

Creation of 3 innovation labs in Latvia

Factsheet
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GovLabLatvia

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Why?



Need for public sector transformation

Increasing societal service quality demands, budgetary constraints and changing political and economic circumstances represent significant challenges for Latvian public administration and impact its performance. These challenges outline the necessity to raise the overall quality of public administration in the country by promoting creativity, innovation and applying new ways of addressing problems and developing solutions.



National policy context

Policy planning documents focus on the overall development of the public administration by strengthening innovation capacity.

- **Sustainable development strategy Latvia 2030** highlights the need for innovation through sectoral and institutional collaboration and public participation.
- **Public Administration Reform Plan 2020** is envisaged to raise the overall efficiency and effectiveness of public administration.

State Chancellery has launched the **"ExCeL!" project** to address key drivers of public administration efficiency.

What?



Setting up innovation labs

The State Chancellery sought for support from the European Commission Structural Reform Support Service in the creation of three innovation labs in Latvia.

- **Administrative simplification lab** aims at creating new approach for measurement and simplification of administrative burden in Latvia.
- **HR lab** aims at creating HR framework with HR processes, based on stakeholder and best practice inputs.
- **Branding and reputation lab** aims at shaping the working culture in the public sector based on values rather than processes and rules.

Overall ambition of the project was to introduce innovation labs as a new approach to tackle different topics in public administration. Such approach allows flexibility and improves cross-sector, cross-institution and cross-department collaboration as well as introduces the currently lacking experimentation in the process. The project aimed at identifying the most suitable approach for sustaining and operating innovation labs in Latvian context through learning by doing.

How?



Division of responsibilities

Rigid division of responsibilities of the involved parties was applied.

Ensuring innovation process

The State Chancellery was responsible for providing strategic direction, defining lab agenda and taking care of organisational work.

Consultants from PwC were advising on preferred direction in line with lab's maturity, policies, best practices.

Creating content

Lab participants (10-15 participants per lab) with interest and relevant skill-set dedicated to actively participate in lab work.

Facilitating process

Consultants from PwC were fully responsible for facilitation, provision of methodology, tools and know-how in the beginning of the project.

The State Chancellery gradually overtook facilitation by the end of the project.



Approach

The **user-centric approach** and **design thinking methodology** were applied to funnel innovation.

Overview of the prototypes developed

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Administrative simplification lab



Official shadows entrepreneur

Official meeting with an entrepreneur to learn about the issues that the business is facing and to foster development of user-centric policies.

Responsible: Ministry of Economics



Digitalisation of occupational health (fit for work) examination system

Digital solution as part of e-health system available to citizens, entrepreneurs and healthcare professionals.

Responsible: Ministry of Welfare and National Health Service



Proactive e-services in different life situations

Citizens proactively receive tailored information on public services according to their life situation.

Responsible: Ministry of Environmental Protection and Regional Development



Process improvements in harmonising draft legislation

Change in process by introducing a necessity for institutions to provide a specific solution if objections are raised.

Responsible: the State Chancellery



Digitalisation of waybills in Latvia

Electronic system on goods transportation available to suppliers, recipients, carriers, controlling authorities.

Responsible: Ministry of Finance

HR lab



Leadership development matrix

Learning and development needs and pathways.

Responsible: the State Chancellery



On-boarding platform for managers

Digital solution accessible to managers from pre-onboarding up to 1 year in employment.

Responsible: the State Chancellery



Attractive public administration job add

Unified digital platform on vacancies in public administration.

Responsible: State Employment agency



Reduction of bureaucracy in staff administration

Optimisation of various personnel administration processes.

Responsible: the State Chancellery



HR framework in public administration

Framework that will support the implementation of the OECD Leadership and Capabilities Framework in the public administration.

Responsible: the State Chancellery



"Experts bank"

Exchange with competencies, hire of employees in cross-institution and cross-sector level.

Responsible: the State Chancellery



Excellence award

Annual awards on outstanding performance on the theme of the year.

Responsible: the State Chancellery



Training talents program

Adjusting training curriculum for talents.

Responsible: the State Chancellery

Branding and reputation lab



Values workshop

Workshop with practical tasks (value game and visual stories exercise) designed to raise awareness for public administration employees on public administration values.

Responsible: the State Chancellery



Value implementation programme for top managers

Training program for top level managers to raise their knowledge and skills on implementation of values and provide practical tools.

Responsible: the State Chancellery



Excursion organisation process in the President castle for pupils from 5th to 12th grade

Process improvements for organising excursions ensure that President castle is more open to pupils.

Responsible: Chancellery of the President

Project highlights



During the project all involved parties have drawn important lessons for future considerations. Project highlights and key challenges have been identified to share experience and propose areas for potential improvement in case if a similar project is executed.

- **#GovLabLatvia team – drivers and champions of public administration innovation**

Team from the State Chancellery that is involved in managing #GovLabLatvia and leading the labs has become a driver and champions of public administration transformation and introduction of innovation. Their enthusiasm, high confidence in the innovative approach and willingness is the basis for spreading a positive message to a wider public.

- **Example on change of collaboration culture**

#GovLabLatvia serves as a solid example on change of collaboration culture in Latvian public administration by promoting cross-sector, cross-institution and cross-department collaboration in developing solutions. To further advance collaboration, it is essential to expand the contact network and ensure that most relevant representatives are involved in the work of lab.

- **Introduction of the user-centric approach**

User-centric approach has become a natural part of #GovLabLatvia. Visible changes in the mind-set of lab teams are observed after they engage with users and discover their perspective. It leads to increased willingness to develop a solution that addresses user pain points and are aligned with their needs.

- **Ownership of the issue and setting up teams accordingly**

The project led to understanding that the most productive approach for achieving successful and sustainable result in lab work is selecting issues with a clear owner that is willing to dedicate resources for solving the issue and implementing the solution. The team of lab participants should accordingly be set up on basis of the specific issue selected to ensure that it is addressed by the most relevant participants. #GovLabLatvia used an approach to completely change the team composition prior to each new sprint according to the issue selected.

- **Communication of #GovLabLatvia**

The State Chancellery has taken steps to promote #GovLabLatvia to the wider audience. [#GovLabLatvia page](#) in the website of the State Chancellery has been set up with a purpose of updating on most topical activities. In addition occasional social media activates have also taken place both from the profiles of state institutions (e.g. Cabinet of Ministers, Ministry of Economics) as well as from private profiles of #GovLabLatvia team and involved participants. Outreach activities have also taken place regardless of the project, e.g. participation in conversation festival LAMPA and creativity festival iNOVUSS.



Project challenges



During the project all involved parties have drawn important lessons for future considerations. Project highlights and key challenges have been identified to share experience and propose areas for potential improvement in case if a similar project is executed.

- **Lab operation alignment with the political agenda**

By establishing innovation labs, the State Chancellery has taken steps towards fulfilling the Public Administration Reform Plan 2020. In the future perspective for sustainability of #GovLabLatvia, it is crucial to ensure a solid political support by aligning lab operations with political agenda. The lab should serve as framework for addressing issues of national importance in an user-centric manner.

- **First steps towards establishment of foundation for innovation lab in Latvia**

The key focus of the project has been on establishment of user-centric methods and training the teams. Significant work should be carried out the develop country wide innovation strategy, define priority innovation fields, ensure successful development and implementation of results deriving from the labs and establish sustainable organisational foundations.

- **Homogeneity of lab teams**

Lab teams have been relatively homogenous in terms of knowledge, skill-set and interests. It resulted in a limited ability and capacity to propose different solution options and produce solutions whose development requires specific skills. To enhance performance, it is recommended to form diverse teams and focus on possible added value of each team member. For a purpose of gaining insights on best practices it is essential to promote private sector involvement.

- **Participation limitations in work of the lab**

Lab participants had limited capacities to dedicate substantial amount of time to work in labs due to other responsibilities. Thus, labs had to largely rely on input to be generated in workshops and on several enthusiasts that were willing and capable of carrying out additional tasks outside of lab workshops. To encourage participation, it is essential to develop motivation mechanism.

- **Limitations of technologies and environment**

#GovLabLatvia had no dedicated physical space that could be used exclusively for purposes of lab work. Therefore, there were considerable limitations with regard to creation of innovation micro-environment by displaying topical information, ideas and solutions as well as storing information, materials, sketches, etc. Significant improvement possibilities relate to the provision of materials and technologies to improve the level of quality.

- **Use of analytical capacity**

Resource constraints prevented full use of analytical capacity that is essential for discovery of the issue and generating ideas. With a purpose of enhancing capacity cooperation with academic and research institutions should be fostered.

- **Implementation of solutions deriving from innovation labs**

Implementation of the solutions developed is expected to be the largest challenge for institutions as it will be necessary to balance expectations of lab with regard to solution concept and realistic implementation possibilities. Most of the prototypes are still in the stage of development within institutions and has not yet turned to the pilot. At a large extent it responds to the challenge of resource scarcity that hinders future activities and limited involvement of the lab to critically assess the proposed solution with regard to various facets (value proposition, risks, impact, implementation possibilities, etc.). Implementation opportunities are linked with the critical lesson learned about the ownership, meaning that the owner should set a rough frame for potential solution to ensure its implementation is realistic.

www.pwc.com

PricewaterhouseCoopers SIA, Kr. Valdemara iela 21-21, Rīga, LV-1010, Latvia, LV40003142793

T: +371 6709 4400, F: +371 6783 0055, www.pwc.lv

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