TROPICO
Transforming into Open, Innovative and Collaborative Governments

POLICY BRIEF

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Enhancing innovation through public-private collaboration

1. ICT-enabled innovation

European governments recognise that ICT-enabled innovation is crucial to create dynamic, user-friendly, and technology-driven public services. A particularly important example of ICT-enabled innovations are eHealth innovations. The European Commission has prioritised eHealth innovation in the last years, and the COVID-19 pandemic has highlighted that our societies today face complex problems that often transcend policy sectors, governments, and borders. Solutions are increasingly found by pursuing collaborations with public and private actors, who might provide the necessary capabilities and resources. As such, actors learn from each other, and resources are shared, creating synergies between these actors that might drive the development of innovative eHealth services.

In our research, we have studied 19 cases of collaborative eHealth projects in five countries – Belgium, Denmark, Estonia, Spain, and the Netherlands – in order to investigate the conditions that affect collaborative partnerships in creating innovative public services. The eHealth projects ranged from projects focusing on administrative simplification and the digitalisation of data-sharing to projects with the goal of implementing telehealth and mobile health tools and smart devices.

In this policy brief, we highlight some of our **key findings** and formulate 13 **recommendations** for policy and practice, which might be particularly relevant for those involved in eHealth collaborations between governments and private health organisations (e.g. project coordinators, public partners such as hospitals, private partners such as companies, users, etc.). The results are, however, also insightful in other sectors where public-private collaboration is used to develop or implement ICT-enabled innovations. Moreover, policy makers might learn from these recommendations how to adjust their sectoral policies in order to foster collaborative innovation for ICT-enabled services. For more information on the case studies and the analysis that the recommendations build upon, please refer to our reports[1].

2. Key findings

Our findings show that both the structure of and the processes within public-private collaborations have an impact on the innovation of eHealth services. **Structure-related conditions** make it possible to provide a stimulating setting for the collaborative process to thrive. The conditions refer to the composition of the partnership, and the partners variety of resources, knowledge, and experiences. For instance, the composition of the partnership can be designed to include actors with specialised knowledge or experiences (e.g.

[1] All publications are available on the TROPICO website.

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users). The governance of the partnership, centralised vs. distributed governance, and the use of formal agreements stipulating the demands are also important for the structure. However, an optimal partnership structure alone does not guarantee the development of innovative solutions: the *process* itself also needs to be managed in a skilful way. Our research shows the crucial role of several **process-related conditions** to steer the innovation process in the desired direction, i.e.:

- balancing network management and contract management;
- building trust among involved partners;
- encouraging learning and consensus-building;
- increasing the partners' commitment to the implementation;
- engaging the partners and users to find shared solutions;
- securing the support of external actors, like elected politicians, the broader sector, and the media.

Another important finding relates to the **balance between steering the collaborative innovation process and letting it unfold without too much intervention**. Partnerships with diverse groups of actors incorporate different backgrounds, perspectives, knowledge bases, ideas, and interests, and this complexity within the partnership needs to be managed in order to create shared solutions and not end up with dozens of *potential* solutions. However, it is often precisely this variety that leads to exploration, experimentation, and learning, which in turn can lead to innovative ideas. Steering the collaborative innovation process too tightly might impede such exploration and experimentation processes.

3. Recommendations for policy and practice

In this section, we list the 13 most important recommendations from our research. An extended list of recommendations is available on the TROPICO website. The recommendations cover different features and processes of collaborative innovation, as illustrated in figure 1.

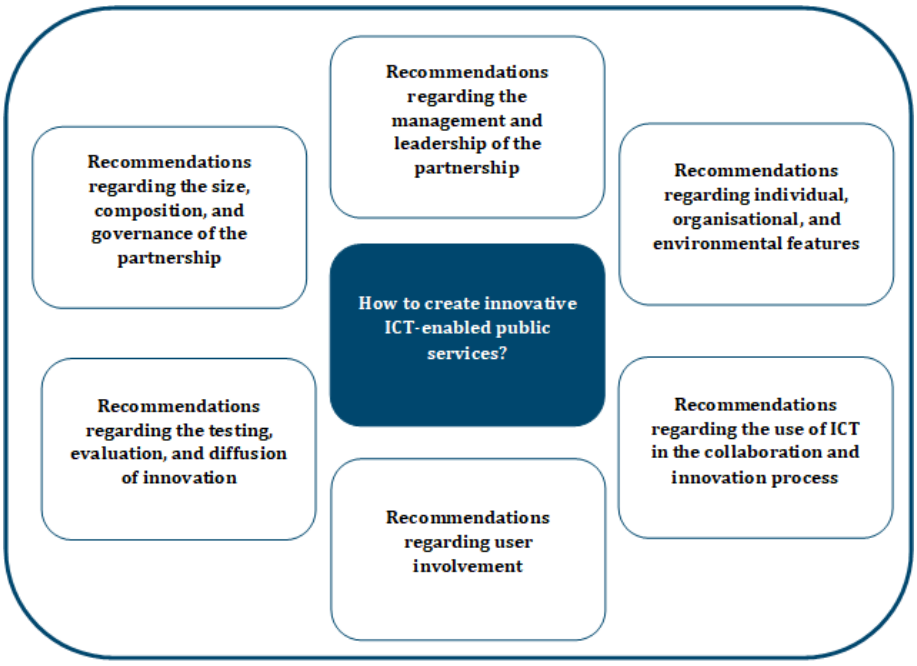

Figure 1. Recommendation for policy and practice

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Recommendations regarding the size, composition, and governance of the partnership

1) Design an appropriate governance structure. A partnership structure should encourage creative processes as well as goal-alignment. Ideation (the process of forming ideas) and interaction are crucial components of every innovation process. A thoughtful consideration of the components of this structure and governance (e.g. project teams, steering committees, etc.) is crucial to allow synergistic interactions between the partners, and to stimulate mutual learning, trust, and goal alignment. Project groups should be given autonomy to organise themselves and to make decisions and to encourage the exploration of new ideas and solutions within the collaboration. The project coordinator should stay connected to all the partners and seek to align their actions.

2) Adapt the governance of the partnership to its size and type. Depending on the size and type, the partnership will need different types of steering to create highly innovative services. Our research showed that governance by a lead organisation is advantageous in small government-coordinated partnerships which are contractual in nature, e.g. when private partners have been selected through a procurement process. However, large contractual partnerships coordinated by societal actors benefited from the introduction of distributed governance, with a focus on joint decision-making and equal responsibilities among the partners.

Recommendations for management and leadership

3) Specify the demands and mutual expectations, costs, and risks. Specifying the desired outcome will help to align the diverse goals and objectives of the partners. As such, contract management is important not only to ensure a desirable outcome: it also helps to connect partners and to make *a priori* agreements with them about their engagement and commitment in the project. Stipulating demands and expectations in an agreement or contract between the collaboration partners can stimulate innovation, but such an agreement should avoid stifling creativity and flexibility. Agreements reduce risks and uncertainties and increase the accountability between the partners. However, sufficient design freedom should be preserved by limiting restrictions on creative solutions and formulating output specifications instead of specifying how to achieve the outcome.

4) Manage the interactions between the partners. Managing the interactions between the partners is important to ensure goal alignment, trust, mutual learning and transparent communication. Proper management ensures that the collaboration benefits from the full added value of each individual partner. Our research shows that combining different management strategies is beneficial. Coordinators should explore the ideas and perspectives of all of the partners, connect the partners' resources and interests, introduce governance structures that stimulate interactions (such as project teams), and apply process rules that clarify how the collaboration will operate.

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5) Ensure a leadership balance between flexibility and a clear focus on the desired outcome. In collaborative partnerships, variation (i.e. diversity of perspectives, skills, knowledge, etc.) is an important factor that stimulates learning processes and is crucial for creating innovation. Leadership that encourages the exploration and usage of this diversity, therefore, enhances the innovation process. However, variation also causes complexities as the presence of diverse actors makes the innovation process more difficult. Leadership capable of controlling these complexities and streamlining the innovation process towards desired outcomes is, therefore, essential. Our results show that a proper balance between these two types of leadership is important to create innovative services.

6) Gather the right expertise for the purpose and the objective of the partnership. To develop innovative public services, the right sectoral (e.g. medical in the case of eHealth services) and technical (e.g. ICT or legal) knowledge has to be combined. Collecting this expertise implies that the relevant actors are motivated to join the partnership. Actors will join a partnership to satisfy their own motives, such as improving service delivery or efficiency, to develop tools, or to generate economic activity. Hence it is important that the collaboration provides the partners with an opportunity to improve their own expertise, develop or refine their services/products or strengthen their reputation in a certain field, so that the partnership can capitalise on the partners' capabilities and efforts.

7) Support learning, consensus-building, and commitment. Creating highly innovative and practically realisable services requires that the collaboration stimulates divergent ideas while simultaneously remaining close to the initial goals and converging towards a shared solution. Encouraging actors in the collaboration to be open to the ideas of other actors, and building a learning environment where new knowledge and ideas emerge, can facilitate the innovation process. A supportive learning environment can be stimulated by experimentation and trial-and-error behaviour, or by introducing new (external) knowledge in the partnership. Actors should further be encouraged to work towards consensus instead of continuously trying to defend their own standpoints or ideas, because they depend on each other to create the innovation. Consensus-building helps in managing conflicts and increasing goal-alignment between partners. Encouraging the partners' commitment to implement the innovation is crucial, as it ensures that the actors are willing to spend resources to also adopt the innovation.

8) Enhance interpersonal trust between the partners. Encouraging open and transparent two-way communication between the partners is an important enabler for the innovation process. Trust emerges through frequent encounters between actors, in formal meetings but also through informal interactions. Feedback about the partners' ideas and perspectives is crucial in order to stimulate learning processes and trust throughout the innovation process.

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Recommendations regarding individual, organisational, and environmental features

9) Select a skilful and capable representative for the organisation. The skills and capacities of the individuals in the partnership are crucial for the success of the collaborative innovation. Individuals selected as representatives of the organisation in the partnership should have capacities to connect with others, to connect ideas, to learn, to think creatively and be consensus oriented. The representatives will also benefit from a strong organisational support (e.g. clear mandate, dedicated time, specialised training) in order to increase their legitimacy and commitment to the project, as well as freedom and autonomy in order to encourage interactions and out-of-the-box thinking.[2]

10) Secure support from the external environment before or during the project. Securing external support for the innovation process is especially important for collaborative partnerships that create public services, as they frequently cut across distinct policy fields or domains of public life. Partnerships should aim to find and combine the support from collaborating organisations, elected politicians, the media, and the broader policy sector. Many of the cases we investigated in our research showed that projects that had successfully created highly innovative services, also had secured external support of several of these actors.

Recommendation regarding the use of ICT

11) Use ICT to enhance the collaboration. ICT tools are indispensable in fostering collaboration between the partners. They can enhance interactions between actors and help overcome practical barriers to communication. Our research[3] revealed that ICT is an important enabler of user involvement, as ICT tools create digital environments in which ideas can be tested by users (e.g. simulations, demonstration of eHealth tools). ICT can also help visualise and structure innovative ideas to generate support and understanding of these ideas, support the sharing of data, and facilitate mutual learning by combining and connecting

[2] Verhoest, K., Steen, T., Aubin, D., Moyson, S., Fallon, C., Langbroek, T., van Dijck, C., Riche, C., Thiry, A., and Callens, C. (2019). Policy brief (D 3.6). Publication as part of the 'Public Sector Innovation through Collaboration' (PSI-CO) project.

[3] See TROPICO Comparative case study report D7.1

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information and knowledge (e.g. in databases). Our research shows that ICT stimulates the creation of innovation in contexts where there is a lot of trust between the partners. A possible explanation might be that ICT reduces the need for face-to-face contacts (necessary for trust-building) and trust, therefore, needs to be present in order for ICT to have positive effects on the creation of innovation.

Recommendations regarding the involvement of users

12) Involve users in the different phases of the innovation process. Users are key stakeholders with essential experiences regarding the usefulness or uselessness of tools and services. Users can add insights and added value to different phases of the innovation process: in the problem definition phase, idea generation, testing, implementation phase, and evaluation stage. Users might be involved in one, multiple, or all of these stages. Users' contributions might further be to advise the partnership, to co-produce together with the partnership, or to lead certain aspects of the innovation process. Extensive user involvement can be facilitated by adopting a governance structure in which the users have a specific role. Collaboration partners should be able to work and connect with users in a learning environment where the users can openly share feedback and experiences. Our research indicated that collaboration partners may have different viewpoints on how to involve users in the innovation process. The same is true for the users themselves. These differences should be taken into account, in order to manage the expectations of collaboration partners and users about user involvement.

Recommendation regarding the testing and evaluation

13) Test ideas on a smaller scale or in a controlled environment. Innovative ideas and services implemented in a real-world environment can face technical, organisational, and institutional barriers. Testing allows to further refine the innovation and to overcome or adjust to the identified barriers. Testing in real life is useful to generate user feedback and knowledge, which can be used to align the innovation with the working procedures or to improve its usability. Testing also stimulates the interactions between partners, as it illustrates the anticipated effects of the solution and may bring about discussion and mutual learning through evaluation. Testing can also enhance motivation and commitment to implement the solution, as a successful test can be seen as a 'quick win'.

This policy brief reflects only the author's views and neither the Agency nor the Commission are responsible for any use that may be made of the information contained therein.

What is TROPICO?

TROPICO is an international research consortium investigating how public administrations are transformed to enhance collaboration in policy design and service delivery, advancing the participation of public, private, and societal actors. We analyse collaboration in and by governments, with a special emphasis on the use of information and communication technologies (ICT), and its consequences from a comparative perspective.

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