MINISTRY OF FINANCE
FINLAND

Public Sector Innovation in Finland

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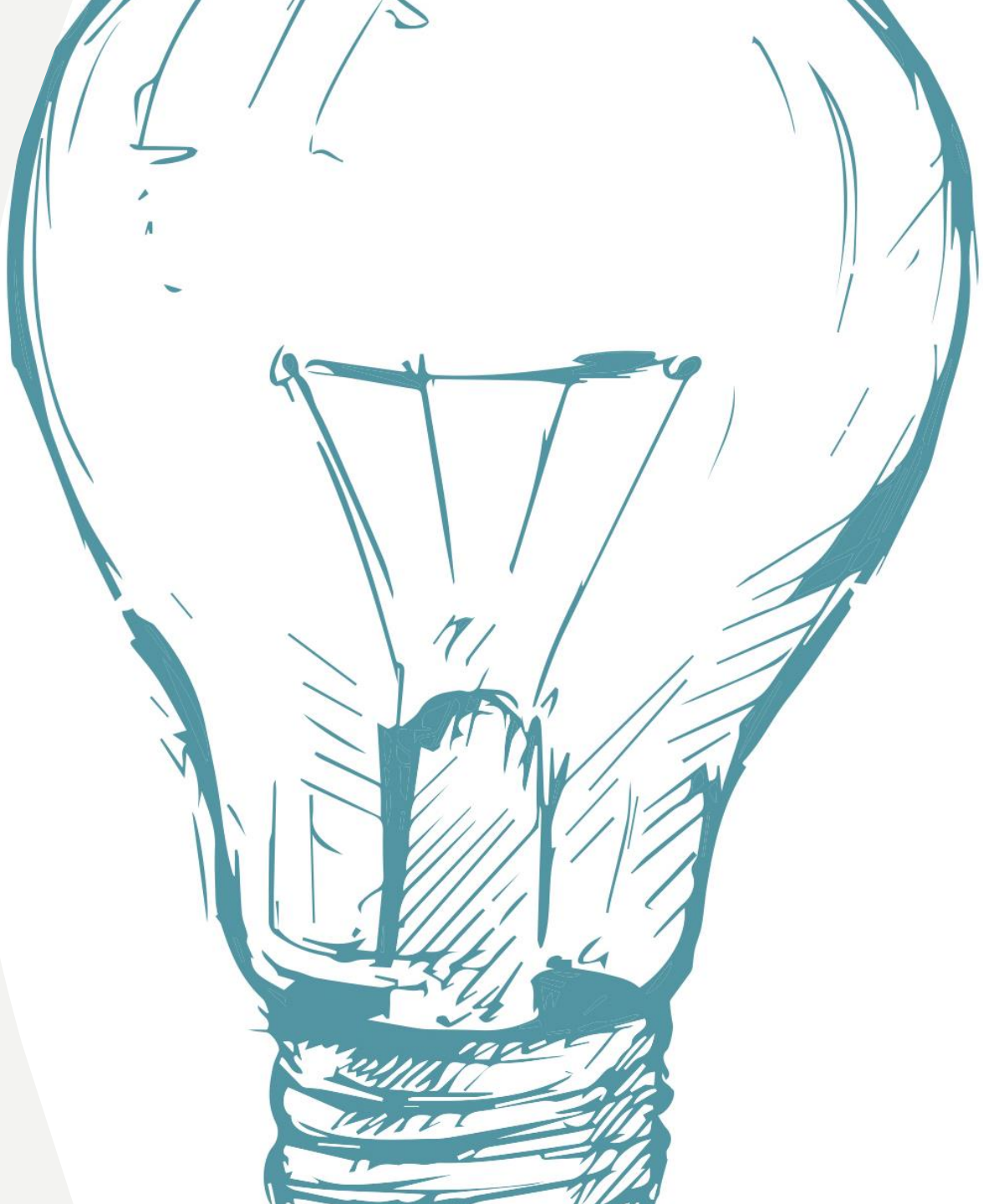
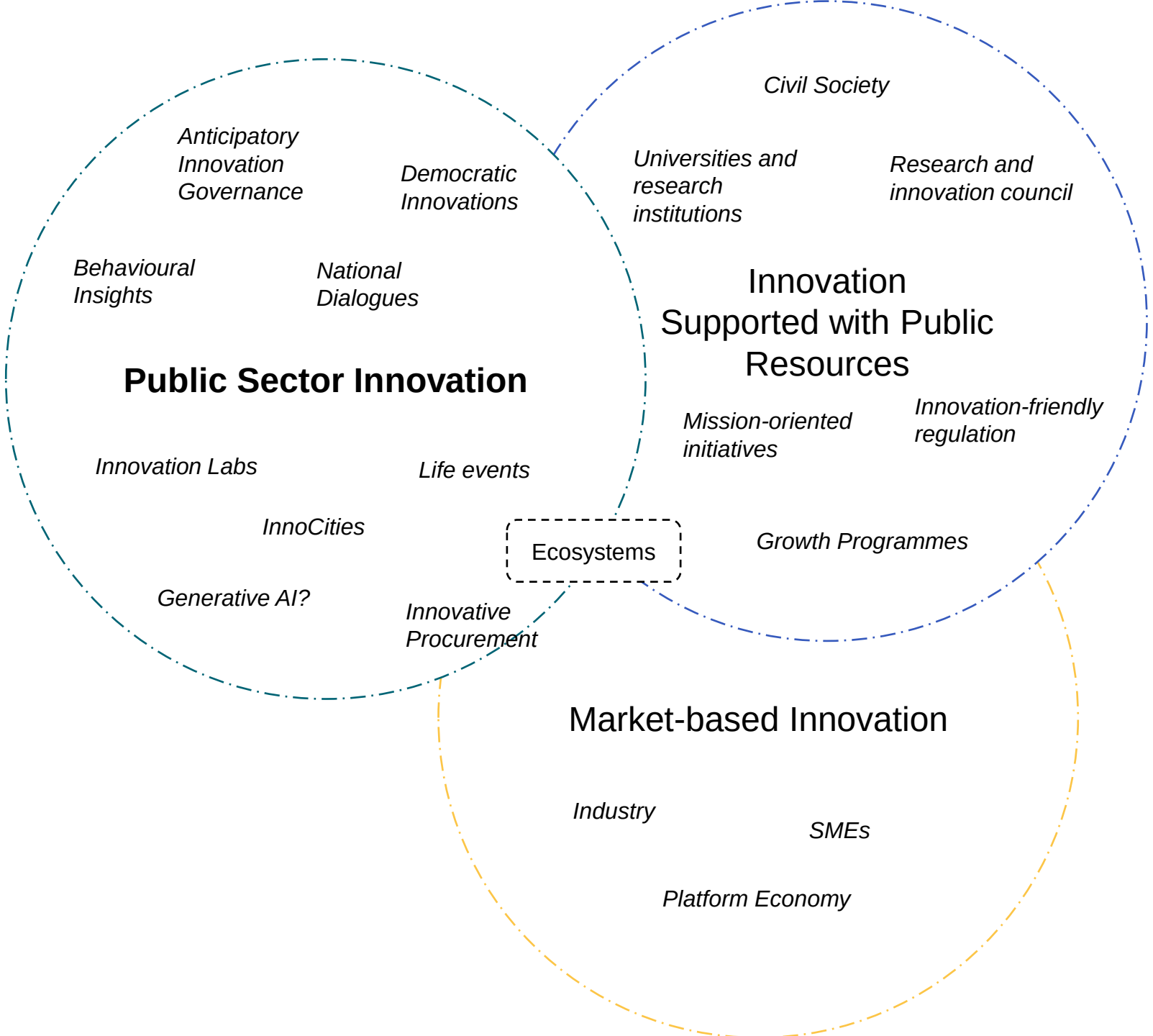
Public sector innovation **is a novel approach that is implemented and aimed to achieve impact (e.g. change in public values)**

Innovation often answers to the challenges and opportunities at hand, but innovation can also anticipate the future and create new opportunities in both the public sector and society at large.

As the public sector and society are dealing with a scarcity of resources and are simultaneously trying to promote ecological, economic and social sustainability, innovation is a must.

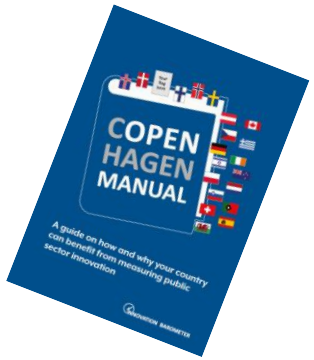


”Big Picture”


Civil Society
Universities and research institutions
Research and innovation council
Innovation Supported with Public Resources
Mission-oriented initiatives
Innovation-friendly regulation
Growth Programmes
Anticipatory Innovation Governance
Democratic Innovations
Behavioural Insights
National Dialogues
Public Sector Innovation
Innovation Labs
Life events
InnoCities
Ecosystems
Generative AI?
Innovative Procurement
Market-based Innovation
Industry
SMEs
Platform Economy

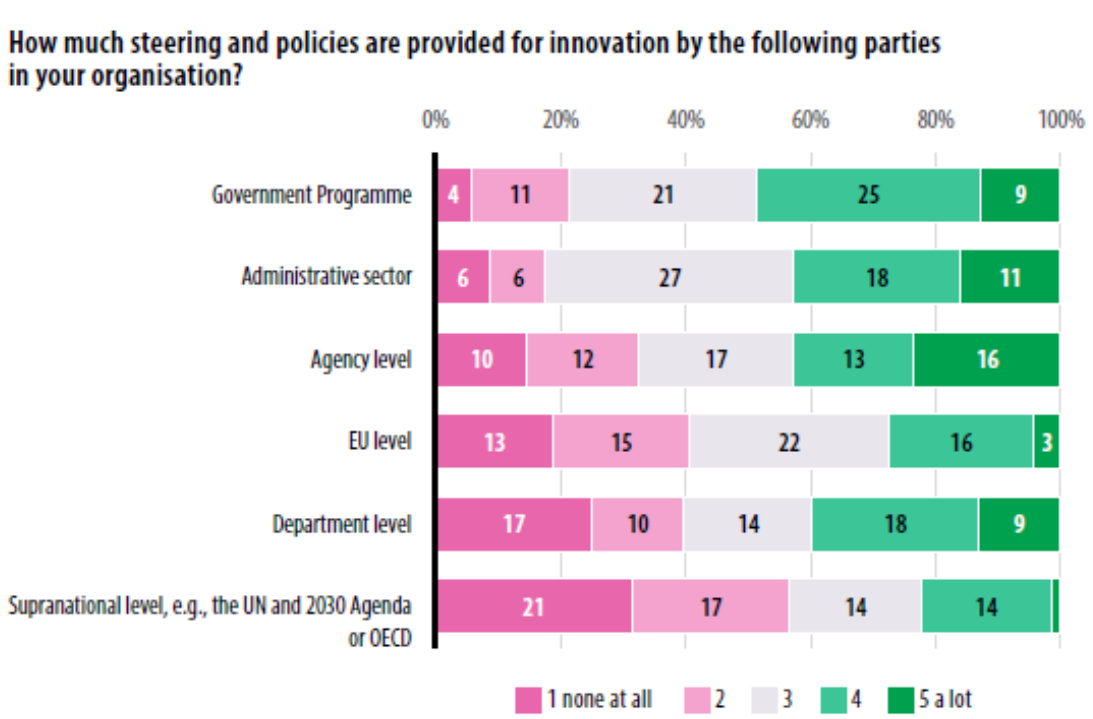
The Innovation Barometer in the Central Government

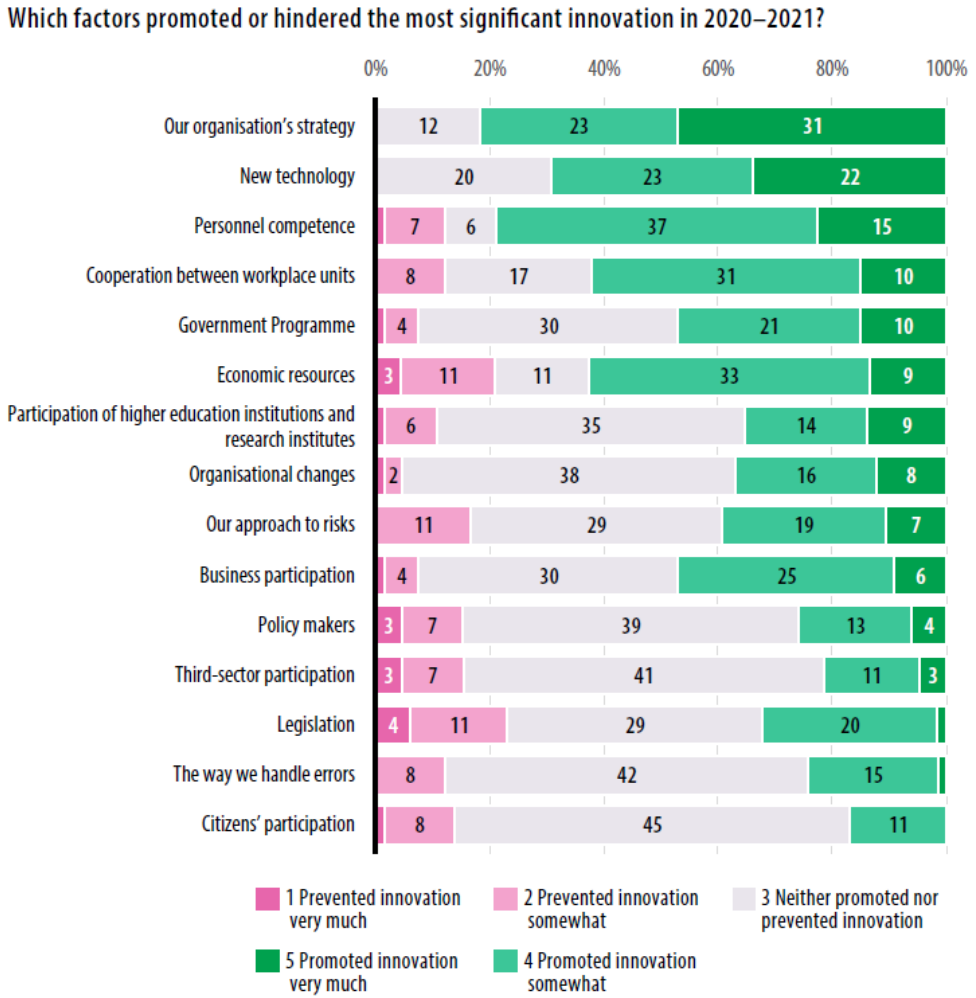
Quick overview



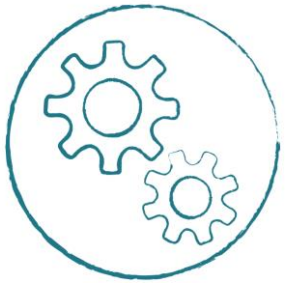
- Based on **the Copenhagen Manual**
- 93% of organisations did innovate during 2020-21 and 91% introduced at least one innovation
- Over half of them had a centralised unit or team for innovation, one third had a innovation programme
- Nice variety of *most significant innovations*: Processes, Services and Products
- The innovations show orientation towards enhancement and adaptation to Climate change and COVID-19
- Bottlenecks: 1) Time and 2) Money

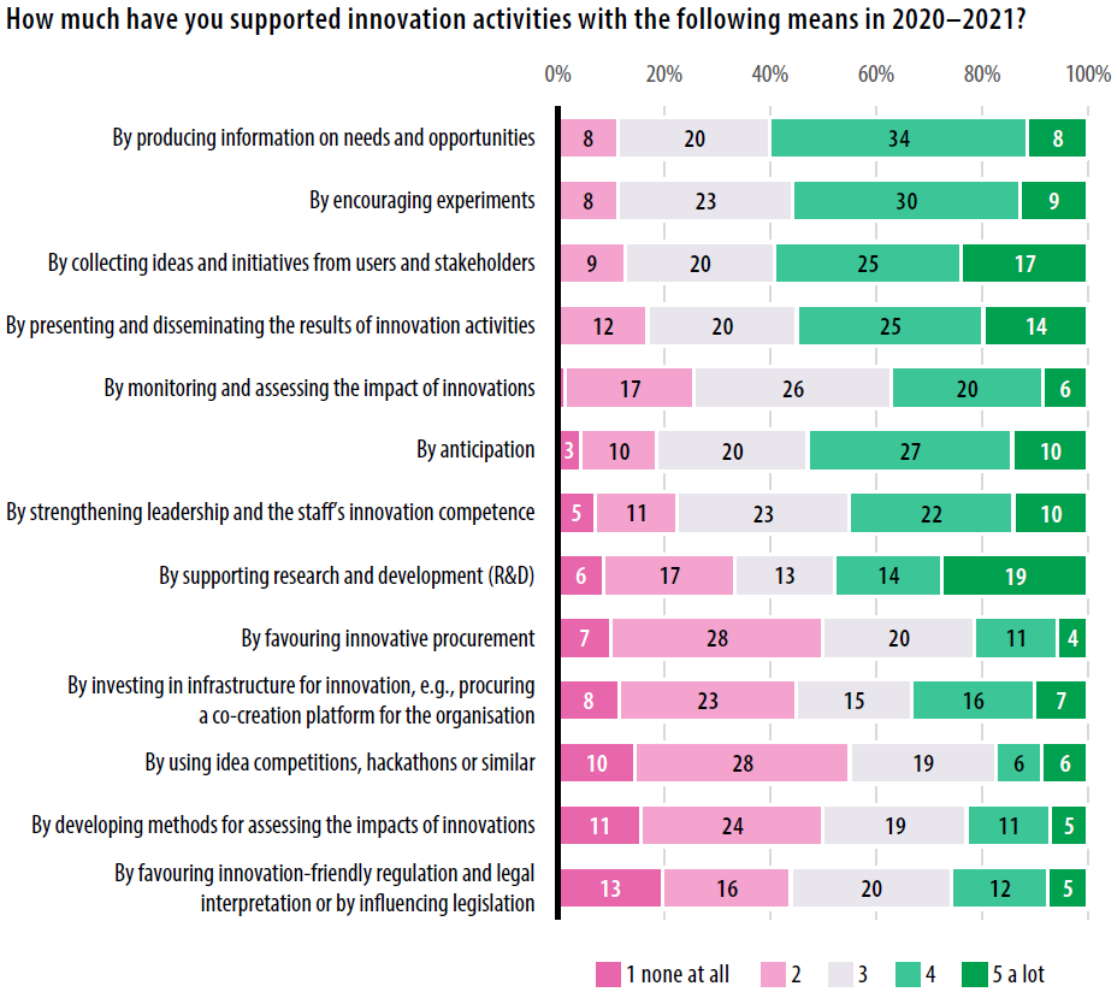
Strategic steering is not very strong. Individual innovations are enabled largely by organisations themselves.





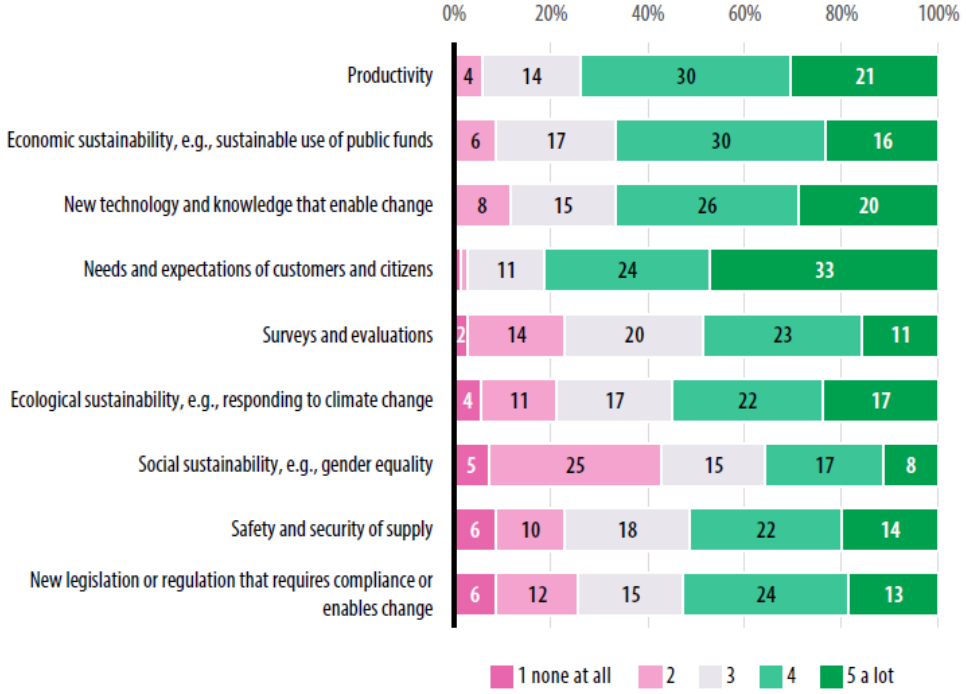
Information, ideas and experiments are important support means for innovation activities



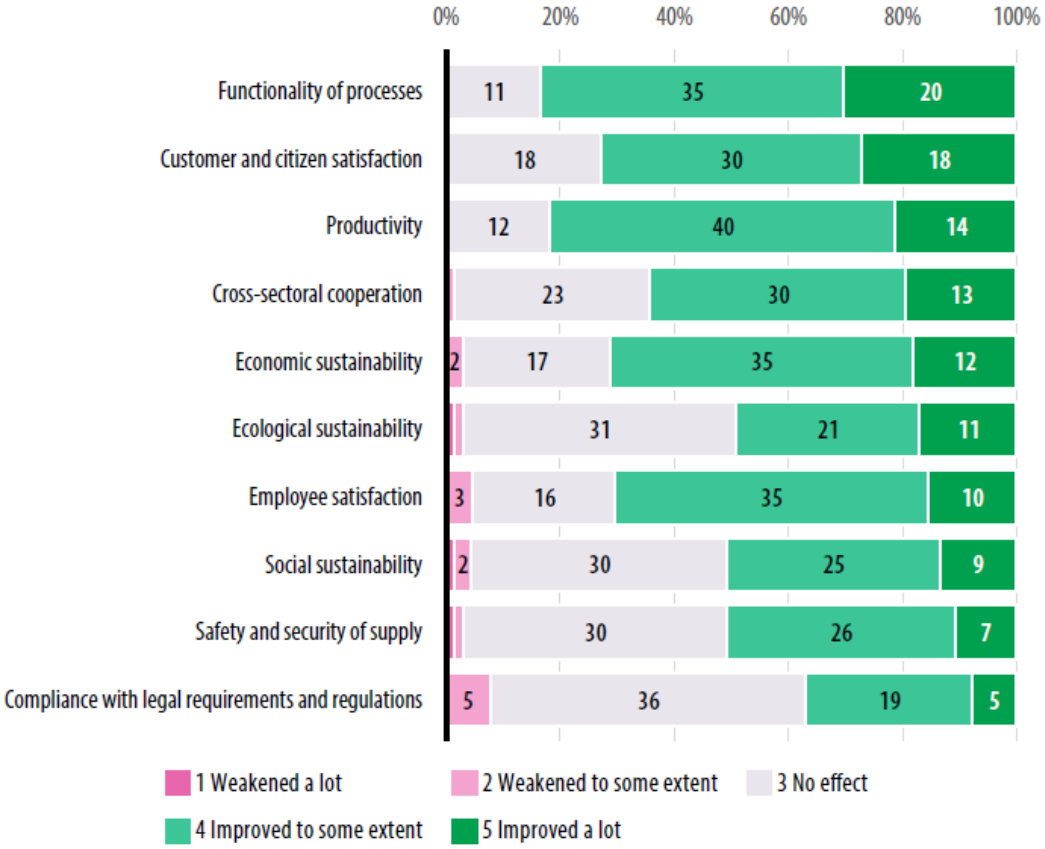


Motivation to innovate stems from productivity, economic sustainability, customers' needs and new technology. The impacts reflect this.

How much did the following factors motivate your organisation's innovation activities in 2020–2021?



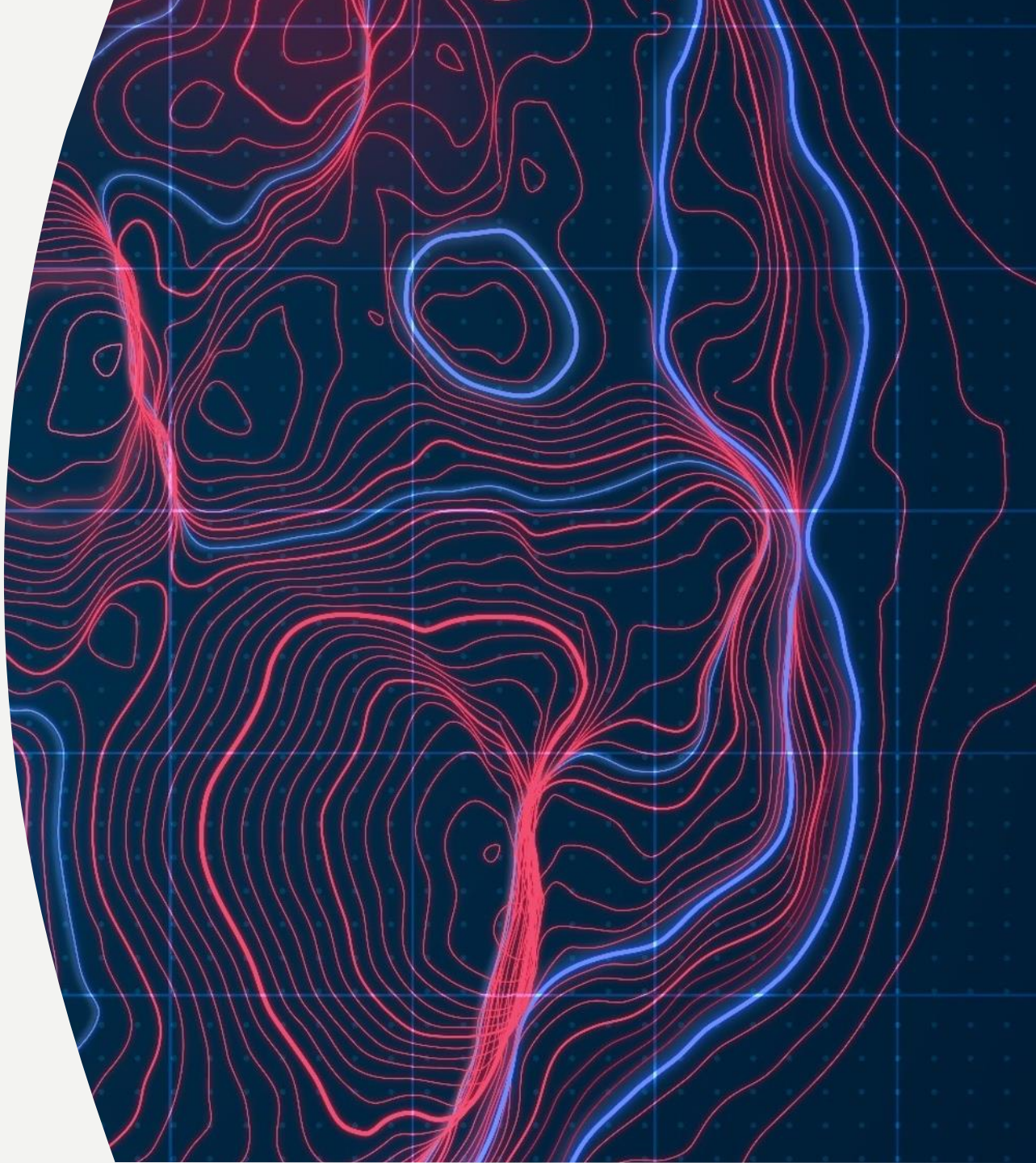
How has the most significant innovation introduced in your organisation in 2020–2021 affected the following factors, or how do you think it will affect them?



Examples of ”AI”-enhanced innovations

- Kela (the Social Insurance Institution) uses machine vision to make processing of applications faster.
- The National Archives is developing automatic recognition of hand-written texts.
- The Finnish Customs is creating a new chatbot Hippu with expected resource savings in the range of 4–6 person-work-years annually.

Digitalising and automating life events and AuroraAI



Digitalising and automating life events

- Digitalising and automating life events means, that public services are developed and produced to be seamless and interoperable service entities built around different life and business events.
- Life and business events are various situations, where a transition to something new occurs. Public administration has particular development needs on service entities, which include:
  - Dealing with several public officials, companies and communities
  - Information flow and joint use between different actors
  - A need of guidance to handle complex situations.

Examples of life events

Building a family

Moving to a new country

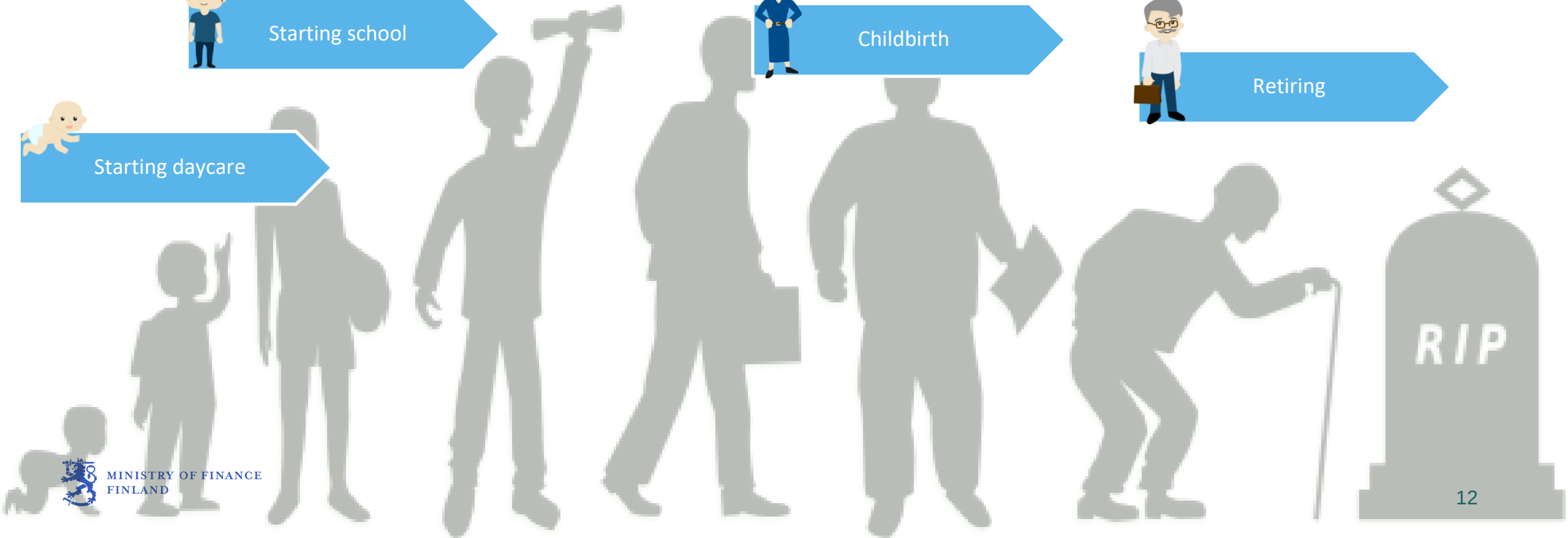
Building a house

Starting school

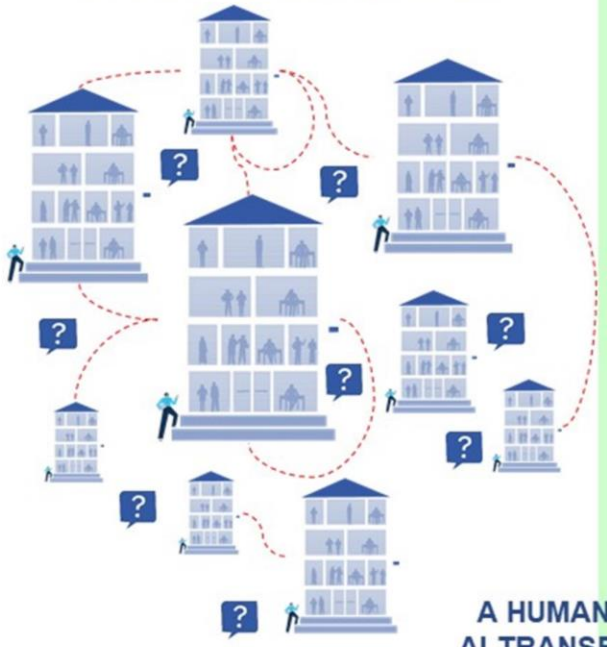
Childbirth

Retiring

Starting daycare



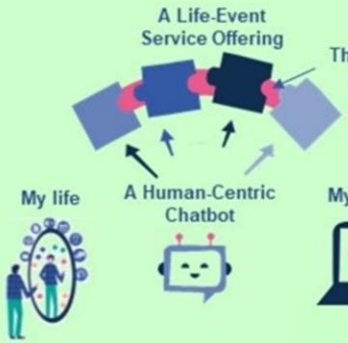
TASK - ORIENTED SOCIETY
Resource efficient operation



1. Task - oriented and production – oriented
2. Prioritization of own tasks
3. The person shows up as a customer of their own services
4. No need to see holistically
5. Ability to innovate from the perspective of one's own tasks

A HUMAN-CENTRIC AI TRANSFORMATION

A HUMAN-CENTRIC AI TRANSFORMATION
Action to strengthen well-being and vitality



1. A human well-being and the vitality of the regions at the center
2. Service activities are organized in multi-stakeholder cooperation
3. Shared proactive decision-making
4. People are viewed holistically
5. The ability to innovate arises in cross-sectoral co-operation

HUMAN-CENTRIC SOCIETY
Glimpses of the future

Looking at the desired futures

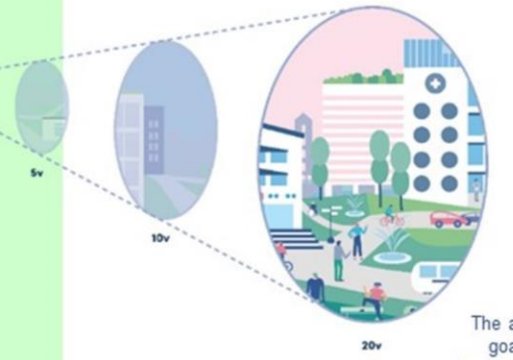
Identify unwanted future images

Responding to changes in the operating environment (resilience)

Adequate design first with an ability to react

Planning as implementation progresses

Future Images



Leading the organization towards desirable visions for the future

Anticipating the future

The aim is to see goal-oriented, human-related future images

Updating 3v... 5v... 10... 20v... situational pictures regularly

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AuroraAI Programme 2020 - 2022

- A part of implementation of the Prime Minister Sanna Marin's Government Programme:
  - ”Secure and ethically sustainable development of the AuroraAI network will be continued in order to make everyday life and business easier.“
  - Objective was to develop prerequisites for connecting different services together and enable personalised and right service chains to people and businesses at the right time in a proactive way. Services will be matched more efficiently that will deliver major savings for the whole public administration.
- To support the deployment of the AuroraAI network, the programme will develop an operating model that integrates the lessons learned, tools and structures and creates a frame of reference for what should be taken into account in the transition to more human-centric and AI-assisted activities.
- Main outcomes of the programme:
  - AuroraAI network core components: https://palveluhallinta.suomi.fi/en/sivut/auroraai/esittely
  - AuroraAI interoperable UX services: https://digifinland.fi/en/our-operations/aurora-ai-national-artificial-intelligence-programme/
  - https://ihmiskeskeisyys.fi, a service that includes the tools and references of the operational model

Finland's digital compass: Vision, values and objectives

Objectives

Finland is a digitally well-educated country, where everyone has the skills necessary for participating in the digital world, and mutual respect and trust are at a high level.

Basic digital skills in Finland are among the best in the world and help promote the sustainable development of society.

Digital skills support innovation, competitiveness and wellbeing. Education, training and research generate the expertise needed in society. Finland is one of the world's best-known and most attractive hubs of technology education, research, skills and investment, and an attractive country for international digital professionals.

Objectives

A significant proportion of public services has been digitalised or automated with a human-centric Approach

Interoperable digital public services enable smooth service use for citizens, businesses and organisations, also internationally.

Public services are produced in accordance with the comprehensive security model.

Objectives

The Finnish data economy is a global pioneer in 2030.

Finland's has a critical infrastructure with a high level of cyber resilience and a strong international cyber industry ecosystem.

Finland has comprehensive, secure and resilient telecommunications infrastructure as well as server and computing infrastructure.

Objectives

Finland is home to globally attractive technological competence clusters in selected areas.

The data economy and data-driven value creation in business will increase.

Finland develops and applies digital technologies that respond to global climate and environmental challenges.

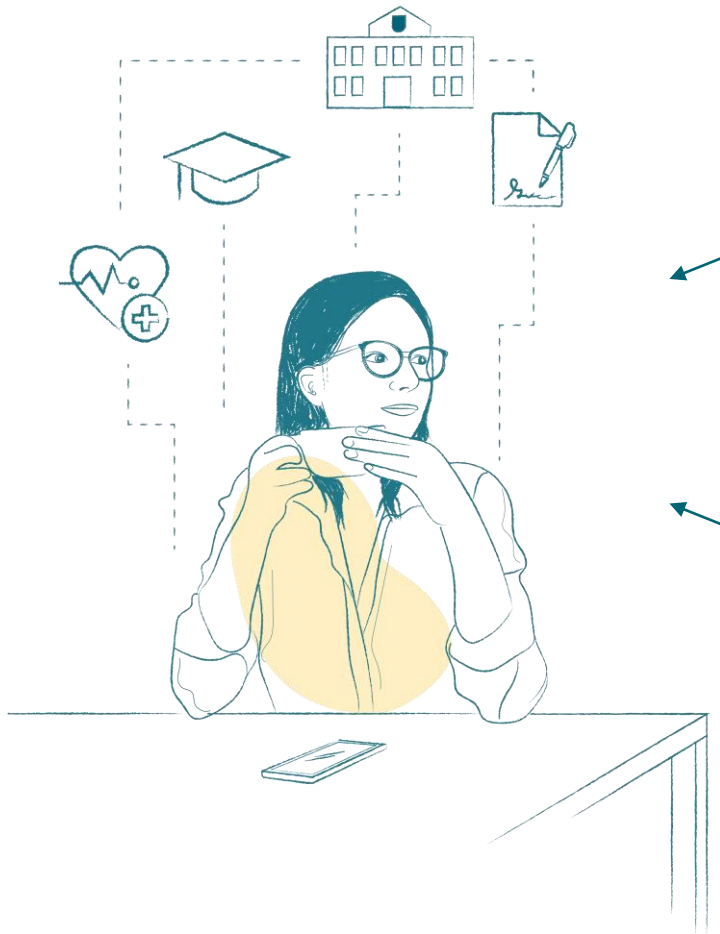
The number of digitally advanced SMEs will increase

The implementation methods and development targets will be examined as part of the preliminary study phase on life event based digitalisation

Enabling legislation

Interoperability, shareability and portability of information

Enabling digital infrastructure & electronic support services

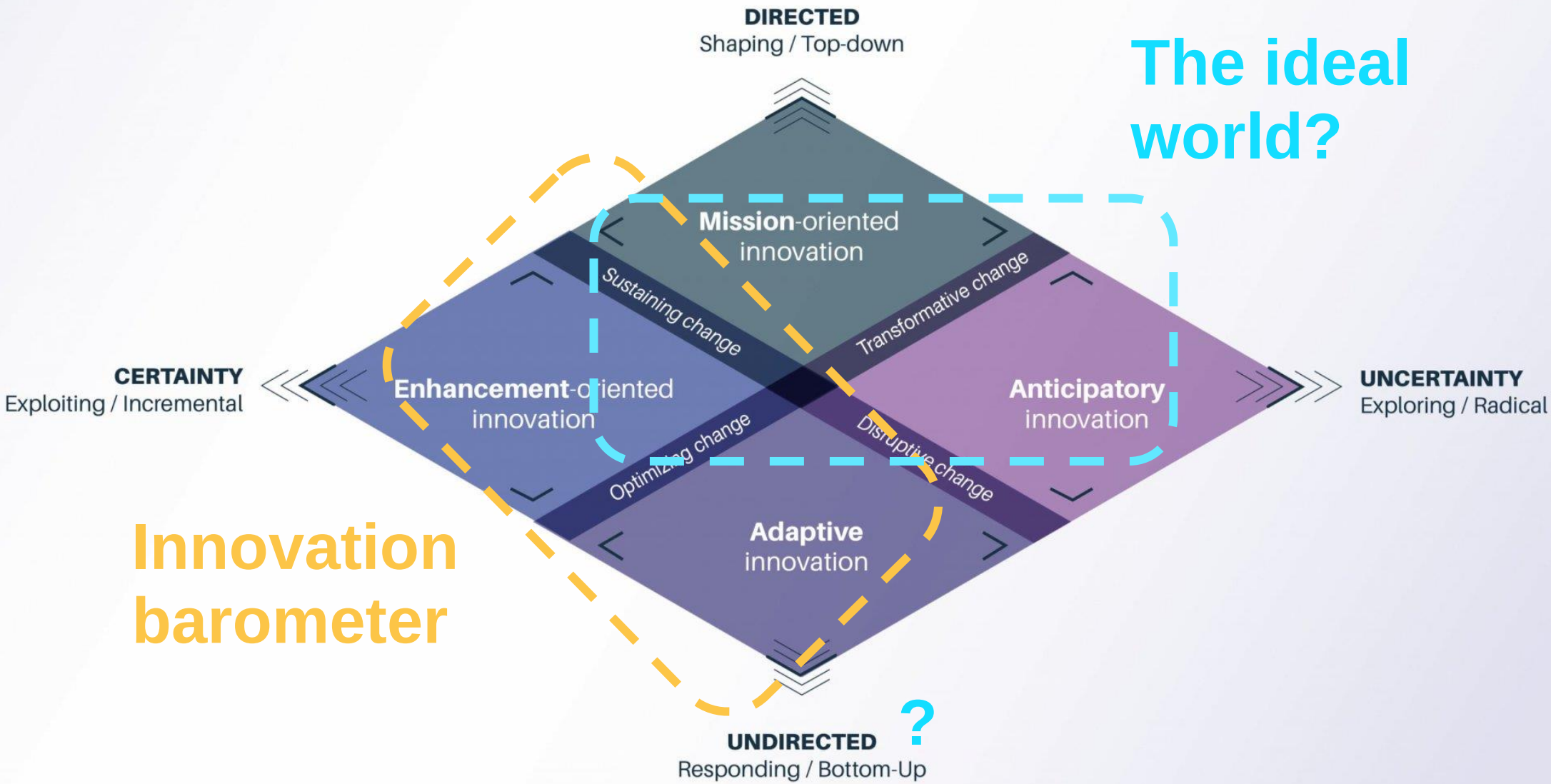


Assessment of the impact, cost-effectiveness and improved service experience of life event based service provision

Enabling changes in operating practices, for example in cooperation between authorities

The production of digital life event services

Innovation barometer



The ideal world?

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Thank you!

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