Innovation portfolios &
Anticipatory Innovation Governance

OECD Observatory of Public Sector Innovation
We will use virtual participation tools.

We are recording.

Slides shared afterward.
Tell us about yourself
WHAT OPSI DOES

UNCOVERING WHAT IS NEXT

TURNING THE NEW INTO NORMAL

PROVIDING TRUSTED ADVICE
Case Study Platform

https://oe.cd/innovations
### Embracing Innovation in Government

**GLOBAL TRENDS 2020**

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*2020trends.oecd-opsi.org*
Toolkit Navigator
A compendium of toolkits for public sector innovation and transformation, curated by OPSI and our partners around the world

Explore topics
- Design
- Social Innovation
- Open Government
- Public Policy
- Service Design
- Digital & Technology Transformation
- Strategic Design
- Organisational Design
- Behavioural Insights
- Systems Change
- International Development
- Process Facilitation & Co-Design
- Product Design
- Futures & Foresight

Take action
- Design a new strategy
- Select a problem-solving approach
- Improve, create, or redesign something
- Create a new team, partnership, or collaboration

Connect
- Connect with others who want to share practices and cases
- Discover what is working for other governments
- Access expertise or advice
THE OECD DECLARATION ON PUBLIC SECTOR INNOVATION

1. Embrace and enhance innovation within the public sector
2. Encourage and equip all public sector servants to innovate
3. Cultivate new partnerships and involve different voices
4. Support exploration, iteration and testing
5. Diffuse lessons and share practices

https://oe.cd/innovationdeclaration
WHAT IS PUBLIC SECTOR INNOVATION?

- It is new to the context
- It is implemented in the real world
- It has impact on public value
INNOVATION AND ITS FACETS
WHICH QUESTION DRIVES YOUR WORK?

“How might we achieve X?”

“How might we do X better?”

“How might our evolved situation change how we do X?”

“How might emerging possibilities fundamentally change what X could or should be?”
How might we achieve X?

- Align activities inside of an organization towards a common overarching goal
- Generate external interest and investment in goals
- Drive systemic change beyond any incentives involved
How might we do X better?

- Cost reduction and operational efficiency
- Increased reach of programs and services
- Reliability and optimization of products and services
How might emerging possibilities fundamentally change what X could or should be?

• Pick up on weak signals and engage with them before a new course is locked-in
• Explore emergent issues that might shape future priorities and future commitments
• Test assumptions and explore radically different possibilities with lead users/citizens
How might our evolved situation change how we do X?

- Develop a diverse range of choices to solve emergent challenges
- Enable those close to the problems/service users to create solutions that make sense for their circumstances
- Take advantage of newly available possibilities unknown to the organisation
WHICH QUESTION DRIVES YOUR WORK?

“How might we do X better?”

“How might we achieve X?”

“How might our evolved situation change how we do X?”

“How might emerging possibilities fundamentally change what X could or should be?”
ACTIVITY 1:
What drives your work?
PUBLIC SECTOR INNOVATION DIMENSIONS

DIRECTED / TOP-DOWN

SHAPING

UNDIRECTED / BOTTOM-UP

RESPONDING
PUBLIC SECTOR INNOVATION DIMENSIONS

CERTAINTY

EXPLOITING INCREMENTAL

EXPLORING RADICAL

UNCERTAINTY
PUBLIC SECTOR INNOVATION DIMENSIONS

CERTAINTY

EXPLOITING INCREMENTAL

ENHANCING SYSTEMS AND SERVICES

REPLACING / ELIMINATING / SUBVERTING SYSTEMS AND SERVICES

UNCERTAINTY

EXPLORING RADICAL
PUBLIC SECTOR INNOVATION DIMENSIONS

CERTAINTY ← DIRECTED / TOP-DOWN ← UNDIRECTED / BOTTOM-UP → UNCERTAINTY
DIRECTED
Shaping / Top-down

CERTAINTY
Exploiting / Incremental

Mission-oriented innovation

Enhancement-oriented innovation

Sustaining change
Transformative change

Uncertainty
Exploring / Radical

Anticipatory innovation

Adaptive innovation

Optimizing change
Disruptive change

UNDIRECTED
Responding / Bottom-Up
Driving change by aligning activities towards a common over-arching goal

Learning more about how things work and trying to extend upon that

Reducing uncertainty through the exploration of new possibilities

Learning more about how things intersect with reality

Strengths
Lock-in to (wrong) mission

Things that should fail are kept working

Losing sight of the immediate

Fragmentation / lack of coherence
DIFFERENT TOOLS FOR DIFFERENT PURPOSES

- **Systems thinking, strategic design, open innovation, and challenges and prizes**
- **Horizon scanning, strategic foresight, futures thinking, speculative design, regulatory sandboxes**
- **Lean, business process management, quality control, and behavioural insights**
- **Positive deviance, design, participatory or co-design, co-creation, open idea management systems**

Angela Hanson - @civiccatalyst
Key questions on Technology

- How can new technologies play a role in solving our existing big challenges or shaping existing markets?
- How can new technologies creating the potential for entirely new markets?
- How is technology affecting social values?
- How can technologies be used in new and unexpected ways to change how we deliver value?
- How can technologies be used to deliver services more efficiently?
WHAT ARE OUR INNOVATION SYSTEMS PRODUCING?
ACTIVITY 2:

What is the purpose and underlying intent of innovation PROJECTS?
Future of Work Values Exploration

As part of the Robotic Process Automation Preparedness Plan, the Advanced Research Projects Agency will conduct small-scale experiments in different agencies to test staff perception and acceptance of automation among different types of work.
The Green New Deal

A comprehensive policy and investment package will redirect energy investments into green alternatives and create new incentives for research and development in the energy sector to reach the goal of being carbon-neutral within 15 years.
Business Licensing Automation Implementation

Following a business process optimisation analysis, the regulatory affairs department will implement additional digital process automation projects to reduce the internal licence processing time to 30 minutes on average.
New Social Media Incubator Lab

A cross-disciplinary team from Communications, Central Services, and Social Affairs, in conjunction with the University Media Lab, will explore and test new developments in social media ecosystem to identify potential use cases for government and partners.
AI Procurement for Diversity

The Internal Analytics Team will research the feasibility of machine-learning algorithms to speed up identification of new opportunities throughout the procurement process to increase bid frequency by Immigrant-Owned-Businesses (IOBs) as part of the Diverse Startup Action Plan.
GOVERNMENTS HAVE AN INNOVATION PORTFOLIO WHETHER IT IS INTENTIONAL OR NOT
WHAT IS GOOD INNOVATION PORTFOLIO MANAGEMENT?

INITIAL ANALYSIS

SENSEMAKING
STEWARDSHIP
SUPPORTIVE STRUCTURES
DIFFERENT PURPOSES
SYNERGIES

RESOURCING
MONITORING
EVALUATION
LEARNING
COMMUNICATION
PIRET TÕNURIST

PROJECT MANAGER,
SYSTEMS THINKING
AND ANTICIPATORY
INNOVATION
GOVERNANCE

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Anticipatory Innovation Governance

A multi-year project involving Sweden and international peers
Policy problems today are characterized by diversity, complexity and uncertainty (outcomes are unknown and risks impossible are incalculable).

Quickly evolving and uncertain problems need a different approach to problem solving, policy design and capacity to learn.

Strategic foresight methods are designed to imagine possible futures, not to ensure that any particular future results from the process.

Resilience is good, but can be too accommodating, allowing missed opportunities for transformation and inspire overconfidence in prepared or engineered solutions.

NEED FOR A NEW APPROACH TO GOVERNANCE

1. We need for a different approach to policy making.

2. Existing practices are not enough to prepare for what the future might bring.
Seeing is not always believing.

Believing does not always lead to action.
**REACTIVE GOVERNMENT**

- Position of ‘wait and see’
- ‘End-of-pipe’ solutions that often fail to anticipate or address long-term systemic implications

**PROACTIVE GOVERNMENT**

- Government as an active shaper
- Anticipating various futures and actively exploring options in practise.
THE CHALLENGE OF AMBIDEXTERITY

Can you do exploitation and exploration at the same time?

**Strategic intent**
Current activities invariably have bigger financial portfolios, thus, in organisational terms they outweigh new, smaller radical projects.

**User focus**
Feedback from current users and customers can steer organisations away from radically new products and services as they usually (at least initially) underperform established products and services.

**Resistance to change**
Especially to radically new innovations inside organisations if they are directly in conflict with established practices. Usually innovations that create totally new areas of engagement are more easily adopted.
Future challenges do not have to be technological; albeit they may be mitigated through technological means.

**FUTURE CHALLENGES**

**CLIMATE CHANGE**
The imminence threat of climate change is known for some time; yet, different regions experience it differently and the future effects are hard to ascertain.

**CHANGING DEMOGRAPHICS**
Changing societies will create new and various challenges for living environments, social services and functioning of society in its entirety.

**FUTURE OF WORK**
While the cases of transformative changes may be technological in nature, their effects can be very human (what type of capacities and education people will need in an automated work environment).
How well positioned is Sweden to anticipate and proactively shape how future shocks affect us?
Interactive Question

Which trends, globally or locally, are likely to affect us the most in the next few years?
AIG NETWORK

- AIG STRATEGY NORWAY
- INTEGRATING AIG INTO SYSTEMIC REFORMS MoF/PMO, FINLAND
- TRANSFORMATION FUND FRANCE
- AIG & THE FUTURE OF TAXATION AUSTRALIA
- PILOTING FOR AIG UAE
- PUBLIC SECTOR OF THE FUTURE Ireland
- AIG IN STRATEGY ESTONIA
- EXPERIMENTATION FOR AIG CANADA
- ANTICIPATORY GREENHOUSES Komet, SWE
- AIG SANDBOXES UK
- FUTURE OF THE CIVIL SERVICE SLOVENIA
- REHERSING SUSTAINABLE FUTURES THE NL
- ETORKIZUNA ERAIKIZ GIPUZKOA
- AIG IN STRATEGY GERMANY
- AIG IN CITIES HELSINGBORG
- INNOVATION MANAGEMENT & AIG VINNOVA, SWE
- FUTURE OF CHILD POLICY ITLA, FINLAND
- AIG IN STRATEGY LATVIA
- AIG FOR SMART SPECIALISATION LATVIA
- OUR TOMORROWS KANSAS, USA
- FUTURE OF THE FUTURE IRELAND
- VINNOVA, SWE
- AIG SANDBOXES UK
Anticipatory Innovation Governance

Starter Kit

17 November 2020
• As part of Government After Shock global virtual event
• Prototyping a starter kit for governments
• In conjunction with LabX Portugal and international peers

How to participate
• Save the date
• Visit oe.cd/AIGkit for updates
• Email: opsi@oecd.org to join the event

Support the conversation on social media
• Leverage your social networks to build the conversation and expand the reach of these discussions

#GovAfterShock @OPSIgov @OECDgov
Questions?
Use Q&A in Zoom
Anticipatory Innovation in the City of Helsingborg
Add your question using Zoom Q&A at the bottom
LEAD IN INNOVATION TOOLS AND METHODS

@civiccatalyst
Panel Discussion
Add your question using Zoom Q&A at the bottom
Panelists

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Thank You!

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