Challenges to Innovation in the Public Sector

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Once a government decides it wants to be innovative - that it is in the business of innovation - it faces a pile of challenges. How can it create an environment which supports innovation? It helps to address explicitly three challenges - how to build support, how to be both efficient and innovative and how to get going.

How to Build Support for Innovation

The support of four key groups is needed, in order to permit innovation: the government in power, management, employees, and clients and publics outside the government. In the current climate of uncertainty and restraint, governments want to know the costs of innovating. A champion of innovation wants to be in a position to describe the costs of not innovating - and also the costs of efficiency. While reengineering and downsizing increase efficiency, they also eliminate slack. By eliminating slack, governments are reducing their capacity to be innovative, since innovation often grows out of slack. Because government frequently gives employees it is laying off some warning, it thereby creates slack for itself. These people then become among the most innovative members of the organization - but they are also soon lost.

While governments often must be convinced of the value of innovation, especially if it is not driven by their political party, management is also frequently challenged and threatened by innovators and innovation. Moreover, hierarchy does not encourage innovation. Management must not only understand its important role in encouraging innovation but also in promoting innovations, and should be held accountable for this role.

How can managers and governments motivate employees to innovate? How can performance be improved without incentives? Only employees’ full support makes innovation happen. Employees will support innovation if they believe it can improve either their own work environment or the product or service they provide for their clients - in other words, if it will make things better. They need an environment which encourages self-knowledge, risk-taking and constant learning. Sufficient time and resources to do innovation well must be provided. Balancing the recognition of the expertise, loyalty and values of long-term employees with the valuing of the freshness of new employees and their new ideas would help. Avoid leaving people out - for example, "techno-peasants", people who are not competent with new technologies.

Innovation can also face opposition from outside government - interested publics, the media and political opponents may not recognize the value and benefits of innovation. Both government and opposition can fail to recognize the difference between a useful failure and a dumb failure. Recognizing that support for innovation may be difficult to develop, what can a government or a champion of innovation do to develop support?
An innovation champion needs to take a long view. A positive environment for innovation in government will not develop overnight. Consider the barriers: Bureaucracy does not usually favour innovation. The new public management, which has introduced a good deal of change in government, has typically only supported the diminution of government. "Innovation awards" tend to focus on cost-savings. A more open environment for innovation of all kinds, and which addresses both policy and administrative changes, may develop, but it must be sought.

Demonstrating the benefits of innovation can help develop support for innovation. Designate one or two departments as laboratories for learning, for example. Or ask departments, "How have you improved, in a noticeable fashion, the lives of the public and of public servants through innovation?" Departments could find out if any innovations have been introduced and not noticed. These existing practices could be used to support the idea of additional innovations.

**How can we be both Efficient and Innovative?**

An innovative organization must create value. How can the organization be sure the innovation will contribute value? Innovation contributes through what it does best - creating a greater variety of solutions to problems, challenging unwarranted assumptions and identifying problems before seeking solutions. Any organization which does this more will function more effectively.

**How Do We Get Innovation Going?**

It is one thing to decide to be in the business of innovating, quite another to get a stream of new ideas flowing.

One approach is to encourage constant learning. Create permission for risk-taking. Improve both the climate and the capacity for risk-taking. Inspire despite uncertainty. Hire new employees, make efforts to gain support for and use their ideas. Avoid leaving people out. Balance the freshness of new employees with the need for experience. Improve the climate for increasing self-awareness.

Change the environment in other ways. Change laws that need changing. Invest resources adequately in innovation. Help public servants transition - in downsizing, to new careers, to learn new jobs. Reduce the cost of efficiency to employees.