



European Public Sector Innovation Scoreboard 2013

- a pilot exercise

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"Innovation in the Public Sector", Geneva, 10-11 October 2013**

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Public sector: why does it matter?

- Government expenditures amount to **45% as a share of GDP** (in DK, FI, FR, SW even more than 55%);
- It represents around **20% of total employment** in the EU;
- Around 19% as a share of GDP as regards **public procurement**

High-Level Seminar on Public Sector Innovation, July 2013



President Barroso: "public sector has to be a partner for change and a driver of public sector innovation";

"Public sector innovation still tends to happen randomly (...) and we need a more systemic and deliberate approach to create a dynamic and open public sector".

Public Sector: new challenges in a time of budgetary and societal pressures

efficiency gains



businesses' needs



citizens' needs



austerity



Societal challenges





European Commission and public sector renewal

- Innovative and innovating Public Sector recognised as priority in **Europe2020** Strategy;
- One of the five key priorities of the **Annual Growth Survey** (European Semester);
- Several actions ongoing, e.g. promotion of innovative public procurement, e-Government, expert group on PSI, measurement of PSI (EPSIS), reducing administrative burden, cooperation with Member States and OECD;

A pilot EPSIS 2013

- The first EU-wide attempt to better understand and assess innovation in the public sector;
- Part of the Europe2020 Innovation Union strategy;
- Part of the European Innovation Scoreboards family;



A pilot EPSIS 2013

- Data from the two Eurobarometers: surveys of more than 4,000 public administrations and 10,000 enterprises across the EU;
- Other sources: Eurostat, OECD, World Bank, World Economic Forum, United Nations.
- New data sources will be available for EPSIS 2015



A pilot EPSIS 2013: 22 indicators

Main type / innovation dimension / indicator	Data source
ENABLERS	
Human resources	
1.1.1 Employment share of 'creative occupations'	Eurostat
1.1.2 Share of employees in public administration with a university degree	Innobarometer 2010
Quality of public services	
1.2.1 Government effectiveness	World Bank
1.2.2 Regulatory quality	World Bank
1.2.3 Increased efficiency of government services due to the use of ICT	World Economic Forum
1.2.4 Online availability of public services	Eurostat
1.2.5 E-government development index (EGDI)	United Nations
ACTIVITIES	
Capacities	
2.1.1 Share of service innovators that innovate in-house	Innobarometer 2010
2.1.2 Share of process innovators that innovate in-house	Innobarometer 2010
Drivers and barriers	
2.2.1 Importance of internal barriers to innovation	Innobarometer 2010
2.2.2 Importance of external barriers to innovation	Innobarometer 2010
2.2.3 Active management involvement in innovation	Innobarometer 2010
2.2.4 Importance of external knowledge	Innobarometer 2010
2.2.5 Share of employees involved in groups that meet regularly to develop innovations	Innobarometer 2010
OUTPUTS	
Innovators	
3.1.1 Share of organizations in public administration with services, communication, process or organisational innovations	Innobarometer 2010
3.1.2 Share of 'New' services out of all services innovations	Innobarometer 2010
3.1.3 Public sector productivity	OECD
Effects on business performance	
3.2.1 Improvements in public services for business	Innobarometer 2011
3.2.2 Impact of innovative public services on business	Innobarometer 2011
Government procurement	
3.3.1 Government procurement as a driver of business innovation	Innobarometer 2011
3.3.2 Government procurement of advanced technology products	World Economic Forum
3.3.3 Importance of innovation in procurement	Innobarometer 2011

A pilot EPSIS 2013: indicators

I. ENABLERS

- Human resources
 - 1.1.1 Employment share of 'creative occupations'
 - 1.1.2 Share of employees in public administration with a university degree
- Quality of public services
 - 1.2.1 Government effectiveness
 - 1.2.2 Regulatory quality
 - 1.2.3 Increased efficiency of government services due to the use of ICT
 - 1.2.4 Online availability of public services
 - 1.2.5 E-government development index (EGDI)

A pilot EPSIS 2013: indicators

II. ACTIVITIES

- Capacities to innovate
 - 2.1.1 Share of service innovators that innovate in-house
 - 2.1.2 Share of process innovators that innovate in-house
- Drivers and barriers
 - 2.2.1 Importance of internal barriers to innovation
 - 2.2.2 Importance of external barriers to innovation
 - 2.2.3 Active management involvement in innovation
 - 2.2.4 Importance of external knowledge
 - 2.2.5 Share of employees involved in groups that meet regularly to develop innovations

A pilot EPSIS 2013: indicators

III. OUTPUTS

- Innovators
 - 3.1.1 Share of organizations in public administration with services, communication, process or organisational innovations
 - 3.1.2 Share of 'New' services out of all services innovations
 - 3.1.3 Public sector productivity
- Effects on business performance
 - 3.2.1 Improvements in public services for business
 - 3.2.1 Improvements in public services for business
- Innovators
 - 3.3.1 Government procurement as a driver of business innovation
 - 3.3.2 Government procurement of advanced technology products
 - 3.3.3 Importance of innovation in procurement

A pilot EPSIS 2013: Key results

- Public sector innovates but it faces still a number of internal and external obstacles (cultural and regulatory obstacles);
- Innovation in public administration has a positive impact on business performance;
- Public sector does not exploit sufficiently its potential as a driver of business innovation through public procurement;

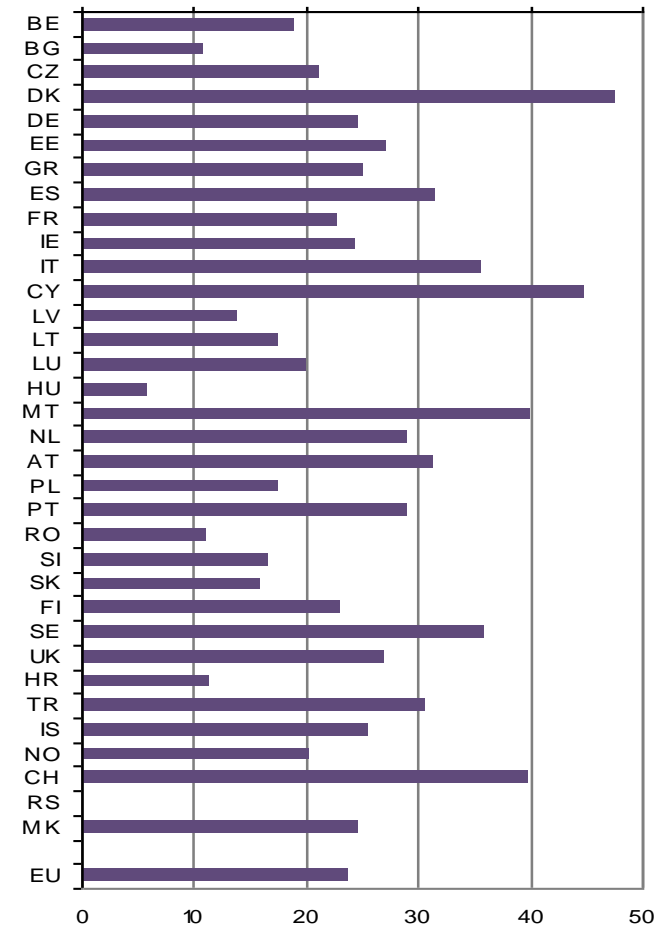
The pilot EPSIS 2013 **Performance Scorecard**

- "Traffic light" system instead of a ranking;
- Member States assessed by their relative strengths and weaknesses;
- **Green light**: 1/3 of the best scores on each indicator;
- **Yellow lights**: 1/3 of the average scores;
- **Red light**: 1/3 of the lowest scores.



The pilot EPSIS 2013: *Example*

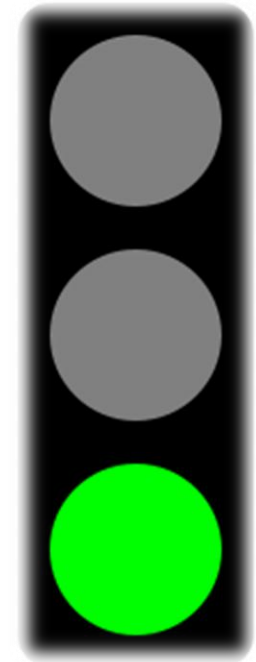
- **Indicator 3.3.1:**
Public procurement as a driver of business innovation;
 - The enterprises were asked if their procurement activities included the possibility to sell one of their innovations to the government (Source: Innobarometer 2011)



The pilot EPSIS 2013

Performance Scorecard results:

- Countries with the most above-average scores are:
 - **Sweden (16 green lights), Switzerland (13), Malta (13), Denmark (12) and the Netherlands (12).**
- Countries with the fewest above-average scores are
 - **Czech Republic (1 green light), Poland (1), Slovakia (2), Greece (3) and Hungary (3).**



The pilot EPSIS 2013 **Performance Scorecard** results:

- Countries with half or more average scores:
 - **Slovenia (12 yellow lights), Belgium (11) and Cyprus (11)**



The pilot EPSIS 2013 **Performance Scorecard** results:

- Countries with half or more below-average scores:
 - **Czech Republic and Poland (both with 14 red lights) followed by Italy (13), Lithuania (13), Hungary (12), Slovakia (12), Germany (11) and Greece (11).**
 - **The Netherlands is the country with the fewest below-average scores (2 red lights).**





Towards EPSIS 2015: key challenges

- Variety of definitions and understandings of public sector innovation;
- No official guidelines on measuring public sector innovation yet (work ongoing);
- No specifically collected data yet;
- Analytical work ongoing, cooperation with Member States, OECD, relevant stakeholders and experts;
- Next edition to be published in 2015;

For a business-friendly PUBLIC ADMINISTRATION

- A well-functioning public sector is essential for the wellbeing of industry and enterprises;
- **Smart administration** offers better, more targeted and faster delivery of services to businesses and citizens;
- The goal of the conference "**The Path to Growth: Achieving Excellence in Business Friendly Public Administration**", will be to identify key difficulties experienced by industry in dealing with public administrations and to exchange ideas and experiences of how such difficulties can be overcome.





Thank you very much!

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