WHAT ASSETS AND INNOVATIONS CAN GOVERNMENTS MOBILIZE TO TRANSFORM THE PUBLIC SECTOR AND ACHIEVE THE SDGS?

INTRODUCTION

The COVID-19 pandemic disrupted the working methods of public institutions. The urgency to respond in real time loosened institutional constraints and forced public agencies to be more agile and to experiment with alternative ways to operate, accelerating innovation. Beyond the implementation of buffer measures to maintain essential public services, the crisis provided opportunities for transformations in public administration that would have been challenging to pursue in "normal" times. Although this urgency presented risks of weakening the checks and balances essential for accountability, it also led to the discovery of more efficient and effective ways to deliver public services, and many of these may become the "new normal". Nevertheless, it is not clear that the agile decision-making, experimentation and innovation observed during the pandemic will persist. This raises the question of how to foster innovation in public institutions in the absence of crises.
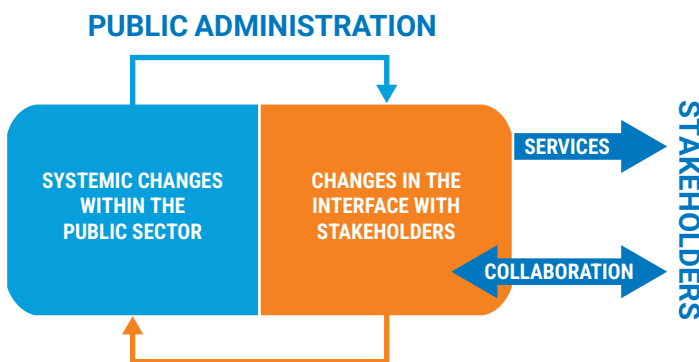
To retain public trust, governments must demonstrate they can effectively handle systemic shocks; they must demonstrate capacity to foresee problems and address them proactively before they become crises. Governments can tap

Key Messages

» Public institutions should leverage synergies between crisis management and the pursuit of long-term objectives, such as the SDGs, to enhance their resilience in the face of crises.

» Achieving the SDGs and enhancing resilience to crises require public institutions to embrace transformative change so that organizations can better address societal challenges in dynamic, shock-prone environments.

» The recent pandemic, COVID-19, offers many examples of innovations in the public sector that have resulted in enhanced participation, more inclusive outcomes, and more resilient institutions. However, there were also instances where some governments suppressed dissent or marginalized certain groups.

» To capitalize on successful innovations, while learning from these challenges, Governments will need to incorporate lessons learned into their operational models and policies.

» Fostering innovation in the public sector will require public institutions to build capacity through investment in transformative change programmes that promote adaptive mindsets and skills at the organizational and staff levels.

into the innovations developed during the pandemic to better serve their constituents and accelerate the implementation of the 2030 Agenda for Sustainable Development.

With these considerations in mind, this policy brief focuses on how governments can mobilize successful innovations and learn from challenges that emerged in the public sector during the pandemic to develop longer-term strategies and policies to achieve the SDGs. To do so, governments need to pursue innovative approaches in two distinct yet interconnected dimensions. The first dimension relates to policy innovations as well as administrative, organizational and systemic change within public administration itself. The second dimension is about transformations in the interaction between governments and stakeholders, in particular at the interface between people and public institutions in relation to public service delivery. Figure 1 visually represents these two dimensions.

Figure 1

How innovation in the public sector can build resilience and accelerate SDG progress

Source: Author's elaboration.

TOWARD PUBLIC GOVERNANCE SYSTEMS THAT ARE RESILIENT TO CRISES AND PROMOTE INNOVATION

Crises like the COVID-19 pandemic disrupt public sector operations and compel institutions to explore alternative approaches, which can accelerate innovation. They can also prompt the public to accept innovations and changes that would otherwise be unacceptable in ordinary situations. However, governments face challenges in scaling up solutions from one-off, ad-hoc approaches applied in limited contexts to broader, more comprehensive applications. Beyond individual examples, governments must integrate ad-hoc innovations into a cohesive governance system to maintain trust and effectively address future needs, while ensuring resilience to crises.[1]

Governments should also enhance their systemic capacity to innovate and make innovation a central component of policymaking and public administration. This involves embedding innovation into new operational models and standardized procedures. Additionally, governments play a crucial role in fostering an innovation ecosystem and gaining public support that encourages collaboration across different administrative levels and sectors.

By prioritizing the achievement of the SDGs, governments can implement proactive measures that address underlying issues, thereby preventing crises more effectively. Conversely, preventing crises can also support the achievement of these goals by creating a more stable environment for development. Keeping focus on achieving the SDGs can help governments to enhance their crisis prevention strategies. Furthermore, integrating innovations into a resilient governance system is essential for preparing the public sector for future challenges. Encouraging a problem-solving culture and building capacity for anticipatory governance and transformative change are also crucial. This approach should emphasize the need to anticipate future crises—such as those posed by climate change and other challenges—and to proactively develop policies that address them.

Strategies to encourage innovation in the public sector rely on key building blocks, which include the following.

Firstly, transparency and accountability are essential for the effectiveness and resilience of public institutions. Crises such as the COVID-19 pandemic created challenges for transparency and accountability reforms because the need to scale up service delivery and social protection as rapidly as possible interfered with public oversight to varying degrees.[2] Nevertheless, several countries employed innovative approaches to promote access to information, transparency and accountability.[3] Insights can be gained from the success and resilience of participatory oversight reforms in Brazil, Colombia India and the Philippines, which have highlighted the effectiveness of hybrid collaborative governance models.[4]

Secondly, collaboration and coordination among different levels of government are crucial in crisis management, prevention and response. The pandemic exposed the challenges of fragmentation and emphasized the need for cooperation to facilitate multilevel governance approaches.[5] Several countries were pushed by the pandemic to experiment with different arrangements in this regard. Lessons from those experiences should inform reflections on how to improve the vertical coherence of government actions in support of the SDGs. Reforms that foster multilevel dialogue, coordination, collaboration, and efficient resource allocation across government levels can mitigate fragmentation, improve crisis management and enhance resilience by addressing capacity and resource limitations. However, it is important to acknowledge that some reforms may yield better outcomes in the long term while potentially slowing immediate action.

Thirdly, public servants are crucial in driving innovation and managing crisis response. The pandemic highlighted their adaptability and role in ensuring uninterrupted public services. Sudden lockdowns and work-from-home instructions compelled managers to rethink their approach to setting objectives, measuring performance and interacting with employees, thereby redefining productivity in a fragmented work environment.[6] This period frequently showcased public servants' openness to innovation and collaboration. However, maintaining this mindset post-emergency may be challenging, as institutions revert to pre-pandemic practices that might stifle innovation and change. To foster ongoing innovation in public administration, capacity-building will be crucial for developing the required mindsets, competencies, and skills.

Fourthly, digital readiness enables public sector agencies to continue operations and deliver services amidst crises.[7] Even in contexts with lower digital development, online technologies created new opportunities, especially in low- and middle-income settings. For example, in South Africa, increased digitalization during the pandemic led to over a 50 per cent reduction in administrative and logistical costs for recruitment. It also improved collaboration among administrative functions and transitioned health workforce training to online platforms.[8] During the COVID-19 pandemic, digital technologies enabled the transformation of core systems and functions and the development of more efficient processes, such as online interviewing for job recruitment.[9] They also facilitated data analysis to inform decision-making and supported the disbursement of social protection benefits that were of critical importance during the health crisis.[10] However, it is important to ensure the ethical use of data and prevent discriminatory outcomes while acknowledging the need for contextual

1 Geert Bouckaert, "Rethinking the Current Model of Operation for the Public Sector after COVID-19" in UN DESA, World Public Sector Report 2023.

2 Jonathan Fox, "Governance Reform and Public Service Provision: Institutional Resilience and State-Society Synergy" in UN DESA, World Public Sector Report 2023.

3 United Nations Department of Economic and Social Affairs, National Institutional Arrangements for Implementation of the Sustainable Development Goals: A Five-Year Stocktaking—World Public Sector Report 2021 (Sales No. E.21.II.H.1), pp. 143-145.

4 Jonathan Fox, op. cit.

5 Louis Meuleman, "Innovative Multilevel Coordination and Preparedness after COVID-19" in UN DESA, World Public Sector Report 2023.

6 Odette Ramsingh and Carlien Jooste "Blended Learning in Medical Higher Education: New Modalities Driven by the COVID-19 Pandemic and Their Influence on Innovation and Performance in a Public University in South Africa" in UN DESA, World Public Sector Report 2023.

7 See for instance the example of Australia, United Nations Department of Economic and Social Affairs, (Sales no: E.24.II.H.1), E-Government Survey 2024 Accelerating Digital Transformation for Sustainable Development With the addendum on Artificial Intelligencep.120

8 Odette Ramsingh and Carlien Jooste, op. cit.

9 Ibidem.

10 Jonathan Fox, op. cit.

approaches to make sure digital technologies benefit everyone. Establishing a robust data governance framework is essential to uphold these principles, ensuring transparency, accountability, and fairness in data management practices.

Examples of these innovation building blocks, explored in Chapter 3 of the World Public Sector Report 2023[11], are listed in Table 1.

Table 1

Examples of innovative State-led measures that increased resilience during the pandemic

Measure	Example
More efficient decision-making	In Italy, public sector managers made rapid decisions during the pandemic, often bypassing lengthy approval processes.
State-led coordinated response	Cambodian agencies experimented with new operational methods and enhanced crisis management through central coordination.
Multi-level collaboration	Greece, Italy and the UAE improved evidence-informed policymaking by enhancing data collection and aggregation from different levels of government.
Multi-level information-sharing	Ghana adopted a flexible, centralized approach to disseminate information from the central to local governments.
Collaboration among public servants	In South Africa, increased collaboration among public servants accelerated innovation during the pandemic.
Digital transformation	The USA Department of Commerce implemented a multifunction model integrating human resources, financial management, and ICT across its bureaus.
System integration through digitalization	Poland developed the System of Records of the State Sanitary Inspection, integrating national and local systems for real-time COVID-19 data exchange.

Source: Author's elaboration based on examples from Chapter 3 of the World Public Sector Report 2023.

CHANGES IN THE INTERFACE WITH STAKEHOLDERS

Transformative changes are also needed in how governments interact with non-state actors, including civil society organizations. By creating forums for stakeholder input and developing institutionalized mechanisms to discuss current and emerging issues, governments can enhance the legitimacy and effectiveness of policies while anticipating future needs. These actions would empower the public sector to take greater ownership in fostering inclusive governance alongside civil society organizations. In essence, successful innovations are likely to be based on robust state-society collaboration. Thus, in the context of multiple intersecting crises, the public sector is increasingly being called upon to create an ecosystem of innovation that promotes dynamic linkages among multiple organizations, stakeholders and sectors.[12]

New and innovative engagement mechanisms emerged during the pandemic, enabling some individual citizens and communities to participate in decision-making and co-design public policies (see Table 2 for some examples).

In some contexts, civil society organizations have enhanced governance reforms by prioritizing the inclusion of marginalized groups, which the SDGs aim to benefit. By leveraging their legitimacy and oversight capacity, these organizations helped to identify bottlenecks, respond to backlash and hold policymakers accountable even during crises. Collaboration between policymakers, public servants, and organized citizens is essential for ensuring that governance reforms are responsive and adaptable to shocks, while robust legal frameworks and multi-level participatory governance enhance resilience and prevent the rollback of reforms. Additionally, in times of crisis, institutionalized participatory oversight across multiple levels can mitigate the effects of national policy inaction[13] and reduce the reliance on directives issued by individual authority, executive orders, or proclamations. However, in other contexts, delays in the approval of COVID tests suggest that multilevel consultation can also contribute to inaction during crises.

Table 2

Good practices in balancing agility and inclusion in governance

Country	Engagement mechanism
Brazil	The policy council system became well-established through federal mandates, civil society collaboration, and local engagement. Despite efforts to dismantle them, the councils proved resilient, with the National Health Council issuing crucial recommendations and coordinating responses during the pandemic in the absence of federal guidance.
Germany	The Berlin Senate developed the Berlin Engagement Strategy 2020-2025, focusing on enhancing dialogue between the government and civil society and supporting the digitalization of civil society organizations.
India	The Mitanin programme uses a large-scale, participatory approach with 70,000 women leaders from marginalized communities. These workers, who advocate for social rights and address grievances, were crucial in the pandemic response, including contact tracing and vaccination.
The Philippines	A conditional cash transfer mechanism was utilized during the pandemic to implement a new social amelioration programme, reaching a record number of households.
Spain	The City Council of Madrid used the Decide Madrid portal to gather citizen feedback and propose solidarity initiatives during the pandemic.

Source: Author's elaboration based on examples from Chapter 3 of the World Public Sector Report 2023.

To ensure that these mechanisms endure after a crisis, they must be rule-based and integrated into the regular processes of public administration. Public sector organizations need to focus on the outcomes and impacts of participatory decision-making and collaborative innovation. Furthermore, resilient engagement mechanisms rely on the government's understanding of the diverse motivations for stakeholder collaboration and the use of targeted incentives to promote quicker and more effective

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11 United Nations Department of Economic and Social Affairs, Transforming institutions to achieve the Sustainable Development Goals after the pandemic - World Public Sector Report 2023 (Sales No. E.23.II.H.1).

12 Jocelyne Bourgon, "Re-thinking public innovation, beyond innovation in government". Dubai Policy Review (2019), p. 2; McGuirk and others, "Urban governance innovation and COVID-19", p. 192.

13 Jonathan Fox, op. cit.

responses.[14] A comprehensive understanding of stakeholder needs[15] is crucial for optimizing the impact of innovations beyond immediate participation results and for accelerating the pace of change for those involved.

TRANSFORMATION AND COLLABORATION IN THE DELIVERY OF PUBLIC SERVICES

Governments face growing pressure to provide inclusive and affordable public services, particularly in health care, education, water and sanitation, nutrition, and social protection among other priority areas. During the pandemic, countries innovated to deliver new, more inclusive, or modified services (see Table 3 for some examples). Some initiatives acted as temporary measures to maintain services, while others advanced progress by introducing efficiencies that extend beyond the public health emergency. [16]

Table 3

Examples of inclusive service delivery during the pandemic

Sector	Example
Health	The United Arab Emirates launched a national programme to administer home COVID-19 tests to individuals with disabilities.
	The United States Health+ Long COVID programme used people-centered design to develop patient-centric solutions, including "Healthathons" to implement community-driven solutions.
Education	Botswana launched a web-based interactive platform for learners and teachers, improving educational inclusivity and performance.
ICT-driven service delivery	In India, citizens' bank accounts were linked to mobile phones to facilitate the disbursement of COVID-19 cash relief.
	Ireland developed online systems and promoted e-governance for virtual access to public services, leading to the creation of a unified digital portal in 2020.
	Panama implemented a blended service delivery approach for a national vaccination campaign, allowing offline access to vaccination records in remote areas.
	Rwanda utilized drone technology to transport medicines in rural areas and robots for medical tasks.

Source: Author's elaboration based on examples from Chapter 3 of the World Public Sector Report 2023.

Digital technology played a significant role in transforming service delivery during the pandemic. In healthcare, accelerated innovations were observed in service delivery, including telemedicine and the use of drones for medicine transport and robots for medical tasks. The expansion of online services, such as telehealth, improved healthcare access for individuals in disadvantaged neighbourhoods and enhanced training for healthcare workers during the pandemic.[17] In education, many countries implemented initiatives to increase opportunities for students affected by lockdowns by providing laptops, connectivity, and digital literacy training. More broadly, e-government and digital portals for accessing public services also flourished during the pandemic. However, the move towards digital operations and services also highlighted the need to address digital divides[18] and ensure accessibility for vulnerable groups. To sustain impact after a crisis and achieve inclusive digital transformation, governments need to consider hybrid models of service delivery that integrate online and offline options. Regulating digital services is also crucial to bridging the technology gap, protecting users' rights and ensuring security and equity.[19]

Public agencies are increasingly using solutions such as coproduction and various forms of collaboration with businesses, charities, non-governmental organizations, and other stakeholders to design and deliver public policies and address service delivery challenges. This approach, which involves engaging service providers and users throughout all stages of policy and service delivery, was employed across multiple sectors both before and during the pandemic, including in agriculture, education, healthcare and law enforcement. The pandemic further accelerated coproduction efforts in several sectors (see Table 4 for some examples).[20]

Table 4

Examples of coproduction during the pandemic

Country	Example
Brazil	The Sesc Mesa Brasil food bank programme utilized co-production to address urgent challenges, mobilizing community and civil society organizations to support food and health security and complement State efforts.
Ghana, Nepal, Nigeria, Bangladesh	Through public-private collaboration, laboratory and hospital capacities were expanded, increasing testing and healthcare capabilities.
Japan	Collaboration among service providers, community members, and recipients in long-term care for older persons improved service delivery and may inspire a new model of healthcare coproduction.
Tunisia	Distance learning beneficiaries co-created value with service providers, influencing the quality of services based on their specific needs during lockdowns.
Republic of Korea	Improved accessibility to healthcare for low-income and socially isolated older persons through partnerships with clinics, welfare services, and care providers.

Source: Author's elaboration based on examples from Chapter 3 of the World Public Sector Report 2023.

The crisis also demonstrated the effectiveness of public-private partnerships, as seen in the rapid development of COVID-19 tests, treatments and vaccines. Scaling up coproduction approaches will require the adoption of appropriate legislative frameworks, the provision of incentives, and the establishment of mechanisms for

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14 Lisa Schmidthuber and others, "Citizen participation in public administration: investigating open government for social innovation", R&D Management (RADMA and John Wiley & Sons Ltd., 2019), p. 352.

15 It is critical to have comprehensive data on all social groups to ensure that no one is left behind. This is exemplified by the United States' use of tax payment data to provide financial relief to citizens and residents, which taxpayers greatly appreciated after the pandemic. However, a significant downside was that those not in the Internal Revenue Service database, including non-taxpayers and individuals involved in the informal economy, did not receive this relief.

16 Ankita Meghani and Taryn Vian, "Innovations in Health-Care Service Delivery during the Pandemic" in UN DESA, World Public Sector Report 2023.

17 Ibidem.

18 See also: Global Digital Compact, https://www.un.org/techenvoy/global-digital-compact.

19 This is also significant at the international and multilateral level, as highlighted by the emphasis on digitalization in the United Nations Secretary-General's vision for modernizing the United Nations system, available at: UN 2.0, https://un-two-zero.network.

20 Nick Thijs and Jamie Berryhill, "Uplifting Innovation through Co-Creation: From the Local to the Global Level" in UN DESA, World Public Sector Report 2023.

transparency and accountability, in addition to ensuring appropriate sharing of risks and benefits between the private and public sectors.

LOOKING AHEAD

The pandemic and post-pandemic periods have emphasized the necessity of moving beyond crisis management and addressing complex long-term issues. In order to tackle these challenges within the framework of the 2030 Agenda for Sustainable Development, a new approach to innovation and transformation is required. This approach should be centred around effectiveness, accountability, inclusivity, collaborative governance and equity, drawing upon knowledge from various sources both within and outside public administration.

Public institutions need to evolve into innovative, technology-savvy entities that have the capacity to engage and co-create with non-state actors. As the pandemic illustrated, this may involve shifting away from the conventional emphasis on

efficiency and minimal government intervention towards more participatory and multi-stakeholder forms of governance.

Through investment in transformative public-sector change programmes, government agencies and organizations and personnel can unlock their capabilities to go beyond merely responding to disruptions. Fostering transformation and adaptive mindsets will be key to enabling them to anticipate and effectively address the pressing challenges within their societies, even in complex and dynamic environments.

To ensure equal accessibility to quality public services for all and to harness assets and innovations that governments can utilize to achieve the SDGs and enhance preparedness for future crises, it is essential to place men, women, older persons, youth, persons with disabilities and vulnerable populations at the centre of public service design. Establishing a culture of inclusivity and gender equality within the public service is a critical element in unlocking creativity and innovation in this regard.