

**The Roskilde Declaration on:  
‘Transforming governance, enhancing innovation’  
Endorsed at the Sunrise Conference at Roskilde University, October, 2012**

Innovation is on everybody’s lips in most countries and at all levels of government. There are some compelling reasons for this:

First, the world is rapidly changing and in a global world doing nothing means that countries, regions and localities will be left behind in the global competition and become part of the losing team.

Second, the citizens have rising expectations concerning welfare services and the cost of these services are increasing because of our aging societies, while, at the same time, the curve of government revenues is flattening, or even declining, due to the fiscal crisis. In this situation innovation is the intelligent alternative to ‘across-the-board cuts’ (grønthøstermetoden) and a means to doing more for less rather than more for more as we are used to be the case.

Third, a growing number of the problems confronting today’s societies are wicked in the sense that they are unique, persistent, hard to define, and pervaded by contradictory and changing requirements that make it difficult to test possible solutions. Wicked problems can neither be solved by standard solutions nor by additional resources, but call for public innovation.

Fourth, there is a growing concern that the policies designed by government should be properly implemented and actually solve the problems they are meant to solve, but if the implementation level and the relevant stakeholders have not been involved in innovating and designing policies, then policy-execution problems will tend to be the rule rather than the exception.

Finally, politicians, public managers and private stakeholders often wish to improve services and create a better society by finding innovative solutions that offer new visions and values, create new opportunities and futures, and enhance participation and democratization.

Hierarchical government and competitive markets may help to motivate public and private actors to embark on the innovation journey and explore unknown territories. New laws and regulations call for local adjustments and new ways of doing things, and market-based competition forces firms and agencies to do things in new ways in order to stay in business. However, when it comes to developing a better understanding of the problems at hand, generating and cross-fertilizing ideas, spurring transformative learning, assessing the risks and gains of various options, and fostering joint ownership to new bold solutions, then collaboration is of crucial importance. As such, very few people are producing innovations that work all by themselves. Most innovations are the product of collaboration between multiple actors engaging in multilateral actions about multi-dimensional problems. Collaborative innovation means that it is the possession of and the capacity to activate relevant innovation assets rather than institutional and organizational boundaries that determine who gets to participate in the process of innovation.

Collaborative innovation tends to challenge and transform the role and identities of the public and private actors that are participating. Politicians are used to see themselves as sovereign decisions makers, but need to share both power and responsibility with other actors. Public managers are primarily concerned with running their own public agency efficiently, but must learn to convene

relevant actors, facilitate collaboration, mediate conflicts, and catalyze innovation. Professionals who tend to see themselves as experts with a certain specialized knowledge, well-established working methods, and a monopoly of defining the standard for good quality in public service delivery, must transform themselves and open up for dialogue with other professionals, users, citizens and politicians. Private firms must stop perceiving themselves as lobbyists and subjects of regulation and begin to see themselves more as partners with complementary resources. Finally, citizens should not, first and foremost, see themselves as bearers of rights to public services, or as customers who are looking for where they can get the best welfare service, but cultivate an active citizenship that turns citizens into co-deliverers, co-producers and governance entrepreneurs aiming to develop and renew public services and policies in collaboration with others.

Diffusion of innovations is crucial in the public sector because all citizens should be given the same kind of high quality service and since patent are not preventing diffusion in the same way as in the private sector. Diffusion may take the form of a simple imitation through adoption, but will most often involve adaption of new solutions to suit the local context, or even the development of best practices into next practices. We need to focus much more on the diffusion of public innovations that tends to depend on the prior knowledge of public organizations, their external linkages and their capacity for management and leadership. The problem is that many public innovators want to be first movers rather than second movers, although the latter allow them to save the developing costs, while reaping the fruits of innovation.

Collaborative innovation in the public sector has a strong learning component since the development and implementation of new ideas depend on organisational as well as individual learning practices. It is important that the actors engaged in transformative learning practices maintain a double focus on both process and results. It is also crucial for innovators to realize that the production of innovative solutions presupposes cultural and institutional changes and vice versa. At the heart of this, lies a necessity in public organisations to develop and reform themselves into organisations that are capable of working creatively, enduring risk and accepting failure as necessary condition for learning and innovating.

Collaborative innovation is supported by the shift from New Public Management (NPM) to New Public Governance (NPG). NPM emerged in the early 1980s when there was a great need for political and economic steering of the ever growing public sector. NPM has challenged public service monopolies and enhanced competition between public and private agencies through privatization and contracting out. NPM has also aimed to create efficient special purpose agencies through increased use of performance management and the exercise of strategic leadership and imitated manufacturing industry by perceiving the output focussing on the production of public goods. The focus on results and public entrepreneurship has tended to spur public innovation, but the focus on competition has tended to prevent collaborative innovation and the diffusion of innovative solutions.

By contrast, the emerging governance practices associated with New Public Governance tend to see complex problems and the increasingly fragmented governance system as the key problems and collaboration through networks and partnerships as the solution. The new ways of governing aim to strengthen interorganizational relations and create integrated service systems. Finally, they emphasize that the public sector produce services rather than goods.

What is important about public service is that the user is always actively involved in the production and delivery of public services and highly interested in the result. Service innovation should, therefore, involve the users in co-created innovation processes that take the users problems, experiences and ideas about the good life as the point of departure for a joint exploration of new and better solutions. Here seems to be a big room for improvement and a huge potential for spurring innovation. In fact, we should not only involve the actual users in service innovation, but also the future users, the citizens and organized interests that possess relevant knowledge and capacities.

Although the current debates on public innovation tend to emphasize service innovation, we should not forget the importance of policy innovation that involves transformation of the normative vision and goals in a certain policy area and a rethinking of the political strategies, methods and institutional designs that are in use. Whereas some types of service innovation might take place 'under the radar', it is crucial to involve elected politicians in policy innovation in ways that establish a strong connection between policy and service innovation. Indeed, taking political leadership in processes of collaborative innovation can help to develop and reinvigorate and strengthen democracy at all levels in the political system.

At the conference both decision makers from all levels of government and students from different study programs worked to identify and find innovative solutions to wicked problems. Working to 'put a handle on' complex problems with unknown solutions and asking both 'why'- and 'how'- questions is important in order to develop new creative solutions. Shifting the focus from established services and policy programs to the hard-to-solve wicked problems help us to think more openly about what kind of service or policy that we need.

Although the public sector is far more dynamic and innovative than its reputation, public organisations are sometimes a real barrier to developing innovative solutions. The decision-makers and researchers participating in the conference identified the following barriers:

- The 'failure-is-not-an-option' attitude prevents experimentation and testing of prototypes, which can reduce the risk of costly failures later on.
- Organizational and mental silos prevent collaboration and exchange of ideas, knowledge and resources and hinder coordinated implementation of new bold solutions
- Institutional insulation prevents public organizations from harvesting other organizations' innovations and precludes joint development of new and better solutions
- Citizens have been turned into customers who are shopping around for the best welfare service instead of viewing citizens as experienced, capable and resourceful actors who can contribute to public innovation
- Intensive performance measurement that is perceived as control is not only taking up a lot of time and resources, but may also tend to penalize innovative agencies, if the new services are not measured and the agency has ceased to deliver the old ones
- There is too little practical knowledge about how to manage collaborative innovation processes and far too little focus on skills development in this area
- Individual, performance-related wage systems tend to discourage collaborative innovation
- Careers in the public sector are made from meeting performance targets and staying within the budget and not from orchestrating collaborative innovation processes at the edges of the organization
- There is a lack of political courage to tackle the complex and hard-to-solve problems, implement bold solutions and terminate failing innovations

- Hierarchical organizations with many layers mean that there are many who can turn their thumbs down and bloc new ideas

If we are to enhance collaborative innovation we must find ways of removing these barriers. However, it is not enough to remove the barriers to innovation. In order to spur innovation public organizations must build *new capacities* in terms of strategies, methods and arenas for collaborative innovation, change the *authority structures* in order to facilitate team-based policy-development as well as collaboration across institutional boundaries and with external stakeholders, and develop an *innovation culture* based on experimentation, rapid learning and willingness to run a calculated risk.