inventing this on its own, forgetting that each of us is a customer of many organizations. An organization's drive to improve its own performance is not enough or can even be counterproductive. It may very well result in transforming the paper bureaucracy of the past into a virtual bureaucracy in the future. Chain service delivery is the road to citizen satisfaction. So the real option is to design modular solutions which can be combined and connected according to the needs of the customer. Common solutions based on standards are needed.

e-Participation

e-Participation means using new media to involve citizens in improving service delivery and democratic decision making.

One example of it is **electronic voting**. **Electronic voting** is a form of computer-mediated voting in which voters make their selections with the aid of a computer. The voter usually chooses with the aid of a touch-screen display, also audio interfaces can be made available for voters with visual disabilities.

Potential dangers of e-voting:

1. the present state of the technology is far below what is necessary. Internet is inherently unreliable, chip cards can simply be hacked, and identity fraud is easily committed;

2. among the general public sufficient e-skills and awareness can be lacking and accessibility is not guaranteed. Several surveys show that a large number of people cannot find basic information on their rights and obligations or file a complaint on the Internet. So access and inclusion is not only a problem for disabled people, but also for ordinary, mainly elderly citizens.

Citizen initiative

Government is generally able to collect information about **popular opinions** and **preferences of people** as they are published or distributed in the analogue world. In order to be able to do the same in the digital world, different platforms are designed. **One of the most popular in Moscow is the project "Active Citizen" on the portal mos.ru.**

What is Active Citizen?

The **Active Citizen project** is a website designed for those who want to help improve their city. One of its main goals is to find out what Muscovites think about major issues that concern the development of the Russian capital.

Every week the website launches new polls on how to improve city streets, what hobby groups to open and how to improve the performance of libraries or outpatient clinics. None of these issues require professional knowledge. Users can read a brief description of the background information and learn what experts think about various issues.

Active Citizen went online in 2014. In six years it has become a convenient and accessible way to vote. It allows city residents to express their opinion on important urban issues and influence the solution. Users can vote via the mobile app or on the website.

Conclusion

Development of electronic **public administration** through the use of modern information and communication **technologies** allows mutual coordination of public administration bodies, facilitates the contact of citizens and businesses with the state authorities, and makes public administration more transparent and efficient.

However, one should not forger that the **potentials of** the new information and communication technologies are not always so easy to translate into practice.

Thank you for attention