# Innovation in Public Service Delivery for the Sustainable Development Goals

## I. Why is innovation in public service delivery essential to realize the Sustainable Development Goals (SDGs)?

Innovation and public service delivery has been consistently acknowledged by the UN Member States as a key pillar for development. The international community highlighted public service delivery as an integral component of the 2030 Agenda for sustainable development.

Out of 17 Sustainable Development Goals, 13 Goals have content related to public service delivery. Among 169 targets, there are 59 targets (35%) related to public service delivery. Among 230 indicators, 66 of them (29%) require some specific public service to be delivered by public

institutions. The public sector is the world's largest service provider. However, the bottom 20% remain typically marginalized, without access to the formal economy and to the formal market for basic services.

Governance transformation and innovation are needed to change our world. To balance the three dimensions of sustainable development and to manage change, governments need to innovate their institutions, systems, and processes. They need to rethink how they can support coherent policy frameworks, institutional arrangements and make decisions by engaging all stakeholders.

Governments also need to rethink how they will provide services to leave no one behind; monitor and evaluate the implementation of the SDGs and how they will mobilize

funds and ideas to promote prosperity for all.

Innovation is required in public service delivery to tackle issues related to poverty eradication and to realize the SDGs. Changing our world and achieving the sustainable development goals by 2030 requires a paradigm shift in the way services are designed and delivered. The links between the 2030 Agenda and public service delivery are found not only in Goal 16 related to effective, accountable and inclusive institutions but across all the 17 interconnected goals. In fact, most of the SDGs are delivered to people through public services. If governments cannot deliver or provide access to services, the attainment of the SDGs is highly unlikely. And the fundamental purpose of all Governments is to address basic human needs: jobs, clean water, education, transport, housing, infrastructure, primary health care, particularly to the furthest left behind.

As such, governments around the world need to find ways to more effectively create public value through effective, inclusive and people-oriented service delivery. People across the globe are increasingly expecting from their Governments: (a) more personalized services that fit their unique needs, (b) greater degrees of transparency, accountability, and effectiveness of a variety of governmental services, and (c) more significant participation in decision-making processes. Although governments are still central to society, it is now widely recognized that governance is not the sole prerogative of governments and that innovative partnerships are crucial for the success of the SDGs.

It is therefore not surprising that most public and private key development actors are engaged in one way or another in public service delivery. There is no blueprint to guarantee efficient an effective service delivery. At the same time, recent studies by various development agencies confirm the relevance of local delivery models based on the active engagement of citizens in the changes that may directly affect their lives.[1]

## II. Principles, strategies and enabling factors for innovation in service delivery: a holistic approach

There are many definitions of innovation in public governance and rich literature on the subject matter. As the economist, Schumpeter once stated: "Innovation is mankind's effort to endlessly pursue change for a better world" (Schumpeter add footnote).

In general terms, innovation is a creative idea which is implemented to solve a pressing problem of public concern; i.e., a solution to a governance challenge. It is the act of conceiving and implementing a new way of achieving a result and performing work. Innovation can refer to new products, new policies and programs, new approaches, and new processes. It can involve:

- The incorporation of new elements,
- A new combination of existing elements, or
- A significant change or departure from the traditional way of doing things.

Experience has shown that introducing innovations in governance has many positive results. First, it can help maximize the utilization of resources and capacities to create public value as well as encourage a more open/participatory culture in government, therefore improving good governance in general. Second, by enhancing the image and services of the public sector, it can help governments regain people's trust and restore legitimacy. Third, innovation in governance can boost the pride of civil servants working in the public sector, as well as encourage a culture of continuous improvement. Innovations can have an inspirational capacity, which builds a sense of the possible among public officials. Fourth, although innovations are limited governance interventions, they can produce a domino effect in that successful innovation in one sector can open the door to innovations in other areas. Each innovation can create the opportunity for a series of innovations leading to a favorable environment for positive change. Innovations can lead to building a new block of an institution, and change the relationship between levels of government and within government departments.

However we wish to define innovation, it is essential to bear in mind that innovation is not an end in itself, but rather an instrument to improve services for the benefit of all. Five main principles should guide innovation efforts in service delivery for the SDGs as follows:

**Access** Expanding the coverage or enhancement of quality service delivery to vulnerable groups is critical to inclusive, sustainable development. One way to expand coverage is by having in place adequate civil identity registration and management systems. Global, regional and national commitments to sustainable development and poverty reduction require that all citizens, men, and women, have equal access to quality services. Target 16.9 of the 2030 Agenda is devoted to this issue.

**Quality** Increasing quality of the services delivered. High-quality service delivery includes – but is not limited to - the degree of excellence of the services offered. It also relates to the availability of quality government services at times and in ways that are more convenient to the public. It also refers to the speedy processing of applications or claims, reduction in the amount of paperwork and other activities people must perform to demonstrate compliance with clearly written government regulations.

**Inclusion and responsiveness to the needs of the furthest left behind** The principle of "leaving no one behind" implies that it is not enough to offer standard delivery of public services if the vulnerable, including the poor, remain ignored. Recognizing that the dignity of the human person is fundamental, the Goals and targets must be met for all nations and peoples and all segments of society; reaching the furthest behind first. Disaggregated data is vital to understand the needs of the vulnerable groups and deliver services that are needed.

**People-driven and personalized services** Utilizing mechanisms that have proven to collect feedback from people and that succeed in engaging them in the delivery of services

**Transparency and accountability of service delivery** It is essential to ensure transparency in service delivery and accountability to ensure that resources are going to the most vulnerable groups.
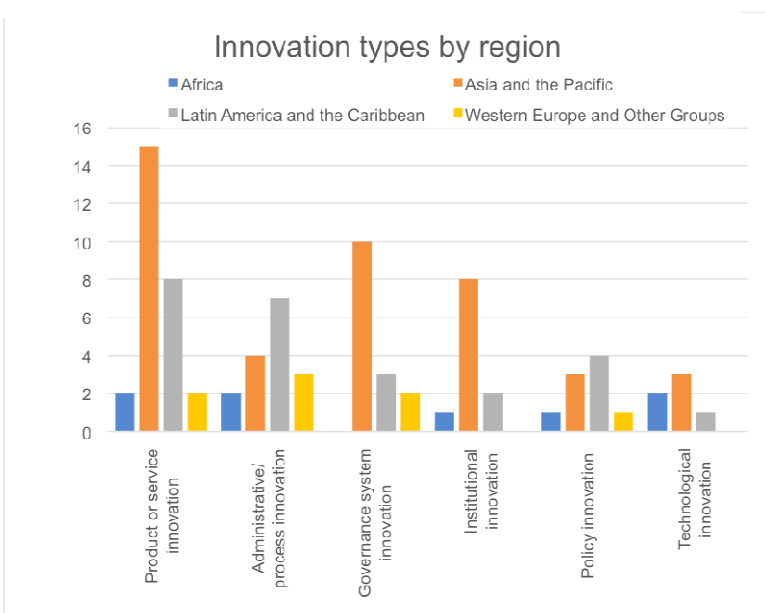


Innovation types by region

## III. Strategies

Based on the review of innovative practices from around the world, particularly those initiatives that have won the United Nations Public Service Awards, and building on the lessons learned, there are five critical enabling factors to promote innovation in service delivery.

For governments to provide essential public services in an equitable, effective, inclusive and people-centric way, the public sector capacity to deliver services must be bolstered at national and local levels. To provide effective and fair services requires strengthening four major and inter-twined dimensions of the public sector. These include the institutions, particularly at the local level, to deliver services; the leadership and human resources capacities needed to provide services in a transparent, equitable, and accountable manner; the processes and mechanisms that favour the participation of citizens in the design and delivery of services; and the organizational culture so that it may provide a fertile ground for continuous improvement and innovation in service delivery.

There are different types of innovations in public administration, including:

a) **Institutional innovations**, which focus on the renewal of established institutions and the establishment of new institutions;

b) **Organizational innovation**, including the introduction of new working procedures or management techniques in public administration;

c) **Process innovation**, which focuses on the improvement of the quality of public service delivery; and

d) **Conceptual innovation**, which focuses on the introduction of new forms of governance (e.g., interactive policy-making, people's budget reforms, horizontal networks).

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[1] UNDP http://www.undp.org/content/undp/en/home/librarypage/capacity-building/global-centre-for-public-service-excellence/Collaborative-Capacity-in-Public-Service-Delivery.html and Open Government Partnership https://www.opengovpartnership.org/theme/public-service-delivery

Based on a review of innovative cases, **there are five central strategies** to promote innovation in service delivery: (1) Institutional and organizational innovation, particularly collaborative governance frameworks (whole-of-government and whole-of-society approaches) to deliver integrated services; (2) Transformation of leadership and public officials' capacities; (3) Process innovation, including innovative channels and mechanisms for partnership building and people engagement; (4) Organizational culture to promote integrity, the principles of the 2030 Agenda, knowledge sharing and management for innovation, transparency and accountability; and (5) Leveraging the potential of ICTs, which creates new opportunities for innovation.

These five strategies are inter-linked and inter-dependent and therefore should be considered holistically. In other words, it is essential to address in an integrated and holistic manner strengthening institutional frameworks, processes and mechanisms to deliver services equitably and effectively, human resources capacity-building for equitable service delivery and ICT development and utilization.



Area of innovation by level of government
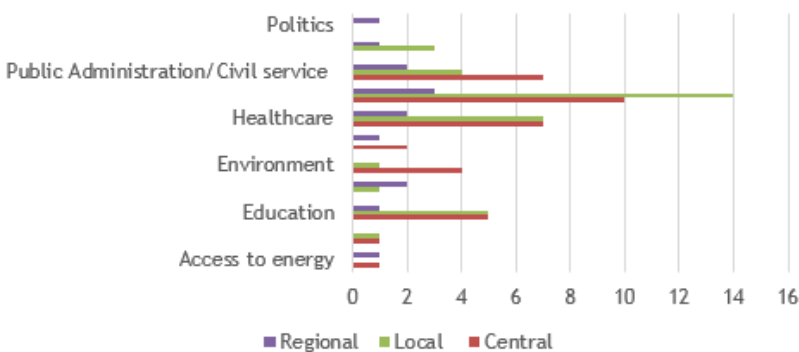
Source: UN Public Service Awards Analysis

## IV. Lessons Learned

At the national level, empirical evidence indicates a combination of proven approaches leading to concrete results. Finland, Japan, New Zealand national development policies were based on rural-urban policies aimed at service delivery – combining the production potential of rural areas with the consumption potential of urban areas.[2] More recently, China combined nationwide agriculture reforms with land titling, decentralization, gradual market liberalization incentives, including market-oriented public enterprises linked to local governments.[3] The Government claims that the poverty rate fell from 88 percent in 1981 to 6.5 percent in 2012. In Uruguay, the government enacted a policy for inclusive growth and innovative progressive social spending, based on: progressive tax mechanisms

for poverty reduction, social assistance programmes, Social Security Family Allowances. Uruguay also revamped its Pension System and improved housing and community services. The Government claims to have reduced extreme poverty from 8% in 2006 to practically zero.[4]

One often overlooked lesson in all these examples is the relevance of capacity within public institutions to undertake such reforms.

Lessons learned from public service delivery challenges and solutions are already known for thousands of specific cases. They usually include proper institutional coordination, policy coherence, context-specific adaptation, engagement of beneficiaries and civil society in a collaborative manner, appropriate consideration of digital and technological options, transparency in budgeting and expenditures, public-private partnerships, accountability towards customer-centric models, effective linkages between local and national levels of government, among other factors.

The delivery of basic health care, water, sanitation, education, housing, jobs, transportation, roads, communications, civil documentation (birth certificate, national ID), job opportunities, and others are all listed under the 2030 Agenda targets and indicators. As we all know, delivering water, for example, does not begin by purchasing pipes. Accelerating the delivering of civil identity to citizens does not begin by acquiring the latest computer model. Technology is indeed important, but represents the last step of a reform effort that should ideally begin by considering how public institutions are expected to operate and coordinate themselves.

[2]http://www.mlit.go.jp/kokudokeikaku/international/spw/general/finland/index_e.html and http://www.oecd.org/gov/rural-urban-linkages.htm and UNDP (2000) Rural-Urban Linkages: An Emerging Policy Priority. Bureau of Development Policy, New York.
[3] http://blogs.worldbank.org/eastasiapacific/ending-poverty-in-china-what-explains-great-poverty-reduction-and-a-simultaneous-increase-in-inequality-in-rural-areas
[4] http://www.worldbank.org/en/country/uruguay/overview

Service delivery is usually a direct reflection of the existing decision-making structure, policy coherence and institutional coordination, budgetary considerations and sovereign prioritization of goals and objectives.

International development cooperation can, at best, present options, approaches, tools and examples of how similar challenges were resolved in other situations so that informed and evidence-based decisions can be made with support from existing capacity.

According to a quote credited to Albert Einstein, *"insanity is doing the same things over and over again, while expecting different results."* It will not be possible to modernize public administration to accelerate the implementation of the SDGs if government structures remain the same. Typically, most government institutions in developing countries operate in silos, with ineffective vertical and horizontal policy coherence.

The recent experience with various developing situations, including LDCs and SIDS, suggests that support to the implementation of Agenda 2030 from a public administration perspective could imply an integrated vision including the following:

1) The National Development Strategy

2) The 2030 Sustainable Development Strategy

3) The National Digital Strategy

4) The institutional architecture design within a given country (decision-making, workflows, balance between hierarchy and engagement)

5) The established legal framework and its linkages with participatory approaches, accountability principles and representational mechanisms, which are part of the existing governance structure.

Countries tend to work on the preparation of these policies described above without enough consideration on how they would interact in practice to deliver services to people.

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**The following actions usually require a basic level of capacity at individual and institutional level**

(a) Design enhanced approaches to public service delivery, notably by improving the quality, access, responsiveness, and cost-effectiveness of public services in areas related to the Sustainable Development Goals, and equipping institutions to deliver on the SDGs;

(b) Use innovative modalities for delivering public services to all, including by mobilizing ICTs through various initiatives and through countries' efforts to implement the outcomes of the World Summit on the Information Society and its ten-year review, with a particular focus on leaving no one behind;

(c) Develop innovative partnerships for service delivery, including through cooperation with the private sector and civil society organizations; and

(d) Consider people's participation in decision making, implementation and evaluation of public service delivery options.

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The UN World Public Sector Report,[5] in various editions, has highlighted the three broad models on which most of the lessons and examples of contemporary global thinking about public administration are based: (a) traditional public administration; (b) public management, including new public management (NPM); and (b) democratic or responsive governance. It is interesting to observe that most enterprise architecture frameworks still follow the public management tradition, with little participatory governance considerations,
for example – but this is indeed a rapidly evolving scenario.

[5] https://publicadministration.un.org/en/Research/World-Public-Sector-Reports

Despite a vast record of good practices, two major challenges remain: a) to scale up successful cases and b) to deliver public services to the most vulnerable. Both these challenges can relate to variations in public social spending in countries, among other key factors. According to the OECD, *"Public social spending comprises cash benefits, direct in-kind provision of goods and services, and tax breaks with social purposes provided by general government (central, state, and local governments, including social security funds)."*[6] Even in OECD countries, public social spending as a percentage of GDP can be as high as 31.7% in France and as low as 10.1% in the Republic of Korea.

Public service delivery represents indeed a wide, complex, varied and important arena for SDG implementation, particularly when attempting to include the most vulnerable. The Capacity Development Unit of DPIDG can be reached to support countries with advisory services in all these areas.

[6] https://data.oecd.org/chart/4Tcd

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