

**PRESIDENCY AND ADMINISTRATIVE
MODERNIZATION AND FINANCE**

**Order No 186/2018
27 June**

The innovation capacity is essential so that public administration may meet the new social and economic challenges. The populations' satisfaction emerging needs shall require activities creators of value with rational use of public resources. They also require new practices in the operation of organizations, people management working environments, processes and services delivered.

The driving of these changes shall be facilitated by technologies. However, it depends, simultaneously, upon factors such as the experimentation and motivation to improve the individual and organizational performance, through methodologies that may lead to new behaviors and attitudes by actors who intervene in the change processes, in particular the managers and the employees in public functions. In addition, the innovation processes become more and more developed in co-creation with citizens and other public administration's partners, from the very beginning of the initial phase of solutions design.

For these reasons, it is important to promote an eco-system that favors the implementation of comprehensive innovation strategies, not only in the services delivered to citizens and companies, but also in the people and organizations' management. This perspective shall help public organizations to develop working environments and models that, with mobilizing leaderships, shall enable employee to identify problems, express ideas, develop proposals put into practice innovative projects, assess results and share knowledge in a more collaborative way.

The innovation promotion in the public sector is an objective included in the XXI Constitutional Government Programme that has been pursued through different initiatives that include, namely, the Simplex+ Programme, the 2020 ICT Strategy, the creation of a Public Administration Experimentation Laboratory — LabX, operating

within the framework of the Administrative Modernization Agency — AMA, I. P., (Public Institute) or the initiative INCoDe.2030 (Digital competences national initiative) for digital competences, as well as the mechanism of «right to challenge».

The Law No 114/2017, 29 December that passed the State Budget for 2018 has contributed to this objective as it lays down in paragraph 1 of its article 24 the possibility of being established incentives and other specific mechanisms of stimulus of innovative public management practices, namely in the people management area, within a framework of work and employees in public functions valorization, as well as development of qualifying, motivating environments and that promote employees' health, and of other innovative practices with impact on organizations and processes.

The public administration transformation strategy, anchored in the principles of development of employees in public functions, creation and guarantee of good working conditions and improvement of the organization and public management shall therefore provide, fundamental conditions so that innovation may be promoted as a transversal capacity in all public organizations.

It is important to implement that legal provision, by creating incentives which aim at pursuing innovation objectives in the human resources valorization, improvement of the working environment and management models development, through an Innovation Incentives System in Public Management.

Innovation incentives provided for in the present order shall operate in complementarity and synergy with the Public Expenditure Efficiency Incentives System (SIEF), insofar as may promote efficiency gains in public expenditure management.

Thus:

Under the terms and pursuant to the provision established in paragraph 1 of article 24 of the State Budget Law for 2018, passed by Law No 114/2017, 29 December, the Government decrees by the Minister of the Presidency and

Administrative Modernization and the Minister of Finance, as follows:

Article 1

Object and scope

1 — The present order shall establish the Innovation Incentives System in Public Management (SIIGeP), as per paragraph 1 of article 24 of the State Budget Law for 2018, passed by Law No 114/2017, 29 de December.

2 — The present order shall apply to direct and indirect administration entities.

3 — The incentives regulated by the present order aim to stimulate innovative practices in public management in the following areas:

- a) Human resources development;
- b) Improvement of working environments;
- c) Management models development.

4 — The Innovation initiatives framed in the human resources development area may have, namely, one or more of the following purposes:

- a) The implementation of lifelong learning systems, emphasizing the competence development in real working context and through dynamic management of career paths;
- b) The motivation of employees through involvement methodologies development and participation of those ones in the service's operation improvement;
- c) The development of a pro-active and creative organizational culture, namely giving more autonomy to employees and teams;
- d) The capture, management and knowledge transfer methodologies development, in particular the intergenerational transfer;
- e) The implementation of merit recognition methods of employees who collaborate in the implementation of initiatives with relevant results for the service.

5 — The innovation initiatives framed in the working environment improvement area may have, namely one or more of the following purposes:

- a) The employees' living conditions improvement promotion, namely through

reconciling instruments between professional and personal life;

- b) The improvement of the well-being at work through occupational health programmes;
- c) The improvement of absences' management motivated by sickness or accident at work.

6 — The innovation initiatives framed in the management models development area may have, namely one or more of the following purposes:

- a) The collaborative work and transversal management methodologies development, within an entity, between entities of the same governmental area or between entities of different governmental areas and other public administrations;
- b) Processes simplification;
- c) The articulation improvement between the planning and activities management and budget.

7 — The innovation initiatives which result in the public expenditure efficiency improvement may still apply for the Public Expenditure Efficiency Incentives System (SIEF), under the terms of the applicable legal text.

Article 2

Incentives to innovation

For the purposes of the present order are deemed incentives to innovation:

- a) The participation in capacity building actions for innovation, pursuant to article 3 of the present order;
- b) The development of experimental innovation projects, under the terms of article 4 of the present order;
- c) The recognition of innovative projects in management that show measurable results through the grant of a bonus, under the terms defined in article 5 of the present order.

Article 3

Capacity building for innovation

1 — In order to stimulate innovative practices in public management capacity building actions are developed for innovation, including training actions, working experiences in innovative international institutions or other similar

incentives that reinforce competences for innovation.

2 — In this connection, INA — Directorate General for Qualification of Employees in Public Functions (INA), in cooperation with other relevant entities for this purpose, shall ensure the carrying out of capacity building initiatives, namely through:

a) Modular training for managers framed within a management and leadership competences development programme coordinated by INA;

b) Creativity training and innovation projects management framed under an innovation competence development programme coordinated by INA;

c) Services' design training, ensured in cooperation with the Public Administration Experimentation Laboratory — LabX, to operate within AMA — Administrative Modernization Agency, I. P. (Public Institute);

d) Training in digital competences for public administration aligned with the INCoDe.2030 programme strategy;

e) Initiatives that promote debate and the search for solutions for public administration's challenges;

f) Training on production evaluation efficiency and impact of innovation projects indicators and metrics construction;

g) A competencies development plan in international context for managers and employees with employment relationship under the terms of the General Labour Law in Public Functions, passed by Law No 35/2014, 20 June, as currently worded, targeting innovation, learning and the contact with inspiring practices at international level.

3 — The applicants participating in experimental projects have preference in attending the initiatives referred to in the preceding paragraph as per the following article.

4 — INA, in cooperation with other entities makes available tools of unrestricted use to stimulate innovation, preferentially through its website.

Article 4

Development of experimental projects

1 — The development of experimental projects aims to test new management models with concrete objectives of public service operation improvement.

2 — For the purposes of the present order, the development of experimental projects may entail temporary suspension of current legal systems applicable, through appropriate legal instrument for this purpose, during the project duration reflecting the mechanism of «right to challenge».

3 — Within the framework of collaborative and transversal work models, of a formal or informal nature, developed within an entity, between different entities of the same governmental area or between entities of different governmental areas and with entities of the private and associative sector, whether national or international, experimental projects that enhance the capacity and the innovation results may be created, as well as the knowledge creation, transfer and reuse.

4 — The application process for the development of experimental projects shall be the object of regulation passed by joint order of the members of the Government responsible for presidency and administrative modernization and finance and public administration areas.

Article 5

Bonuses

1 — By joint order of the members of the Government responsible for presidency and administrative modernization and finance and public administration areas, bonuses are created to publicly recognize innovative projects in management that show measurable results, as well as the regulation for the respective grant.

2 — Teams responsible for the formulation and implementation of innovation initiatives in management, may apply for the bonuses defined in the preceding article being understood as «team» the set of managers and employees of one or more public services or organic units, individually identified in the application.

3 — Applications containing one or more innovation initiatives whose objectives are framed in paragraph 3 of article 1 are only eligible.

4 — The grant of cash bonuses provided for in the present order shall not cover projects that are

object of cash incentive, within the scope of any public administration merit recognition specific programme, with exception of SIEF and without prejudice to provisions set out in the following paragraph.

5 — The bonuses to be granted pursuant to the present article shall not affect neither the provisions set out in articles 166 to 168 of the General Labour Law in Public Functions, passed by Law No 35/2014, 20 June, nor the provisions established in article 52 of the Law No 66 - B/2007, 28 December, that establishes the integrated system of management and performance assessment in public administration, both as currently worded.

6 — The bonuses have a maximum overall value to be defined by the members of the Government responsible for presidency and administrative modernization and finance and public administration areas in the order provided for in the paragraph 1 of the present article.

Article 6

Coordination team

A working team shall be set up with members appointed by joint order of the members of the Government responsible for presidency and administrative modernization and finance and public administration to support the implementation and assessment of the present order, assuming one of them the team manager function.

Article 7

Publicizing

1 — The initiatives developed within the framework of the present order and the respective results are published on INA website.

2 — A public ceremony shall be carried out for the recognition of the merit of initiatives highlighted for their innovative nature, including the grant of bonuses referred to in article 5.

Article 8

Evaluation of results

The results achieved with the present order application are evaluated, namely through the following indicators:

- a) Percentage of managers with innovation training
- b) Percentage of employees with innovation training;
- c) Average duration of innovation training for managers;
- d) Average duration of innovation training for employees;
- e) Number of entities qualified for innovation that submitted projects;
- f) Number of experimental projects approved;
- g) Rate of projects with collaborative measures;
- h) Number of entities with collaborative work;
- i) Innovative projects rate with focus on simplification;
- j) Employee involvement level;
- k) Work environments satisfaction level;
- l) Number of reconciliation of working and personal life measures;
- m) Reduction of the absenteeism rate;
- n) Potential for dissemination of results;
- o) Innovation notoriety level

Article 9

Entry into force

The present order shall take effects as of the following day of its publication.

On 25 June 2018

The Minister of the Presidency and Administrative Modernization, Maria Manuel de Lemos Leitão Marques — The Minister of Finance, *Mário José Gomes de Freitas Centeno*.