

# The Innovation System of the Public Service of Brazil

## Highlights of the 2019 OECD Country Study

*“There is no set prescription for innovation, let alone for building an innovation system within government to ensure a reliable, consistent, and deliberate approach. Nor is there an optimum level or amount of innovation that must occur. The requirement for innovation is an inherently dynamic and political question, as the desire and appetite for new approaches will continue to change depending on a country’s context, needs and ambitions.”*

### The Federative Republic of Brazil

The Federative Republic of Brazil is a large and heterogeneous country. As its name suggests, it is a federal system, with 26 states and a Federal District, and over 5 000 different municipalities. It is one of the world’s most populous countries with over 200 million inhabitants, as well as one of the largest global economies. The Government of Brazil must cope with a diverse range of issues and needs, and respond with new and effective solutions.

### The aim of the country study

The country study examines the public sector innovation system of the Federal Public Service of Brazil, and assesses its ability to help the public sector anticipate and respond to the existing, evolving and emerging needs of citizens. It seeks to illustrate the underlying dynamics and determinants of the system (i.e. what factors shape whether and to what extent innovation occurs and how it manifests within the context of the Public Service of Brazil). It does not seek to explore or explain all of the specifics that influence the system, but rather attempts to provide a framework for understanding the nature of the system.

This document contains key highlights of the OECD country study of the innovation system of the Federal Public Service of Brazil. The study was undertaken by the Observatory of Public Sector Innovation within the Public Governance Directorate of the OECD, and was supported by the Ministry of Economy, the National School of Public Administration, the Federal Court of Accounts and the Federal Justice Council within the Brazilian government.

### What does public sector innovation mean in the Public Service of Brazil?

Views included that innovation is:

- ▶ about difference
- ▶ a process
- ▶ used to solve a problem /  
to achieve a purpose / to  
transform
- ▶ about the citizen/public good
- ▶ a spectrum/multi-faceted
- ▶ a necessity
- ▶ sometimes difficult

## Why is a focus on innovation necessary?

Governments now operate in a rapidly changing world where new possibilities emerge and older ones fade at an increasing rate. In this context, innovation is becoming increasingly pertinent. As the rate of change accelerates or shifts in direction or magnitude, existing defaults – whether interventions, practices, processes or preferences – must be reviewed to ensure they remain relevant or appropriate and constitute the best available options.

In an environment of adjustment or disruption, adhering to older solutions will likely result in disappointment as previously reliable strategies cease to work, have a reduced impact or suffer in comparison to newer possibilities. In such circumstances, innovation is often (although not always) needed to respond and to prepare for what might come next.

Innovation – “implementing something novel to context in order to achieve impact” (OECD, 2017a) – is not new to governments. Public sector innovation has occurred, to some extent, ever since public sector organisations have existed. However, innovation has tended to occur as a sporadic, opportunistic and reactive activity in response to particular crises or priorities, or something driven by the passions and whims of individuals willing to go ‘above and beyond’ (OECD, 2018a).

## A deliberate approach for a rapidly-changing world

In the current context of volatility, uncertainty, complexity and ambiguity (VUCA), increasing technological change, and significant social, demographic, economic and environmental transformation, it is no longer viable to treat innovation as a side effort, a lucky accident or an eventuality that will somehow occur without deliberate support and investment.

A more deliberate approach is required if innovation is to be a resource that can be relied upon to contribute to better outcomes in a fast-changing world. There is a need for explicit attention to national public sector innovation systems and their functioning – in other words, the ability of a country to consistently and reliably develop and deliver innovative solutions that contribute to achieving the goals and priorities of the government and its citizens.

Innovation must move from the edge of government, from being seen or treated as an often-serendipitous side-activity, towards the very core of operations where it must become strategic and deliberate.

## Why is a focus on innovation needed within the Public Service of Brazil?

Evidence of innovation within the Brazilian public sector is well-documented. For instance, the Federal Management Innovation Award, established in 1996, has catalogued hundreds of cases of innovation (ENAP, 2019). However, it cannot be assumed that past successes and existing innovative activity will be sufficient to meet current and future needs. Past performance is no guarantee of future success.

There are also a number of specific challenges that suggest that further innovation, and support for greater innovation, is warranted within the federal public sector of Brazil, including inequality, fighting corruption, and fiscal constraints. While innovation is not a magic cure for all ailments, and cannot (and should not) be the answer to every problem, it is likely that innovative approaches can assist greatly in responding effectively to these and other issues and priorities.

An in-depth exploration of public sector innovation is warranted to assist the Public Service of Brazil with general demands for effectiveness in a changing world, and preparation for meeting the specific needs of the national context, both known and as yet unidentified.

## Brazil’s historical innovation journey

By looking at relevant milestones and developments, it is possible to piece together the historical innovation journey of the Public Service of Brazil. The greater the capacity to describe and articulate the existing public sector innovation system – including its history – the greater the ability to understand which factors shape the system and how it can be steered. A thorough understanding of the past also provides lessons that can inform future steps.

Four broad but distinct periods can be identified across the history.

### **Innovation timeline**

#### **The 1930s to the 1980s:**

An ongoing emphasis on debureaucratisation

#### **The 1990s:**

A period of reform influenced by New Public Management

#### **The 2000s:**

Modernisation and eGovernment

#### **The 2010s:**

A growing emphasis on innovation

Some of the patterns and trends that appear from the historical innovation journey of the Public Service of Brazil include:

- ▶ A legalistic system
- ▶ A recurrent focus on debureaucratisation
- ▶ An ongoing emphasis on the citizen
- ▶ A strong emphasis on controls and corruption
- ▶ A focus on social control and citizen participation
- ▶ Attention to digital transformation
- ▶ As an agenda, innovation has gained momentum but has not yet integrated into the narrative of the Public Service of Brazil
- ▶ There is complexity in a dynamic context.

Some of the implications of the historical journey include:

- ▶ While interest in innovation has persisted for some time, increasing recognition of the value and necessity of innovation, and subsequently more effort and experimentation to support innovation, is a relatively recent phenomenon.
- ▶ Innovation cannot be simply mandated. While directives that emphasise innovation are likely to be helpful, the evidence thus far suggests that they are inadequate to inculcate a deep practice of innovation.
- ▶ Likewise, to make substantial progress on innovation, a focus on legal instruments is probably going to be necessary but insufficient. The journey thus far suggests that more is needed. Repeated attempts at laws and decrees on similar topics suggest only a partial ability to achieve systemic change within Brazil's public sector.
- ▶ The strong bureaucratic elements of the Brazilian context, matched with a strong institutional leaning towards control, suggest that innovation is likely going to need embedded structural support to counter the default biases within the system.
- ▶ Existing tendencies and strengths, such as emphasis on the citizen and social control and participation, while not necessarily always successful, are likely to be conducive to innovation and can be leveraged for any systemic innovation agenda.
- ▶ The successes within the digital transformation agenda and the transparency agenda may provide a model for engendering a more supportive environment for public sector innovation. However, these need to be assessed in the light of lived experience and consideration of whether the same structural forces are at play in relation to both the digital agenda and innovation.
- ▶ Similar to the reform journey, the innovation journey is ongoing, with no single "answer" but rather a continuing series of steps. Each step will provide new insights and lessons about what works and what does not, as well as unexpected or unforeseen developments. The journey also takes place in a shifting context, as political aims and expectations of the public sector change, sometimes abruptly. What is needed and sought from the



public sector innovation system has and will continually change.

## What might cause a public sector innovation shortfall?

If innovation is occurring, and has been occurring for some time, in the Brazilian context, but the historical journey suggests that there are some deep-seated challenges in making further progress, why might that be the case?

Part of this can be attributed to the public sector as an institution.

The purpose of outlining these defaults is not suggest that governments and the public sector underpinning them cannot or do not innovate. Rather it is to recognise that, all other things being equal, there are systemic biases in the way that democratic governance systems currently operate that lean against innovation.

These biases require a deliberate and self-sustaining approach to innovation. Alternatively, a reactive or symptom-by-symptom response will demand ongoing political and senior leadership attention and effort, effort that could otherwise have been focussed on delivering for citizens, and will thus be unsustainable.

### Common constraints

*There are a number of “defaults” or inherent biases that exist within the public sector, which can constrain any reform or innovation agenda.*



#### Stability and dependability

The public sector has a responsibility to be reliable.



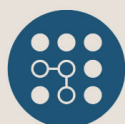
#### Risk aversion

Accountability, audit and transparency measures exist which can encourage a degree of risk aversion in the system.



#### Feedback loops

Public sector feedback loops tend to focus on avoiding the negative, rather than concentrating on the positive.



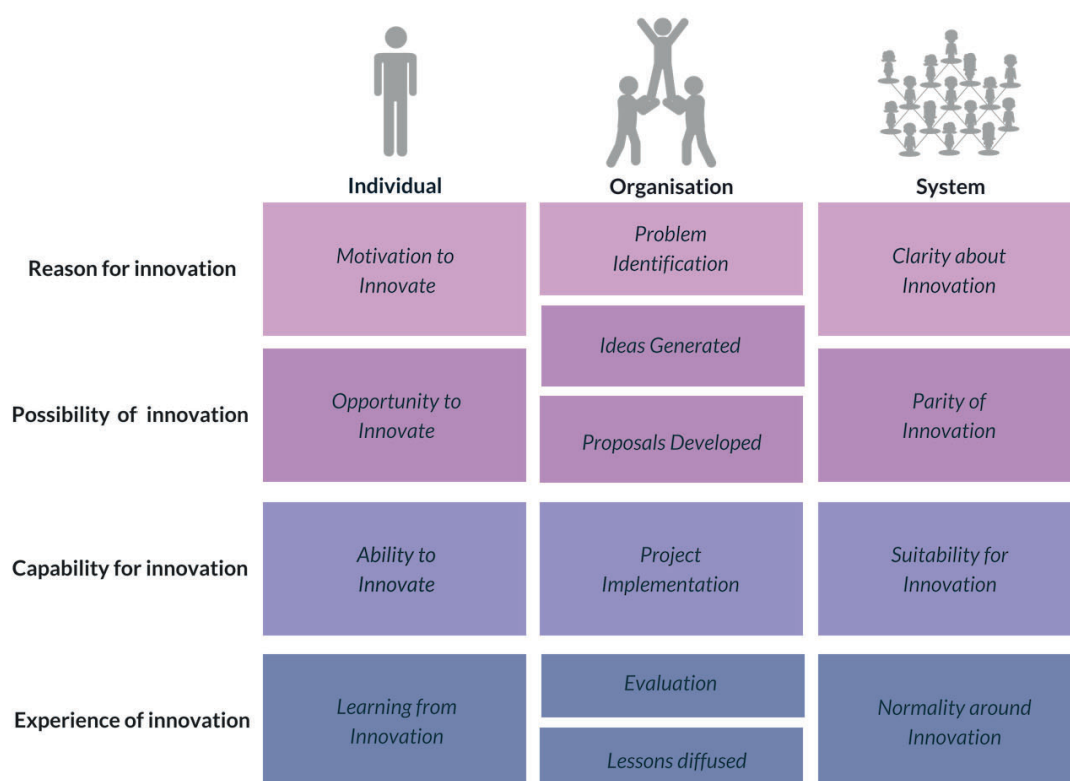
#### Organisational divisions and operational separation

The need for innovation often falls in the white space between explicit accountabilities.



#### Complexity of public sector challenges

Public sector issues involve fundamental complexity which require sustained investment, deep understanding, a developed ecosystem of partners and a range of interventions over time.



## The need for a deliberate approach

An ongoing deliberate and systemic approach is needed for innovation to ensure that suitable innovative responses can be generated as and when needed, despite any inherent defaults within the public sector that can, rightly, push against or inhibit innovative activity.

Such a deliberate approach needs to answer three questions:

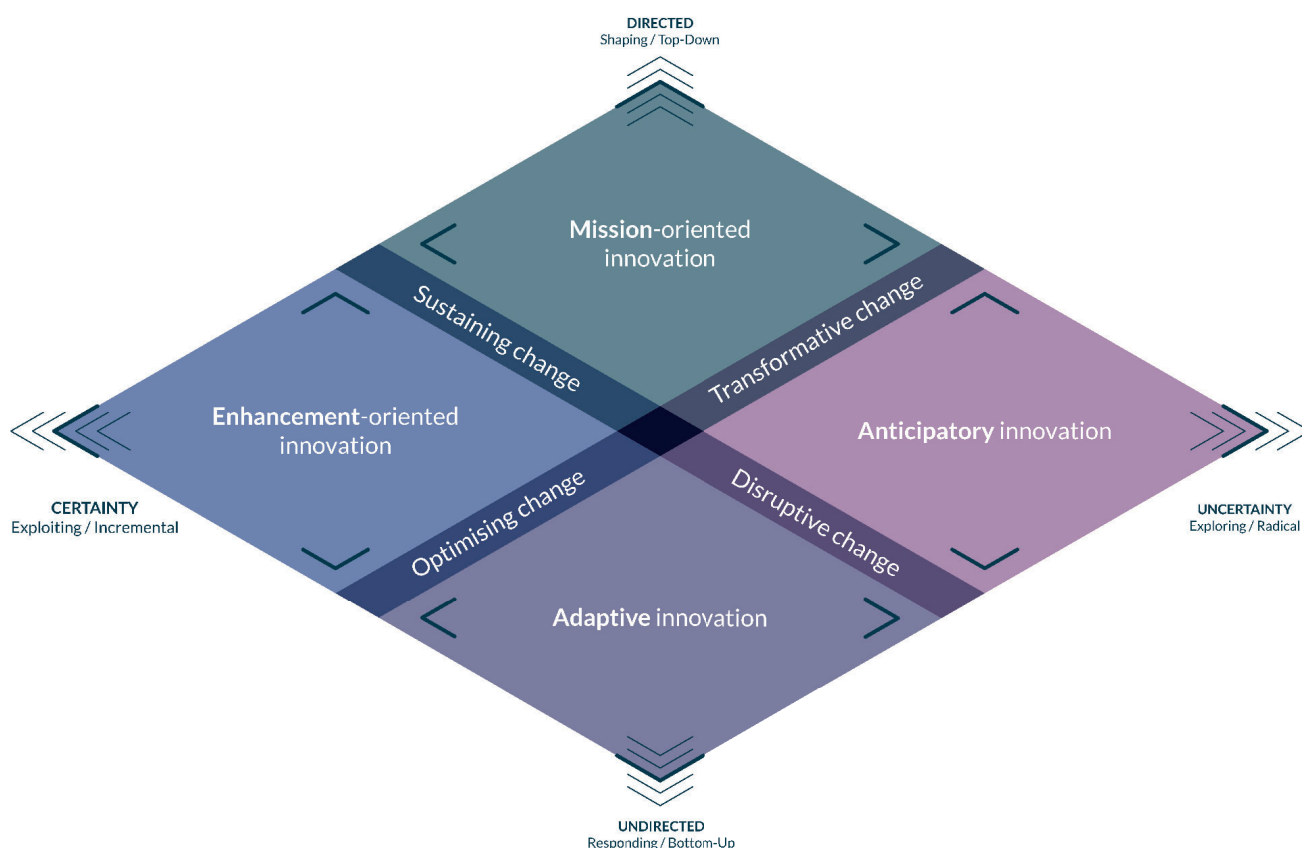
- 1:  
Is innovation occurring to the extent needed?
- 2:  
Is the innovation likely to provide the right mix of options and choices for the context?
- 3:  
Is some form of stewardship present to ensure that the innovation system delivers as hoped?

## The determinants model

The model outlines how innovation as a process and activity plays out differently depending on the scale at which it occurs. Innovation undertaken by a single person is very different to that conducted at a whole-of-country level.

At the system level, it suggests the determinants manifest in the following ways:

- **Clarity:** Are system actors receiving a clear signal about innovation and how it fits with other priorities?
- **Parity:** Does innovation have equal standing with other considerations when it comes to proposed courses of action?
- **Suitability:** Are the capabilities, systems and infrastructure appropriate and sufficient for the available options?
- **Normality:** Is innovation seen as integral, rather than as an occasionally accepted deviation from the norm?



## Ingredients for a deliberate and self-sustaining approach: a portfolio approach

The OECD's facets model can help consider the mix of innovative activity taking place and whether there is a sufficient diversity of approaches. Given that innovation is inherently uncertain with no guarantee as to what will work or succeed, multiple "bets" need to be made to ensure alternative options even if the favoured interventions fail to obtain the desired or needed results. A portfolio is therefore required to reduce risk.

## Ingredients for a deliberate and self-sustaining approach: stewardship

The inherent uncertainty about the optimal or desirable quantity or quality of innovation points to the need for ongoing stewardship of the public sector innovation system. If there is no inherently optimal amount or type of innovation, the system cannot self-optimize to provide the right amount of innovation in the right forms. It requires ongoing active stewardship.

Stewardship of some form or another is likely needed on a range of fronts, dealing with:

- ▶ The fragmentary nature of innovation
- ▶ Whether the mix of activity being undertaken is appropriate
- ▶ Harvesting and reflecting on core lessons.

## The lived experience of innovation within the Brazilian civil service

Investigation into the lived experience of innovation helped to ensure that the proposed models were both suitable and relevant to the Brazilian context.

There are many example of innovation to be seen in the Public Service of Brazil, however analysis found that systemic innovation (as opposed to that led by individuals or at an organisational level) appeared to be a rare exception. This is likely because such innovation requires a very particular set of circumstances and relevant preconditions which are unlikely to be common.

## **Digital transformation of the services offered by the Public Service of Brazil**

### *A case study of innovation undertaken from a systemic perspective*

Brazil is a country with longstanding experience in eGovernment and digital government initiatives. As outlined in the OECD Digital Government Review (2018b), co-ordinated efforts in this regard have been underway since 2000, when the E-GOV policy was launched. The Digital Citizenship Platform is one of the most recent developments, and has been instrumental in helping the digital transformation of federal government services.

The ongoing process of digitisation of services is led by the Secretariat of Digital Government (SGD) and the Secretariat of Management (SEGES), within the Ministry of Economy (formerly the Ministry of Planning, Budget and Management). From an analysis undertaken through the “Censo de Serviços”, by SEGES and ENAP in 2017, it was identified that there were 1 740 federal government services.

Initially, the Ministry of Planning assisted government agencies with the digitisation of their services through a multi-pronged approach. SETIC (the Secretariat of Information and Communication Technologies, now SGD) centralised and streamlined the contracting process for relevant services and processes that agencies might need to access when digitising their service (although government agencies are not obliged to use SETIC for such contracting). SETIC provided access to software tools to assist with digitisation, a single sign-on solution, and SEGES provided methodologies to help agencies consider the costs and benefits of digitisation (e.g. the standard cost model), and tools to help agencies simplify and transform their services such as design thinking. In short, the Ministry offered a one-stop-shop for government agencies that are seeking to digitally transform their services quickly and efficiently, working with service owners by matching the particular tools and offerings available to the outcomes desired.

The transformation has been a gradual process, and commenced with targeted agencies who had a clear desire to transform their services. The first such service came online in January 2018. As the process has been refined, more services have come forward to explore digitisation. As of September 2018, 110 services were undergoing digital transformation in 25 different departments.

Each government agency has differing levels of maturity and different levels of IT investment. The hope is that over time the work involved in digital transformation will lift more agencies up to a level closer to that of leading agencies.

The digital transformation process also provides richer data and intelligence for both the Ministry of Economy and the agency responsible for the relevant service. Digitisation provides feedback from citizens about their service experience, which can be used by agencies to consider how to improve their performance and practice. In addition, a public performance panel provides information about the services, such as how long it takes to receive a particular service or how services are performing on a range of metrics.

When a new service is created, the relevant agency can work with SGD to ensure that the service is “digitally native” or digital by default. As with the rest of the process, however, government agencies are not obliged to work with the Ministry of Economy, and can choose their own path if they think this is most appropriate.

SGD is undertaking ongoing reflection about their work to ensure that new lessons learned from implementation inform the broader push towards digital transformation.

This case illustrates how systemic and scalable change can happen in the Government of Brazil. It is foreseeable that, as more and more services are digitised and the benefits better understood and demonstrated, the Government of Brazil will have access to significantly richer information about how services are used and the associated citizen experience. Such data will help send signals about potential areas for improvement or opportunities for further innovation.

(case study, continued)

It also suggests a range of preconditions necessary for such systemic change, including:

- ▶ a clear mandate – in this case in the form of the Digital Citizenship Platform and a range of other digital transformation measures across government
- ▶ available resources – in that agencies are not bearing the full cost of the digital transformation process themselves
- ▶ available expertise and support – in the form of a team at SGD with the necessary skills to help service owners navigate the digitisation process and think through the different tools and options available to them
- ▶ a clear sense of benefit – in that agencies can readily see the value offered by digitisation
- ▶ a low level of contestability or potential for controversy – in that the benefits of digitisation are clear and are not likely to receive significant scrutiny, as it is something understood as a clear public good.

Source: interviews

Systemic innovation will be rare in the absence of additional factors that make the case for innovation clearer and more pressing.

From interviews, workshops and discussion and analysis of the Brazilian context, the proposed framework was found to resonate and be applicable.

### ***A glance at the lived experience and the OECD framework***

- ▶ **Clarity:** Investigations revealed broad conceptual agreement around the core elements of what innovation means, however it was less clear what this looked like in practice.

*"Because for a very simple public servant in general, they don't believe they can be innovative. They think innovation is just for, you know, very creative brilliant people, the smartest. It's one of the work we do in this public innovation network, is to change this idea. Everyone can innovate somehow, at some level."*

- ▶ **Parity:** The innovation environment is clearly a challenging one. The risk environment in the Public Service of Brazil is particularly noticeable, given a context where individual public servants can be held personally accountable for decisions. The absolute risk of an individual public servant being accused and sanctioned or penalised may in reality be relatively low; however, the perceived, and thus felt, risk environment was strongly evident as being much more severe.

*"Usually, doing nothing is more secure than doing something."*

- ▶ **Suitability:** There is a clear emphasis on training within the civil service and growing offerings regarding innovation, but there appears to remain a widespread lack of confidence regarding the practical side of innovation and how it works in a complex and legalistic environment.

*"This is not in our culture. To experiment. To experience. If you invest, it has to work. It's not allowed to fail."*

- ▶ **Normality:** Innovation does not yet appear to be a 'normal' feature of the Public Service of Brazil, despite innovation clearly happening across the service.

*"Because if you talk to people 'Are you against innovation?' 'No I am not'. But to engage, it's difficult."*



Viewed through the perspective of the innovation determinants model and in regards to stewardship, the following observations can be made about the current lived experience of the public sector innovation system of the Public Service of Brazil:

- ▶ There is a growing awareness and understanding of the “what” of innovation, even if this is not always matched by first-hand experience. The degree of clarity about the “why” of innovation (why it is needed and why it is important) is much lower.
- ▶ The Public Service of Brazil has a pronounced tolerance of ambiguity, perhaps driven by its complex legalistic context where clarity can be difficult to obtain. This suggests that clarity is not the most important determinant in the Brazilian context.
- ▶ There is a strong degree of risk aversion, due in part to deeply held beliefs that control bodies sometimes accuse individual public servants of mistakes or inappropriate behaviour when they are trying to do something new. While the reality of this can be debated, this is an issue where belief matters as much as reality, as it concerns people’s willingness to take risks, which depends on their perception of the risk environment.
- ▶ There is a lack of clear and consistent counter-acting or mitigating drivers or structural forces to match the structural forces and contextual factors that may inhibit innovation. Therefore, where innovation does occur, it is often channelled into safer forms that have less chance of being criticised.
- ▶ There is a growing practice of innovation, alongside experimentation with new methods and structures such as innovation labs, and significant investment in digital technology to improve the capabilities of the Public Service.
- ▶ Normality appears to be the keystone innovation determinant for the Public Service of Brazil. What is accepted as normal is much easier to do, and if innovative activity feels normal, this provides cover for innovation more broadly. As yet, innovation does not feel “normal” as a general practice, although it has started to become more routine within some of the islands of innovation activity.
- ▶ In regards to stewardship, a number of players are leading particular initiatives, playing supporting roles or co-ordinating

with one another through the InovaGov network. However, interviews, workshops and discussions revealed only a patchy sense of governance or key players in the public sector innovation system.

## Appraising the progress to date

Greater attention and effort has been paid to enabling, encouraging and supporting innovation, especially in recent years. How, then, are the various initiatives and interventions placed to address the underlying determinants of innovation at a systemic level?

An appraisal of activity being undertaken today across the public sector innovation system is provided using the public sector innovation determinants models and the question of stewardship. The intent of the appraisal is not to be prescriptive or to measure progress against any identified benchmark. Rather, the intent is to provide a sense of how some of the most significant initiatives are contributing to the functioning of the system, and to provide a template for systems actors to appraise system performance on an ongoing basis. The following broad assessments can be made:

- ▶ **Clarity:** It is questionable whether enough is being done to produce a rigorous and ubiquitous sense of why innovation matters, what is expected of public servants (or others) when it comes to public sector innovation, and how innovation is a core part of the identity of Brazilian public servants.
- ▶ **Parity:** It is clear that there is ongoing action to help ensure that innovation has an “equal seat at the table” when it comes to decision-making, prioritisation, and resourcing. However, it is less certain that this action is sufficiently structured, formalised, or embedded to counter the inertia within the system that favours existing initiatives and practices.
- ▶ **Suitability:** If the Public Service of Brazil is going to take advantage of new opportunities and be prepared for shifts in how it might need to operate, then it will need to build on work already underway to gain better information about how its services are being used. A number of opportunities are open to the Public Service of Brazil to engage with the changing world, to learn about what might be possible and what this might mean, and to prepare to take advantage of new options.

- **Normality:** Considerable activity is taking place to help ensure innovation is seen as a more normal part of the operations of the Public Service of Brazil, underlining the importance of the “normality” determinant in the Brazilian context. However, further work is likely to be needed to help innovation feel “normal”.
- **Stewardship:** Many of the relevant actors within the ecosystem of the Public Service of Brazil have already started to work together to examine how they can each contribute to a more sophisticated and mature approach to public sector innovation. The InovaGov network and partnership is a key manifestation of such efforts. Nonetheless, it would appear that much of the stewardship occurring at the moment is relatively implicit, without any explicit roles or formal understanding of how different players work together to help shepherd the system.

## Exploring possible futures through different scenarios

The need for innovation in Brazil will continually adjust as the context evolves – as new needs and issues arise and old ones change. The future innovation journey may progress in multiple directions, and so the interventions and investments made should be appropriate for a range of possible scenarios.

Given this, three different potential futures are explored as a means to test and make explicit current assumptions, and ensure that any identified opportunities for intervention are appropriate for a changeable future. The scenarios are speculative, but act as both a caution against certainty about how the future may unfurl, and as an aid to avoid possible options where intervention is too tightly dependent on any one potential future. They are not intended to prescribe or advocate a particular path.

- **The Zero Scenario** explores how the system dynamics might play out if the present situation remains essentially the same. How might the system evolve if it continues broadly “as is”?
- **Scenario One** explores what might occur if added attention, emphasis and resources were provided for public sector innovation, but without any drastic interventions. How might the system evolve if it builds on and expands existing activities?
- **Scenario Two** illustrates a more radical possibility involving a dramatic transformation

of the system such that public sector innovation is placed at the centre, and there is concerted and overarching effort to prioritise greater innovation in the pursuit of government and societal aims. How might the system look following radical transformation with innovation given priority over existing measures?

The innovation journey will be unpredictable and changeable as events unfold in a dynamic system. The aim of the scenarios is therefore to ensure that the next steps in the journey are taken with an awareness that they could lead to very different ends. The different scenarios do indicate that no future will be easy when it comes to innovation. Each will involve some degree of trade-offs or challenges. Whatever the path taken, the public sector innovation system will require ongoing active consideration and deliberation.

## Moving innovation from the sporadic to the systemic

A public sector innovation system – the actors, assets, relationships and flows of information, technology and resources that influence or determine the ability to generate innovation within the public sector – is complex and dynamic. For such a system, there are no easy answers as to what should be done. The system will continually evolve and adjust to a changing context and changing needs and ambitions; thus, a rigid prescription of what the system should look would be unwise, as it would soon be overtaken by circumstances. New issues will continually arise as more information and new possibilities become available and old ones become either untenable or obsolete.

Instead of specific technical fixes that may soon be made redundant or replaced by new problems and issues, the focus should be on ensuring the system includes a capacity to self-resolve issues. i.e. when new issues arise, how can they be assessed, prioritised and addressed without always needing specific and additional interventions?

Discrete reform agendas are likely to still be necessary, but if the system has to rely on such agendas for action, then public administration will often remain in ‘catch-up’ mode, rather than engaging with issues proactively. A more pre-emptive approach, whereby the system can collectively identify new blockages, limiting factors or gaps and attempt to address them, is needed if the public sector is to be effective and fit for a continually changing operating environment.

A framework to assist the Public Service of Brazil in its ongoing innovation journey – one that can help it learn from the past and build on its strengths – has been outlined. This framework includes:

- ▶ Exploring the underlying determinants of innovation, and the ways in which they can be influenced in a deliberate fashion at a systemic level to drive a more consistent, reliable and deliberate approach to innovation
- ▶ Understanding the mix of innovative activity occurring, and considering what the right portfolio mix might be
- ▶ Recognising that innovation will pull activity in different directions and have unintended consequences and ramifications, and thus there is a need for ongoing explicit stewardship of the system.

## Key areas of opportunity

Using this framework, a number of areas of opportunity have been identified as potential actions and as prompts for richer conversations by and with system actors about:

- ▶ what the Public Service of Brazil needs innovation for
- ▶ how innovation can/should be supported at a system level
- ▶ how innovation could become a consistent, deliberate and reliable resource that can contribute to better outcomes.

These areas of opportunity are categorised according to the where responsibility for them may best lie within the system. Certain actions are prioritised, highlighting those that are likely to be most promising and/or will enable or facilitate other interventions. These are actions regarded as likely to assist or aid in the ongoing development of the public sector innovation agenda in Brazil.

## Actions for the whole-of-system

1. Establish an explicit agenda for public sector innovation – what does it mean for the Public Service of Brazil, why is it needed and why does it matter, and what is expected of public servants and others in regards to innovation?

(Suggested lead: Brazilian Presidency)

(Suggested priority)

2. Commit to a systemic approach to public sector innovation, recognising that it is not something that can be mandated or dictated by laws and decrees alone, but requires ongoing investment, support and learning across the whole of the work of the Public Service of Brazil.

(Suggested lead: Brazilian Presidency)

3. Build on the existing strengths and complementary agendas within the Public Service of Brazil to illustrate how innovation is a natural and necessary part of how the public sector can deliver on stated priorities, social aims and citizen expectations.

(Suggested lead: Ministry of Economy)

4. Identify and strengthen structural drivers for innovation that help to ensure that the downsides and risks of innovation are balanced with the costs of not exploring new alternatives.

(Suggested lead: Ministry of Economy)

(Suggested priority)

5. Adopt a portfolio management approach to public sector innovation.

(Suggested lead: Ministry of Economy)

6. Establish an explicit responsibility for stewardship of the public sector innovation system.

(Suggested lead: Brazilian Presidency)

(Suggested priority)

7. Encourage use of the OECD public sector innovation determinants model to reflect on the contributions of new and existing rules, processes and activities.

(Suggested lead: Ministry of Economy)

8. Investigate how, where and under what conditions the exploration of radical options can occur in the Public Service of Brazil.

(Suggested lead: Federal Court of Accounts)

## Actions for central actors as a group

9. Identify and articulate the roles of each of the major players in regard to the public sector innovation system and its functioning.

(Suggested priority)

10. Reflect on how existing rules, processes and activity are shaping the existing innovation activity.

11. Empower InovaGov as a formal mechanism for cross-agency bottlenecks and issues relating to the pursuit of new ideas.
12. Request agencies to self-identify and share their innovation strengths.
13. Undertake pre-emptive war-gaming to explore what might happen in the event of a high-profile innovation “failure”.
14. Investigate the potential of regulatory sandboxes within the public sector as a means to assist with the careful experimentation and exploration of new practices and approaches.

## Actions for the Ministry of Economy

15. Articulate the links, overlaps and distinctions between the digital transformation and public sector innovation, in order to help clarify the dependencies and differences between the agendas.

(Suggested priority)

16. Expand support functions for the digital transformation agenda to public sector innovation more broadly.
17. Ensure that ‘big data’ is matched with ‘thick data’, so that the digital transformation agenda can also keep track of how citizen expectations and needs may be shifting, in addition to tracking the use of existing services.
18. Examine how the digital transformation agenda can empower public servants to better collaborate through the use of shared platforms, in order to connect across agencies and issues with others who may be facing similar problems or interested in similar challenges and opportunities.

## Actions for control bodies

19. Emphasise and illustrate how innovation is part of regular business for the Public Service of Brazil, in that it is a necessary and appropriate activity if the public sector is to deliver on government priorities and meet citizen expectations.
20. Explicitly identify how control processes such as audit and risk management can support a focus on innovation.

(Suggested priority)

21. Continue to explore and implement mechanisms to leverage social control, as such mechanisms can help involve other perspectives, question the status quo and identify opportunities for improvement and innovation.

## Actions for ENAP

22. On behalf of InovaGov, partner with relevant actors across the ecosystem to develop an annual high-level commentary and sets of observations on the performance of the public sector innovation system at Innovation Week.

(Suggested priority)

23. Socialise new technologies with senior leaders in the Public Service of Brazil.
24. Further leverage innovation award winners.

## Actions for other individual agencies as system actors

25. Reflect on whether their corporate practices are supportive of behaviours that are open to and encourage innovation.
26. Consider their contribution to the broader innovation system, including their strengths and weaknesses related to innovation.
27. Identify where innovation is needed in their operations or remits, and publicise their innovation priorities.

(Suggested priority)

28. Continue to experiment with and adopt, as appropriate, new approaches and structures (e.g. innovation labs) that demonstrate promise in enabling innovation.



## About this study

This is the second official study of a national public sector innovation system conducted by the OECD Observatory of Public Sector Innovation.

During three missions over the period of May to November 2018, the OECD spoke or interacted with over 100 Brazilian public servants and stakeholders through interviews and workshops. In addition, input was received through a survey conducted with over 2 500 respondents). These interviews, discussions and forums gave the actors within the system the opportunity to describe their experience of the system, how it was arrived at, its core characteristics and what was shaping the process of innovation.

The information was supplemented with desktop research and other investigations to assemble an overview of the public sector innovation system and its underlying drivers. This study was run concurrently with, and complemented by, the companion OECD report *Innovation skills and leadership in Brazil's public sector*.

The aim of this study is not to critique or provide an assessment or evaluation of the public sector innovation system within the Federal Public Service of Brazil, but rather to help the actors within the system understand it and how to shape it to support the continually shifting ambitions and aims that come with a dynamic political environment.

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### Note:

This text is not an official part of the publication *The Innovation System of the Public Service of Brazil: An exploration of its past, present and future journey* (OECD, 2019). Rather, it provides a summary of the main ideas and insights, to help make the content of the study accessible to a wider audience. It should not be used as a formal reference or for citation or as a substitute for the full report.

