Innovation in public sector management essay



\n[toc title="Table of Contents"]\n

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- 1. <u>Literary Review \n \t</u>
- 2. Shaping Policy Directions \n \t
- 3. Implementing Policies and Programs \n \t
- 4. Administrative Innovations \n \t
- 5. Conclusion \n

 $n[/toc]\n \n$

Innovation in the Public Sector refers to the conceptualization and implementation of new and idiosyncratic services, products, processes and delivery methods which contribute to improvements in effectiveness, efficiency and quality (Mathews 2009). Lee Zhuang (1995) defines public sector innovation as new and distinctive ideas or activities which enhance the acts of visualization, creation, or production of new products or services that are aimed at heightening output quality and efficiency. In both Mathew and Zhuang's definition, we are able to identify several key terms – "newness" and "uniqueness" – while observing the end objective of "improving the nature of products, services or general efficiencies". In this regard, we can affirm that public sector innovation involves the introduction of new distinctive ideas, either to the current business activities or through the creation of new business ventures, with the aim of improving service delivery (Theodoulou & Cahn 1995).

Innovation has taken different forms in our contemporary public sectors.

These forms may be illustrated by policy development and program delivery,

regulatory measures, technology and organizational structural enhancements. Furthermore, it is result/future oriented, and as quoted by Bhatta (2003), "innovation is a means to an end, not an end in itself". Therefore, it is important to take note of the significance of innovation in our public sectors, for the organizations that are futuristic, so as to guarantee customer satisfaction. Behaviors, knowledge and skills of public servants should be engineered towards innovation.

In this regard, the scope of this paper will be to outline the significance and contribution of innovation in the public sector. To do this, we shall evaluate different forms of innovation evident in the public sector, their benefits and measures taken to facilitate their realization. It is therefore imperative to assert that innovation in the public sector has continued to ensure flexibility, creativity and efficiency hence should be encouraged as an entrepreneurial practice in our public institutions.

Literary Review

Innovation is not limited to generation of new ideas and creativity; it is a replicated process (Borins 2001). Some innovations have been identified to be transformational (ground-breaking) while others are incremental.

Transformational innovations are those that depart from past practices while the incremental innovations are developments of existing ones. For example, when an organization decides to adopt the use of technology as a replacement of manual labor, we may say that it has undergone a transformational process. As mentioned above, innovation is not tied to the introduction of new products or services, but may involve the introduction of a new process of achieving an existing objective (Howell, Shea & Higgins https://assignbuster.com/innovation-in-public-sector-management-essay/

2005, pp. 641-661). Furthermore, these changes can be instigated either by people already in the organization or by external forces.

Public sector innovation can be streamed into three forms: Shaping policy directions, implementing policies and programs and administrative innovations. Shaping policy directions involve reasoned objectives, advice and options which assist administrative bodies in decision-making (Lynn 2001). Implementing policies and programs deal with service delivery to the public while administrative innovations entail the creation of new internal practices that improve productivity. These three forms are grounded to enhance the social welfare of the organization, economic performance and environmental sustainability. Organizational efficiency of timely and high quality services and reduced transactional costs are also facets of public sector innovation (Mulgan & Albury 2003).

Shaping Policy Directions

Shaping policy directions is one of the most feverish processes that organizations undergo to ensure their goals and objectives meet customer satisfaction requirements. Policy shaping may call for alterations in missions, strategies, objectives and goals (Behm, Bennington & Cummane 2003, pp. 162-178). This brings into view the three types of policy learning initiatives: technical learning, conceptual learning and social learning. Technical policy learning strategy determines how policies can be improved so that the stipulated goals can be achieved. Conceptual learning involves reevaluation of existing policies, developing new concepts from the existing ones and determining the consequences of the problem statement. Lastly, social learning would involve the assessment of the social impact of the new https://assignbuster.com/innovation-in-public-sector-management-essay/

policies. It is responsible for evaluating the impact that the new policies will have on the public; their reception, perception and reaction (Windrum 2008, p. 3-20).

Kamarck (2004) observes that shaping policy directions makes it easier for a public institution to respond to altered public needs and countering public's rising expectations. Clearly laid out strategies and policies will define the organization's goals and objectives hence centralized public interests.

Furthermore, policies govern financial departments thereby containing costs while increasing efficiencies. This is mostly evident in public institutions with budgetary constraints. Service delivery outcomes, especially those bound by internal policies, are appraised and non-functional policies scrapped (Kraemer & King 2003).

A good example of a shaped policy dimension that influenced public sector innovation was the adoption of the "customer office" after the establishment of the Centerlink's Tuggeranong Act Customer Service Center in Australia. The 'concept office" was adopted in 2006 and has since played a significant role in refocusing Centrelink's corporate strategy towards a customer driven approach. The "concept office" provided for the evaluation of potential service delivery advancements under normal workplace conditions. It helped establish a more welcoming environment to customers through the adoption of the office layout design on an open architecture. Furthermore, customers could easily gain access to relevant websites, printing and photocopying services. Lastly, adjusting its policies to more customer-friendly helped it build a strong rapport with its clients hence facilitated better service delivery (OECD Regulatory Policy Committee 2009).

Implementing Policies and Programs

Implementation, as observed by Lane (1992), refers to the carrying out of the formulated policies and the actual realization of the intended objective. He went ahead to identify two theoretical frameworks that could be used in the implementation of policies. These were: top-down and bottom-up approaches. The top-down approach states that for a successful implementation, there must be a clear start and end points with an evaluation after the end point (Sabatier 1999). It is believed that implementation begins when the decision-making process is complete. These decisions are made by people at the top (administratively) of the bureaucratic pyramid and implemented down the hierarchy. The bottom-up approach, on the other hand, states that there is no clear distinction between policy decisions and their implementation. Furthermore, it holds that there is no need of evaluating its implementation if the whole process is included. This implementation approach is continuous without a definite start or end and this implementation happens at all levels of the bureaucracy (National Audit Office 2000). Therefore, for a successful innovative policy implementation, the right choice of implementation strategy is vital.

Administrative Innovations

The idea of professional management in the public sector, as advanced in the scientific management movement, calls for visible, active and discretionary power, development of appropriate culture and performance measurement and explicit organizational performance standards (OECD Policy Brief 2004, McNollgast & Rogriguez 2008). Furthermore, with administrative innovation, a number of terms such as "European

Administrative Space" and "Americanization of Administrative Law" have emerged to show the convergence of legal and administrative concepts (Sabino & Savino 2005).

Administrative Innovation has been adopted to enhance transparency, public participation and accountability in public institutions. Global administrative laws have contributed to globalized interdependencies hence led to the formation of hybridized public-private bodies. Consequently, administrative innovation has been heightened with the concepts of administrative laws such as reasoned decision, legality, transparency and review of rules and decisions (Kingsbury, Krisch & Stewart 2005). The provision of such administrative laws has opened up international development strategies where different people from different nations are able to conduct entrepreneurial activities globally.

These three facets of public sector innovation strategies define both the transformational and incremental models of public innovation (Smith & Bratton 2002). For example, in the implementation of any policy or new idea, the technical, conceptual and social learning aspects of policy innovation have to be exercised. Secondly, phase over strategies of top-down or bottom-up implementation packages will define the mode in which the new changes will be effected. Lastly, administrative innovative strategies will determine and facilitate the achievements of the desired implementation strategies of all innovations (Vigoda 2000A, p. 185-210).

A more practical example, for instance, would be in the implementation of a transformational innovative strategy of adopting electronic tax initiatives. This type of innovation was evidenced in Australian Taxation Office which developed an e-tax web-based service. This e-tax technology was used to integrate access to data in their databases and provided for easy access to tax returns for the tax payers. They could conveniently settle their taxes online thereby saving on time and realizing efficiency (OECD 2002).

The Australian Taxation Office conducted a conception learning initiative to evaluate the flaws of their manual system and identify improvements that could be made. They observed that through the integration of an electronic tax system, the amount of paperwork could be reduced, efficiency improved and enhanced service delivery could be realized. Social implications of that move were also analyzed through the social learning strategy and finally an implementation mode identified. Finally, for its implementation, both top-down and bottom-up strategies were used (OECD, 2002). This is a good example of how all facets of public sector innovation defined the integration of e-tax technology in the Australian Tax Office.

Conclusion

We have seen the significance of innovation in the public sector, how it simplifies business transactions while providing for quality products and services. We have further established that it guarantees flexibility in our public institutions (through the use of technology), creativity and efficiency. Public institutions, as compared to private organizations, were traditionally rigid when it came to accommodating change. Nonetheless, with the continued globalization activities, industrialization and increased public demand for services, public institutions adapted innovation (Mistelis 2000). Massive advantages have been realized with continued accountability and https://assignbuster.com/innovation-in-public-sector-management-essay/

transparency (Silverman 1999). Both forms of innovation, transformational and incremental, have been employed hence led to increased objectivity and goal setting for the public institutions. Furthermore, the three areas of innovation, shaping policy directions, implementing policies and programs and administrative innovations, have defined every facet of public sector innovation. Therefore, innovation in the public sector has encouraged flexibility, creativity and efficiency hence should be encouraged in all spheres of the public sector.