

ECONOMIC AND SOCIAL COMMISSION FOR WESTERN ASIA (ESCWA)

GUIDELINE ON FOSTERING INNOVATION IN THE PUBLIC SECTOR OF THE ARAB REGION

Introduction



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I. INTRODUCTION

A. OBJECTIVES OF THE STUDY

The guideline focuses on public sector innovation and supports the targets of SDG 16. The 2030 Agenda for Sustainable Development underscores the necessity of innovation in the public sector. The objective of SDG 16 is to “Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels”. The public sector, through the self-development of innovative solutions, whether services, processes, policies, programmes or products, can achieve SDG 16 and its targets, such as the development of effective, accountable and transparent institutions (16.6), responsive, inclusive participatory and representative decision-making (16.7), and public access to information (16.10). Innovation could also provide the Government and its institutions with the means to achieve the other SDGs. Examples of other SDGs where public sector innovation can make a difference include:

- SDG 10 “Reduce inequality within and among countries”, especially target 10.2 that requires the empowerment and social, economic and political inclusion of all;
- SDG 5 "Achieve gender equality and empower all women and girls", especially target 5.5 with its focus on full and effective participation of women in decision-making as well as equal opportunities for leadership, and target 5.B which calls for the use of technology to support empowerment; and
- SDG 9 "Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation", especially target 9.1 that focus on the development of infrastructure that supports economic development and human well-being and provides affordable and equitable access for all, and 9.4 that calls for upgraded and resource-efficient infrastructure using clean and environmentally sound technologies.¹

In this document, innovation is understood as the implementation of a new way of achieving a result and/or performing work. It can be completely new, a change in to a current system, or something that already exists elsewhere implemented for the first time. This idea can be a product, service, policy and programme, or a process.² It can have as its focus new or adapted technologies, or technology for supporting other forms of public sector innovation. Innovation in the public sector differs from the private sector in that the focus is not monetary gain or greater economic success for a few. The objective of public sector innovation is to enhance the social welfare and economic growth of a country for a better sustainable future.

The main objectives of the research were to:

- Define the concept of public sector innovation and identify the challenges that governments face in fostering such innovations and enablers and drivers that can aid in overcoming these challenges;
- Identify types and tools that exist that can help to overcome the barriers to effective and efficient public sector's innovation in Arab countries;
- Provide case studies on public innovation types, tools and methods from the international and/or regional arenas; and
- Propose some recommendations, built on best practices from developed and/or developing countries, which could be adapted and adopted to further public sector's innovation in the Arab region.

The result of the research is a guideline with a variety of models related to different aspects of public sector innovation. It can be used by Governments and other public sector entities in the Arab region to initiate and foster such innovations.

B. SCOPE AND APPROACH OF THE STUDY

The geographical scope of the study covers all member countries of ESCWA, while the thematic scope of the study, has been approached as follows:

¹ United Nations, 2015.

² ECOSOC, 2006.

- The scope of this study does not encompass public sector actions to foster innovation in a broader sense, e.g. actions to foster R&D innovation, private sector innovation, and national innovation policies. These are covered in other studies.
- The scope of this study is to encompass innovation in specific domains of public sector intervention beyond administrative services, e.g. innovation in education, health, energy, transport and possibly others.

The scope of the research included:

- (a) local government services, such as city and regional local administration services;
- (b) government services that help local communities at the level of social solidarity, social economy and social innovation; as well as
- (c) government services for democratic participation and governance.

Additionally, the research focused on:

- (a) the innovation of processes in the public sector, that make these and other services possible; and
- (b) the process of innovation in the public sector, i.e. the establishment of innovation as a regularly occurring activity that can be structured with process characteristics.

The overall approach of the research considered the following:

- In exploring the different types of innovation models for the public sector, attention is better placed on models of smooth (taken to mean less disruptive) innovation, which call for more consensus building in the initial phases of the innovation life cycle but at the same time bear a more important promise for successful implementation and sustainability of change, due to lower levels of disruptiveness.
- In approaching the current public sector innovation practices and sought innovation potential of countries in the Arab region, it is necessary to consider the realities of these countries. At the time of writing, several ESCWA member countries are undergoing crises, and this is an important factor to consider in exploring the potential of these countries to engage in public sector innovation efforts according to examples from countries much less suffering from such crises.
- At the same time, countries of the Arab region clearly need to be approached beyond the negative stereotypes that may currently prevail in many western world media and public discourse. Countries of the Arab region have their own cultural identities and heritage to contribute to the world, and this should be kept in mind throughout the discussion for innovation of their public sectors. If innovation is practically treated as modernization, then modernization should not be taken as a synonym for westernization.

C. STRATEGY FOR IMPLEMENTATION OF THE STUDY

The strategy for implementation of the research is enhanced with some additional components, including a questionnaire on examples of public sector innovations in the Arab region (see Annex 1). This was circulated to Arab region public sectors personnel and serves as a data collection instrument that allowed for the better integration of this study with the realities of the settings (Arab region countries) that it is in fact addressing.³

At the same time, implementation of this research is also enhanced with readings, knowledge and tool resources catalogues that are included in the final document, allowing for the accommodation of an adequate subset of sources and literature available for the topics of this study. These annotated and referenced sources highlight the pertinence of resources to specific topics discussed within the study, and thus comprise an additional learning resource for the readership of this document.⁴

D. ADDITIONAL METHODOLOGY PROVISIONS FOR IMPLEMENTING THE STUDY

The methodology adopted for implementing the document is based on the objectives, timeline and other provisions commissioned for this study, as well as on the additional scoping, approach and strategy for

³ The collected case studies from Member States are available in ESCWA (2018). *Technical report on the innovation process type and time maturity model (IPTTM)*.

⁴ The annotated references are accessible online from <https://www.unescwa.org/our-work/7775/resources>.

realization of the document described above. At the same time, the overall approach is complemented with some additional methodological choices.

1. *Exploring different approaches to innovation*

Available literature offers a variety of different approaches to innovation (e.g. continuous, incremental, open and others) that are considered in the study, taking effort to present and compare the various types of innovation practices available and feed the findings into the next steps of the study.

At the same time, given that the investigation of different types of innovation practices (policy-driven, bottom-up, collaborative and others) is an expressed objective of the study, as far as the types of innovation to explore are concerned preference is allocated towards smooth, evolutionary, less disruptive types of innovation practices.

2. *Extending the questionnaire instrument with a perceptions part*

Bearing in mind that an expressed important objective of this study is the discussion and specialization of findings against the characteristics and circumstances of Arab region countries, the opportunity to prepare and circulate a questionnaire on public sector innovation examples to respondents from these countries that comprise the most authentic source of information in this respect, is an important one.

At the same time, moving the above rationale one step forward, it is particularly helpful to extend this questionnaire with an additional part for gathering information about the perceptions of the respondents with regards to public sector innovation efforts. This part can be completed even by respondents who may not be able to report on specific efforts, which greatly broadens its potential audience. At the same time, the responses on perceptions with respect to public sector innovation efforts clearly serve to gain particularly useful insight into the realities and practicalities of the countries studied, which are very difficult to be reported/identified otherwise. A special annex was prepared that includes all the collected case studies from the Arab countries.⁵

3. *Exploring the potential for involvement of external stakeholders*

In the understanding that the main intended focus of the study is at innovating internal public sector processes, which may then make new external services possible, it should nevertheless be noted that improvement of internal public sector features is not necessarily a closed introvert effort. The contemporary ideas of opening government and involving citizens in the policy-making lifecycle may well find their counterparts even in internal process improvement efforts of public sectors, where the ideas contributed by citizens can be of great help in identifying improvements, simplifications and innovation potential yet untapped by internal stakeholders.

In this line of thought, and without overlooking the fact that the involvement of external stakeholders is a challenging task, and thus cannot be taken to comprise a hard pre-requisite for public sector innovation efforts, this option should not be left unexplored. In this respect, the findings of the study are fed into a discussion for the means available for involving external stakeholders in the planning, and possibly into the implementation (at least in the testing/evaluation phase) of public sector innovation efforts. This methodological choice is in fact reflected in appropriate parts of the study, especially in chapters discussing several different processes and formats for involving external stakeholders (citizens, researchers, and others) into the ideation, planning and possibly subsequent phases of public sector innovations.

⁵ The collected case studies are available in ESCWA (2018). Technical report on the innovation process type and time maturity model (IPTTM).