

POLITICS & POLICY



INNOVATION LABS AS PUBLIC CHANGE AGENTS

JESPER CHRISTIANSEN PHD AND RUNA SABROE, MINDLAB

In recent years, there has been a greater recognition of the complex character of public problems. But have the practices of public policy similarly evolved with our understanding and recognition of these complex problems? What actually happens to the legitimacy of our democratic decision-making processes if public policies fail to deal productively with societal problems and don't actually realise political intentions in practice?



Workshop on setting up innovation labs at an OECD conference¹

These questions raise a discussion about how to increase the effectiveness and legitimacy of public sector interventions – both by creating the actual outcomes that are politically intended, and by enabling a more open approach to governance by involving and building on the resources of citizens, communities and other users that could aid in addressing societal issues. Whether they come in the form of laws, reforms, policies, regulations or the like, they have to be dealt with on the basis of their actual functionality: different processes of *creating* and bringing about change in society. The question is: What kind of knowledge management and development processes serve the public best in this context?

This question is currently being explored by Public and Social Innovation Labs (PSI labs) around the world. Embedding a human-centred design approach in the central administration of government, PSI labs have the potential to address this question by contributing to a shift in the culture of decision-making and by rethinking the practice of public policy. This allows PSI labs to create better outcomes and enable a more effective realisation of political intentions and ideas.

I. ABOUT MINDLAB

MindLab is one interpretation of how a PSI lab can be set up and run. It functions as a platform for cross-governmental collaboration both horizontally across key ministries and vertically between the state and local level. MindLab is an internal governmental body belonging to and primarily funded by three different ministries (The Ministry of Business and Growth, The Ministry of Employment, The Ministry of Education) and one major municipality in Denmark (the Municipality of Odense, the third largest city in Denmark). We collaborate closely with senior managers and staff within the owners' organizations to provide new insights, new solutions and new understandings to the owners regarding their work with policy development and policy implementation. Through this process, MindLab's ultimate goal is to contribute to positive outcomes for the users and citizens in question.



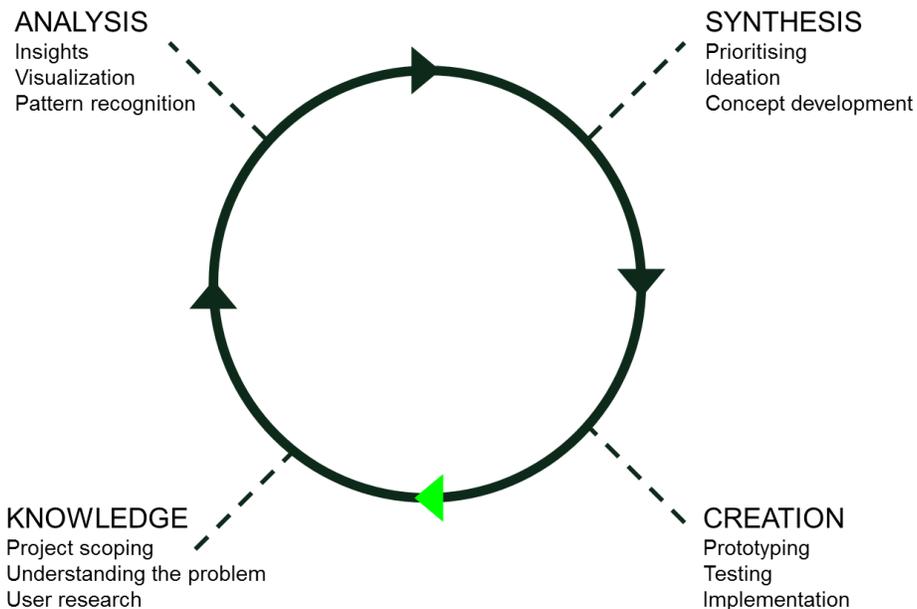
MindLab workspace²

At MindLab, our intention is to experiment with and transform the very functioning of government itself – including the procedural, administrative, political and democratic processes and practices. MindLab addresses public challenges through a range of qualitative, ethnographic and anthropological methods, combined with design methods such as rapid prototyping, experimentation and testing. The perspectives, experiences and behaviours of end-users are always the main focal point of our efforts.

Working as an internal cross-governmental design lab, MindLab has experimented a great deal in recent years with human-centered design of public services, policies, and governance models to pursue and create better outcomes. In this sense, we understand a lab as a *process* that constitutes a dedicated explorative space for discovering new ways of addressing problems and designing the appropriate processes to develop new ideas into practical outcomes. We are still exploring the potential and limits of this space.



MindLab design game- an innovative method that uses experimentation to solve complex policy problems³



II. DEDICATED SPACES FOR TRANSFORMING CORE FUNCTIONS OF GOVERNMENT

A PSI lab might be useful to think of in the form of the MindLab process model above. Even though a PSI lab might be a physical space where people work together on public issues, in its most effective application a PSI lab simultaneously combines (at least) six central features of public development practice:

Service design

Changing the ‘front-end’ public services – exploring how outcomes could be created differently in the concrete interaction between citizens and the public sector.⁴

Policy design

Working with implications for public policy – allowing for experimenting in the context of developing and implementing large-scale laws, reforms, policies, regulatory efforts and other change-making initiatives that target the public.

Governance design

Working with the back-end governance systems –rethinking system logic and relationships of accountability in order to create a more outcomes-focused operation and support of public service systems.

Scaling

Learning about and experimenting with local solutions in order to understand how to create large-scale impact – creating a platform for citizen, community and frontline led ideas and initiatives to drive public innovation and enable these to have a systemic impact.

Capacity

Changing the design and capability of government – embedding and operationalizing new public decision-making practices and knowledge management processes.

Culture

Systematically embedding new insights and learning in the existing decision-making environments that, over time, mobilize and organize a new professional approach in government to change-making activities.⁵

The common feature in all of these is **experimentation**. A PSI lab offers the combination of a practice-oriented, human-centered and holistic perspective and the iterative process of learning through action. This enables a more dynamic approach to public policy and governance by involving citizens and frontline workers as well as local authorities and communities to create a more collective effort for developing, implementing and operationalizing political decisions.

III. INNOVATIVE POLICY DEVELOPMENT AND CITIZEN-ORIENTED IMPLEMENTATION

Typically, reforms and other public change initiatives are designed and developed by a small number of people who play no active role in their implementation. Therefore, the practical challenges and dilemmas of the implementation process are seldom part of policy decision-making processes or administrative implementation. The challenge lies in planning initiatives in a way that allows for an understanding of the causes of problems and the practical consequences the new initiatives bring with them.

Starting in 2013, MindLab and the Danish Ministry of Employment refocused the implementation of reforms related to social benefits, early retirement and flex jobs. The overall intent underlying the reforms was to improve employment initiatives aimed at citizens at risk with the goal of reducing (in particular) the number of young people outside of the labour market. The reforms were completed partly through a more holistic and multidisciplinary approach and partly via a shift from a focus on activity to a focus on the outcomes for citizens. It was no longer about the number of cases closed or maintaining a uniform process for citizens. Instead, it was time to invest in creating positive change in the citizens' situation, through interdisciplinary collaboration and greater professional freedom in case processing and public sector initiatives.

In that sense, the reform involved a significant professional, managerial and administrative adaptation and was a paradigm shift in employment initiatives. The success of the reform depended, not just on a fundamental break with the current compartmentalised organizational framework, budget allocations and administrative procedures, but also the adaptation to new professional practices and a new way of relating to and involving the citizen. In short, it posed a huge implementation challenge. It was about understanding the practical challenges and unintended consequences of the reform on citizens and municipalities at an early stage of the implementation process.

Therefore, partnerships were entered into with various municipalities, whereby ethnographic methods were used to engage citizens, case workers, middle managers and job centre managers. Exploring questions such as: how were citizens actually experiencing the

new public sector initiative? To what degree are municipalities geared towards managing the objectives of the reform?

This point of departure meant numerous practical challenges for municipalities in their implementation of the intentions underlying the reform. Therefore, it was essential to balance expectations of the implementation process by illustrating the challenges, conditions, extent and implications of the changes. This knowledge starting point enabled national decision-makers and local practitioners to co-analyze insights, co-create new ideas and co-design a number of supporting activities and areas of focus to deal productively with the implementation process of the reform.

Some of the initiatives concerned specific changes to legislation to ensure that the policy objective was followed, while others focused on enabling a human-centered perspective in creating a fruitful interaction between existing operational practices and new reforms.

These activities were also about creating joint ownership across central and local government and doing away with the trend of implementation tasks becoming a matter of 'us' and 'them'. Instead of the state blaming municipalities for their failure to implement policy, or municipalities blaming the state for being out of touch with the reality of actual practice, this project encouraged teamwork between the two entities.

A series of new projects and partnerships are now taking place that aim to create an entirely new approach to public policy in the Ministry of Employment, in which systematic involvement of citizens and practitioners increase the likelihood that policy initiatives create the intended outcomes. In other words, they are redefining the implementation challenge of public policy from a 'plan and deliver' mentality to an outcomes-focused practice of realizing the political objectives through involvement and collaboration.

IV. NEW NORDIC SCHOOL: CREATING CHANGE FROM WITHIN THE EDUCATION SYSTEM

MindLab has, together with the Ministry of Education within the frame of the New Nordic School, challenged the standard assumption that change is primarily something that comes from the top. Proposed changes to the law and legal frameworks play an important role, but changes and improvements don't really begin until individual pedagogues, teachers, together with the children and their parents make the changes happen in practice.

New Nordic School is a development project initiated by the Danish Minister for Children and Education. The purpose is to create real and concrete changes in the Danish system for the provision of initial education from day care to the end of secondary education. New Nordic School is a way to generate change from within the education system by encouraging a mutual, collaborative process of learning and improvement among teachers led by principals and enabled by municipalities and the Education Ministry. The New Nordic School depends on a facilitated effort focused on enabling bottom-up change processes from a broad set of shared principles in which teachers jointly exercise responsibility for using their skills to close the achievement gap and improve outcomes for all children. New Nordic School managed to attract support from a large group of progressive principals and teachers who wanted to take on the responsibility of leading change from within. One of the strengths of the New Nordic School initiative is this degree of local commitment—schools are putting in their own resources to make it happen. Enabling bottom-up change to happen, however, requires that new ideas and practices are created in synergy with the

“All of the involved actors – the state, municipalities, schools and other institutions – had to act productively within a new development scheme where roles and responsibilities had shifted and where interaction and feedback mechanisms had to be rehearsed and operationalized.”

existing system logics and development initiatives that are already there as part of the operational practice of teachers, principals and municipal administrations. MindLab and the Ministry of Education therefore initiated a project focusing on this challenge.

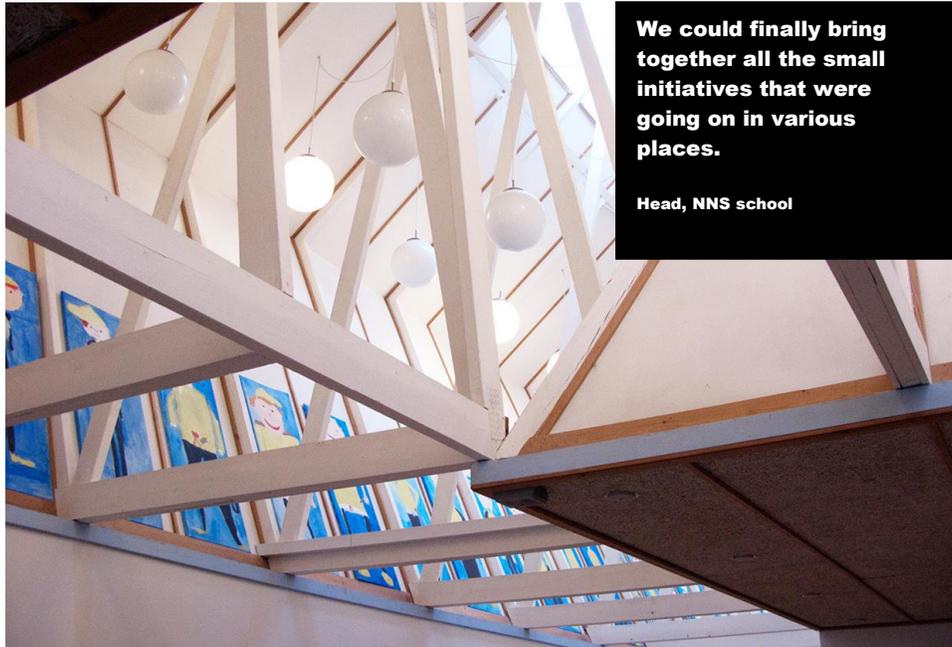
In the New Nordic School, the Danish Ministry of Education takes the role of facilitator of peer-to-peer networks, potentially developing valuable solutions from the bottom-up. Consequently, the NNS consists of a large group of social innovators – students, teachers and executives – that are generating a new kind of energy in the education system potentially redefining the Danish education through their own ideas and experience.⁶

MindLab’s work illustrated the mutual practical challenges and potential within the New Nordic School framework. In particular, the project identified the concrete disconnects between administrative governance models and the ideas and initiatives coming from within the institutions. All of the involved actors – the state, municipalities, schools and other institutions – had to act productively within a new development scheme where roles and responsibilities had shifted and where interaction and feedback mechanisms had to be rehearsed and operationalized.

MindLab’s role at the early stage in this process was to develop and prototype initiatives that needed to be taken in order to unleash the real potential of the New Nordic School movement. Within this task, it was also important to help the ministry illustrate how municipalities could benefit from the New Nordic School in their local development work. For example, MindLab facilitated co-design processes of developing concepts for local experimentation with the municipalities. In this way, the New Nordic School institutions could function as local living labs where municipalities could learn and gain experience on a small scale before expanding solutions throughout the municipality.

New Nordic School is an intriguing starting point for change but more work needs to be done to make the movement a solid part of the everyday lives of New Nordic School institutions. At a later stage, MindLab and Charlie Leadbeater from the MindLab advisory board have taken on an advisory role pointing out possible next steps for the New Nordic School movement. New Nordic School is a national, but distributed lab that is still in the process of experimenting with how to move towards a decentralized bottom up model.

Three hundred and seventy nine institutions across the country are currently working towards bringing the principles of the New Nordic School into life in practice. For this reason, it was important to address questions like: What should the balance be between central direction and decentralized emergence? Would central direction help or hinder its growth, attract or repel supporters? And what kinds of resources are needed to allow the movement to grow?



In particular, we engaged the ministry to address problems of inertia when attempting to change the public service systems. They are difficult to change because of ingrained cultures, working practices and incumbent institutions. The ministry needed to act differently and become a facilitator of a social movement. The launch of New Nordic School animated and energized an aspirational group of principals and practitioners who wanted to bring about change from within. Therefore, we set out different scenarios and potential strategies to inspire and direct the minister in leading this movement based on a motivated group within the profession, who want to develop new ideas and turn them into effective practice. In particular, we illustrated the importance and potential value of designing support that would strengthen, grow and extend the influence of this group within the wider system.

V. CONCLUSIONS

Increased social complexity, raising quality requirements and reduced budgets call for the creative rethinking of how change initiatives are designed, managed and maintained in the public sector. We think that PSI labs have something significant to contribute in this regard. However, this potential is not fulfilled by one specific interpretation of PSI lab work (of which MindLab is one). Instead, we should be very curious and continuously explore the various way of enabling, applying and generating value from the work of PSI labs.

We need to be asking questions like: what are the key conditions and attention points that need to be considered when dealing with the challenges of starting and running an innovation lab? How should it be governed and how will its structure determine what it is capable of? What characterizes the different lab approaches and what kind of approach works best in relation to which challenges? How should we understand the value and impact of the work? To what extent can we build labs for the long run that are considered a legitimate part of the infrastructure of the work of government?

Change should not be either 'bottom-up' or 'top-down'. It should create and build on a productive dynamic between ideas (or policies) and their potential impact (practice). PSI lab approaches, methodologies and attitudes have the potential to influence the culture of planning, leadership and management of public servants. This brings in a new kind of knowledge management based on experimentation and prototyping that enables public policy to systematically research, rehearse and refine new concepts, ideas and/or intentions.

In this sense, PSI labs can be valuable assets in pursuing better public outcomes. Not only in creating user-centred solutions and service systems facilitating a new relationship between system challenges and citizen interface. Nor only by opening up government to ideas and experiences outside the system and working with citizens, communities, NGO's and businesses to co-design and co-produce new solutions. But also by creating a new culture of decision making that transforms the way government works by institutionalizing a new organisational capacity to explore, learn, shape and adapt over time.

JESPER CHRISTIANSEN (PhD , Head of Research, MindLab) works with complex change processes and the relationship between strategy and practice in the public sector. He has completed his PhD at MindLab on public innovation with a focus on the cultural, epistemic and systemic implications. Jesper has responsibility for assigning the knowledge and research to Mindlab's project work.

RUNA SABROE (Program Manager, MindLab) has extensive experience designing and implementing public development projects. As a program manager responsible for Ministry of Education at MindLab, she focuses on interdisciplinary collaboration. She holds a MA in Media Studies and is a popular speaker, facilitator and teacher in Denmark and internationally. She has collaborated with UNDP, the European Commission, Reykjavik University among others.

¹ Image Source: <http://mindblog.dk/en/>

² Image Source: <http://mind-lab.dk/en/om-mindlab/>

³ Image Source: <http://mind-lab.dk/en/design-games-play/>

⁴ <http://mindblog.dk/en/inspiration-for-service-design/>

⁵ <http://mindblog.dk/en/how-do-we-issue-a-licence-to-act-differently/>

⁶ <http://mind-lab.dk/en/social-innovation-danish-example/>

⁷ <http://mindblog.dk/en/the-serious-business-of-setting-up-a-lab/>