

# How radical is radical innovation?

# A study of multi-level structure of public innovation process in Norway.

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### Summary/abstract

This thesis is about innovation in the public sector in Norway, using discourse analysis to analyze documents and texts from the Government (Ministry of Local Government and Development, KMD), and KS's program; Partnership for radical innovation, to get a better understanding of how radical innovation are understood and facilitated. In addition, I conducted interviews with people who work in different levels in the public sector administration (national, regional and municipal).

Based on the understanding of major societal challenges related to social, environmental and economic issues, radical innovation is promoted as one of the answers to more effectively meet these grand challenges. The research questions are related to how radical innovation is understood and applied in the public discourse and are related to two dimensions; *newness* and *governance patterns*. **Newness** is analyzed in relation to two categories taken from theory, incremental and disruptive innovation. **Governance patterns** are analyzed according to categories derived from a mix of theory and empirical data. From theory I used four categories given as four governance models. From empirical data a category emerged, which was not so easily placed in the category of incremental or disruptive. They went beyond disruptive change in product or process. These findings formed the basis for an understanding of innovations fundamentally challenging governance systems and their economic, social and environmental dimensions. Theory from social innovation and innovation in the public sector was used to study the sampled data.

The thesis does not conclude what radical innovation is, or a simple answer to how the term is understood in the public discourse in Norway. A consistent finding at all levels the study examined is a vague approach to how radical innovation differs from innovation in the public sector. It seems that the main approach is to understand radical innovations related to disruptive innovations of products, services and processes. But also to a degree in what ways radical innovation can challenge basic systems and governance systems and their economic, social and environmental dimensions.

One relevant question when it comes to innovation I public sector is; can radical innovation be called radical if not simultaneously addressing system level, acknowledging and

confronting political and power issues across societies? The danger otherwise, is as Unger mention, that social innovation is absorbed into existing systems – tamed into irrelevance.

Key words: Social Innovation, Public sector innovation, Radical innovation.

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# **1** Introduction

Major societal challenges related to social, environmental and economic issues require more radical and innovative measures. This is one of the reasons for increased interest in public sector innovation all over the world. Norway is not an exception, the need for innovation has been emphasized by national and municipal agencies all over the world (NIFU & Rambøll Managent Consulting 2020).

Most recently an important milestone in Norwegian policy towards innovation I the public sector was reached. KMD (Ministry of Local Government and Modernization) issued a parliamentary report, June 2020; Meld. St. 30 (2019-2020). *An innovative public sector - Culture, management and competence*. The government state that this report is a first step in establishing a comprehensive, national policy for innovation in the public sector. About the same time KS, (The Norwegian association of local and regional authorities), established a program called; *Partnership for Radical Innovation*. In the program ten directors from selected municipalities and counties provide advice in the work of developing *completely new solutions for a sustainable society*.

While both documents refer to radical innovations, international agencies indicate that in comparisons with other Nordic countries, Norway primarily has tools and support for individual companies, and does not have the same systemic approach to innovation in the public sector as other Nordic countries (NIFU & Rambøll Managent Consulting 2020). OPSI (Observatory of Public Sector Innovation) therefore recommends that Norway introduces a system-based portfolio approach to innovation in the public sector, so that more types of innovation are promoted, and actively prioritize instruments that can promote radical innovation (Meld. St. 30 (2019-2020)).

This thesis builds upon the above discussion, titled: *"How radical is radical innovation*?" A study of multi-level structure of public innovation process in Norway. The title promotes questions such as: What is the difference between innovation and radical innovation in the public sector? If innovation already involves a break with previous practice, what is different with a radical break? Is it about the degree of novelty, or which areas need to be changed? Or is it even wider, as fundamentally challenging governance systems and their economic,

social and environmental dimensions? To find answers related to this, I am investigating how innovation, and in particular radical innovation in the public sector is understood, studying data from various levels of public innovation governance. The overall guiding research questions are related to two dimensions; *newness* and *governance patterns*.

#### Newness:

- How is radical innovation in public sector described/understood?
- Are there some details on the degree of novelty, or what is to be radically changed?

#### Governance patterns:

- How are governance structure of public sector innovation organized?
- Is there suggestions of fundamentally challenging governance systems and their economic, social and environmental dimensions?

The research questions are studied through documents, and interviews issued at three governance levels. National level - from the government (Ministry of Local Government and Modernization, KMD), intermediate level of KS (The Norwegian association of local and regional authorities), and local government/municipality level - leaders responsible for innovation processes in different levels of public sector administration. The government represents the level where policy on innovation in the public sector is created. KS as an association of local and regional authorities where the policy from the government is put in context with the reality in municipalities regionally and nationally, and municipalities as where the effects of the chosen innovation meet the individual sphere in regards of welfare services. It is these levels that are referred to when saying study of multi-level structure of public innovation process in Norway.

I am tracing the perceptions of innovation throughout multiple levels of innovation governance (Government, KS and municipalities), in order to study how radical innovation is described and to observe interaction between policies and framework conditions for innovation development and implementation. Of special interest is the governance approach regarding radical innovations. How this is understood will have consequence on how we organize social innovation, both regarding processes and long-term outcome. A dominating market logic with emphasis on effectiveness and efficiency will have one effect on the process, while a dominating social logic another. Both are useful, but an awareness of which logic given the main emphasis is of importance. I find the theme of this thesis relevant because it is important to study to what extend what we consider as innovative, or even radical, in fact replicates already dominating logic, and thereby in danger of not offer us better and different ways of coping with the grand challenges.

#### The structure of the thesis:

In chapter 2 I reason the choice of theoretical approaches, to link the analysing process of data with the research questions. Space is initially used to present theory on social innovation and innovation in the public sector in general, and radical innovation in particular. Thus, we are in the thesis research questions, which is about the ways in which radical innovation is understood in the Norwegian public discourse. Focusing on the two dimensions related to newness and governance structures I will use categories taken from theory and from empirical data to analyse findings.

In the *method reflection (chapter 3)*, some reflections are made on how I proceed in the thesis to answer the research questions. The analysis is based on various sources. I have reviewed documents, websites and an audiovisual presentation on the topic under the auspices of KMD and KS. In addition I have conducted interviews with people who work in different levels in the public administration. The empirical data sampled from three different levels of governance (national, intermediate and municipality), were analysed according to the two given dimensions: *newness* (according to the theoretical categories incremental – radical innovation), and *governance patterns* (according to four government models presented from theory, and the extent to which it is challenging governance systems and their economic, social and environmental dimensions. The latter category taken from the empirical data.

In *chapter 4* I present findings from three levels of public sector. It is in this chapter that we gain the greatest knowledge of the ways in which the texts describe the concept of innovation and radical innovation in public sector, and how the innovation processes are governed.

The *discussion / analysis (Chapter 5)* begins with summarizing and analysing the understanding of radical innovation in the texts, and then further discussing some topics

that seem to stand out as main features. The findings will be analysed in the light of selected theory and research from the field of social innovation and innovation in the public sector.

# 2 Social innovation in the public sector

Several authors point out that there is a lack of a common understanding of what social innovation and public sector innovation is (Nicholls, Simon et al. 2015), (De Vries, Bekkers et al. 2016), and a lack of a measurement framework that can shed light on innovation processes in public sector organizations (Bloch 2011). A review in 2016 showed that more than half of the studies on innovation in the public sector were published after 2010 (De Vries, Bekkers et al. 2016). Still, social innovation is not a new phenomenon. Fougère et al. points to Godins work on the genealogy of social innovation where uses of the concept for over 150 years are reviewed. It shows how the dominant meaning have evolved from first associated with socialism and social reform – while today mainly seen as an alternative way addressing social needs, including practices associated with New Public Management (Fougère, Segercrantz et al. 2017). I am curious what factors influenced this shift in meaning.

To get a holistic understanding of social innovation/innovation in public sector is difficult, as it has been categorized in various ways. KS and Difi have made a model based on the understanding from the MEPIN survey, which identified three dimensions for assessing innovation in the public sector, as opposed to the private (Bloch 2011). In a similar way KS and Difi use three categories to describe *types* of innovation in the public sector. First is the *object of innovation* (eg. services, products, processes or ways of organizing work or forms of communication), then its *degree of novelty* (Inspired by other people's solutions, copied, the first of its kind) and the third aspect is *desired effect* (quality, efficiency, citizen involvement, employee satisfaction, value for business) (Høiseth-Gilje, Skogli et al. 2018). Regarding newness the innovation must be new to the workplace itself but can be developed or used before by others. These descriptions show important aspects of the instrumental side of innovation in the public sector.





A complementary understanding of innovation considers where and how the innovation is implemented. In the work of gaining an understanding of how the Nordic countries work with innovation in the public sector, they categorized the various initiatives and measures within the following three perspectives on innovation in the public sector (NIFU & Rambøll Managent Consulting 2020); 1. Innovation within organizations (Management of innovation). 2. Innovation in systems perspective (Systems of innovation), which is a more systemic understanding that emphasizes that innovation does not take place in a closed context within the framework of a single organization, but often arises in collaboration between different actors. Relevant examples of this may be that two municipal agencies find new solutions on how a task can be solved, or that several municipalities join forces to find new solutions. 3. The third perspective is innovation in the form of system changes (transformative change) which focuses on a more radical change of existing production systems(NIFU & Rambøll Managent Consulting 2020)and (Høiseth-Gilje, Skogli et al. 2018). Major societal challenges such as climate challenges, immigration and economic crisis, often referred to as grand challenges (Kuhlmann and Rip 2014), are examples that require more radical measures.

Nicholls et al. identify three (similar) levels of social innovation, and it is from these theories that I will derive the terms incremental and disruptive innovation to use in the thesis. First is *incremental innovation* which objective is to address social need more effectively often by new goods or services. From this perspective social innovation may be a charity or a good business opportunity. Second is *institutional innovation* that aims to reconfigure existing market structures and patterns (such as Fair Trade). Finally, there is *disruptive social innovation* where the aim is to change cognitive frames of reference to alter social systems and structures. The focus here is politics, and typical examples of disruptive social innovation can be social movements aiming to change power relations, alter social hierarchies (Nicholls, Simon et al. 2015). I notice that this way of describing incremental, institutional and disruptive innovation does not primarily use the terms as a description of the degree of novelty. Nicholls et al`s description is just as much about which areas are being challenged/objects for change.

Disruptive			To change cognitive frames of reference to alter social systems and structures.
Institutional		To reconfigure existing market structures and patterns.	
Incremental	To address identified market failures more effectively.		
	Products	Markets	Politics

Table 2.2 Incremental and disruptive innovation as understood in Nocholls et al (2015).

Since in this thesis I am looking to see radical innovation both as a degree of novelty and as an area/object for innovation, I choose to include Schumpeter's model which describes incremental and disruptive innovation also in relation to degree of risk, investment and return (Schumpeter 1982).

### Types of Innovation

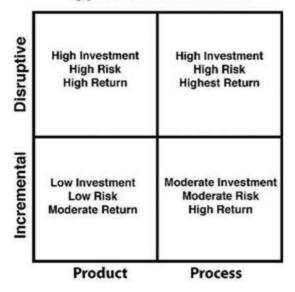


Fig. 2.3 Types of innovation due to Schumpeter (1934)

This figure from Schumpeter (1934) shows incremental and disruptive innovation according to product and process. The focus of this thesis, however, is more in the degree of newness in limited areas (product and process). This figure lacks innovations that go beyond areas other than products, services and processes. Like the change of cognitive frames or in relation to challenging systems, like governance systems. Based on the thesis research questions, as well as empirical data, I find it useful to include understandings of incremental and disruptive innovation both from Nicholls and from Schumpeter when analyzing data. This will be justified and discussed further in the discussion chapter (Chapter 5).

When it comes to defining social innovation and innovation in the public sector, there are different approaches. The meaning of innovation has been under constant evolvement, from Schumpeter (1934) describing innovation as new products and processes that find a commercial application in the private sector (Schumpeter 1982), to later definitions who also include social innovations and innovations in the public sector (Halvorsen, Hauknes et al. 2005) p. 2.

Insights from literature in the field of social innovation and public sector innovation is chosen when studying newness and governance structure of radical innovation in this thesis. It's difficult to do any clarification of the relationship between the two without going more deeply into different perspectives, conceptualizations and dimensions. Generally we might say that innovation in the public sector define the main actor who take the active role. Several different types of innovation can be implemented in the public sector, such as service innovation, service delivery innovation etc. (Rønning 2020). Social innovation is a wider term, often used to appreciate the social dimensions of innovation and to address pressing societal challenges, related to social, environmental and economic issues (Wittmayer, Backhaus et al. 2019). As described in chapter 2.1.1, social innovation is not only implemented by the public sector, market participants or civil society, but acts as much as what happens in the cooperation between them (Rønning 2020) p. 9.

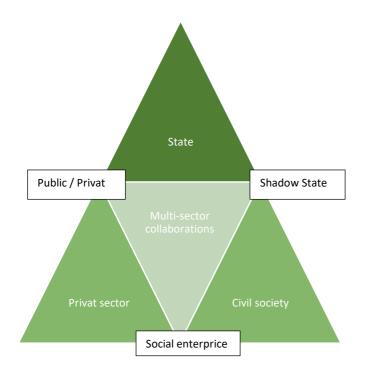
A basic understanding of the thesis is that social innovation is an appropriate approach to public sector innovation, especially when talking about radical innovation addressing grand challenges. The terms social innovation and innovation in the public sector will in this thesis be used interchangeably. Implicit is also an understanding that the government's policy is of importance and give directions for further work on innovation in the public sector. All the way from the governmental understanding, through the Norwegian association of local and regional authorities (KS) and to the municipalities where the people experience the outcome of the innovation.

#### **2.1.1** Difference between innovation in public and private sector.

In the past, innovation work was mainly a concept that described activities in the private sector, with profit, competitive advantage and market dominance as driving forces (Høiseth-Gilje, Skogli et al. 2018). But what are/should be the driving forces when it comes to innovation in the public sector? An important difference between innovation in public and private sector is the formal and informal frameworks, structures and institutions through which the innovation processes take place: *"Public institutions must act in accordance with constitutional principles of governance that define the basic standards for public activity: who can legitimately and reasonable decide what, when and how?"* (Halvorsen, Hauknes et al. 2005)p.11. In the same way, Rønning claims that an important difference in the framework for market-based and political distributions is the principles that lie at the bottom: *"In the market, individual players must realize their interests. Here, egoism is an* 

*important driving force. Collective decision-making processes must be anchored in common values and norms that have societal support"* (Rønning 2020) Chap. 3.

The main focus in public sector innovation is not sales and profits. Innovation in the public sector services are aimed at the whole community, not just at the people with the highest willingness to pay. The role as policy developer, administrative actor and public service provider also includes important limitations and incentives that affect how the service offering is developed. These frameworks are essentially politically controlled, and decisions will therefore be influenced through a wide range of channels, such as political choices, media coverage and influence from interest groups (Høiseth-Gilje, Skogli et al. 2018). The innovation projects in the public sector are therefore carried out within a context that clearly differs from innovation projects in the private sector. This provides some prerequisites for how to work with innovation in the public sector.



Nicholls et al. mention however that social innovation doesn't have fixed boundaries, but happens in all sectors, "Much of the most creative action is happening at the boundaries between sectors". (Nicholls, Simon et al. 2015) p.9.

Fig. 3.1 The social innovation triad Source: (Nicholls and Murdock 2011)

So, when we talk about innovation in the public sector it doesn't mean there is just one sector involved, but nevertheless public sector services are aimed at the whole community. In that way a strong focus on market mechanisms will be problematic (reference). So even if innovation in the public sector is different than in the private sector it does not mean that only public actors are involved, but its more about cross sectoral collaborations.

#### 2.1.2 Defining social innovation in the public sector.

When defining social innovation some focus on either new social *processes* or new social *outputs and outcomes* (or a combination of both), or defined in terms of the level of its action or impact from the individual to the system level (micro-, meso-, and macro level) (Nicholls, Simon et al. 2015) p.4. But what are we talking about when promoting radical innovation in the public sector? Since the theme of this thesis is radical innovation, I look for a definition on social innovation that says something about the degree of novelty.

In a systematic review of 133 empirical publications on public sector innovation, de Vries et al. found that most (70%) contributions did not provide a definition of innovation in public sector. They argue that the lack of conceptual clarity might result in conceptual problems in order to understand the nature of innovation (De Vries, Bekkers et al. 2016). In addition, they did not find any measurements of the amount newness of an innovation. They found it critical that many studies did not specify how radical the innovation is, because then innovation and improvement can be distinguished:

"Given the fact that many studies do not specify how radical the innovation really is, it can lead to a blurring of our knowledge regarding public sector innovation, because also incremental change can be presented as being an innovation". (De Vries, Bekkers et al. 2016) p. 26.

Some use social innovations as a term for what is not technological, as a kind of residual category (Rønning 2020, chapt. 9). It makes little sense when we talk about innovation in the public sector where innovations can often have elements of both technological and social engagement. Another element in public sector innovations is it can be labelled in terms of top-down innovations or bottom-up innovations (denoting who has initiated the process leading to behavioural changes), or as needs-led and efficiency -led innovations (denoting whether the innovation process has been initiated to solve a specific problem or to make existing services or processes more efficient) (Halvorsen, Hauknes et al. 2005).

In this thesis I have chosen to emphasize a definition of social innovation from Voorberg, Bekkers et al. Of particular importance in the process arriving at the chosen definition of social innovation, are two systematic reviews in the areas of social innovation and innovation in the public sector (Voorberg, Bekkers et al. 2015) and (De Vries, Bekkers et al. 2016). Thus, insights from both areas will be integrated when doing the analysis. (Both of the reviews are used in the thesis, so I will not elaborate further here). The reason I chose this definition is that it has perspectives both in terms of degree of novelty and governance patterns. Voorberg et al. define social innovation as:

"..the creation of long-lasting outcomes that aim to address social needs by fundamentally changing the relationships, positions and rules between the involved stakeholders, through an open process of participation, exchange and collaboration with relevant stakeholders, including end-users thereby crossing organizational boundaries and jurisdictions" (Voorberg, Bekkers et al. 2015)p. 3.

**Newness:** When studying radical innovation in public sector, I find this definition appropriate because it contains elements that describes its newness. Not only It describes what needs to be changed: "...the relationships, positions and rules between the stakeholders involved", but also the extent to which it needs to be changed; "fundamentally changing". In the same way as radical, the word fundamentally is associated with/leads back to the roots. Fundamentally changing can be understood as to radically change the foundational understanding of a topic, as for instance economic models, (or management models) as mentioned earlier. When describing categorizations and definitions on social innovation above, this theory is of importance when discussing the dimension understanding of innovation in the public sector, and radical innovation.

**Governmental structures:** This definition also touch elements of governmental patterns. After mention what needs to be changed and to which degree it needs to be new, it says something about how the process should be managed/ The definition exclusively mention the innovation process: "..through an open process of participation, exchange and collaboration with relevant stakeholders, including end-users". In the two coming chapters I will present some theory on different governmental models, that will be used in the discussion of radical innovation related to governmental patterns. The definition also emphasizes the importance of Collaboration when stating that the process of innovation is: "...crossing organizational boundaries and jurisdictions". The study where the definition is presented, is a systematic review of 122 articles and books (1987-2013) of co-creation/co-production with citizens in public innovation. One of the conclusions is that we need to separate the process of co-creation from the outcome (Voorberg, Bekkers et al. 2015). Especially if we follow the understanding that *"social innovation should be social in both ends and means"* (Nicholls referring to Young Foundation, 2012). If the process are merely mechanic or inhumane in some ways, just focusing on outcome, its not social innovation according to this definition.

# 2.1.3 Radical innovation challenging governance systems and their economic, social and environmental dimensions.

Discontinuity with the past is a common element of public innovation and shows that innovation and improvement can be distinguished. But not all forms of change qualify as innovation. Innovation tend to be driven by the ambition to outperform existing products or practices; *"Innovation involves change, but not all forms of change qualify as innovation. Only step-changes that disrupt existing practices and common wisdom in a particular area are innovations"* (Søren and Torfing in (Nicholls, Simon et al. 2015) p.147).

Rønning uses Albury when he talks about definition of radical innovation adapted to services and the public sector, and describes it as; ".. a development of new services, or a fundamentally new way of organizing and delivering a service" (Albury, 2005 refered in (Rønning 2020)). In this definition areas for innovation mentioned are: new services, new way of organizing or new way of delivering a service. Other than using the words "fundamentally new", I cannot find in the definition room for radical innovation to address or challenging governancial systems or logics beyond product and process.

As examples of radical innovations in the public sector, Rønning mentions the NAV reform and the Co-operation reform (samhandlingsreformen). When it comes to the most profitable radical innovation for the country's inhabitants, he promotes the organization of oil activities in the North Sea. When significant oil reserves were discovered on the Norwegian shelf, Norway could have chosen, like the authorities in many other countries, to leave the development to the large international oil companies that had capital and expertise. The Norwegian state could then receive a viose share of the profits from what was pumped up. Instead, some political strategists agreed that we should establish a separate oil company, and also a separate company that owned the Norwegian seabed. Rønning points out that the oil wealth is a result of these radical innovations. Even though we would in any case have ripple effects from deliveries to the oil industry, the national management provided good opportunities for developing professional competence to extract oil from great depths (Rønning 2020).

What is the meaning of the word radical then? According to Merriam-Webster, the origin of the word *radical* was first an adjective, borrowed in the 14th century from the Late Latin *radicalis*, itself from Latin *radic-, radix*, meaning "root", hinging on the meaning "of, relating to, or proceeding from a root.". Retroeved from; (https://www.merriam-webster.com/words-at-play/radical-word-history). *Radical* stepped into the realm of politics first in England in the late 18th century, when one Charles James Fox in 1797 called for "radical reform". "Radical reform" was to be a *fundamental reform that made changes to the very root of the system*, especially by pushing for universal male suffrage. Modern political use *radical* can be applied to those on either end of the political spectrum, with the meanings: "associated with political views, practices, and policies of extreme change" and "advocating extreme measures to retain or restore a political state of affairs". At some point, specifically the 1960s, the "excellent, cool" use to have originated in surfer jargon but to have come from the "basic, essential, from the roots" meaning of *radical*. And there you have it: the newest meaning of *radical* getting back to the word's roots (Ibid.).

If we see this understanding of the word radical, as *a fundamental reform that make changes to the very root of the system*, it would most sertainly affected the innovation policy in terms of being of more disruptive quality. Major societal challenges related to social, environmental and economic issues are given as basis for the recent preoccupation with innovation and radical innovation in the public sector. If we take this way of understanding radical innovation related to the three areas of the grand challenges, then we could exspect radical innovation in the public sector as fundamentally challenging governance systems and their economic, social and environmental dimensions. One significant area is economics as it often play a defining role. Kate Raworth describes an alternative understanding of economic theory, called doughnut economics (Raworth 2017). This is a model where economic theory is seen in the context of sustainability, and where the traditional economic model is challenged. This can be used as an example on radical innovation.

When talking about incremental and disruptive innovation, radical innovation then falls on the farthest end of the innovation continuum. Radical innovation changes both the components and how the components interact and puts them together in a new way to create a unique solution. When successfully achieved, radical innovation typically results in a high level of reward. However, it also comes with a high degree of risk (Schumpeter 1982). As a result, many organizations tend to focus on incremental innovation that allows leaders to introduce changes over time, making adoption more likely and simultaneously lowering risks of failure.

Radical, disruptive and transformative innovations can be seen as interchangeable terms in that they all have system change as their goal/effect (Nicholls, Simon et al. 2015). But I find it difficult to distinguish between them. They generally agree that radical innovation wholly replaces an existing design, process or system to create something substantially new and unique. One of the given dimensions for analyzing findings in this thesis is newness. Incremental and disruptive innovation are labels denoting the degree of novelty, and will therefore be used as two cathegories when discussing newness related to the findings. incremental innovation often focus on products and services to address social need more effectively, and disruptive innovation often focus on politics to change cognitive frames of reference to alter social systems and structures (Nicholls, Simon et al. 2015).

One relevant question when it comes to innovation I public sector is; can radical innovation be called radical if not simultaneously addressing system level, acknowledging and confronting political and power issues across societies? The danger otherwise, is as Unger mention, that social innovation is absorbed into existing systems – tamed into irrelevance. (Unger used in (Nicholls, Simon et al. 2015)).

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## 2.2 Different governance models for innovation

In his new book on innovation in the public sector, Rolf Rønning describes three different models for innovation in the public sector. The first was valid until the 1980s and is called; *The traditional bureaucratic model (TB)*". This model is characterized by hierarchy, rule orientation and impersonality. The division is formalized, and the case manager is in writing in accordance with relevant rules. In the bureaucracy, the case officers will find the right remedy for achieving their goals. Based on this model, innovations must preferably come from above (Rønning 2020).

*New Public Management (NPM).* This is mentioned as another management form, which grew up towards the end of the 1970s at the same time as a criticism of the expanding welfare state, which did not seem to solve the problems it was built to solve. The administration was accused of being too resource intensive, and ineffective. Straws driven by the right wave meant that neoliberal ideas were given a foothold in the western world. NPM was the political right wave's prescription to streamline the administration and meant the use of market models, with competition and transparency for commercial service providers. NPM meant the use of market models in the public sector. Rønning mentions that competition is justified based on the consideration of cost efficiency and does not have a separate goal to contribute to innovation. With private business models, it was obvious to look there for management models as well, with goals and performance management as leading forms of governance. (Ibid)

The third governance model Rønning describes is the New Public Governance (NPG), which evolved from the mid-1990s. While competition was a driving force in NPM, collaboration was important in NPG. With its focus on collaborating across various sectors, extracting external players with potentially new ideas. Both TB and NPM are limited to more organizational innovation. (Ibid)

These governance models have not replaced each other completely, but live side by side in Norwegian public administration. Rønning points out that it is important with a management that is familiar with the various elements and how to use their various strengths and reduce their weaknesses. Such a hybrid approach to management of

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innovation in the public sector allows for the presence of various institutional logics in the same organization.

This lift the institutional approach. Institutional approach enables theorizing of change across levels: individual, organization and cross-field (Logue 2019). Van Wijk et al. are Integrating micro, meso, and macro level insights from institutional theory when talking about social innovation (van Wijk, Zietsma et al. 2019). They agree that social innovations are urgently needed as we confront complex social problems. As these social problems feature substantial interdependencies among multiple systems and actors, developing and implementing innovative solutions involve the re-negotiating of settled views.

The Government's policy on innovation in the public sector, and understanding of radical innovation, frame the whole picture. This make the understanding of radical innovation in Meld. St. (2019-2020) essential, because it provides guidelines for how KS and the municipalities continue to work with innovation in public sector. Therefore, it is interesting to see how radical innovation is understood first in a report from the Government, then in KS and then by leaders working with this in municipalities.)

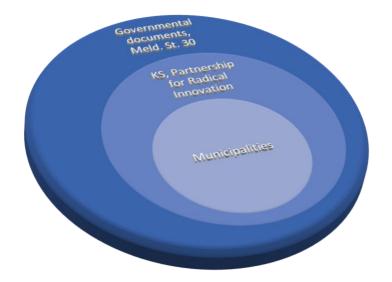


Fig. 2.4 Interconnection between three levels

# 3 Method

To answer the research questions, I have chosen discourse analyses (DA). In addition to analysing documents, texts and an audiovisual presentation, I will interview five key informants who have leading positions in different levels (in municipalities and KS) of public innovation governance. I choose discourse analyses as it is an approach to language that can be applied to both documents, texts, audiovisual sources and interviews.

## 3.1 Discourse analyses

In this thesis I will examine the data in terms of ways of talking or writing about the topic, and how that shape and structure how we (in the discourse) understand radical innovation in the public sector. When explaining discourse analyses (DA) Bryman refers to the work of continental philosophers as Michel Foucault (1926-84) for whom discourse was;

"...a term that denoted the way in which a particular set of linguistic categories relating to an object and the ways of depicting it frame the way we comprehend that object. The discourse forms a version of it". Michael Foucault quoted in (Bryman 2016)p. 531.

In the same way, a discourse on radical innovation in the public sector will constitute our concepts of what radical innovation is like, how we can work to achieve it, how we should govern, etc. In this thesis Report. St. 30 (2019-2020) will then be a framework for the justification for a way of understanding radical innovation. KS with their work and input through Partnership for Radical Innovation, in a similar way. A discourse in this field is much more than language as such, it is constitutive of the way of understanding and working to apply in practice. By interviewing people who work with management of innovation in the public sector at various levels, I hope to gain some insight into how selected elements of contributions in the discourse shape their thoughts and feedback to the discourse.

The documents and texts I analyse in this thesis will most likely influence new practices on the field of welfare production, and in being a citizen In Norway in general. When using discourse analysis one task will be to explore the relationship between the discourse in the different documents, and the reality it leads to. I am aware that the selection of data in this thesis do not cover all participant attending the Norwegian public discourse on the field. In chapter 3.2 I will reason my selection. Discourses on one area are often influencing other discourses (Bryman 2016) p. 540. The discourse of innovation in public sector might affect discourses on privatisation, outsourcing of welfare services, collaboration etc. I am curious to which degree it also affects areas as sustainability and alternative economic models (eg. Doughnut economics (Raworth 2017)).

Discourse is a way of constructing a particular view of a social reality (Bryman 2016) p. 534. Language is viewed as a practice in its own right, and reject the realist notion that language is simply a neutral means of reflecting or describing the world. Discourse is concerned with establishing one version of the world in the face of competing versions (Gill 2000) p. 176. One person's discourse is affected by the context, and in chapter 3.5 I will describe the contexts of the selected texts.

# **3.2** Choice of data, and data collection. Documents and interviews.

The study of documents, texts and webinars from the Government (KMD) and Partnership for radical innovation (KS) will give some answers to the research question, on how radical innovation is understood and applied in the public discourse. However, since I am asking for understanding aspects of the theme, I have chosen to not only seek documents as a source, but to buttress the analyses of the documents by additionally conducting interviews with some informants who have been instrumental in designing the text, or operationally involved in public sector innovation governance. In this way, the interviews can help to strengthen the interpretation of findings, and perhaps deepen in some areas.

With the title and research questions at the heart of the sampling considerations, I did a purposive sampling. The goal was to sample documents, texts and informants in a strategic way, so that those sampled are relevant to the research questions that are posed. The criteria that were relevant to the inclusion or exclusion will be treated separately as they differed for inclusion of documents/texts and for interviewees.

Government	•Meld. St. 30 (2019-2020). "An innovative public sector"
KS, Partnership for radical innovation	•3 Web site texts •1 document •Webinar (Dec. 2020) •Interviews
Municipalities	<ul> <li>Interviews - Employees public administration leading public sector innovation.</li> </ul>

Fig 3.1 Shows three levels where the contents and texts are collected from.

#### **3.2.1** Criteria for selection of documents/texts.

Criteria for sampling of documents and texts was that it should be relevant for the Norwegian discourse on radical innovation in public sector, and of importance for policy making on the field. To answer the research questions, I needed to look at documents that provide direct guidelines for the development of policy and practice in the field of radical innovation in the public sector. As described in context, the Government and KS already had some naturally-occurring data as Meld. St 30 (2019-2020) newly developed policy on innovation in the public sector was produced, and KS which in the same period established Partnership for radical innovation (2019). All data are produced 2018 or later. All selected texts are written in Norwegian, even if that was not a criterion for selection. The development takes place quickly and new knowledge and input to the discourse has emerged in the field along the way and after this was written.

From the Government it became natural to approve a parliamentary report on innovation in the public sector, authored by Ministry of Local Government and Modernization (KMD). The government state that this report is a first step in establishing a comprehensive, national policy for innovation in the public sector, and is thus a contribution to the work of developing a comprehensive innovation system for the public sector. In the analysis of KS and Partnership for radical innovation, I have included different types of texts. Three texts are taken from the website and one text is a document presenting Partnership for radical innovation, In addition, data is collected from a digital presentation from a webinar under the auspices of KS.

Level	Type of text	Title	Content	Source
The Govern- ment, KMD	White Paper	Meld. St. 30 (2019-2020). An innovative public sector - Culture, management and competence	Innovation in the public sector. The report presents development trends, status, need for change and the government's policy for further work on innovation in the public sector.	
KS	Website	Homepage: "Partnership for radical innovation"	Title front page.	https://www.ks.no/fagomrader/innovasjon/framtidas- kommune/partnerskap-for-radikal-innovasjon/
KS	Website Publicated 17.01.2020	"Etablerer Partnerskap for radikal innovasjon»		https://www.ks.no/fagomrader/innovasjon/framtidas- kommune/etablerer-partnerskap-for-radikal- innovasjon/
KS	Website Publicated 29.04.2020	«Partnerskap for radikal innovasjon»		https://www.ks.no/fagomrader/innovasjon/framtidas- kommune/partnerskap-for-radikal-innovasjon/om- partnerskap-for-radikal-innovasjon/
KS	Document	"Partnerskap for radikal innovasjon" (In English: "Partnership for radical innovation").	A document of 19 pages, presenting Partnerskap for Radikal innovasjon.	https://www.ks.no/contentassets/cfc55a9db1bc4fbd9 52654dc0df59fa7/Presentasjon-Partnerskap-for- radikal-innovasjon
KS	Webinar 01.12.20		Digital presentation of KS Partnership for radical innovation.	Webinar KS, markering oppstart radikal inovasjon prosjekt, se youtube video: https://www.youtube.com/watch?v=zWx0XO_4y6Y&f eature=emb_rel_end

Websites are continually changing, so that the analyses may be based upon a website that have been considerably updated. Therefore, I have to choose given texts gathered from the website in a given period of time, which in this case is January 2020 to March 2021. I also printed them out, so that, if subsequent researchers want to follow up my findings, or even to check on them, they may find that they are no longer there or that they have changed. When referring to websites, I therefor include the date they were produced or when I consulted them.

During the analysis I had to be aware that the sample represents different types of documents. Governmental document (Meld. St.30), texts on the web site, and an online seminar. Some of the contents that sets up the frames for the work on social innovation in public sector, but who are they meant for, and why written? I need to take that into consideration when analysing and compare findings on how they seem to understand radical Innovation. Different criteria for each text. That is why I want to do interviews.

One important question is whether the documents and texts I have chosen are relevant and comprehensive to be able to draw any conclusions, and answer the research question? The findings are drawn into the discussion and looked up against other research and theories in the field.

#### 3.2.2 Conducting of interviews

To recognize the interaction between the innovation and the wider setting in which it takes place, like policy incentive influence the innovation agenda of local governments when adopting innovations, I wanted to include in the study how this radical innovation initiatives would unfold at municipality level and in different levels of public innovation governance. I was not able to find any descriptions on radical innovation projects carried out at local level, so instead I chose to interview employees working with innovation in different levels of public sector governance. All the participants had experience or characteristics relevant to the research topic.

Criteria for selection of interviewees was then persons who are responsible for work on innovation in the public sector in a municipality or in KS. Preferably leadership position (a person in position to influence policies and organizational operations), some involving the work on interlinkages between the levels, some engaged or overseeing collaborative processes (inclusion of external actors into decision-making processes), experience in public administration, responsible for issues in the field of innovation in the public sector. The interviewees helped analyzing understandings of radical innovation in a multilevel structure in the public sector. In other words, representatives who perform public and collaborative governance on public sector innovation area.

Sampling: I made initial contact with some people who are relevant to the research topic, and then they recommended people I should establish contacts with. In total I interviewed 5 persons, (including pilot interview). The first contact was made by taking a phone call or sending a request by mail. When they agreed to participate in the survey, I sent them an email with information about the research project, indicating what the research is about and what kind of information to be collected (Appendix 3.1). Given topics of special interest were: Management and framework conditions for innovation work in the public sector, and especially in relation to radical innovation. How is radical innovation understood from your point of view? Cooperation with business / voluntary organizations / residents, degree of participation. Outsourcing of public services. As Norwegian municipalities are quite different in size, it is expected that their approach to innovation will also vary. I therefore obtained information from municipalities of various sizes. Among the interviewees were employees from different levels in the administration of innovation in the public sector, locally and nationally. The latter has a more general perspective, while managers locally are those who actually work with innovation specifically in a single municipality, and gain experience with the actual implementation.

The interviews were done in Norwegian following a semi-structured interview guide (Appendix 3.2). The interviews were mainly conducted by Zoom meetings, only one was conducted as a face-to-face interview. All interviews lasted for approximately 60 minutes.

The interviews were recorded on Zoom platform approved by VID and NSD. I went through the interviews by listening carefully. I made a rough sketch of all and transcribing all parts which included material relating to the topics which were mentioned in the information letter, and that also is included directly in the analysis. The passages from the interviews concerning each topic were placed together in topic files, so that I had convenient access to all the material, for instance, understanding of radical innovation, government and

28

framework conditions etc. I tried to be as inclusive as possible so that no quotes which could be read as dealing with a particular topic was omitted from its file.

## 3.3 Analysis of data

The data were analysed related to two dimensions; *newness* and *governance patterns*. **Newness** is analyzed in relation to two categories taken from theory, incremental and disruptive innovation (Chapter 2). **Governance patterns** are analyzed according to categories derived from a mix of theory and empirical data. From theory I used four categories given as governance models. The four governance models are: *The traditional bureaucratic model (TB), New Public Management (NPM), New Public Governance (NPG),* and the fourth a *hybridization* with presence of a combination of some of the other models simultaneously (chapter 2.2). From empirical data a category emerged, which was not so easily placed in the category of incremental or disruptive. They went beyond disruptive change in product or process. These findings formed the basis for an understanding of innovations fundamentally challenging governance systems and their economic, social and environmental dimensions.

Dimensions	Cathegories	Taken from	Research questions
Newness	Incremental and disruptive innovation	Theory	<ul> <li>How is radical innovation in public sector described/understood?</li> <li>Are there some details on the degree of novelty, or what is to be radically changed?</li> </ul>
Governance patterns	Four governance models	Theory	<ul> <li>How are governance structure of public sector innovation organized?</li> </ul>
	Governance systems and their economic, social and environmental dimensions	Empirical data	<ul> <li>Is there suggestions of fundamentally challenging governance systems and their economic, social and environmental dimensions?</li> </ul>

## 3.4 Ethical considerations

Respondents have been provided with an information letter including credible rationale for the research in which they are being asked to participate. Participant information with informed consent sheet is given each of the interviewees before attending the interview (Appendix 3.1). In the information letter the respondent was provided with the opportunity to ask any questions by contact information given. In addition to inform the interviewee what the research is about and its purposes, it provided reassurance about that her or his answers will be treated confidentially. All data from the interviews are anonymized when they entered the computer, and the analyses are conducted in an aggregate level. The respondent will not be identified or be identifiable in any way. The research project is Approved by NSD.

## 3.5 Research context.

This research operates within a wider political context, and if we are to understand discourses and their effects, we must also understand the context in which they arise (Hardy 2002 used (Bryman 2016). The source material is of more recent date (2018 - 2020). Since the research topic is strongly related to what's going on in different levels of the policy field, I find it appropriate to give some focus on the research context where the document, texts and interviewees are produced or gathered from. Some of this information will provide contextual understanding in terms of which the texts and interviews are understood.

#### 3.5.1 Governmental level

The Ministry of Local Government and Modernization (KMD) is among other things, responsible for matters relating to local government policyes, Public Sector Reform and local administration environmental impact analyses.

(<u>https://www.regieringen.no/en/dep/kmd/organisation/id528/</u>). Other ministries also presents guidelines that influence the work with innovation in the public sector. However, in

this study I have chosen to focus on the municipal and development ministry (KMD), which has this as one of its main areas of responsibility.

On the 19th of March 2018 the government issued a press release about boosting innovation within the public sector in Norway. It stated that municipalities and the state must find smarter and more efficient ways to solve challenges regarding the welfare of society. As a start they gathered about 250 state and municipal employees, social entrepreneurs and private actors, to share experiences and examples of innovations that have led to better service outcomes. The work culminated in a parliamentary report in June 2020: *Meld. St. 30 (2019-2020). An innovative public sector - Culture, management and competence,* authored by Ministry of Local Government and Modernization (KMD). Meld. St. 30 (2019-2020) is a document on 101 pages, and presents the current development trends, need for change and the government's policy for further work on innovation in the public sector. The government state that this report is a first step in establishing a comprehensive, national policy for innovation in the public sector, and is thus a contribution to the work of developing a comprehensive innovation system for the public sector (Meld. St. 30 (2019-2020))p. 39). Retrieved from

(<u>https://www.regieringen.no/no/dokumenter/meld.-st.-30-20192020/id2715113/</u>). This is the Governmental document that will be analyzed as a main source of policy on innovation in the public sector.

#### 3.5.2 KS program: Partnership for radical innovation

KS (The Norwegian association of local and regional authorities), is the public employer organization for all local governments in Norway. Innovation forms a central part of KS's mandate as one of KS's three roles is to be a development partner with the municipalities (NIFU & Rambøll Managent Consulting 2020). KS has a main office in Oslo, regional offices across Norway, and an international office in Brussels. In total, KS covers about 440,000 employees in over 100 different professional groups. KS has regular political meetings with the government several times a year. The themes for the meetings are municipal economy, municipal services and framework conditions for the sector. The development work is based on local governments needs and includes topics such as community development, innovation, quality development in services, efficiency improvement, employer growth, and development of their local democracies. KS' development work is strongly influenced by matters that origin in EU and EEA policies. KS' Brussels office has multiple offers and broad expertise within these matters. The office is responsible for collaboration with European sister organizations and other international member organizations. Norwegian local governments also participate in several international programs. (This information is retrieved from: https://www.ks.no/om-ks/ks-in-english/about-ks/).

As described in chapter 1 (Introduction), KS established a program called; "*Partnership for Radical Innovation*", January 2020. It is primarily a 3-year initiative, organized as a program in KS. The program will work with the societal challenges that are too great for individual municipalities to solve alone and too complex to be understood from a single point of view. Based on a selection of prioritized societal challenges, the Partnership has built up a portfolio of innovation projects. These projects are to be led by the program but is carried out in close collaboration with municipalities and county municipalities, other social actors (government actors, research environments, private business and the voluntary sector). Documents and texts found on their website are chosen to analyze their contribution to the discourse on radical innovation (see chapter 3.2.1).

#### 3.5.3 Municipalities and employees of multi-level public administration.

Interviews with key informants who have leading positions in different levels of public innovation governance, provided the research with valuable information to the discourse by adding local, regional and national experiences. Both the municipalities and the county municipalities has roles as community developers. The municipal sector is responsible for many tasks, including basic welfare services and local community development. The municipalities' tasks have increased significantly in recent years. At the same time, the societal challenges have become more complex, and this places increased demands on the municipal sector both as a service provider and a development actor (Meld. St. 30 (2019-2020)). The situation regarding major societal challenges related to social, environmental and economic issues, comes in addition to the daily work in the municipalities, and it is the employees who will put policies into practice. The situation for the municipalities varies due to various factors, and the size of the municipality is one of the aspects. It was therefore useful to have informants who worked in a small and in a large municipality.

When KMD comes with a policy on public sector innovation KS and municipalities needs to relate to this, and interpret the significance in further work and put it into practice. It is therefore interesting to hear some aspects on how KS and the municipalities structure and reflect on the process of relating to current policy on the area.

# 4 Presentation of findings

The empirical data sampled from three different levels of governance (national, intermediate and municipality), were analyzed according to two major dimensions: *newness* (according to the theoretical categories incremental – radical innovation), and *governance patterns* (according to four government models presented from theory, and the extent to which it is challenging governance systems and their economic, social and environmental dimensions. The latter category taken from the empirical data). In the following section I present findings from each of the levels simultaneously, while focusing on how radical innovation is understood in terms of newness and what are the proposed structures to govern it. Findings from the government's report on innovation in the public sector (Meld. St. 30 2019-2020) will form the basis of the discourse and is therefore given the most attention.

# 4.1 Newness - from incremental to disruptive change on specific areas

When studying the data, the first thing I was looking for was the words they used when describing radical innovation. Following Nicholls et als description of incremental and disruptive innovations, and Schumpeters selection of innovations as products or processes and its implications related to incremental and disruptive qualities, I placed the descriptions in a table. As described in chapter 2, **Incremental innovations** are understood as products and services developed to address social need more effectively (according to Nicholls et al. 2015), and also as a description of moderat degree of newness (according to Schumpeter 1934/82). **Disruptive innovations** are aimed at policies to change cognitive frames and alter social systems and structures (Nicholls, Simon et al. 2015) and as a description of great degree of newness (Schumpeter 1982). In addition to the degree of newness, it is in this table noted what is described as an object for innovation (product, process, systems). It turned out that some descriptions of radical innovation did not fit under either product or process. They had a disruptive character, but went somehow beyond product, service and

processes. A separate column was thus created as; other. This column will be the subject of discussion in chapter 5, and forms the basis for the discussion on understanding of radical innovation.

	Products	Markets	Politic
Incremental	<ul> <li>-RI fundamentally changing the way we deliver services or develop products (Meld. St. 30, p.15)</li> <li>- a new or significantly changed service, product (Meld. St. 30, p.13)</li> <li>- "new to the business in question, it may nevertheless be known to and implemented in others businesses" (Meld. St. 30, p.13)</li> <li>-RI and can potentially change today's service production completely (KS 29.04.20)</li> </ul>		
Institutional		-They move responsibilities and tasks between sectors, change laws and regulations, create new roles and forms of cooperation» (KS 29.04.20)	our systems(KS, 29.04.20) -Radical innovations often challenge a larger system, are more fundamental and challenging, and require a larger rig with many actors(KS 29.04.20)
Disruptive			<ul> <li>-Radical innovations entail greater</li> <li>violations of the current state can turn entire companies or industries upside down, change the rules of the game and people's expectations (Meld. St. 30, p.15)</li> <li>-Radical means fundamental changes that break with existing practice. Radical innovations want what is called a "disruptive" quality. They turn on logics(KS 29.04.20)</li> <li>- fundamental change, disruptive quality in that it turns on logics Threatens to shake the foundations(KS, Doc.)</li> <li>-How to find completely new ways of working, across management levels and boundaries for future sustainability(KS 17.01.20)</li> <li>for us, it is about system innovation - that is, something that radically changes</li> </ul>

Table 4.1 Derived from Schumpeter and Nicholls descriptions of incremental and disruptive innovations.

But If we analyze some of the findings according to Schumpeter's model, could the understanding of radical innovation been interpreted differently? As described, I have chosen to use social innovation when analyzing findings. To put the findings into Schumpeter's table of incremental and disruptive innovation, is done as part of the analysis process to see to what extent it would affect what can be considered as radical innovation in the public sector. Or at lest as innovations with disruptive qualities.

Disruptive	<ul> <li>-Radical innovations entail greater violations of the current state and thus greater risk and uncertainty in the development phase (Meld. St. 30, p.15)</li> <li>- Radical means fundamental changes that break with existing practice. Radical innovations want what is called a "disruptive" quality. They turn on logics, and can potentially change today's service production completely (KS 29.04.20)</li> </ul>	<ul> <li>-Radical innovations can turn entire companies or industries upside down, change the rules of the game and people's expectations (Meld. St. 30, p.15)</li> <li>- They move responsibilities and tasks between sectors, change laws and regulations, create new roles and forms of cooperation» (KS 29.04.20)</li> </ul>
Incremental	-Innovation can be a new or significantly changed service, product, process, organization call or means of communication (Meld. St. 30, p.13) <b>Product</b>	-Innovation can be a new or significantly changed service, product, process, organization call or means of communication (Meld. St. 30, p.13) Process
		Frocess

According to Schumpeter's model the conclusion will be that due to the public sector discourse on radical innovation, radical innovations are understood as disruptive innovations related to products and processes. When it comes to especially KS's descriptions of radical innovation about fundamentally challenging larger systems and threatens to shake the foundations would be difficult to detect. On the other hand, it is difficult to set a degree of novelty based on Nicholl et al.'s model, as it primary focuses on areas for innovation in the public.

#### 4.1.1 Degree of newness.

Before taking a closer look at the understandings of radical innovation, lets first see in which way the government describe innovation in the public sector. When the government define innovation in the public sector, various forms of innovation are mentioned, including radical innovation. Meld. St. 30 (2019-2020) refers to innovation as a concept that is not just about improvement, but more as a break with previous practice:

«Innovation is a concept for change and development that involves a break with previous practice. This distinguishes innovation from continuous change and other development work. You have to do something else, not just improve what you are already doing» (Meld. St. 30 (2019-2020)) p. 15.

When it comes to the degree of novelty in an "ordinary" innovation, it must be new or significantly changed.

«Innovation in the public sector can be a new or significantly changed service, product, process, organization or means of communication. The fact that the innovation is new means that it is new to the company in question, it can still be known for and implemented in other companies.» (p. 13).

It is specified that it may be known to other businesses, but new to the current business. The report describes Radical innovation as fundamentally changing ways of delivering services or developing products, and that it entails major violations of the current state. Radical innovation can turn entire industries upside down and change the rules of the game for people's expectations:

«Radical innovation is about fundamentally changing the way we deliver services or develop products. Radical innovations entail greater violations of the current state and thus greater risk and uncertainty in the development phase. Radical innovations can turn entire companies or industries upside down, change the rules of the game and people's expectations» (p. 15)

When Meld. St. 30 explains the concept of innovation, the degree of novelty is described as "...breaks with previous practice" and "...new or significantly changed ...". Innovation is

distinguished from continuous change and other development work, in that you have to do something else, and not just change what you are already doing. When talking about radical innovation, an adjective is added that reinforces the description of change: *«Fundamental change»* and *«*Major breach of the present state». This can be understood as the difference between innovation and radical innovation in the public sector is that radical innovation to a greater extent breaks with the current way of solving the tasks. In other words, radical innovation represents innovations with a high degree of what we can call disruptive quality.

In the same way KS describe radical innovation as fundamental changes and attributes the disruptive quality.

«Radical means fundamental changes that break with existing practice. Radical innovations want what is called a "disruptive" quality. They turn on logics, and can potentially change today's service production completely. They move responsibilities and tasks between sectors, change laws and regulations, create new roles and forms of cooperation» (KS, 29.04.20).

But In addition, it is mentioned that it can go on a deeper level, by reversing logics and that we must go into the core, down to the root to develop radical changes to address the most important societal challenges:

"We are going into the core, down to the root, and developing radical, positive changes. In Partnerships with others, we will address the most important societal challenges and explore, test, adjust and develop sustainable solutions that provide value for the community. By working in completely new ways, and mobilizing resources with different backgrounds, experience and competence, we find new solutions that respond to the needs of the inhabitants and the municipalities » (KS, 29.04.20).

When it comes to newness Partnership for Radical Innovation program uses descriptions such as: "..fundamental changes that break with existing practices", "....disruptive quality". They even go a little further including: "reverses logics", and "can potentially completely change current service production". They use words like fundamental and disruptive. They also describe that they are going into the core, down to the root.

#### 4.1.2 Objects and focus of radical innovation.

When it comes to the object of innovation we are talking about which areas radical innovation challenges. Objects for innovation is from the government referred to as service, product, process, organization or means of communication: ".. a new or significantly changed service, product, process, organization or means of communication» (Meld. St. 30 (2019-2020))p.13. When describing radical innovation it is added that it: «.. can turn entire companies or industries upside down, change the rules of the game and people's expectations» (p. 15). This might means changing of systems or that basic logics must be challenged. Examples are drawn from the business world where Airbnb challenges the rules of the game in the hotel market, and Vipps in the banking market in that they create added value for customers through what they call collaboration in value-adding networks. There are also examples from the public sector where hospitals move technology parts of the services home to patients, and libraries have gone from being places to find, pick up and deliver books, to social arenas for experiences, creation and knowledge sharing. The examples Airbnb and Vipps are probably not so radical on other scales than product and change in supplier. It is also pointed out that new technology such as artificial intelligence may in the future lead to radical changes with a major effect on how the public sector works. But I cannot find it says anything about which areas radical innovation challenges?

The government also adds that innovation in the public sector can take place in systems, structures and in larger areas of society, and that this is often called *«transformative innovation».* It seems that the government understands transformative innovation as something other than radical innovation: "Transformative innovation will always have radical elements" p. 16. Transformation or transformative innovation is described as consistent changes in an area. An example that is mentioned is the green shift and meeting the ambitious climate goals of Norway and the world. This requires major changes in the citizens, the business community, the public sector and organizations. It is mentioned that transformative innovation will always have radical elements, but it is somehow difficult to grasp the relationship the government set between radical and transformative innovation. Transforming innovation is described as requiring experimentation, research and change in

many areas simultaneously, and where local, regional, national and international efforts must play together (p. 16).

**KS:** The background for the establishment of the Partnership for Radical Innovation, was the need to do something radical to solve societal challenges. KS describes that there was a need for a change of pace as Norway is facing challenges that it is not possible for the individual municipality to work alone (17.01 and 29.04.20). The focus is on collaboration: *«We must do something radical to solve the societal challenges. KS, municipalities and county municipalities have long recognized this. Therefore, in the future we will work in partnership to speed up the work " (KS, 17.01.20). The program points out that minor adjustments in service delivery are not enough to solve the major challenges. Minor societal challenges, even though "the sum of many small ones can in principle have a radical effect". It is clearly stated that there is a desire for system innovation:* 

"The point is not the radical in itself, but that our efforts provide significant, new solutions to critically important societal challenges that the individual municipality can hardly handle alone. For us, it is about system innovation - that is, something that radically changes our systems» (KS 29.04.20).

Partnership for radical innovation states quite specifically when it comes to the object of innovation: *"For us, it is about system innovation - that is, something that radically changes our systems"* (KS 29.04.2020). Based on the texts, it can be interpreted that radical innovation is not only limited to fundamental changes in products, services, service delivery or processes, but that it is very much about system innovation (disruptive innovation) where our systems are in focus.

«Radical innovations often challenge a larger system, are more fundamental and challenging, and require a larger rig with many players. Therefore, the municipalities are now lifting the more complex challenges to a common, national level, while at the same time continuing to work fully with innovation within their own room for maneuver » (KS 29.04.20).

They also describe that the desired benefits are sustainable solutions, which refer to what is stated as the starting point for the need for radical innovation in the public sector, namely major societal challenges related to social, environmental and economic issues.

When it comes to objects of innovation described in the texts from the government and Partnership for radical innovation, some of the same objects for innovation are mentioned as when talking about innovation in general (not radical), namely services, products and processes. More like focuses for incremental innovations (source on tjeneste product som innad, eks Gilje) What is the focus on what is left out of the picture? Challenging basic systems and understandings is stated more as a result of radical innovation than as an object for innovation. What about systems/institutional aspects, management structures, socioeconomical perspectives? In the data I found some descriptions that fall outside the focuses on product and process. There were some descriptions, especially from Partnership of radical innovation (KS), that sort of went further, past both incremental and disruptive. This was placed on disruptive innovation with the given focus as politics, after Nocholls et al.'s table.

Report. St.30 (2019-2020) talks about that Innovation can take place in large leaps, by radical innovation, or step by step, or incremental innovation. Sometimes step- by- step innovations is a good way that can lead to radical innovation: *"Step-by-step innovation takes place gradually, but still involves a break with what has been. The degree of risk and uncertainty at each step is lower than at radical innovation. The sum of several step-by-step innovations can represent a radical change » p. 15. Meld. St. 30 (2019-2020) also mentions that "the sum of several step-by-step innovations can represent a radical change » p. 15. Meld. St. 30 (2019-2020) also mentions that "the sum of several step-by-step innovations can represent a radical change » p. 15. Meld. St. 30 (2019-2020) also mentions that "the sum of several step-by-step innovations can represent a radical change a p. 15. Meld. St. 30 (2019-2020) also mentions that "the sum of several step-by-step innovations can represent a radical change a p. 15. Meld. St. 30 (2019-2020) also mentions that "the sum of several step-by-step innovations can represent a radical change. As an example, they use the Tax Administration's work in Norway, which over ten to twenty years has radically changed how the population submits the tax return. This change happened through several step by step changes. It is pointed out that the public sector has come a long way with step-by-step innovation in Norway, but that it is not always sufficient enough to take advantage of the opportunities inherent in new technology and the rapid changes in the needs of the public sector are facing.* 

In the description on their website, KS express that not everything will be radical. Small step improvements can help support larger steps:

«When small step improvements help to support larger steps, we see this in context and put together projects along the entire scale from simple to radical. We will both work with solutions within known frameworks, and larger and more radical innovations. But the sum must be large enough, and radical enough, for it to work. The radical can lie both in the methods used, in the solutions we find, and / or in the effects it has» (KS, 29.04.20).

The document «Partnership for radical innovation», also describes two ways of desired radicality. First, the simple variant is about challenges that the individual municipality is unable to solve alone, because it crosses administrative levels, disciplines, budget structures, laws and regulations, etc. The ambitious variant is about fundamental change that turns on logics and breaks strongest with it existing and traditional. This way is described as having a disruptive quality that threatens to shake the foundations of existing products, services and businesses. It is also this form of innovation that can change both the commercial rules of the game "Successful disruptive innovations can turn entire industries upside down, and can change both the commercial rules of the game and customer expectations in a powerful and non-reversible way." (KS doc. p. 16).

When we talk about radical innovation in relation to the major challenges, four of the five informants express that the major complex challenges should be raised to a higher regional or national level. A distinction is made between what can be solved at the local level and what should be gathered and solved regionally or nationally.

".. yes I think that a small municipality can not solve ... major societal problems because it is in some areas .. for example young exclusion, which you struggle with throughout Norway .. and then it will be wrong that each individual municipality must take on and try to solve that challenge within the municipality, I think, then greater forces are needed .... Major societal challenges must be taken at an overall level" Informant 2. This is not about reluctance to take on the challenges, but more about resources and opportunities to implement major innovation initiatives:

"... and we have done that in a number of development areas and innovation areas ..because each municipality does not have the innovation resources ..and they do not have the network nor the buttons to press that we can have centrally by also using our system actively " Inf. 4.

### 4.1.3 Disruptive breaches in products, services and processes.

The analysis shows that the government understands radical innovation as a greater degree of break with the current situation than with ordinary innovation. However, it is still about breaking with existing practices in the same areas as in innovation, namely the way one develops products, delivers services or processes. Fundamental changes to overall governance systems and their social, economic and environmental dimensions have not been described to that extent. However, it is mentioned that the effects of radical innovations can turn upside down entire companies and industries and changed rules of the game and people's expectations.

KS describes radical innovation with a focus on the same areas as the government but mentions among other things: "Radical innovations often challenge a larger system, are more fundamental and challenging" (KS, 29.04.20). With this, the understanding is extended beyond the mentioned areas (product, service, process).

Those who work with this in the municipalities agree that these are too great and extensive challenges for the individual municipality to be able to address itself. Therefore, the municipalities are now lifting the more complex challenges to a common, national level in the hope of framework conditions and system changes that make it possible to follow up and interact.

### 4.2 Governance patterns

When it comes to governance patterns of innovation in the public sector most of the data are collected from Meld. St. 30 (2019-2020). To analyze findings related to governance patterns, I have chosen Rønning's description of four different governance models described in chapter 2. The four models will provide a basis for different approaches to how to work with innovation in the public sector. The four governance models are called; *The traditional bureaucratic model (TB), New Public Management (NPM)* and the third *New Public Governance (NPG)*. The last model is a mix of the others. In addition, I will study in which degree the understanding of radical innovation challenge governance systems and their social, economic and environmental dimensions.

Before looking into how governance structure of public sector innovation is outlined in the described policy (Meld. St. 30 2019-2020), I will include some descriptions of roles and decision-making processes that will have impact on the public innovation processes. As mentioned in the introduction (chapt. 1), the report from the Government is a first step in establishing a comprehensive, national policy for innovation in the public sector, and is thus a contribution to the work of developing governance patterns for innovation in the public sector. Innovation in the public sector takes place within a political framework where the top leaders are ministers and elected politicians in the Government, in the municipalities and in the county municipalities;

«Innovation in the public sector takes place within a political framework, where the top leaders are ministers and elected politicians in the Storting, in the municipalities and in the county municipalities. The management values are democracy and the rule of law, professional integrity and efficiency. Openness, accountability and verifiability promote these values» (Meld. St. 30 (2019-2020)) p. 17.

The county municipalities' regional community developer role is about giving strategic direction to community development to mobilize the private sector, cultural life and local communities; and to coordinate public efforts and the use of instruments. The role of the community developer thus provides scope for promoting innovation in both the public sector and the business community, among other things through cooperation and public

procurement. The role of the government and the ministries is to be a driving force for innovation through policy formulation, goals, frameworks and instruments for innovation. The report also mentions KS and the Partnership for Radical Innovation as a development partner for municipalities and county municipalities, an interest policy actor vis-à-vis central authorities and others, and a negotiating partner for the employee organizations in the municipal sector.

The government has formulated a goal and three principles for innovation in the public sector. The goal promotes a more efficient public sector, good services to the citizens, high degree of trust and new solutions in collaboration with other sectors;

«The government's goal is an efficient public sector that provides good services to the citizens, has a high degree of trust in the population, and finds new solutions to societal challenges in collaboration with the citizens, business, research communities and civil society» (p. 8).

The three principles for promoting innovation in the public sector is about; 1) Politicians and public authorities must provid room for maneuver and incentives to innovate, 2) Leaders develop culture and competence for innovation and 3) Public enterprises seek new forms of cooperation (p. 5). It is mentioned that the principles are inspired by the OECD's declaration for innovation, which Norway has joined (OECD 2019). Input from the notification process has also been taken into account. In addition to the described goal and the three principles, ten main measures are formulated that the government wants to implement.

Framework conditions are the formal systems that set conditions for the daily work in the public sector. These are factors such as governance, financial structures and incentives, laws and regulations, organizational forms and requirements. These frameworks can facilitate innovation, or limit opportunities. New or changed working methods and processes within the public enterprises (viser til Halvorsen et al.), often implies change in the formal and informal frameworks, such as decision and management regimes, budgeting and reporting routines, financing system and norms and values (p. 16-17).

In this table I try to place different aspects from the proposed structures to govern innovation in the public sector given in the Meld. St. 30 2019-2020, in regards of where it seams to belong according to the four given governance models. (Just three of the models are in the table, because a mix off course, is then automatically given). The presentation of findings which this elements are derived from, will continue in the next chapters.

	ТВ	NPM	NPG
GOVERNANCE PATTERNS	<ul> <li>-Politics: one goal, three principles, ten main measures.</li> <li>-Defined instruments and instrument actors.</li> <li>- Such management must then be based on national goals and considerations, such as equality, equality and sustainable development (Meld. St. p.24)</li> </ul>	<ul> <li>In the state, goal and result management is a basic principle for management (Meld. St. p. )</li> <li>Goal and result management shall lift the management from detailed instructions on resource use, activities and individual tasks, to achieve the desired user and community effects (Meld. St. P.).</li> <li>The purpose of goal and result management is to give the companies room for maneuver and freedom in the task solution because it is expected that the result will be best when those who know the situation best are given the freedom to decide how to work to achieve the goals (Meld. St. p. )</li> <li>When goal and result management works as intended, it gives the companies room for maneuver to find the best solutions for the user and the citizen (Meld. St. p.24).</li> <li>At the same time, the government acknowledges that there is still potential for improvement in the practice of goal and result management. This is, among other things, about the fact that it is difficult to set good effect goals and that it can be challenging to measure the effects of the effort (Meld. St. p. )</li> </ul>	<ul> <li>The ministries must, in collaboration with the companies, consider the practice of goal and result management in the state, and whether the practice provides sufficient room for maneuver and incentives for innovation. The Government will reverse the increase that has been in the number of goals, management parameters and activity requirements since 2015. (Meld. St. p.26)</li> <li>Dep. in collaboration with the companies, consider the practice of goals and res management in the state - whether the practice provides sufficient room for maneuver for innovation (Meld. St. p.).</li> <li>The government maintains trust-based goal and result management as a fundamental principle in the state, and will work to reduce the number of goal and activity requirements, because it provides room for maneuver and incentives for innovation both in its own business and across companies and sectors (Meld. St. p.)</li> </ul>

### 4.2.1 Trust-based goals and performance management

In recent decades municipalities have increasingly been given tasks through special laws. At the same time, there have been tendencies towards more detailed management, especially in the welfare areas through, among other things, procedural and competence requirements in laws and regulations. The goal has been to strengthen the citizens' legal security and good welfare services, but it has also contributed to the seizure of resources at the expense of other areas.

With regard to state management of the municipal sector, framework management (ramme styring) is still the starting point, but the government states that one should avoid detailed regulation of how tasks are to be solved, such management should be based on national goals and considerations, such as justice, equality and sustainable development. This is a hint of value management, but it easily drowns in the goal- and result regulation: *«Such management must then be based on national goals and considerations, such as justice, equality and sustainable development*. This mean that goals and performance management also must also be substantiated and measured against these values before they are made valid? How heavy are the emphasis on results regarding these values? What are the goals and results descriptions in relation to the three mentioned considerations/social values that are the framework? This will be reflected in a model in discussion chapter (chapt. 5.2.1).

The report states that goal and result management is a basic principle for management in the state, and that they will maintain what they call trust-based goal and result management.

«In the state, goal and result management is a basic principle for management. Goal and result management shall lift the management from detailed instructions on resource use, activities and individual tasks, to achieve the desired user and societal effects. The purpose of goal and result management is to give the companies room for maneuver and freedom in the task solution because it is expected that the result will be best when those who know the situation best are given the freedom to decide how to work to achieve the goals. When goal and result management works as intended, it gives companies room for maneuver to find the best solutions for user and citizen» p. 24.

One can discuss to what extent this promote the possibility of radical change. This description seems somewhat contradictory. Who sets goals and result descriptions? The government point to the same dilemma:

"It can be demanding to find a good balance between providing room for maneuver and incentives for innovation and setting requirements for deliveries, results and reporting. At the same time, it is a goal for the government that state enterprises are not given more management requirements than necessary» p. 25.

They say they will improve, among other things, by reducing the number of goal- and result requirements. They acknowledge that there is still potential for improvement in the practice of goal and result management, but no alternative forms of management are mentioned such as value management (verdistyring) as already seams to be a part of the governance structure.

«The government aims to reduce state detail management and decentralize more power and authority to local communities and their elected representatives. Framework management shall continue to be the main principle for state management of the municipalities» p. 26.

It is noted that it should be considered whether there is a need for completely new organizational models. One of the informants points to the challenge they face in the municipal enterprises when they work with innovation in the services. Both the fact that there is a lot to do, and that there are a number of goals and performance requirements that must already be handled, so there will be little room to work with new and better ways of delivering the services:

".. but we meet a lot of resistance in the companies .. how can we think innovatively and new .. we have .. when the operation almost does not go around .. how is it to create those pockets to have both energy and time and money to test something when it's already pretty tight? " Inf. 2.

The government expresses that innovation, digitalisation and wicked problems seem to give rise to changing needs for organizational forms. They believe that there is a need for more knowledge about organizational changes that take place in the administration and what effect the changes have on innovation and efficiency.

Another perspective that is not mentioned is the effects that changes in organizational forms, have on a broader area within both economic, social and ecological dimensions. The government will therefore initiate work to acess whether there is a need for adjustments in existing models for how the state organizes its activities, and whether there is a need for completely new models. p. 31.

# **4.2.1** Innovative procurement and collaboration with the business community, and others.

Innovative public procurement is defined in the report as:

«Innovative public procurement are procurement methods that facilitate the conclusion of collaborative relationships with the market, to develop new and better solutions in close contact with the users and the surrounding environment. In an innovative procurement, public clients enter into a dialogue with the market before the procurement and communicate the need rather than detailed requirements specifications.» (Meld. St. 30 (2019-2020)) p. 75.

I choose to include this in the findings because the longest chapter in the report deals with innovative procurement and partnerships with the business community. Each chapter in Meld. St. 30 (2019-2020), ends with points on what the government wants. Most chapters have 2-6 (average 3 points), while the chapter on partnerships with the business community has 8 points on what the government will do in relation to the area.

«The business community is a key partner for the public sector, through procurement, partnerships and other forms of cooperation. In order to utilize the full potential of the business community, the public sector should both collaborate with established companies, and utilize the innovative power in start-up companies and social entrepreneurs.» p. 72.

It is pointed out that it is not a matter of the public sector becoming like the business community, but that cooperation with the business community can contribute to the

achievement of goals in the public Sector. It is pointed out that collaboration with the private sector can provide great innovative power, but it can also challenge the roles, both for the business community and the public sector (p. 73). Here, some experience has already been gained for example with regard to tender processes where the public sector can be challenged in how well they are equipped to play in the arena of private actors. The same applies to competition, arguments for short-term and long-term effects. The government believes that the public sector must take the lead regarding which needs are to be solved in dialogue with the market, and which the public sector must solve itself. Innovations in collaboration with the business community are thus not an end in themselves, but with the intention of better goal achievement in the public sector.

«The public sector must take the lead on which needs are to be solved and enter into a dialogue with the market about possible solutions. Innovation and collaboration with the business community is not an end in itself, but a tool to promote better goal achievement in the public sector» p. 72.

It is mentioned that in Norway there are discussions about which services should be procured from the business community, and which solutions and services the public sector should develop itself. However, the government believes that the public sector should not do what the market can do better; *«The government believes that the public sector should not do what the market can do better, and therefore wants the public sector to make even greater use of resources in the business sector»* p. 82. Maybe privat sector can do better, but will there be offers and services available for those who do not have the finances to pay for necessary services? Regarding results in the national economy when public services are privatized, the public sector perhaps will save on this in the long run financially, but lose on the increased degree of differences. One of the informants had worked in private health trusts, and points to both advantages and disadvantages of outsourcing services to the private market.

"...what I can say that can be a great danger and a disadvantage, is that the private sector should make money ... where it is really the profit that is the goal .. while in the public sector where we distribute money, for the best ability ... so the danger is that it degrades the quality because there is someone at the other end who should have a profit ... at the same time it may be that there will be competition that can help raise the quality, so there are both benefits and disadvantages .. "Inf. 3

The Government wants public procurement to be a driving force for innovation and restructuring in the Norwegian economy, and has decided to bring together the disciplines of public procurement, management, organization and management at the Directorate for Public Administration and Financial Management during the second half of 2020. The Government believes this will provide opportunities to extract important synergies between these disciplines, in addition to developing a better range of expertise for managers and purchasers in the public sector.

An important argument for cooperation between the public and private sectors, they believe, is that it can contribute to more radical innovations with faster transitions to the low-emission society. *«Cooperation between the public and private sectors can contribute to more innovation, more radical innovation projects, a faster transition to a low-emission society, and the spread of successful innovations»* p. 85. Perhaps the biggest focus, and most radical in the governments opinion, is how it's desired to develop cooperation with the private sector. 14 pages are used to process and describe this against 5-10 (average 7) pages in the other areas. Each chapter ends with a point on what the government wants.

# **4.2.2** Governance systems and their economic, social and environmental dimensions.

The governmental report begins by stating the government policy for innovation in the public sector is based on the fact that Norway need an innovative public sector to be able to solve major societal challenges. The challenges outlined fall under the three dimensions of sustainability goals, which deal with social, economic and environmental areas. Specifically, demographic changes (where the proportion of older people increases, at the same time as there are fewer people in employment), less economic room for maneuver and climate and environmental challenges are mentioned; "Demographic change, less economic room for maneuver, climate and environmental challenges, and achieving the world goals for

sustainable development are known challenges Norway and the public sector will face in the coming decades" p. 9. In the future, Norway will face challenges that challenge the sustainability of today's welfare society.

Working with the sustainability goals is mentioned as a challenge in itself, as Norway is committed to contribute to achieving the global goals for sustainable development. The government has made the sustainability goals more controlling for the formulation of national policy. The work on this has been submitted to the Minister for Local Government and Modernization so that it provides an opportunity to see the work on the sustainability goals in connection with the work on innovation in the public sector:

"The government has strengthened the national follow-up of the sustainability goals so that they become more governing for the formulation of national policy. The responsibility is assigned to the Minister of Local Government and Modernization. It provides an opportunity to see the work with the sustainability goals in connection with the work with innovation in the public sector» p. 11.

Some of the same reasons were mentioned when KS established Partnership for radical innovation:

«..an aging population, climate and environmental issues, the need for a more inclusive society, and declining productivity growth and tighter economic framework conditions. This is one of the reasons why municipalities and county municipalities have wanted to establish Partnerships for Radical Innovation» (KS 17.01.20)

«Questions the partnership should seek to find answers to are, how to find completely new solutions to social tangles that are too demanding to solve for the individual municipality or county municipality alone? How to find completely new ways of working, across management levels and boundaries for future sustainability?» (KS 17.01.20).

It is related to these areas the importance of collaboration with all different sectors (public, civil society (voluntary organizations, privat and citizens) is promoted, for future sustainability. The Government believes that cooperation brings new perspectives and

opportunities into the development of the public sector and increases the opportunities for innovation. To *«co-creation of services with residents and the voluntary sector, among other things through further work on framework conditions»* (Meld. St. 30 (2019-2020)) p. 71. The government describes that they will collaborate with research environments, among other things, because it can contribute to a more knowledge-based approach and policy development and more radical innovation projects; *«Forskning og samarbeid med forskningsmiljøer kan bidra til mer kunnskapsbasert forvaltning og politikkutvikling, mer radikale innovasjonsprosjekter og spredning av vellykkede innovasjoner»* p. 92.

EU is preparing the research and innovation program Horizon Europe (2021-2027), where they use missions as an approach to selected societal challenges. Missions is a cross-sectoral approach that describes a societal challenge, while defining what measurable improvements one wants to achieve. The idea is to combine ambitious goals (top-down), with broad commitment and effort (bottom-up);

«The idea is that pooling efforts on overall and ambitious goals provides a force and a unique dynamic that can open up for greater innovations. Missions, or tasks, seek to combine such ambitious goals (top-down) with broad commitment and effort (bottom-up). Missions can thus facilitate more radical innovations in cooperation between the public, private and voluntary sectors» (p. 91)

## **5** Discussion

The aim of this study was to explore how radical innovation is understood in the Norwegian public discourse. In the title of the thesis there is an invitation to discuss understanding of the term radical innovation, as it is used in selected documents/texts from the government and KS, Partnership for radical innovation. Relevant dimensions and categories of the investigation thus become; *newness* (incremental – disruptive/radical), and *governance structures* (according to four government models presented from theory, and the extent to which it is challenging governance systems and their economic, social and environmental dimensions). In this chapter the findings will be discussed in relation to their implications for the research questions and the chosen literature. Findings in the government's report on innovation in the public sector will form the basis of the discourse, of which understandings in texts from KS and what emerged in the interviews will be reflected. Theory will work as a framework for analyzing and discussion.

## 5.1 Newness – incremental, disruptive and even radical.

Asking the question "How radical is radical innovation?", is a way to search for the amount of discontinuity with the past, and in which areas (product, process, systems etc.). While Schumpeter's figure describes radical and incremental innovation as greater or lesser degree of investment, risk and outcome (Schumpeter 1982), Nichollls et al. see incremental and disruptive in relation to which areas they address, from products and services (as objects of incremental innovation), to politics and social systems (as objects of disruptive innovations) (Nicholls, Simon et al. 2015).

These different perspectives of incremental and disruptive innovation can probably be attributed to the fact that Schumpeter did not have the public sector specifically in mind. The theory was more founded in privat sector innovation with profit, competition and market mechanism as important elements. Nicholls et al. had theories of social innovation as a background for their understanding of incremental and disruptive. Theories about social innovation often place more emphasis on common good. But this picture is complex. In their systematic review of definitions of public sector innovation, De Vries et al. conclude, however, a very fragmented and dispersed nature of public sector innovation literature, and that the reviewed innovations are mainly process oriented taking a more business-oriented approach. When it comes to outcome, the dominant focus is on NPM practices. (De Vries, Bekkers et al. 2016). This article is based on literature on innovation in public sector area published 1990-2013, so we can perhaps expect a development in the definition of innovation in the public sector in 2020, in terms of dominant focus. When talking about future research agenda De Vries, Bekkers et al. argue for a more empirical-driven, ecological approach, where the role of innovation as a sense-making process should be recognized (Ibid.).

Since I in this thesis have chosen theory from social innovation, I will emphasize Nicholls et al.'s description of incremental and disruptive when discussing the findings. At the same time, I find it useful to preserve some of Schumpeter's model in that it promotes the understanding that disruptive implies a greater amount of discontinuity with the past than incremental. With these two theories in mind I did the analysis on newness of radical innovation. I choose to use the terms incremental and disruptive as descriptions of the newness of innovation and the extent to which it is understood as radical. Radical innovation then, is not understood as a separate category of innovations (equivalent with disruptive and transformative innovations), but more as innovations with disruptive character where basic understandings and logics are challenged, also on system level. Used in the context related to major societal challenges (social, economic and environmental dimensions), radical innovation would challenge the roots of the systems – like for example as governance systems and their social, economic and environmental dimensions.

## 5.1.1 Definitions on radical innovation - closer to incremental or disruptive/radical?

To see how radical innovation in public sector in Norway, lets take a closer look at the governments definitions of innovation and radical innovation. The government uses the definition from OECD's publication Oslomanualen, (OECD (2018): Oslo Manual 2018.

Guidelines for Collecting, Reporting and Using Data on Innovation, 4th Edition), as a starting point when describing innovation in the public sector. This definition is also used by, among others, EU:

"Innovation in the public sector can be a new or significantly changed service, product, process, organization call or means of communication. That innovation is new, means that it is new to the business in question, it may nevertheless be known to and implemented in others businesses" (Meld. St. 30 (2019-2020)) p.13.

This definition focuses on the degree of novelty of the product, service, process, organization or mode of communication. The definition is instrumental in the sense that it focuses on the processes that lead to the implementation of the innovation, but not on the effect or impact of it. The words *new*, *significantly changed* and *known*, is mentioned five times in two sentences. It does not say anything about outcome of the innovation process.

In addition to this definition the government bases its description of innovation in the public sector on KS's description of innovation: *«Innovation in the public sector is to implement something new that creates value for the citizens and for society» p. 7.* Derived from the understanding of innovation in the public sector as something new, valuable and utilized (KS). When defining radical innovation, the government reinforces the pressure on the degree of novelty by adding *fundamental* change, and *greater violations*:

«Radical innovation is about fundamentally changing the way we deliver services or develop products. Radical innovations entail greater violations of the current state and thus greater risk and uncertainty in the development phase. Radical innovations can turn entire companies or industries upside down, change the rules of the game and people's expectations» (p. 15).

The objects of innovation, however, are still how we deliver services and develop products. It includes some elements from Schumpeter's description of disruptive innovations, when adding that radical innovations involve a greater risk and uncertainty in the development phase. The focus on challenging systems or the effect or impact is not emphasized, but say that radical innovations *"can turn entire companies or industries upside down, change the*  *rules of the game and people's expectations»* (p. 15), which can be implicitly be meant as fundamental system changes.

KS goes further in their definition of radical innovation in the public sector, in that it places greater emphasis on outcomes such as changing logics:

«Radical means fundamental changes that break with existing practice. Radical innovations want what is called a "disruptive" quality. They turn on logics, and can potentially change today's service production completely. They move responsibilities and tasks between sectors, change laws and regulations, create new roles and forms of cooperation» (KS 29.04.20)

The definition used in Voorberg et al. draws on the importance of long-lasting effects. Innovation must not only be new, it must also have *long-lasting outcomes* that aim to address *social needs*. In that way the outcome of the innovation process is included:

"..the creation of long-lasting outcomes that aim to address social needs by fundamentally changing the relationships, positions and rules between the involved stakeholders, through an open process of participation, exchange and collaboration with relevant stakeholders, including end-users thereby crossing organizational boundaries and jurisdictions" (Voorberg, Bekkers et al. 2015) p. 3.

This definition specifies that It is not a question of something proving to be useful in the short term to achieve a goal or a described result, but it must be a long-lasting outcome which in addition must address social needs. Nicholls et al. remark that to achieve long lasting outcome systems have to be changes, not just sevices: *"Many social innovators soon come to understand that lasting change depends on changing whole systems, not just individual services"*. (Nicholls, Simon et al. 2015) p. xv.

With regard to areas for innovation, Voorberg et al.'s definition also does not mention the extent to which innovation challenges governance patterns in relation to social, economic and environmental issues, but by saying: *"fundamentally changing the relationships, positions and rules between the stakeholders involved*", and *". .crossing organizational* 

*boundaries and jurisdictions"*, can be understood as meaning that there must be significant changes at the system level at the same time.

The definition the government use in Meld. St. 30 (2019-2020), does not mention outcome. In the text in Meld. St. 30 is added, however, that the new that is implemented will create *"something new that creates value for the inhabitants and for society"* p. 13. By implementing the element of creating value for citizens and society, the definition also fits better to the KS description of Innovation in the public sector, as implementation of something *"...new and useful that has been utilized"* (KS).

In the definition of Voorberg et. al the process is also described as it should be open and in cooperation between relevant stakeholders, including end-users. When it comes to newness it should *"fundamentally change the relationships, positions and rules between the involved stakeholders"* p. 3. By using the word fundamental, it shows that the change should take place down to the roots of the rules/framework. One could say that the government uses the OECD's def. While KS may lean more towards Voorberg et. als. definition in describing both process and effect. Innovation is not only about products, services and processes being new, but it's also about challenging systems and cognitive frames. Voorberg et al.'s definition shows that it's in line with innovation types defined in KS' and Difi's innovation barometer, which describes possible objects of innovation (services, products, processes or ways of organizing work or forms of communication), degree of newness (Inspired by other people's solutions, copied, the first of its kind), and prefered effects (as for example quality, efficiency, citizen involvement, employee satisfaction, value for business) KS and Difis innovation-barometer used in (Meld. St. 30 (2019-2020)) p. 14.

The findings show that when talking about radical innovation, an adjective is added that reinforces the description of change: *«fundamental change»* and *«major breach of the present state»*. When it comes to the object of innovation, we are talking about which areas radical innovation challenges. Findings showed that services, products and new forms of communication were mentioned as objects for innovation. But in the data, I found some descriptions that fall outside product and process. There were some descriptions, especially from Partnership of radical innovation (KS), that sort of went further, past both incremental and disruptive as they described: *«Radical innovations often challenge a larger system, are* 

*more fundamental and challenging*» (KS 29.04.20). The text from the Partnership for Radical Innovation mentions that the radical can lie in several places in the innovation process: "The radical can lie both in the methods used, in the solutions we find, and/or in the effects it has". (KS 29.04.20) In addition, it was mentioned *«For us, it is about system innovation - that is, something that radically changes our systems»* (KS 29.04.70). To challenge foundational understandings, can be described as *«change logics»* (KS 29.04.20).

Based on this, the discussion on radical innovation will not only apply to the degree of break with current practice, but also to what extent the focus is on product and services or more towards challenging politics and governance systems with their social, economic and environmental dimensions. To allow for a broader understanding of disruptive and perhaps radical innovation, I have tried to put together approaches on the subject from both Nicholls et al. and from Schumpeter.

Disruptive	High investment, risk and return (Schumpeter 1934)	High investment, risk and return (Schumpeter 1934)	Radical innovation?: To change cognitive frames of reference to alter social systems and structures (Nicholls et al. 2015) Fundamentally challenging governance systems and their social, economic and environmental dimensions.
Institutional		To reconfigure existing market structures and patterns (Nicholls et al. 2015)	
Incremental	Low investment, risk and return (Schumpeter 1934) To address identified market failures more effectively (Nicholls et al. 2015)	Low investment, risk and return (Schumpeter 1934)	
	Product	Process / Markets	Politics - challanging systems

Table 5.1 A combination of Nicolls et al and Schumpeters model showing incremental and disruptive innovations.

Based on the chosen theory on incremental and disruptive innovation (given by Nicholls et al.), it looks like the understanding of radical innovation as described in selected texts, lies closer to incremental, in that the mentioned objects of innovation are mainly given as services, products and processes. In Nicholls et al. these areas of focus are associated with incremental innovation.

If we, on the other hand, look at the definitions of radical innovation, and analyze them on the basis of Schumpeter's table on incremental and disruptive innovation, we could say that radical innovation as described in the texts were of medium to high disruptive character by describing that radical innovations involves a greater risk and uncertainty. We would then be able to say they were of higher disruptive value, and thus more radical.

The extent to which we interpret selected texts as incremental or highly disruptive thus depends on what basic understanding we have of incremental and disruptive. We see that social innovation theory places greater emphasis on which areas are challenged than just the size of the breach with current practice. The further discussion will thus be which interpretation gives the greatest effect in the face of pronounced major societal challenges related to social, environmental and economic issues.

#### 5.1.2 Is social innovation always good?

Its seams that there is an assumption that social innovation is good in itself (Fougère, Segercrantz et al. 2017). The concept of innovation is used positively charged in many situations, and some have included it as part of the definition by mentioning that it creates added value: *«Innovation is ideas translated into better practice - innovation always creates added value»* (Jensen et al. 2010 p.24 used in (Rønning 2020)). In Meld. St. 30 (2019-2020) we can read that *"Innovation is to implement something new that creates value for the citizen and society" (Meld. St. 30 (2019-2020))* p. 13.

One of the outcome that the government mention is the creation of value for the citizens and for society. An important question is whether we can find an objective way to determine whether something provides more public value than something else. The purpose of public innovation is to create (more) public value. Public value can be understood in different ways, as economic value, or as political and moral values. The latter values is at least the ones we expect to be taken into account in public decisions (equal treatment, transparency, etc.) Rønning mention that social innovations can also have dark sides and mean a deterioration for some It may be that one group are prioritized at the expense of other, or that there are unintentional results (Rønning 2020) chapt. 9). Nicholls et al. say that: *"History shows that most innovations create value for some people and destroy it for others"* (Nicholls, Simon et al. 2015)p. xvi, among other examples they mention military technologies that destroy value for the people they kill or maim. They stress the importance of reflecting critically especially regarding social innovation:

"If mainstream innovation lacks the intellectual resources to think these things through, then it is all the more important that there are passionate, empirical and rigorous arguments about these issues in social innovation: both for the sake of understanding and to ensure that more funding goes to the good innovations than the bad ones" (Nicholls, Simon et al. 2015) p.xvii.

When searching for literature on innovation, it is rare to see some critical reflections on possible drawbacks or negative consequences of social innovation, maybe unintended. For example, a gradual downsizing of public responsibility and priority of welfare. Is there a concern about who is most affected by the consequences of innovation? (Seelos and Mair 2020). Co-creation is also often referred to as an undivided positive development, which can contribute to the problematic aspects being hidden. Some more or less unintended consequences may be that the public sector disclaims responsibility and shifts it to the citizen and civil society, or that it leads to an unclear division of roles and responsibilities. Who is responsible if something one has developed together fails? (Rønning 2020). By having the role to consider common good, the public sector have expectations to take responsibility for all citicens. Since innovations immediately evoke positive associations, and are referred to as a good in themselves, the contributors have to take a closer look, and be open to risk aspects and unintended effects of innovations. Perhaps its appropriate to acknowledge that social innovation, may not benefit all relevant stakeholders equally, and may create negative effects for some. According to Rønning, we should distinguish between innovation and result and that; "... innovations can be for the better for some, and for the

*worse for others"*.(Rønning 2020) chapt. 2. Some social innovations may undermine important institutional norms whilst still delivering substantial benefits to target populations.

### 5.2 Governance patterns.

When we are to discuss findings in relation to the dimension management patterns, it is first and foremost findings from Meld. St. 30 which is applicable. But findings from KS and the Partnership for Radical Innovation and the interviews give valuable insights in the discussion. As described the discussion will be according to the categories of four governance models. I will first look at the results from the empirical data and then reflect on this in relation to selected theoretical aspects.

In addition, radical innovation will be discussed in relation to challenging governance systems and their social, economic and environmental dimensions. When looking at the word radical, and its historical development of significance (chapter 2.1.3). The conclusion was that if we understand radical, as "a fundamental reform that make changes to the very root of the system", it would most certainly affect the innovation policy in terms of being of a more disruptive quality, challenging systems like governance systems and their economic, social and environmental dimensions.

# 5.2.1 Trust-based goals and performance management – according to four governance models.

I used Rønning's four models for innovation in the public sector as a background for discussion. As described in chapter 2.2, Rønning describes three different models for innovation in the public sector, and the fourth is a hybridization with presence of a combination of some of the other models simultaneously.

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New Public Governance

### Hybrid approach

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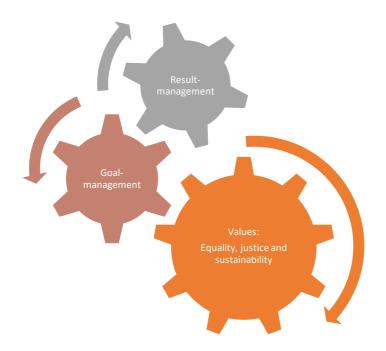
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Fig.5.2 Rønning's description on three (four) governance models shown in a figure.

The traditional bureaucratic model (TB), is characterized by hierarchy, rule orientation and impersonity. The division is formalized, and the case manager is in writing in accordance with relevant rules. Based on this model, innovations must preferably come from above (Rønning 2020). New Public Management (NPM) is mentioned as another management model. NPM meant the use of market models in the public sector. Competition is justified based on the consideration of cost efficiency and does not have a separate goal to contribute to innovation. With private business models, it was natural to look to privat sector for governance patterns as well, with goals and performance management as leading forms of governance (Ibid.). The third governance model Rønning describes is the New Public Governance (NPG). While competition was a driving force in NPM, collaboration is important in NPG. With its focus on collaborating across various sectors, extracting external players with potentially new ideas (Ibid).

Rønning points out that these governance models have not replaced each other completely, but live side by side in Norwegian public administration. He underlines that it is important with a management that is familiar with elements from the various models, and how to use their various strengths and reduce their weaknesses. Such a hybrid approach to management of innovation in the public sector allows for the presence of various institutional logics in the same organization. The changing management models has up through time no doubt challenged established power hierarchies, and maybe we can also say towards more user-friendly services.

The government determines framework management (rammestyring) as the main principle for the state's management of the municipal sector in Norway. All management of the municipal sector is based on stated national goals and considerations, such as justice, equality and sustainable development: *«Such management must then be based on national goals and considerations, such as justice, equality and sustainable development»* (Meld. St. 30 (2019-2020)) p. 24. Based on these values, the government maintains trust-based goal and result management as a fundamental principle in the state. In the figure below, I have tried to show an interplay between these management principles, where national goals and considerations given in three values, form the driving wheel for public sector management. Goal and result management must function in an interaction with the values as a starting point.



Goals and performance management are closely linked to NPM. It is somewhat surprising that the government does not mention other alternative forms of governance. The fact that management is based on basic national values or principles can be attributed to a certain form of value management, but the question is to what extent value management applies together with goals and performance management. It quickly becomes that you prioritize goals and results, sometimes at the expense of given values. NPM as a management model is often understood as a concentration around cost efficiency. A dominating market logic with emphasis on effectiveness and cost efficiency is somehow challenging as main management principle in public sector governance, as I will discuss in more detail in following chapters. When talking about governance models, Rønning also state that we find clear elements of NPM in the administration today (Rønning 2020).

The government believes that the chosen form of governance lifts governance from detailed instructions on resource use, activities and individual tasks, to giving more freedom to decide how to work to achieve the goals. The purpose of goal and result management is according to Meld. St. 30 (2019-2020) to give the companies room for maneuver and freedom in the task solution. It can be discussed whether goals and performance management are the best way to achieve this, and especially to what extent it facilitates radical innovations. An experience report carried out by KMD indicates that several state-owned enterprises experience a lack of room for maneuver to solve tasks in new ways and collaborate with new actors (KMD (2018) *"Program for bedre styring og ledelse I staten 2014-2017"*, used in (Meld. St. 30 (2019-2020)) p. 25).

Two of the informants noted that it can be challenging to get innovation work in the municipalities at the same time as answering goals and performance requirements. It leaves little room for innovation and testing:

".. but we meet a lot of resistance in the companies .. how can we think innovatively and new .. we have .. when the operation almost does not go around .. how is it to create those pockets to have both energy and time and money to test something when it's already pretty tight? " Inf. 2.

At the same time, one of the informants admits that there has already been a noticeable shift, away from just reporting on numbers, to also revolving around other outcomes such as time, quality, reputation and satisfaction: «... gone from only reporting on numbers, to also starting to report on what has gone well, and what did not go as well ... increased focus on the fact that gains are not just kroner and øre, but it is also about other gains in terms of time, quality, reputation, satisfaction ... not just the money that ends up on the table » Inf. 3.

The Government acknowledges that the chosen form of management has its limitations, and states that there is potential for improvement in the practice of goal and result management. This is, among other things, about the fact that it is difficult to set good effect goals and that it can be challenging to measure the effects of the effort. They will therefore work to reduce the number of goal and activity requirements: *"The government will reverse the increase that has been in the number of goals, management parameters and activity requirements since 2015"* p.26. The Government therefore recommends that the ministries, in collaboration with the municipal companies, must consider the practice of goal and result management in the state, and whether the practice provides sufficient room for maneuver and incentives for innovation. It can be demanding to find a good balance between room for maneuver and incentives for innovation, and setting requirements for deliveries, results and reporting.

# 5.2.2 Other implications regarding governance patterns and priorities that relates to governance models.

There are several things that support the impression that the chosen form of governance patterns can be placed as a mix of the three models, but with a continued main emphasis on NPM. I will here highlight and discuss some perspectives from findings that can be discussed in relation to governance patterns in the public sector in Norway.

Data from all levels is largely related to how to facilitate interaction between different levels and different sectors. The Meld. St. 30 (2019-2020) begins by emphasizing the importance of cooperation with various actors in the work of finding new solutions to societal challenges. Cooperation with the citizens, the business community, research communities and civil society are mentioned;

«Innovation in the public sector involves holistic approaches, across levels of government and sectors. Collaboration with actors outside the public sector such as non-profit and voluntary organizations, research environments, social entrepreneurs, the private sector and not least the citizens themselves, strengthens the innovation work. Collaboration brings new perspectives and opportunities into the development of the public sector and thus increases the ability to innovate». (Meld. St. 30 (2019-2020)) p. 70.

KS introductory words on the website about partnership for radical innovation emphasize collaboration across sectors and professions. They state that no one can solve the societal challenges alone. Partnerships for radical innovation thereby invites collaboration across disciplines, sectors and levels of government: *«Partnerships for radical innovation solve societal challenges in collaboration with others. It is about innovation work that is too large for the individual municipality, and that requires collaboration across sectors and professions»* (KS 17.01.20). But the focus is not only on internal cooperation between the municipal enterprises. The partnership will work to realize specific innovation projects in collaboration with other key actors, such as government actors, research environments, private business and the voluntary sector. It is also a key strategy in meeting the more radical innovations:

"Compound problems cannot be solved in the traditional way, but require collaboration across sectors, professions and levels of government. We hope that by working in partnership with members and other key societal actors, we will be able to develop a sustainable public sector for the future" (KS 17.01.20).

"In order to approach more radical innovations, we must bring about complex crosssectoral interactions between municipalities, public administration, research, etc., where laws and regulations, division of roles and tasks, logic of resources and resource distribution are challenged through structured experimentation and testing of alternative solutions» (KS 29.04.20).

The report mentions that surveys have shown that both state and municipal enterprises mainly cooperate with other public actors. The intention is to allow new voices to emerge when it comes to forming a policy for innovation in the public sector. Together with public enterprises, research actors, business, civil society and citizens are mentioned: *«Allowing new voices and perspectives to be part of the development of the welfare society can contribute to new opportunities and new ways of understanding and solving societal* 

challenges. It can provide better solutions for the citizens and strengthen democracy» (Meld. St. 30 (2019-2020)) P. 67.

When it comes to innovation In the public sector in Norway, we have already come a long way, but for the time being it is a matter of getting cooperation between the various ministry areas and the companies in the municipalities. This emerged in the interviews regarding both municipalities and the regional/national level. The largest work has primarily been done by strengthening co-operation internally in the municipality. Concrete work has already been initiated for how to involve other sectors and citizens: "What we have concentrated on like that is first and foremost to get interaction internally .... so we have somehow not gone into such big problem areas ...... we will probably get there eventually, but we have to start somewhere »Inf. 2, and "... developed a common understanding of the current situation .. it is sort of the starting point for being able to bring about a change at all" Inf. 4. The same applies to cooperation between the municipalities and the government, and internally between the various ministries in the government:

"..so we can work closely with the state ... that's the way we think we have to do differently than before, it's that we do not sit on each of our boards and talk about the challenge picture..but we must actually ensure that we understand each other's perspectives .. we have slightly different roles, but to develop the policy in the area to a greater extent together ... or at least the tools and the way we are going to attack it. So there are new interaction structures that must be in place "Inf. 4.

New and alternative forms of involvement and participation are also topics in the international discourse in the area. The OECD's report "Governance at a Glance" shows that the development for many years has been inspired by the open government principles of openness, accountability and citizen involvement (OECD (2019), *Governance at a Glance. Report* used in (Meld. St. 30 (2019-2020)) p. 67). The report describes that the Government wants instruments for innovation in the public sector that are adapted to the users and contribute to more innovation, **more radical innovations** and the dissemination of successful innovations. *«Instruments for innovation, more radical innovations and the dissemination of successful innovations* (Meld. St. 30 (2019-2020))p. 40. It points to complex cross-sectoral

interactions between municipalities, the administration, research, etc., and to challenge existing structures and roles;

"In order to approach more radical innovations, we must bring about complex crosssectoral interactions between municipalities, the administration in general, research, etc., where laws and regulations, division of roles and tasks, logic of resources and resource distribution are challenged through structured experimentation and testing of alternative solutions» (KS 29.04.20).

Cooperation can provide great innovative power, but the government admit that it can also challenge the roles of both business and the public sector (p. 73). Collaboration is often portrayed as something uncritically positive (as discussed in chapt. 5.1.2). Rønning believes that a sober analysis is necessary of what one wants to enter into a partnership, and how it, from a public point of view, can contribute to creating increased public value (Rønning 2020).

The demarcation and discussion of what should be done by the public sector itself and what can be outsourced to private actors, is a strong political theme for both politicians and philosophers (Rønning 2020) (chap. 3). In Norway, there are ongoing discussions in several areas about when solutions should be procured from the business community and when the public sector itself should develop and produce solutions (Meld. St. 30 (2019-2020)) p. 72. The government believes the public sector should not do what the market can do better: "The government believes that the public sector should not do what the market can do better, and therefore wants the public sector to utilize resources in the business community to an even greater extent" p. 82. A conscious policy in this area will have an impact on the future service for the Norwegian people, but also on the achievement of considerations related to the three dimensions of sustainability goals. It may seem as if the business community has a somewhat sexy position in the public sector. With its measurable often short-term effects, room for the self of the strongest to get a confirmation of the ego with money and power in the keel strip. Delicate effects of measurable effort and easy-tomeasure effect and competition winner (Ref! See Fougere). What kind of services privat sector can do better, and what kind of services public sector should keep, is not clarified. Maby this political discussion would be easyer if there was a review of which services should

be continuously maintained in the public sector, in order to ensure those who are the worst off in society. There need to be some answers to questions like; "are we saving state and municipal money, or are there subsidized solutions now, which will be charged to sivilians later?", "who will pay for this in the long run?", and "will then many services only be an offer to those who can afford to pay for it?". If not, we are in danger of losing important roots in our welfare society.

In a study of welfare and innovation Jun Koo et al. focus on the role of governmental policy in fostering innovation. They argue that welfare influences innovation through its link with the level of a society's happiness. They refer to recent developments in the fields of business and psychology that suggest that a social safety net and positive psychological state, such as happiness, can result in greater opportunity to build more diverse, novel and innovative reactions to innovative surrounding environments (Koo, Choi et al. 2020). Van Wijk et al. also argue the effect of emotions and reflexivity when talking about micro level in social innovation (van Wijk, Zietsma et al. 2019). If this is true we do not want to lose the welfare-services, if the focus is long-term sustainability (not just mesureable economical growth). In that case it seems contradictory to promote innovation that removes much of the welfare, which in itself is a promoter of innovation. The basis for further innovation would be removed or weakened in the future, as less welfare is present. In an article done on critical reading of the European Union's social innovation policy (EUSIP) discourse, Fougére et al. finds it largely in line with the neoliberal austerity politics, that the only way to address state budget deficits, is through downsizing public expenditure (Fougère, Segercrantz et al. 2017).

Rønneberg notes that public services have been created to realize political goals set on behalf of the people (through elections) and because the majority believes that this service is needed. A private company should preferably make a profit over time. If the business is legal and the profits "sufficient", the business can survive in the market over time. The relationship to the bottom line is crucial for market participants. Profit is not a requirement for the public sector since goal achievement is crucial. If the rehabilitation department has managed to reduce the budget by 40% last year, it is not impressive if no one has been rehabilitated (Rønning 2020) chapt 2.

That being said, the idea that privat sector innovations solely are driven by the urge for profit is clearly to simple and naïve (Halvorsen, Hauknes et al. 2005). Both public and private employees are driven by much more complex motivations than that. But due to the findings of this research it seems like the government somewhat strongly emphasizes innovative procurement and collaboration with the business community as the most important area on public sector innovation and radical innovation.

#### 5.2.3 Hybrid management model, but continued main emphasis on NPM

Based on these discussions of findings in the empirical data and the implications for governance policy, I see the findings according to the four different management models for innovation in the public sector given in Rønning. As showed in the finding chapter (chapt. 4.2), we can see a hybridization of the use of management models. I must admit however, that there are many indications that NPM still plays a major role (such as goals and performance management, emphasizing to a greater degree cooperation with privat sector). This align with the conclusion based on a systematic review of 133 studies on public sector innovation of the already mentioned De Vries, Bekkers et al: *"Furthermore, innovations are mainly process oriented, taking a more business-oriented approach. If objectives of outcomes are mentioned, the dominant focus is on NPM practices"* (De Vries, Bekkers et al. 2016) p. 27. The fact that this systematic review was based on literature in the field in the period 1990-2013, and Meld. St. 30 is from 2020, can also make one assess how quickly and in which areas innovation has taken place in the public sector recent years. It seems like the government ask themselves the same question as they suggest whether there is a need for completely new models:

«Innovation, digitalisation and wicked problems seem to give rise to changing needs for organizational forms. There is a need for more knowledge about organizational changes that take place in the administration and what effect the changes have on innovation and efficiency. The Government will therefore initiate work to assess whether there is a need for adjustments in existing models for how the state

organizes its activities, and whether there is a need for completely new models..»(Meld. St. 30 (2019-2020)) p. 31.

As mentioned in chapter 2.1.1, innovation in the public sector takes place within a different framework than in the private business sector. One critical question regarding choice of governmental patterns and models, is how this is affecting Norway when implementing radical innovation in public sector. It seems to be an agreement that we have grand challenges that must be solved in new ways, but in line with my discussion regarding understanding of radical innovation, the understanding of the root causes can arouse different motivations/approaches for innovation. According to the literature it may seem that the consideration for economic growth has gained a significant place. Maybe we need to call for a concept of innovation that includes less inspirations from theories on innovation in the privat sector, and more on social innovation – and that includes society more as a central player (Voorberg, Bekkers et al. 2015).

But how to measure values of services versus products? A service is created in the meeting between the person providing the service and the person receiving the service. It is not easy to determine the value of a meeting between the person providing the service and the person receiving it, and it is more difficult to determine when a psychologist is effective, compared to measuring the efficiency of a washing machine (Rønning 2020)chapt. 3. How can theories of social innovation manage to emerge, together with theories based on research and experience from the private sector, to jointly strengthen perspectives in further work towards meeting grand challenges? No matter where the understandings come from, it is difficult to imagine that radical changes of high disruptive quality can take place without challenging basic understandings around governance systems and their social, economic and environmental dimensions. Especially as the stated challenge is major societal challenges related to social, environmental and economic issues that require more radical and innovative measures.

# 5.2.4 Radical innovation in the public sector - fundamentally challenging governance systems and their economic, social and environmental dimensions?

When presenting the need for social innovation, major societal challenges related to social, environmental and economic areas are mentioned (Nicholls, Simon et al. 2015). Also called grand challenges (Kuhlmann and Rip 2014) and (Kuhlmann and Rip 2018). Documents from the Norwegian government and KS Partnership for radical innovation, describe issues like demographic change with an aging population, less economic resources and environmental challenges (Meld. St. 30 (2019-2020)) and (Høiseth-Gilje, Skogli et al. 2018). Social innovation is often seen as offering solutions not just to localized problems, but to more systematic and structural issues (Nicholls, Simon et al. 2015). Its not just about challenging existing systems, but what approach to choose when forming governance structure that will work also regarding radical innovations in the public sector. Kuhlman and Rip explores ways to address grand challenges, and state that this is a challenge for innovation policy as well as actors involved. They are critical to instrumental business approach to innovation in public sector (Kuhlmann and Rip 2014) and (Kuhlmann and Rip 2018).

According to Nicholls et al. the study of social innovation has drawn on many existing disciplines, as sociology, psychology, regional studies and economics (Nicholls, Simon et al. 2015). Nicholls et al. describe that known roots of much social innovation is the experience or observation of pain and suffering and how people respond with love, care, learning, empathy or cur (Nicholls, Simon et al. 2015). Another root is the exploration of evolutions where new innovations by expanding, adapting or combining in new ways. The third root they mention is ideas of a world based on cooperation, where; *"rights or ecological sustainability turns something good in everyday experience into a universal"* (Ibid, p. xiv). The root of the Norwegian discourse regarding the need for innovation and radical innovation in the public sector, may not be so important to decide, but it is important to find out how to meet and solve the described complex challenges.

One of the informants points out that the innovation process is too slow in Norway, and called for a greater degree of "sense of emergency": "..it really has something to do with political ambitions .., that it's a bit too slow ... you do not really take into account that in just

a few years we will not be able to deliver the welfare we are used to, right. .. what then ?! .. you have to wake up ..." Inf. 4. It is not just the leaders responsible for innovation processes in different levels of public sector administration who should engage in this. Engagement from politicians and inhabitants are needed:

«And when it comes to the demographic development in particular .. it is not that we do not have numbers and forecasts .. and the authorities say where it is going .. but the inhabitants do not take it inwards .. and when the inhabitants are not mobilized, or mobilize, the local politicians will not feel that they have to put this on the agenda, and thus we do not get any resonance in local politics or national politics that we must actually stop with something, we must prioritize something else. We must develop something that is new ... that the challenge picture that is outlined .. so it is sort of the core of this mobilization that makes this "sense and emergency" Inf. 4.

Radical innovation will potentially challenge established power hierarchies to a greater extent than incremental innovation. When Nicholls et al. present some critical arguments to the field of social innovation they mention the importance of politics. Leading organizations involved in the fields of social entrepreneurship or other with economic interests on the field may not be the biggest supporters when it comes to radical innovation that fundamentally changes existing systems but rather sometimes implying that lone social entrepreneurs, philanthropists or businesses, or individual technological advances, could solve the world's problem singlehandedly: *"A less generous explanation might point to dominance by club class elites, management consultancies and billionaire funders, who were hardly likely to favor the more radical end of social innovation"* (Nicholls, Simon et al. 2015) p. xvii.

But how can public sector cooperate better with citizens and grassroot innovators when it comes to radical innovations? Local politicians and governments often struggle to hear what is happening on the ground, and citizens often struggle to understand how the world looks to a local politician or government administration. Grassroot initiatives lack the power to generalize their ideas, and governments and political parties may have the power but often lack the means to crate and experiment. Nicholls et al. argue for more research on the alignment and misalignment of social innovation and structural reform. Institutional

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approach enables theorizing of change across levels: individual, organization and cross-field (Logue 2019). Van Wijk et al. are Integrating micro, meso, and macro level insights from institutional theory when talking about social innovation (van Wijk, Zietsma et al. 2019). They agree that social innovations are urgently needed as we confront complex social problems. As these social problems feature substantial interdependencies among multiple systems and actors, developing and implementing innovative solutions involve the renegotiating of settled views.

Halvorsen et al. lift the discussion about the danger of innovations being institutionalized instead of radically changed, noting discussing incentives for changes can be rather institutional than political-rational:

"Participants enter the org with individually shaped ideas, expectations and agendas, different values, interests and abilities. The institution absorb some of these individually interests and establish criteria by which people discover their preferences. If the participants do not agree in these preferences they might choose to exit the organization. In that way the institution get further institutionalized instead of radically changing" (Halvorsen, Hauknes et al. 2005) p. 10.

Can we talk about radical innovation at the micro and meso level without at the same time challenging to radical change at the macro level? The Government's policy on innovation in the public sector, and understanding of radical innovation, frame the whole picture. This makes the understanding of radical innovation in Meld. St. 30 (2019-2020) essential, because it provides guidelines for how KS and the municipalities continue to work with public sector innovation processes in different levels of public sector governance.

As described in the presentation of findings, radical innovation can take place through a big leap, or as a result of many small steps. How can we then measure the degree of radicality in the individual project? Perhaps one did not even know that all these small steps innovations would lead to a radical change. Rønning refers to Karl Popper (1945) who has argued for incremental changes in social systems. His reasoning is that with radical innovations one makes major changes where one cannot foresee all the disadvantages or unfortunate side effects in advance. With a step-by-step advance, one can avoid some of this by adjusting along the way. If the radical reform is about reorganizations and new ways of delivering services that affect large groups, there may be an additional reason to avoid unintended negative effects. And when it comes to vulnerable groups, there may be an extra reason to proceed cautiously.

KS as a regional and national resource has the opportunity to put together experiences from different types of municipalities with different degrees of challenges. In collaboration with research institutions, this overall experience-based knowledge can contribute to quality-assured interpretations and initiatives. The fact that we now have a report from the government that deals with innovation in the off sector is a good start: ".. in relation to Meld. St. is that it is important that we have a Meld. St. on innovation in the public sector .. it is a symbol in itself ... little means related to the operationalization of it, right, so what we do .. we just have to use it for all it's worth ... " Inf. 4.

To distinguish between disruptive and radical innovation: If we take with us the result of the discussion under the dimension newness. Radical innovation is a term for disruptive innovations that are not limited to products, services and processes, but that go beyond and challenge basic understandings and systems. When it comes to meeting the challenges described as grand challenges, it is a matter of challenging governance systems and their social, economic and environmental dimensions.

# 6 Conclution

The aim of this study was to explore how radical innovation is understood in the Norwegian public discourse. In the title of the thesis there is an invitation to discuss understanding of the term radical innovation, as it is used in selected documents/texts from the government and KS, Partnership for radical innovation. Relevant dimensions and categories of the investigation was; *newness* (incremental – disruptive/radical), and *governance structures* (according to four government models presented from theory, and the extent to which it is challenging governance systems and their economic, social and environmental dimensions).

The research questions are studied through documents, and interviews issued at three governance levels. National level - from the government (Ministry of Local Government and Modernization, KMD), intermediate level of KS (The Norwegian association of local and regional authorities), and local government/municipality level - leaders responsible for innovation processes in different levels of public sector administration.

Understanding of radical innovation in the public sector will constitute our concepts of what radical innovation is like, how we can work to achieve it, how we should govern, etc. What we have seen throughout the analysis is that the understandings and theories that form the basis of the discourse on radical innovation in the public sector in Norway, will be decisive for our understanding and reflect the policy that is presented.

**Newness:** In the analysis I found that different understandings of the terms incremental and disruptive have an impact on how we in this thesis are to understand radical innovation. Schumpeter describes incremental and disruptive innovation in relation to low or high investment, risk and return. While Nicholls et al. describes incremental and disruptive in relation to which areas of society / focus they have (from products and services to politics and social systems).

**Governance patterns:** Based on the discussions of findings according to the four different management models, I concluded there is a hybridization of the use of management models. indications showed however that NPM still plays a major role. When it comes to meeting the challenges described as grand challenges, it is a matter of challenging

governance systems and their social, economic and environmental dimensions. The findings show that this is present in the selected texts, but it seams that the government are more oriented towards focuses on innovation in products, services and processes, while KS and Partnership for radical innovation goes a little further in challenging systems and politics.

I started by asking how radical is radical innovation, and the question was aimed at the public sector in Norway. After looking more closely at findings in the light of theory in the field, it seems to be agreed that innovation in the public sector in Norway is currently not very radical. This is also confirmed by other studies. But the fact that the government has got such a policy (report St) in place, and thanks to KS's efforts in the field, is an indication that a movement has been set in motion. Systematic work now takes place at several levels of public sector administration.

An actual conclusion on the topic "How radical is radical innovation?" is difficult to draw on the basis of what is presented. But based on the discussions that have taken place, we are invited to a further discussion about the current framework of understanding that forms the basis for the terms we use, such as incremental, disruptive and radical. There are many more aspects to explore in relation to how to create a policy for implementing innovation in the public sector. The discourse of innovation in public sector might affect discourses on collaboration, privatization, outsourcing of welfare services etc. I am curious to what degree it also affects areas as sustainability and alternative economic models. The nature of the public sector, with its consideration for common good, was the basis when the radical step was taken in 1917, when the oil fund was formed. This bold solution challenged current understandings and frameworks for governance! Is there a similar radical innovation today that can help us meet major societal challenges related to social, environmental and economic issues?

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#### Attachments:

- 1. Apendix 3.1: Iformasjonsskriv med samtykke for deltakelse i forskningsprosjektet.
- 2. Apendix 3.2: intervjuguide Forskningsprosjekt: Radikal innovasjon i offentlig sektor.

# Apendix 3.1

# INFORMASJONSSKRIV MED SAMTYKKE – FOR DELTAKELSE I FORSKNINGSPROSJEKTET;

"How radical is radical innovation?

A study of multi-level structure of public innovation process

# In Norway"

Dette er et spørsmål til deg om å delta i et forskningsprosjekt som handler om innovasjon i offentlig sektor i Norge. Du blir spurt fordi du har jobbet med dette en tid, og har erfaringer som er interessante for prosjektet. I dette skrivet gir jeg deg informasjon om målene for prosjektet og hva deltakelse vil innebære for deg.

#### Formål

Formålet med forskningsoppgaven er å få en bedre forståelse av hvordan radikal innovasjon forstås og legges til rette for i offentlig sektor i Norge. I tillegg til å analysere innhold og tekster fra Kommunal og Utviklings Departementet (KMD, *Meld. St. 30 (2019-2020)*), og KS sitt program; *Partnerskap for radikal innovasjon*, gjennomfører jeg intervjuer med noen av dere som har jobbet med dette en stund på ulike nivå i offentlig sektor. Siden du jobber i en lederrolle i KMD / KS / kommune, vil jeg gjerne snakke med deg om dine tanker om innovasjon i offentlig sektor. Nøkkelord for studien er Innovasjon i offentlig sektor, sosial innovasjon, radikal innovasjon.

#### Hvem er ansvarlig for forskningsprosjektet?

Studien gjennomføres i tilknytning til min mastergrad i *Community Development and Social Innovation* ved VID Oslo, og er godkjent av min veileder: Marta Struminska Kutra (Associate professor in social innovation, organization and leadership).

#### Hvorfor får du spørsmål om å delta?

I tillegg til analyse av dokumenter på området, er jeg interessert i å snakke med noen av dere som har jobbet med innovasjon i offentlig sektor på ulike nivå. Enten ved å ha vært ansvarlig for utforming av meldinger/rapporter, eller har erfaring rundt hvordan det oppleves å jobbe med innovasjon i kommunal/regional sammenheng.

## Hva innebærer det for deg å delta?

Hvis du velger å delta i prosjektet, innebærer det at vi avtaler et møte på Zoom, som vil ta ca. 60 minutter. I samtalen er jeg først og fremst interessert i å høre dine erfaringer og tanker om innovasjon i offentlig sektor. Temaer av spesiell interesse er: Styring og rammebetingelser for innovasjonsarbeid i offentlig sektor, og da spesielt i forhold til radikal innovasjon. Hvordan forståes radikal innovasjon fra ditt ståsted? Samarbeid med næringsliv/frivillige organisasjoner/innbyggere, grad av medvirkning. Konkurranseutsetting av offentlige tjenester. Jeg tar lydopptak og notater fra intervjuet.

#### Det er frivillig å delta

Det er frivillig å delta i prosjektet. Hvis du velger å delta, kan du når som helst trekke samtykket tilbake uten å oppgi noen grunn. Alle dine personopplysninger vil da bli slettet. Det vil ikke ha noen negative konsekvenser for deg hvis du ikke vil delta eller senere velger å trekke deg.

#### Ditt personvern - hvordan vi oppbevarer og bruker dine opplysninger

Intervjudeltakere vil ikke kunne gjenkjennes i oppgaven. Vi vil bare bruke opplysningene om deg for å komme i kontakt. Vi behandler opplysningene konfidensielt og i samsvar med personvernregelverket. Det vil kun være meg som student og eventuelt veileder som vil ha tilgang ved behandlingsansvarlig institusjon.

• Navnet og kontaktopplysningene dine vil jeg erstatte med en kode som lagres på egen navneliste adskilt fra øvrige data, lydopptaket vil bli kryptert og lagret på passordbeskyttet laptop.

#### Hva skjer med opplysningene dine når vi avslutter forskningsprosjektet?

Opplysningene anonymiseres, og lydopptak vil slettes når prosjektet avsluttes/oppgaven er godkjent, noe som etter planen er august 2021.

#### Hva gir oss rett til å behandle personopplysninger om deg?

Vi behandler opplysninger om deg basert på ditt samtykke. På oppdrag fra VID Oslo har NSD – Norsk senter for forskningsdata AS vurdert at behandlingen av personopplysninger i dette prosjektet er i samsvar med personvernregelverket.

#### **Dine rettigheter**

Så lenge du kan identifiseres i datamaterialet, har du rett til:

- innsyn i hvilke opplysninger vi behandler om deg, og å få utlevert en kopi av opplysningene
- å få rettet opplysninger om deg som er feil eller misvisende
- å få slettet personopplysninger om deg
- å sende klage til Datatilsynet om behandlingen av dine personopplysninger

Hvis du har spørsmål til studien, eller ønsker å vite mer om eller benytte deg av dine rettigheter, ta kontakt med:

- VID Oslo ved Ragnhild Klevmoen (masterstudent), epost; <u>klevmoen@gmail.com</u>, Mob; 47168808, eller Marta Struminska-Kutra (veileder), <u>marta.struminska@vid.no</u>, Tlf; 22963802
- Vårt personvernombud: Det daglige behandleransvaret ligger hos prorektor for forskning. Prorektor for forskning er NSDs kontaktpunkt i VID. <u>personvernombud@vid.no</u>

Hvis du har spørsmål knyttet til NSD sin vurdering av prosjektet, kan du ta kontakt med:

• NSD – Norsk senter for forskningsdata AS på epost (<u>personverntjenester@nsd.no</u>) eller på telefon: 55 58 21 17.

\_\_\_\_\_

Med vennlig hilsen

Ragnhild Klevmoen

# Samtykkeerklæring

Jeg har mottatt og forstått informasjon om prosjektet: «*How radical is radical innovation?* A *study of multilevel structure of public innovation process in Norway*», og har fått anledning til å stille spørsmål.

Jeg samtykker til:

- □ å delta i intervju foretatt på Zoom, der det gjøres lydopptak.
- □ Jeg forstår at resultatene av denne undersøkelsen vil bli publisert, og at alle personopplysninger blir holdt anonymt.

Jeg samtykker til at mine opplysninger behandles frem til prosjektet er avsluttet

\_\_\_\_\_

(Signert av prosjektdeltaker, dato)

## Apendix 3.2

#### intervjuguide - Radikal innovasjon i offentlig sektor.

**Intervjuobjekter og kriterier for utvelgelse**: Intervjuobjekter i denne studien er personer som har vært / er involvert i offentlig innovasjonspolitikk. Jeg har valgt å fokusere på tre institusjonsnivå i offentlig forvaltning: 1) Regjeringens arbeid med innovasjon i offentlig sektor knyttet til Meld. St. 30, (2019-2020), 2) Partnerskap for radikal innovasjon (KS) og 3) Ansatte i offentlig forvaltning som jobber med innovasjon i velferdstjenester i kommuner. Fortrinnsvis personer i lederstillinger (i posisjon til å påvirke politikk og organisasjonsdrift), en person som er engasjert eller overvåker samarbeidsprosesser, erfaring med offentlig forvaltning, ansvarlig for spørsmål innen innovasjon i offentlig sektor. Deltakerinformasjon med informert samtykke er et supplement til denne intervjuguiden.

#### Presentasjon av forskningen.

Takk for at du er villig til å snakke med meg i dag. Jeg gjennomfører denne forskningen I forbindelse med min masteroppgave i; Masters in Community Development and Social Innovation, ved VID Specialized University i Oslo.

Hensikten med denne forskningen er å få en bedre forståelse av hvordan radikal innovasjon blir forstått og anvendt i norsk diskurs, i sammenheng med innovasjon i offentlig sektor. Ulike former for innovasjon diskuteres, men hovedfokuset i denne oppgaven er hvordan radikal innovasjon i offentlig sektor blir forstått.

I tillegg til å analysere innhold og tekster fra Kommunal og Utviklings Departementet (KMD, Meld. St. 30) og KS, (Partnerskap for radikal innovasjon), gjennomfører jeg intervjuer med noen av dere som har jobbet med dette en stund. Siden du jobber i en lederrolle i KMD / KS / kommune, vil jeg snakke med deg om dine tanker om dette.

Som et sekundært mål ser denne forskningen på strukturen i styring av innovasjon i offentlig sektor, og hvordan man kan reflektere utfall og innvirkning.

**Consent:** Participation in this research is voluntary. The information you provide will be analyzed and stored until the end of the research project, at which point it will be deleted. You may withdraw your consent to participate at any time via email or phone, and the information you have provided will be deleted. You have received an email with this information in written form. Do you consent to participate?

**Samtykke:** Deltakelse i denne forskningen er frivillig. Informasjonen du oppgir vil bli analysert og lagret til slutten av forskningsprosjektet, på hvilket tidspunkt den blir slettet. Du kan når som helst trekke tilbake samtykke til å delta via e-post eller telefon, og informasjonen du har oppgitt vil bli slettet. Du har mottatt en e-post med denne informasjonen i skriftlig form. Samtykker du i å delta?

	<ul> <li>1.1 Can you tell me a little bit about your background?</li> <li>1.2 What is your connection to the work on innovation in the public sector? <ul> <li>specifying role in the organization?</li> <li>specifying number of years involved in innovation in the public sector?</li> <li>specifying responsibilities/relation according to given selected documents/texts from your level?</li> </ul> </li> </ul>
KMD	Melding Stortinget 30. 2019-2020
KS	Partnerskap for radikal innovasjon. Three texsts from the website, "Partnership for radical innovation", a document of 19 pages and Digital presentation of the program 1.des 2020,
Munic.	Kommunalt arbeid med radikal innovasjon.

#### 1. Introductory questions.

#### 2. Definitions on radical innovation in the public sector

	2.1 In the text radical innovation is defined/described as Do you have any thoughts on the choice of definition?
KMD	« <i>Radikal innovasjon</i> handler om å grunnleggende endre måter å levere tjenester eller utvikle produkter. Radikale innovasjoner innebærer større brudd med nåtilstanden og dermed større risiko og usikkerhet i utviklingsfasen». ( <i>Meld.St.30, s15</i> )
KS	«Radikal betyr fundamentale endringer som bryter med eksisterende praksis. Radikale innovasjoner vil kunne ha det man kaller en «disruptiv» kvalitet. De snur om på logikker, og kan potensielt endre dagens tjenesteproduksjon fullstendig. De flytter ansvar og oppgaver mellom sektorer, endrer lover og regler, skaper nye roller og samarbeidsformer». (KS Webside, Partnerskap for radikal innovasjon. Publisert 29.04.2020).
	<ul> <li><b>«Den enkle varianten</b>: Utfordringer/ floker som den enkelte kommune ikke klarer å løse alene, fordi den krysser forvaltningsnivåer, fagdisipliner, budsjettstrukturer, lover og regelverk osv. ref. «Bergen er for liten», <b>Den ambisiøse varianten</b>: Fundamental endring, disruptiv kvalitet i at det snur om på logikker, gjør dagens tjenesteproduksjon overflødig etc.</li> <li>Bryter sterkest med det eksisterende og tradisjonelle</li> </ul>
	<ul> <li>Truer med å ryste grunnvollene til eksisterende produkter, tjenester og virksomheter, og benevnes ofte som disruptive innovasjoner.</li> <li>Vellykkede disruptive innovasjoner kan snu opp ned på hele bransjer, og kan endre både de kommersielle spillereglene og kundenes forventninger på en kraftfull og ikke-reverserbar måte.</li> </ul>
	<ul> <li>Det er typisk at det er helt nye aktører i et marked som står bak radikale innovasjoner. (Document of 19 pages; Partnerskap for radikal innovasjon. Ein sjølvstendig og nyskapande kommunesektor. Tilgjengelig på KS sin nettside).</li> </ul>
Muni-	
Cipality	

#### 3. Radical innovation, justifications.

Muni- cipality	
KS	
VC	
KMD	
	3.3 Connectedness; how do you think your organizations experience compares to those of the other levels Government/KS/Municipality?
	3.2 What do we want to achieve by radical innovation in the public sector?
	3.1 Major reasons for the need of innovation/radical innovation in the public sector?

#### 4. Governance of innovation in the public sector, programs and polices.

	<ul><li>4.1 Hva er tankene dine om effekten av politikkinsentiv fra statlig hold, på lokal styring og innovasjon?</li><li>4.2 What are the enabling and impeding factors in radical innovation initiatives development?</li><li>4.3 What policy fields are impacting the development of radical innovation initiatives and how?</li></ul>
KMD	
KS	
Muni- cipality	4.4 Is your municipality involved in policymaking for innovation on higher governance levels (regional, national, EU)? If yes, then how?

#### 5. Impact and outcome. How to measure radical innovation?

	<ul><li>5.1 Degree of radicality? (Effects in relation to the three dimensions of sustainability goals?).</li><li>5.2 Have any negative consequences (maybe unintended) of innovation in the public sector been discussed? (For example a gradual downsizing of public responsibility and priority of welfare)</li></ul>
KMD	
KS	
Muni- cipality	

#### 6. Cooperation. Top down and bottom up.

	<ul> <li>6.1 How is the collaboration in relation to radical innovation in public sector different from similar activities a few years ago? What are the most significant changes?</li> <li>What are the roles of different partners?</li> <li>Which collaboration works well? Which one is challenging?</li> <li>What has changed <b>outside of public administration</b>? (in other sectors, expectations/attitudes, processes/procedures, new roles/positions; in other words, new ways of organizing, thinking, and acting)</li> </ul>
	6.2 To what extent is citizen involvement emphasized when formulating the policy? (Implementor, co- designer, initiator).
KMD	
KS	
Muni- cipality	

#### 7. Open reflections and closing

	7.1 Do you have any other thoughts on the topic that you think might be useful for this research?
	7.2 Who would you recommend to interview so as to better understand the Public Innovation policy in Norway?
	<ul><li>7.3 Could I send you an email if I have any further questions?</li><li>7.4 Is there anything you expected me to ask that I did not ask?</li></ul>
	7.5 What is the most important thing we have talked about?
KMD	
KS	
Muni-	
cipality	

### THANK YOU VERY MUCH FOR YOUR HELP!