

RISUS - Journal on Innovation and Sustainability volume 15, número 4 - 2024 ISSN: 2179-3565 Editor Científico: Arnoldo José de Hoyos Guevara Editor Assistente: Vitória Catarina Dib Avaliação: Melhores práticas editoriais da ANPAD

# INNOVATION PROJECTS AT THE PUBLIC SECTOR FOCUSING IN SUSTAINABLE DEVELOPMENT

Projetos de inovação no setor público com foco no desenvolvimento sustentável

Eduardo Lacerda de Camargo Bisneto Pontifícia Universidade Católica de São Paulo Email: eduardoldecamargo@gmail.com

## ABSTRACT

We are living in a period that needs thinking of the global economy as a jigsaw puzzle. At same time, we are moving to important challenge of having to deal with open collaborative innovation and digital platforms. The change will be possible when government, businesses and individuals all play their respective roles, and agree on a social contract with shared responsibility that societal outcomes will be optimal. It's means deal with the emerging innovation frontier of decentralized applications (dApps) and blockchain platforms that becomes possible a future creator economy. But we need to be prepared to develop resilience, flexibility, critical thinking and an interdisciplinary. To help governments and public servants, the OECD has developed an integrated framework for mapping existing approaches and policies that support public sector innovation. In Brazil there are the Government Laboratory of Innovation (GNova) focusing on developing innovative solutions in federal government projects and the Laboratory for Innovation on the Public Sector (LIPS), that in particular is using design thinking, design Sprint, agile approaches, and human-being centered design methods.

Key words: Public sector innovation, Open innovation, OECD, Sustainability development.

#### ACEITO EM: 20/09/2024 PUBLICADO EM: 30/12/2024



RISUS - Journal on Innovation and Sustainability volume 15, número 4 - 2024 ISSN: 2179-3565 Editor Científico: Arnoldo José de Hoyos Guevara Editor Assistente: Vitória Catarina Dib Avaliação: Melhores práticas editoriais da ANPAD

# PROJETOS DE INOVAÇÃO NO SETOR PÚBLICO COM FOCO NO DESENVOLVIMENTO SUSTENTÁVEL

Innovation projects at the public sector focusing in sustainable development

Eduardo Lacerda de Camargo Bisneto Pontifícia Universidade Católica de São Paulo Email: eduardoldecamargo@gmail.com

# RESUMO

Estamos vivendo em um período que precisa ser pensado na economia global como um quebra-cabeça. Ao mesmo tempo, estamos nos movendo para o importante desafio de ter que lidar com inovação colaborativa aberta e plataformas digitais. A mudança será possível quando o governo, as empresas e os indivíduos desempenharem seus respectivos papéis e concordarem com um contrato social com responsabilidade compartilhada de que os resultados sociais serão ótimos. Significa lidar com a fronteira de inovação emergente de aplicativos descentralizados (dApps) e plataformas blockchain que se tornam possíveis para uma futura economia criadora. Mas precisamos estar preparados para desenvolver resiliência, flexibilidade, pensamento crítico e interdisciplinaridade. Para ajudar governos e servidores públicos, a OCDE desenvolveu uma estrutura integrada para mapear as abordagens e políticas existentes que apoiam a inovação do setor público. No Brasil existem o Laboratório Governamental de Inovação (GNova) com foco no desenvolvimento de soluções inovadoras em projetos do governo federal e o Laboratório de Inovação no Setor Público (LIPS), que em particular está usando design thinking, design Sprint, abordagens ágeis e métodos de design centrado no ser humano.

Palavras-chave: Inovação no setor público, Inovação aberta, OCDE, Desenvolvimento da sustentabilidade.

#### INTRODUCTION

First, we start with some contributions based on the ideas presented at the recent book "Stakeholder Capitalism" (Schwab, Vanham, 2021), *regarding the feeling that we are living in a period that needs thinking of the global economy as a jigsaw puzzle*. At the heart of solving the puzzle and addressing global disturbance and uncertainty lies three identifiable issues that need to fit: First, income and other inequality within societies has been on the rise, while productivity and wage growth slowed, and countries are burdened by debt. Second, the market power of the world's largest companies reached unprecedented levels, raising questions on the spread of innovation and productivity gains. And third, the exploitation of natural resources is leading to a deteriorating environment, affecting the lives of many for the worse.

The debate over what caused this situation is still open: whether laissez-faire governments, a poorly managed globalization, or the rise of technology that favors the few, the possible culprits are legion. In any case, Schwab argues our current system has failed to properly register and address many of the issues we are now faced with. But it is certain that individual actors do have agency, and that policies matter, when it comes to dealing with external forces.

Moreover, as success stories from the Switzerland to Singapore, and from Costa Rica to China show, it is only when government, businesses and individuals all play their respective roles, and agree on a social contract with shared responsibility that societal outcomes will be optimal.

The book "Stakeholder Capitalism" actually address these problems, and provides achievable answers to solve them. Professor Klaus Schwab, Founder and Chairman of the World Economic Forum, help to think of in answers for Inn all stakeholders in the global economy, rich and poor, vested and disenfranchised, engaged or searching, addressing problems and providing solutions, piece by piece, stakeholder by stakeholder, country by country, world citizen by world citizen.

Next, we move to the important challenge of having to deal with "Open collaborative innovation and digital platforms" as already mentioned by a paper developed by some members of the Management of the Sapienza University of Rome (DE Falco et al, 2017). They argue that a collaborative mechanism and governance of the platform affect how operations are run and impact firm ambidexterity, and explain how the twofold revealing strategy, both selective and free occurs via the platform and how governance positively impacts the coordination mechanism; and hence may end up fostering the creative process and becoming a driver of operational synergies, and even reducing costs; moreover they even include a case study (TIM Open Innovation) that they feel it may even become a ground-breaking framework for future investigations, dealing in particular with Innovation Hubs in Brazil.

Next moving to "Digital Platforms and Ecosystems", Gawer (2022) from the Surrey Business School at the University of Surrey, examines how value can be created and captured in fundamentally new ways thanks to rising of digital innovation and ecosystems platforms in their current organizational form is that while distributed patterns of value creation characterize the circumstances that allowed them to emerge, the business models they have adopted have led to a centralized modality of value capture, in a sense giving a feeling of a more social and democratic framework.

Finally we are considering a paper from Leiponen et al (2022) dealing with the emerging innovation frontier of decentralized applications (dApps) and blockchain platforms, showing that dApp ecosystem actually highlighting a new types of parties, such as transaction validators, that are essential in the functioning of decentralized platforms; and in particular indicating how design choices moderate the impact of decentralization of the transaction system on digital innovation; as well as indicating the risks and opportunities of blockchain bridges. So, it gives a feeling that Dapps, blockchain-based applications that run code for a specific function or use case, may become the Future of the Creator Economy (De Matteo, 2023).

#### **1 OPEN INNOVATION**

Today we are living in what is called a VUCA World, that means a rapidly changing world, for which we need to be prepared developing Resilience, Flexibility, Critical Thinking and an Interdisciplinary approach to be prepared to deal with the Agility needed (IBE).

But also, be prepared not only for Threats but also for opportunities developing Innovative Strategic Planning in advance by implementing innovation tools like: benchmarking, design thinking, growth hacking, lean, job rotation, lean, smart (Specific, Measurable, Attainable, Relevant and Time Based). (CRONAPP, 2022)

Moreover, innovation may take a variety of forms (Open, Disruptive, Social, Sustainable) and different types of innovation could help for different purposes and also lead to different benefits, a may be seen on the next couple of graphs.

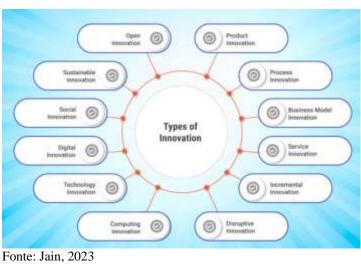


Figure 1 - Types of innovation



Fonte: Lean Ventures

Now the term Open Innovation was initially coined by Henry Chesborugh at the time he was Professor and head of the Open e Innovation Center at the University of California. By the way what really makes a difference is that Open Innovation when compared whit the Close Model: Uses Internal + External knowledge sources, has double innovation success rate (about 80%), 40-60 % productivity increase as well as high speed of innovation (x 3).

## **2 OECD - OBSERVATORY FOR PUBLIC SECTOR INNOVATION OPSI**

To help governments and Public Servants with fresh insights, knowledge, tools and connections to help them explore new possibilities in their pursuit of enabling more innovative practices, the OECD has developed an integrated framework for mapping existing approaches and policies that support public sector innovation. The Observatory of Public Sector Innovation (OPSI) helps collect and analyses best innovative practices in the public sector. As shown from numerous cases in the OPSI database, countries have adopted various approaches at the national level to foster public sector innovation.

The OPSI cases have shown that collaboration and coordination frameworks can help reach across organizational boundaries to other sectors or city -ministerial MindLab is an example, which works with citizens, public sector organizations, and private companies to co-design and prototype innovative public service solutions.

Managing risk and uncertainty: Approaches and tools to manage risk in innovation may help correct course early, avoid failures, and minimize potential negative impacts such as unanticipated costs. Co-creation, prototyping and pilots have been used as tools where limited testing of an innovation and the involvement of users in early stages have enabled countries to identify policy shortcomings and develop corrective and better targeted solutions.

The OECD Public Integrity Indicators establish a new benchmark for government resilience to corruption risks and for strengthening public integrity. Based on primary data sources and validated by countries, indicators help bolster global efforts against corruption by providing actionable data. The portal currently features data on the quality of public integrity and anti-corruption strategies. The OECD Public Integrity Indicators (OECD PII) establish a new benchmark for government resilience to corruption risks and provide guidance on how to strengthen public integrity (OPSI).

The OECD PII represent a new generation of indicators, which provide data to support concrete action against corruption, and allow countries to compare performance and identify best practices. The objective, evidence-based and actionable data of the platform helps decision-makers understand the strengths and weaknesses of national integrity systems, better allocate resources and target specific challenges. The OECD PII's data and charts are downloadable, which can enrich further research and briefings to inspire better policies. (OECD, 2019)

The framework establishes standard indicators for the preparedness and resilience of the public integrity system at the national level to prevent corruption, mismanagement and waste of public funds, and to assess the likelihood of detecting and mitigating various corruption risks by different actors in the system. (OECD, 2023)

Observing OECD Policy Coherence for Sustainable Development, we find out that they work to strengthen the capacity of governments to design, implement and monitor coherent and integrated policies for sustainable development. This entails fostering synergies across economic, social and environmental policy areas; identifying trade-offs and reconcile domestic and international objectives; and addressing the spill-overs of domestic policies on other countries and on future generations. (OECD, 2019)

Regarding innovation the OECD developed already in 2011, the OPSI that even places innovation at the heart of government. Founded in 2011 based on the growing need for governments to adopt new approaches to address society's complex problems, OPSI works to move beyond the "status quo". They analyze global trends and explore new possibilities for governments, provide the tools, know-how, skills and methods to implement theory into practice and develop guidance and tailored advice on ways governments can support innovation for better outcomes. (Jain, 2023)

Hence now a new landscape of technology is transforming how citizens interact with government, citizens are more informed, the publics expectations have increased, governments need be able to respond to the challenge, public organizations need to come up with new ideas, try new approaches & work in new ways and help governments in their pursuit of innovative practices the OECD has developed an integrated framework for analyzing public sector innovation.

The 4 levels where innovation takes place are: the innovator, the organization in which they work, the public sector as a whole and society. Next figure shows the 4 organizational factors taking place:

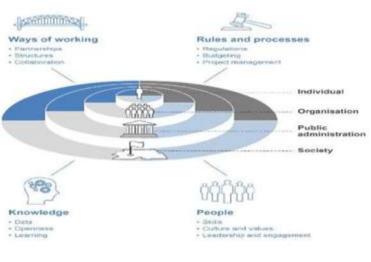
**1. People:** The cultural dimension – how people are motivated within an organizational setting to explore new ideas and experiment with new approaches.

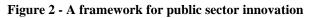
**2. Knowledge:** The realm of knowledge and learning which allows us to consider issues related to the collection, analysis and sharing of information, knowledge development and learning.

**3. Ways of working:** The way work is structured within and across organizations may have an impact on innovation in the public sector.

**4. Rules and processes:** Rules and processes, (including the legal/regulatory framework, budgeting, and approval processes) may offer (or block) opportunities to innovate.

As may be seeing in next figure.





Fonte: OECD

As a matter of fact, the OPSI even developed an Anticipatory Innovation Governance (AIG) model with the ability of organizations to consistently perceive, understand and act on the future as it emerges in the present.



Figure 3 - Anticipatory Innovation Governance



## **3 CONCLUSIONS**

The World is going through a very serious collective kind of global crises, that really needs an accelerated development of open collective collaboration and mindset to overcome challenges, and no doubt that by Observing the OECD Policy Coherence for Sustainable Development, we find out that they work to strengthen the capacity of governments to design, implement and monitor coherent and integrated policies for sustainable development. This entails fostering synergies across economic, social and environmental policy areas; identifying trade-offs and reconcile domestic and international objectives; and addressing the spill-overs of domestic policies on other countries and on future generations. (OECD)

Moreover Brazil like the OECD has also been doing its job on the area since 2016, through the development of the Government Laboratory of Innovation GNova as may be clearly seen by its Mission focusing on *developing innovative solutions in federal government projects so that the public service could better respond to society's demands; and the values that guide its work are: collaboration, proactivity, openness to risk, networking, simplification, efficiency, empathy and focus on the user, experimentation and generation of public value.* For this purpose, even developed a Laboratory for Innovation on the Public Sector (LIPS), that in particular is using design thinking, design Sprint, agile approaches, and human-being centered design methods, as well as tool kit for Scaling on Public Innovation Behavior (Sano, 2020) (Abreu, 2023).

# REFERENCES

Abreu. S. (2023). *Aplicação da Escala Comportamental para Inovação Pública* – Ecip. GNova Lab - Laboratório de Inovação em Governo Enap, Brasília: Enap. Available at:

https://repositorio.enap.gov.br/bitstream/1/7562/1/gnova\_design\_toolkit%20ECIP.pdf

CRONAPP. (2022). *Conheça seis metodologias de inovação e como funcionam*. 17 May 2022. Available at: https://blog.cronapp.io/metodologias-de-inovacao/#comment-12762

De Falco, S. E., Renzi, A., Orlando, B., Cucari, N. (2017) Open collaborative innovation and digital platforms. *Production, Planning & Control.* v. 28, issue 16: Operations Management and Digital Technologies. Available at: <u>https://doi.org/10.1080/09537287.2017.1375143</u>

De Matteo, M. (2023). Are dapps the future of the creator economy? CoinDesk. Available at:

https://www.coindesk.com/learn/are-dapps-the-future-of-the-creator-economy/

Gawer, A. (2022). Digital platforms and ecosystems: remarks on the dominant organizational forms of the digital age. *Innovation: Organization & Management*. v. 24, issue 1. Available at:

https://doi.org/10.1080/14479338.2021.1965888

IBE - Institute of Business Education. *Afinal, o que é o Vulcan world e como e preparar para esse universo?* Available at: <u>https://www.ibe.edu.br/vuca-world-e-como-se-preparar-para-esse-universo/</u>

G'NOVA. Available at: <u>https://gnova.enap.gov.br/index.php/pt/</u>

Jain, N. (2023). What is Innovation? Definition, Types, Examples and Process. *IdeaScale*. July 15. Available at: https://ideascale.com/blog/what-is-innovation/

Klaus, S., Vanham, P. (2021) Stakeholder Capitalism; *a global economy that works for progress, people and planet.* Wiley. Available at: <u>https://www.weforum.org/about/book/</u>

Leiponen, A., Thomas, L. D. W., Wang, Q. (2022). The dApp economy: a new platform for distributed innovation? *Innovation: Organization & Management*. v. 24, issue 1. Available at: https://doi.org/10.1080/14479338.2021.1965887

OECD. (2019). *OECD recommendation on policy coherence for sustainable development*. Available at: https://www.oecd.org/gov/pcsd/recommendation-policy-coherence-for-sustainable-development-2019.pdf OECD. (2023). *OECD Public Integrity Indicators*. Available at: https://oecd-public-integrity-indicators.org/ OECD. (2023). A framework for public sector innovation. Available at: https://www.oecd.org/gov/innovativegovernment/a-framework-for-public-sector-innovation.htm

OECD. (2023). Anticipatory Innovation Governance. Available at: https://oecd-opsi.org/work-areas/anticipatory-innovation-2/

OECD. (2023). *Policy coherence for sustainable development*. Available at: https://www.oecd.org/gov/pcsd/ OPSI. (2023). *Observatory of Public Sector Innovation*. Available at: https://oecd-opsi.org/

Sano, Hironobu. (2020). Laboratórios de Inovação no Setor Público: mapeamento e diagnóstico de experiências nacionais. Brasília: Enap. Available at:

https://repositorio.enap.gov.br/bitstream/1/5112/1/69\_Laboratorios\_inovacao\_governo\_completo\_final\_2306202 0.pdf

TIM Open Innovation. Hubs de Innovation. Available at: https://marketplaceiot.tim.com.br/open-innovation/