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# Design-Led Innovation in the Public Sector



By Manuel Sosa , INSEAD Associate Professor of Technology and Operations Management

## **Concierges, cuddly toys and a chilled-out vibe: Welcome to the innovation-driven government agency.**

When entering a government permit office, virtually everyone would prepare themselves for a certain amount of boredom and confusion. But resignation may well turn to surprise or even shock, if that office is Singapore's Employment Pass Service Centre (EPSC), where foreign professionals go to receive their visa to work in the city-state. The ambience more closely resembles a luxury hotel lobby than a grim government agency, an impression reinforced by the roaming reception managers who greet arriving applicants, directing them to a waiting area with upholstered chairs and skyline views.

In a new case study, “Designing the Employment Pass Service Centre for the Ministry of Manpower, Singapore”, Prof. [Michael Pich](#) and I explore how even public organizations are beginning to use design to find and tap into innovation opportunities where few have thought to look. In the case of Singapore’s Ministry of Manpower (MOM), a design-led transformation of a

single facility was the starting point of a drastic reconsideration of what a government agency could be.

### **Efficiency is not enough**

Prior to opening the EPSC in July 2009, MOM's Work Pass Division (WPD) had developed hyper-efficient methods to process work permits for foreign workers, who comprise approximately 40 percent of Singapore's workforce. In fact, it was generally considered the most efficient department of its kind in the world. After 9/11, a mandatory-fingerprinting policy for white-collar workers was introduced, necessitating a standalone centre. The agency saw this as an opportunity to raise the efficiency bar even further.

Giving careful consideration to every aspect of the permit-granting process, the project team worked with a local vendor to overhaul the existing model. The proposal they ultimately presented to MOM assured almost unheard-of waiting times, as well as a more aesthetically pleasing look and feel.

But government higher-ups weren't completely satisfied with WPD's plans. They complained that the proposed centre resembled a clinic and challenged the team to look at new and better ways to deliver their service. While the WPD had focused on reducing waiting times, the question was posed why applicants had to wait in the first place.

Initially, the WPD was at a loss as to how to resolve the impasse. As luck would have it, a small team from the renowned design consultancy IDEO were already working with MOM on an unrelated project. The WPD showed the EPSC plans to the IDEO reps for their suggestions, and so began a process that would be transformational for the agency.



## Why Stress Service?

Most public-sector organisations' prickly interactions with the public can be explained with the simple fact that they lack competition. Government bodies are generally monopolies dispensing necessities, so on the whole they don't feel compelled to agonise over their public face.

MOM and the Singapore government had a different idea. Aware that they were competing with other countries for top global talent, they recognised that the permit-granting process, in a very real sense, set the tone for foreign professionals' entire experience of Singapore. Expats would be unlikely to remember precisely how long it took to get processed, but the quality of the service received would resonate in their minds and affect their impression of the country as a whole.

IDEO typically begins by concentrating on the user experience. In this case, in addition to observing and identifying what goes through the mind of a typical applicant during his or her journey in the existing system, the observation stage included talking to foreigners who were arriving in Singapore about their experience. IDEO discovered that professionals newly arrived in Singapore were embarking on an entirely new chapter of their lives, with all the expected stresses. The last thing they needed was more stress when receiving their permit. Hence, the EPSC entry hall is airy and free of clutter to create a sense of calm. The EPSC provides toys to keep kids entertained while their parents meet with agents and register for work passes. Visitors are always called by name, not number. Intimidating

interview rooms were done away with in favour of open cabanas.

The ESPC made strides in efficiency as well. Thanks in large part to an online appointment system that removes the need for waiting, the Centre is able to process more than 95 percent of visitors within 15 minutes, and 90 percent within ten minutes. “It seems that when you aim to improve the experience, you also improve efficiency,” the WPD concluded.

In its initial customer satisfaction survey in 2010, the EPSC scored an average rating of 5.7 out of 6.



### **The Innovation Domino Effect**

The success of the EPSC silenced the skeptics and greased the rails of innovation at MOM. The agency proceeded to use the IDEO research into their “customers” and the kind of experience they would like to have as the basis for a new set of design principles.

**In my last post**, I described how many public-sector organisations have the worst of both worlds when it comes to innovation: chaotic internal processes plus a dearth of creativity. Singapore’s WPD was not one of these. It was known worldwide for being a remarkably advanced, well-oiled machine—but a machine nonetheless. The collaboration with IDEO began a journey toward design-led innovation, wherein process improvements were guided by empathy and a palpably human touch. The WPD started to change from a shining example of a functional government agency to a new kind of

government agency altogether.

This became the impetus for an overhaul focused on 28 “opportunity areas” affecting nearly all WPD activities touching their “customers”. For instance, written communications with the public were redesigned to scrub of legalese. Now, if the agency had to deliver bad news, e.g. that a permit had been cancelled or denied, they could at least do so in plain language.

More generally, the WPD also began to evolve a new structure for itself to suit its new identity as a citizen-centric organisation. Rather than teams built around specific processes, the agency opted to move toward a market segment-based approach that would allow teams to work more closely with individual employers. To ensure the WPD customer experience keeps getting better, a Customer Experience, Policy and Strategy (CEPS) department was inaugurated, housing a small Service Innovation team.

Organisations from within and outside Singapore have taken notice of MOM’s reinvention. As of 2012, the EPSC had hosted more than 90 tours of the facility for companies and overseas governments. The year after EPSC opened, IDEO’s CEO Tim Brown visited Singapore to discuss “the role of design thinking at a national level” with government and business leaders.

## **Design-Led Transformations**

In my previous posts, I outlined [the three core organisational capabilities](#) that characterise design firms and how they can serve as a catalyst for the development of innovative capabilities within established firms. I also looked at how design-led transformations, which resulted from companies [“bringing design in the house”](#) and providing top-level support to design teams, actually worked within leading corporations such as Belkin International.

I think the case of Singapore’s Work Pass Division shows that there is no type of organisation where this sort of transformation absolutely cannot work. Government agencies don’t have the same market pressures as commercial entities, but it’s a safe bet that whatever problems they do face could be better handled if their organisation underwent a design-led transformation.

If the core capabilities of designers were brought to entire nations, the potential benefits could be staggering. Solutions may be found to problems previously thought intractable. As one WPD team member put it, “This whole exercise from the last three years has given us three sights: hindsight,

insight and foresight.”



Manuel Sosa is an Associate Professor of Technology and Operations Management at INSEAD. Follow him on Twitter: [@msosa\\_innovate](https://twitter.com/msosa_innovate)

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### About the author(s)

**Manuel Sosa** is a Professor of Technology and Operations Management and the Director of the Heinrich and Esther Baumann-Steiner Fund for Creativity and Business at INSEAD. He also directs the [Design Thinking and Creativity for Business](#) programme at INSEAD.