EUPAN HRWG / IPSG Meeting 2015

PUBLIC SERVICE DELIVERY & HUMAN RESOURCE MANAGEMENT

TRENDS & CHALLENGES TOWARDS INNOVATIVE PUBLIC SERVICES

Current state of the analysis / October 15th 2015

KEY POINTS OF THE PRESENTATION

1. Goal of the study
2. Definitions
3. Method
4. Conceptual Framework
5. HRM & PSD Bundles at the core of the innovation capabilities
6. Integrated model of innovation capabilities

1. GOAL OF THE STUDY

➢ **General ambition** : define "innovation capabilities" in the public sector and identify "inspiring practices" aiming to face the main trends and challenges regarding these innovation capabilities, with a specific focus on HRM (made by IDHEAP) and PSD (made by LIST).

➢ **Additional Factors to be considered**: trust and transparency as key features of an open government framework

2. DEFINITIONS

INNOVATION CAPABILITIES

? Innovation Capabilities ? → **Consensus and inclusive features**

Innovation capabilities will **make a difference for future-oriented public sector organizations**

Innovation capabilities: are of **value, rare, and built in a long term perspective** - Resource-Based View theory

…as part of Dynamic capability: the 'ability to integrate, build and reconfigure internal and external competences (individuals & collectives) to **address rapidly changing environments**' (Teece et al., 1997: 516).
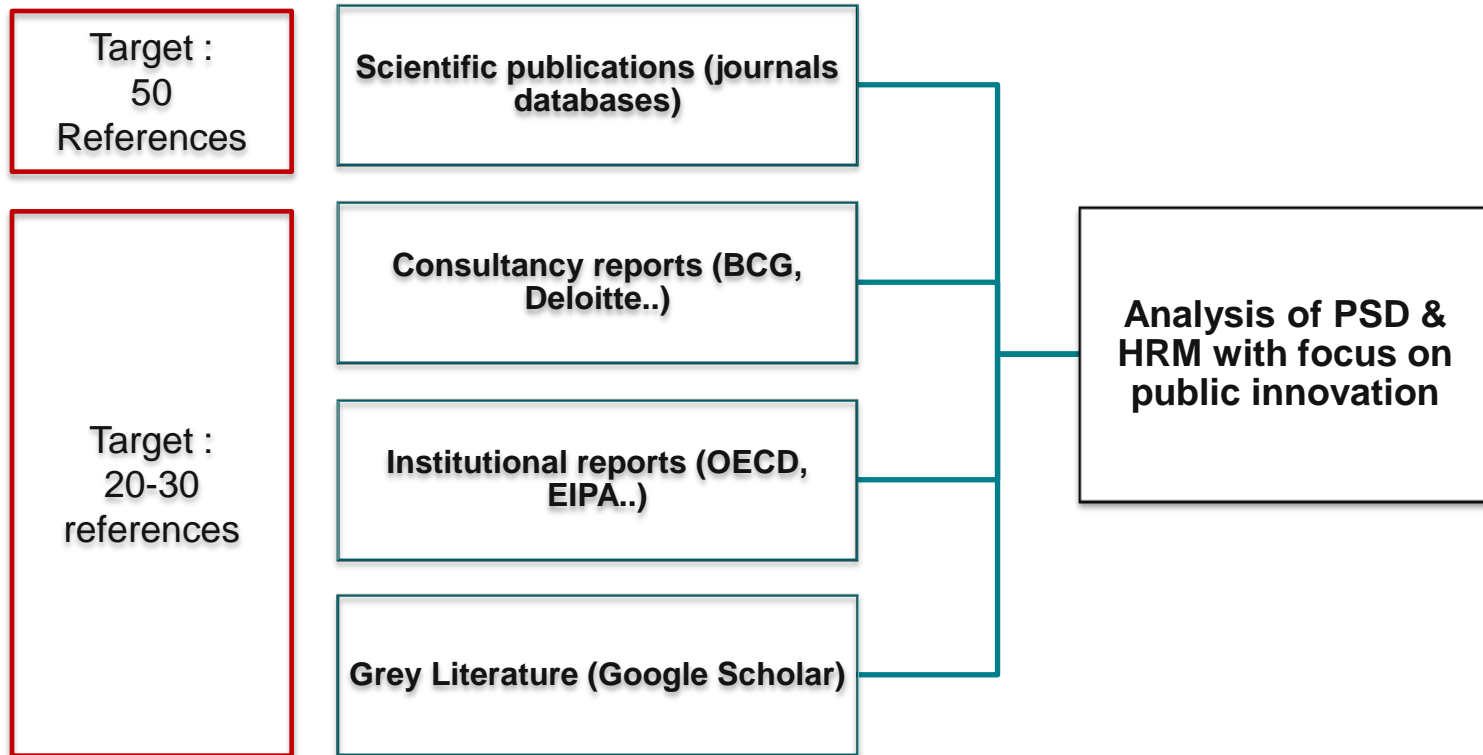
Purpose of innovation

Improving Existing Services

Creating new Services

3. METHODOLOGY
STEP 1 : LITTERATURE REVIEW

Target : 50 References	**Scientific publications (journals databases)**	**Analysis of PSD & HRM with focus on public innovation**
Target : 20-30 references	**Consultancy reports (BCG, Deloitte..)**	
	Institutional reports (OECD, EIPA..)	
	Grey Literature (Google Scholar)	

A total of 70-80 references for both topics:
- Performance and strategic management, Resource Based View
- Organizational and innovation capabilities
- Innovation in the public sector in general
- PSD & HRM
- Trust and transparency, open government

Selection criteria

Notion of "Bundles" as a key lever of innovation (capabilities)
- HR or PSD practices have to be considered as bundles, not individually
- HR or PSD bundles are composed of mutually reinforcing HR or PSD practices which, as a whole, represent a unique set (configuration) **leading to increased** HR or PSD **results**

Each HRM **bundle** has to be related to a PSD **counterpart** ("mirror) so as to address the corresponding result:
- Both have to work in **close connection** in order to develop the organization's innovation capabilitites,
- A specific set of HRM practices aligned to a set of PSD practices is intended to **boost innovation and ultimately deliver public value and citizen outcomes**

THE 10 INSPIRING PRACTICES will cover all 10 bundles:
- Each of them first illustrates one specific bundle,
- It also illustrates the corresponding counterpart,
- … and checks for potential links to the eight remaining bundles

4. CONCEPTUAL MODEL: BETA VERSION

Improving Service

COLLABORATIVE PRACTICES
TRANSPARENT PRACTICES
PARTICIPATORY PRACTICES

Innovation supported leadership

Innovation oriented culture

Open Innovation culture

Sense making

Knowledge capturing, creating & sharing

HRM Practices

PSD Practices

Knowledge Management

Public Value
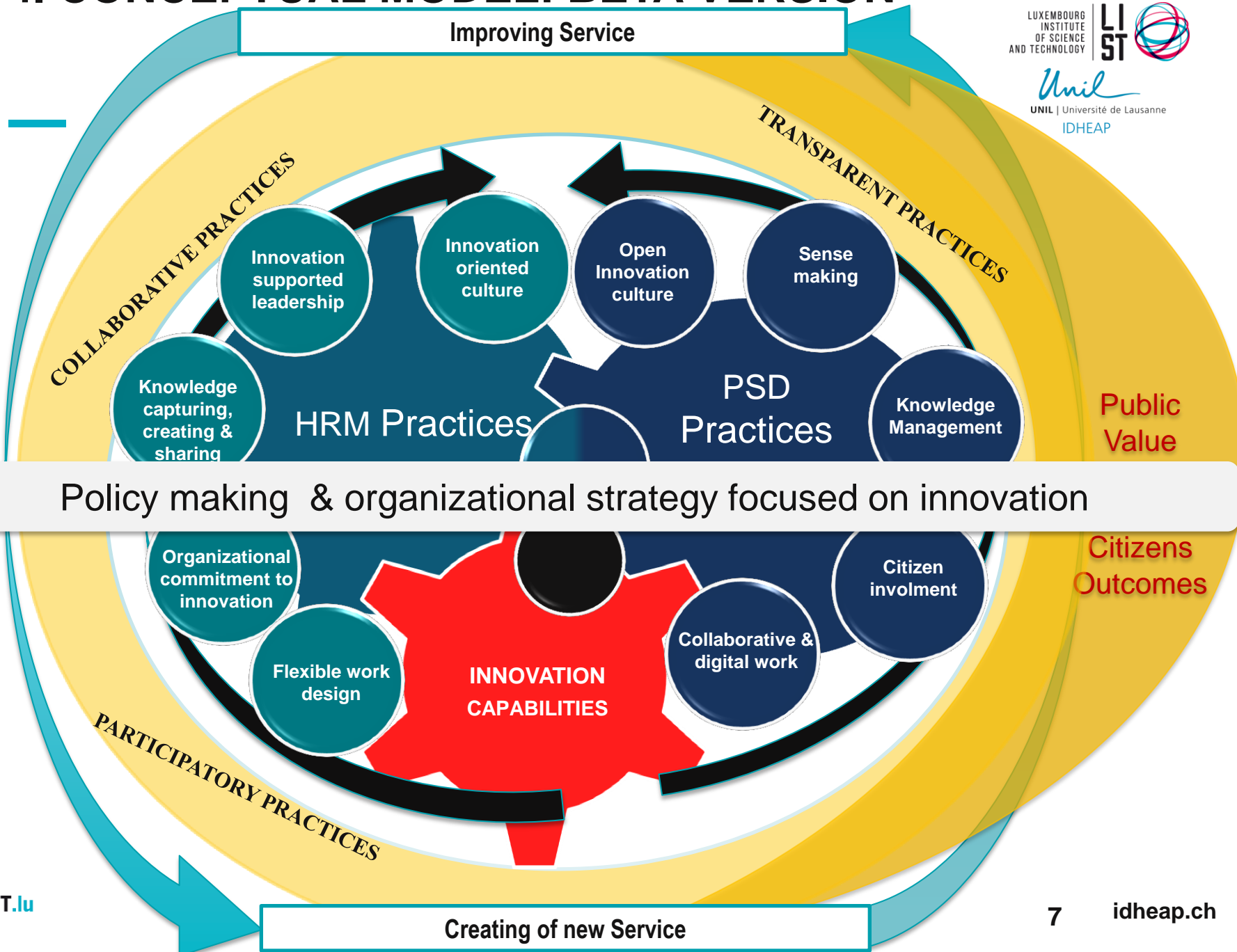
Policy making & organizational strategy focused on innovation

Organizational commitment to innovation

Citizen involment

Citizens Outcomes

Flexible work design

INNOVATION CAPABILITIES

Collaborative & digital work

Creating of new Service

HRM & PSD BUNDLE 1 : INNOVATION CULTURE

- The culture of public sector organizations is not innovation-oriented: due to (among other factors): restrictive and rigid legal framework, absence of competition, routine-oriented, low risk and experimentation adverse culture, absence of rewards and recognition, .. and distrust to stakeholders

- Challenge = to develop a culture that support Service Innovation.

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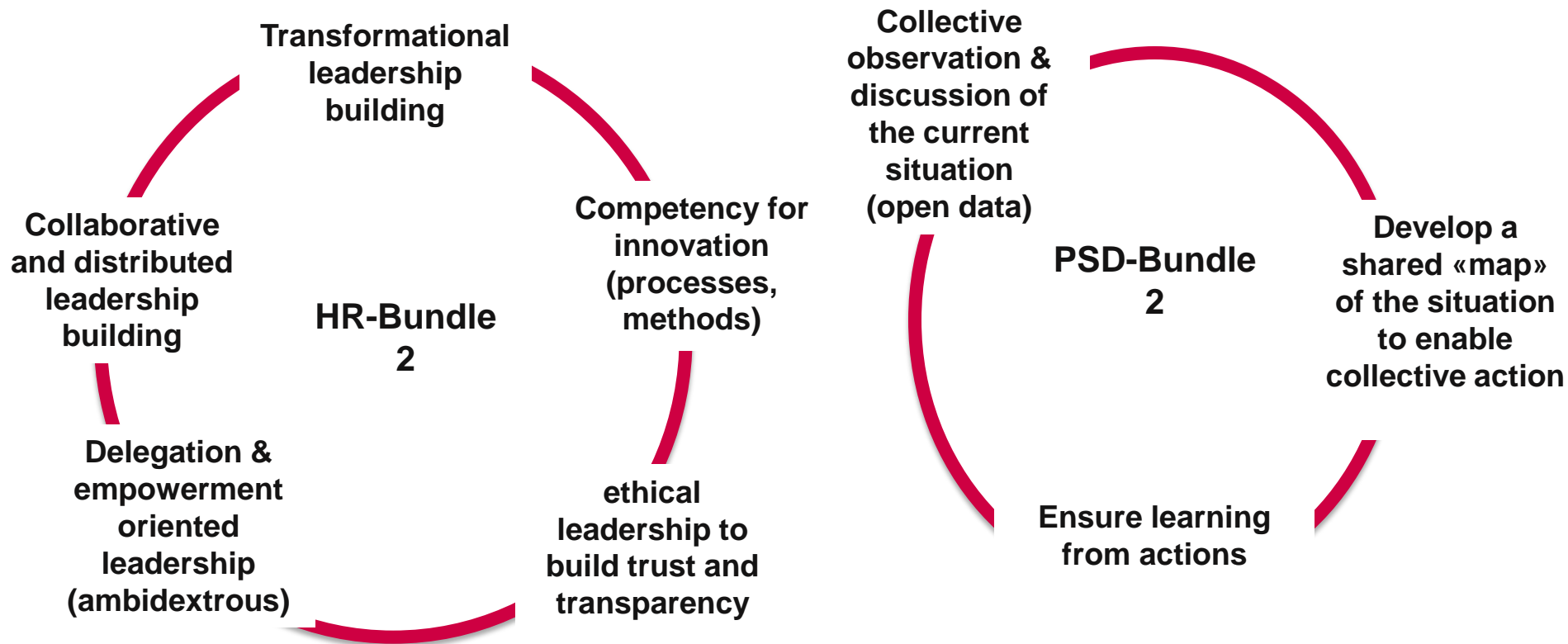**HR policy & Chart (creativity, openness and receptiveness to new ideas), & strategic lignement with IOS***

Staffing for innovation (competencies and motivation, diversity) of leaders and employees

HR-Bundle 1

Organizational slack and experimentation

State organizational values consistent to Innovation

PSD-Bundle 1

Promote & manage a risk culture

Collective appraisal/rewards and recognition for innovation

Distributed heroism towards innovation

Build parternship with innovation lab/hub/factory, …

HRM & PSD BUNDLE 2 : LEADERSHIP AND SENSE MAKING

- Barriers to innovation = some characteristics of (traditional) public sector leadership, vertical and silo-enhancing, transactional and controlling, technical and instrumental.

- Challenge = to give sense to new practices and ways of working

Transformational leadership building

Collaborative and distributed leadership building

HR-Bundle 2

Competency for innovation (processes, methods)

Delegation & empowerment oriented leadership (ambidextrous)

ethical leadership to build trust and transparency

Collective observation & discussion of the current situation (open data)

PSD-Bundle 2

Develop a shared «map» of the situation to enable collective action

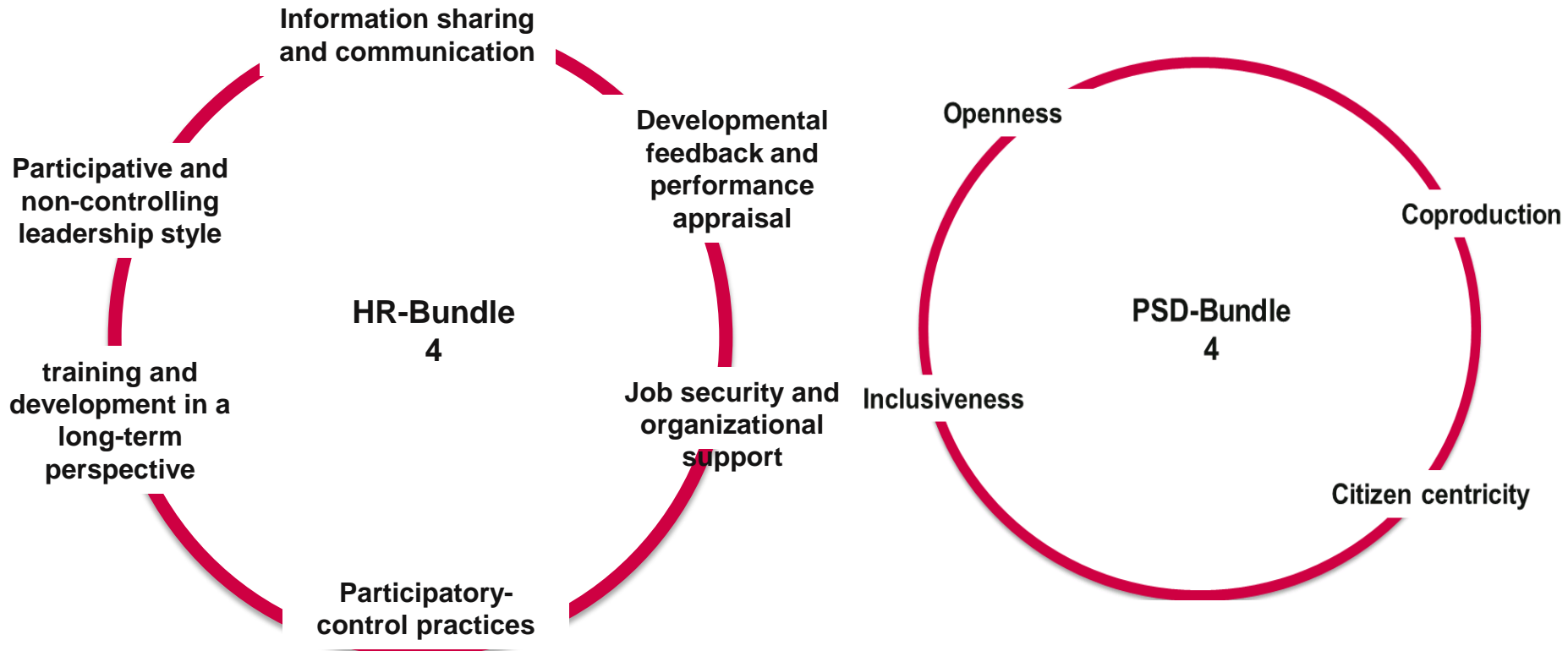**Ensure learning from actions**

LIST.lu

HRM & PSD 3: KNOWLEDGE MANAGEMENT

- Knowledge is a power issue and therefore not spontaneously shared. Knowledge formalization is difficult, and even more tacit knowledge capturation, which is located at the frontline, in the daily business
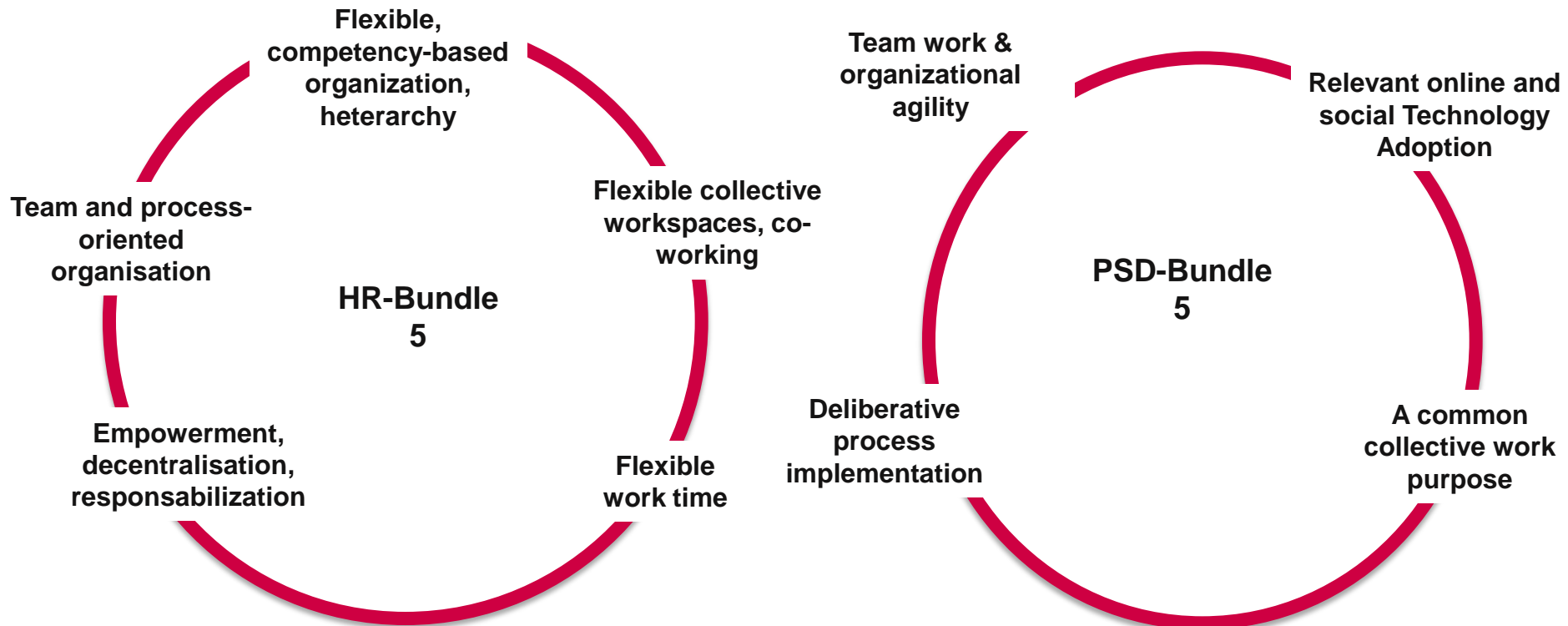- Challenge = to support (in/out) knowledge sharing, creation and learning.

Quality circles and learning workshops at the shop floor level

Ensure knowledge exchange between stakeholders

Building internal + external (social) networks, weak links

training (on-the-job, education and self-development)

Collecting stakeholders knowledge (citizens, community, …)

PSD-Bundle 3

Organizational support to create a Common Knowledge

HR-Bundle 3

Multifunctional, cross-sectional teams

Job rotation and horizontal career paths, generalist profiles

Accessibility of public information & Knowledge

- Innovation is mainly an extra-role behaviour, which cannot be ordered. It is about capturing, sharing ideas, experimenting and risk-taking, as innovation challenges routines. It is about autonomous extrinsic and intrinsic motivation
- Challenge = to engage relevant stakeholders in an effective way.

Information sharing and communication

Participative and non-controlling leadership style

Developmental feedback and performance appraisal

Openness

Coproduction

HR-Bundle 4

PSD-Bundle 4

training and development in a long-term perspective

Job security and organizational support

Inclusiveness

Participatory-control practices

Citizen centricity

HRM & PSD 5: INNOVATIVE WORK DESIGN

- Innovation requires time and space to interact, delegation of responsibilities, highly adaptable infrastructure: flat hierarchy, minimal formal authority, minimal routinization and standardization, informal coordination, co-creation, co-design, co-production

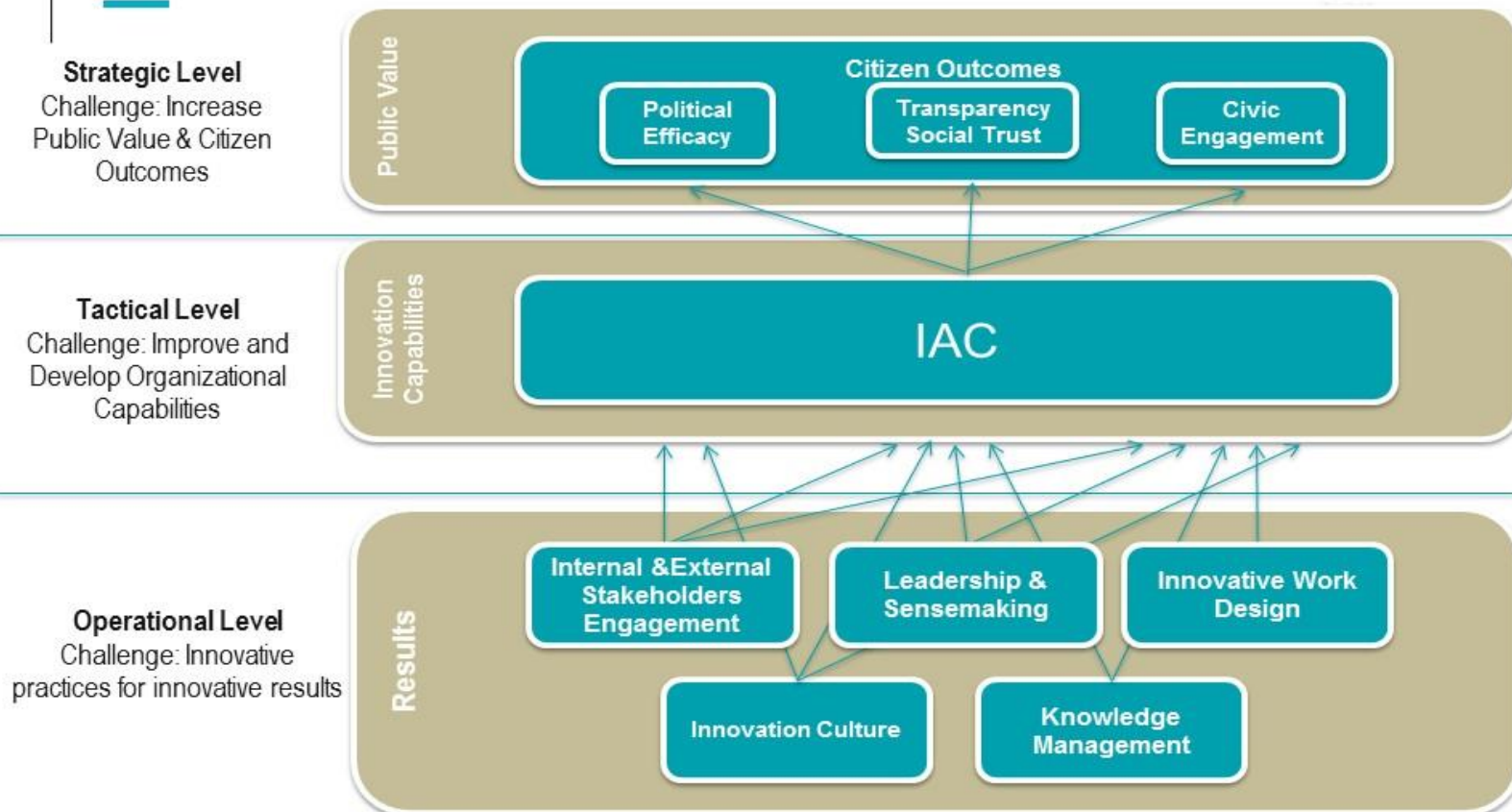- Challenge = to design hybrid organizational models.

Flexible, competency-based organization, heterarchy

Team and process-oriented organisation

Flexible collective workspaces, co-working

HR-Bundle 5

Empowerment, decentralisation, responsabilization

Flexible work time

Team work & organizational agility

Relevant online and social Technology Adoption

PSD-Bundle 5

Deliberative process implementation

A common collective work purpose

Analytical perspective

NEXT STEPS

Up to you …