

## Government should think and act more like business, says the Institute for Competitiveness & Prosperity

**Toronto** – Government is often asked to “act more like a business” on efficiencies, and deficits, and management, but not on innovation. The Institute’s latest Working Paper, [Licence to innovate](#) calls on government to do just that.

The report defines government innovation as improvements to policy design, processes, and implementation to achieve a stated goal. Importantly, innovation is built on a culture of collaboration that focuses on end users. This means tackling difficult problems with different solutions. It also means failing and learning from past mistakes.

Less than half of policy professionals in Ontario’s Public Service feel innovation is valued in their work. Government’s failure to innovate today means less effective and less efficient public services tomorrow. Based on comparative case studies, the Institute recommends the government of Ontario:

**Integrate innovation to counter the risk-averse culture.** Building innovation into core government activities signals that it is desirable and acceptable.

**Revise funding frameworks and apply behavioural insights to boost policy design.** Adopting a mission-driven approach and testing behavioural models fosters collaboration and enhances innovation.

**Advance human resources and modify engagement to strengthen the policy process.** Upgrading the human capital of Ontario’s Public Service as well as genuine public engagement builds internal capacity and fosters a culture that is open to change.

**Revitalize relations with delivery agencies and streamline services to upgrade policy implementation.** Broadening service provider mandates and creating bigger policy silos incentivizes innovation and shares resources.

**Monitor government innovation to advance accountability.** Evaluating the context, inputs, outputs, and outcomes associated with innovation ensures responsible use of public resources. The Institute calls on third party bodies of the Legislature and opposition parties to periodically assess government innovation.

**About the Institute:** The Institute for Competitiveness & Prosperity is an independent, not-for-profit organization that deepens public understanding of macro and microeconomic factors behind Ontario’s economic progress. The Institute is supported by the Ontario Ministry of Economic Development, Employment and Infrastructure.

**Download the report:** <http://bit.ly/ICPGovInnovation>

**For more information  
contact:**

Jamison Steeve, Executive Director  
[j.steeve@competeprosper.ca](mailto:j.steeve@competeprosper.ca)  
416.946.7585