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Public Sector Innovation and Diffusion Processes –
Decentralisation and Innovation

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ABSTRACT

Much work in electronic government (eGovernment) research was done on innovations from a single-organisational managerial perspective, while little was investigated into sectoral innovation and diffusion processes in public sector organisations. Here, a political science perspective appreciates the embeddedness of public sector innovation and diffusion processes in the surrounding politico-administrative system. At this point, we analyse public sector innovations, specifically eGovernment and NPM innovations, and identify politico-administrative system dynamics shaping the processes of emergence and diffusion. In order to substantiate our investigation, we examine the Japanese case by the means of a literature analysis and a series of qualitative-empirical expert interviews. We demonstrate 1) how vertical decentralisation reforms open up innovation potential for local governments, 2) by which means the central government still holds strong influence on innovation and diffusion processes, and 3) which paths of eGovernment and NPM innovation manifest as a result. Here, we take an interdisciplinary perspective that informs about managerial as well as technological innovations in the public sector. Our findings contribute to understanding IT evolution and innovation reproduction and relate to prevailing public sector decentralisation reforms as to be found in most western governmental systems.

Keywords (Required)


INTRODUCTION

eGovernment managers – on an individual-organisational as well as, for instance, on a national level – have great interest in organisational and technical innovations seeking to improve the effectiveness or efficiency or public service delivery. This especially holds true in times when budgetary and performance situations deteriorate and citizen expectations grow simultaneously (Budäus and Schwiering 1999). Here, eGovernment research already provided fruitful and feasible solutions in terms of socio-technical innovations (Henriksen and Andersen 2003; Krcmar and Schwabe 2000), but rather falls short when it comes to taking into account a meta-organisational perspective on the politico-administrative system. On the other hand, political science research takes such perspective and analyses various policy fields, including social or environment policies and information disclosure acts (Ito 2001; Ito 2006). However, such research did not yet provide a comprehensive body of knowledge of IT innovation and diffusion processes in the public sector. As information systems research has proven, analysing IT innovation and diffusion processes often necessitates a broad technological knowledge as well (Agarwal and Prasad 1998; Cooper and Zmud 1990). As a result, various academic disciplines productively contributed to analysing IT innovations as well as innovation and diffusion processes in the public sector from specific perspectives. Nonetheless, an integrated and interdisciplinary analysis of (1) IT-related (2) innovation and diffusion processes (3) in the public sector politico-administrative system is not yet to be found to a necessary extend.

Therefore, we seek to address the question of eGovernment and NPM innovation and diffusion processes in the public sector. At this juncture, we take a stance that draws from several relevant academic disciplines. First, our research question spans both technology- and management-oriented innovations in terms of eGovernment and NPM; innovation streams which habitually correlate in public sector practice. Second, we embed our study in a broader investigation of the surrounding politico-administrative system. Here, we heavily draw from political science research in order to investigate into the policy field of public sector IT. In order to substantiate our analysis, the case of Japan is selected as first example and will be approached by the means of an extensive literature review and a comprehensive series of qualitative-empirical expert interviews conducted in Japanese public organisations. The Japanese politico-administrative system is characterised by recent intensive reform efforts, especially central-local decentralisation approaches. Such high-impact dynamics will potentially shed new light on eGovernment and NPM innovation and diffusion processes, also bearing high relevance for Europe or America where similar modernisation tendencies are to be found (Pollitt and Bouckaert 2004; Wollmann 2003).
In the following, we will thus first briefly analyse related work and corresponding disciplinary perspectives. Afterwards, a research methodological discussion will first provide an understanding of how the research was carried out and which epistemological-methodological assumptions were made. Moreover, a framework for analysing the politico-administrative system will be derived from the literature review in order to frame our further analysis. Section 4 describes the Japanese case and presents key findings from the qualitative-empirical interview series. The following discussion section seeks to reveal general and generalisable issues on the basis of the Japanese study. Section 6 summarises our findings regarding a) the Japanese case, b) general eGovernment and NPM innovation and diffusion processes, and c) the possibility of interdisciplinary eGovernment research.

RELATED WORK AND DISCIPLINARY PERSPECTIVES

A variety of aspects concerning the emergence and diffusion processes of eGovernment and NPM innovations have already been addressed by previous research. Here, various stances can be differentiated, on the one hand with regard the object of analysis (innovation result-oriented vs. innovation process-oriented), on the other hand regarding the extent of the study (single-organisational vs. multi-organisational, see Tab. 1). Often, single-organisation studies are carried out from a managerial perspective while political science research habitually takes a multi-organisational/sectoral stance.

1) Regarding single-organisational studies, eGovernment research has produced various fruitful and feasible solutions in terms of socio-technical innovations (Krcmar and Schwabe 2000; Wimmer et al. 2006). Of course, such approaches bear relevance transcending an individual research setting, however, they are mainly designed to answer managerial and technical problems from a single-organisational stance. Such questions might include, for instance, which specific IT to introduce (Fleck 2003; Scherlis and Eisenberg 2003), how to design business processes (Becker et al. 2006), how to innovate managerial processes (Kaneko 2006), or which innovative hardware-oriented concept to apply (Mentzel and Reichstaedter 2002).

2) Studies tackling single-organisational settings from a process-oriented perspective have been widely conducted in the field of information systems research. Such approaches often draw from the general Diffusion of Innovation Theory, which identifies five categories of individual innovativeness, from innovators, over early adopters, early majorities and late majorities to laggards (Rogers 2003). In information systems research, following early approaches by Moore (Moore 1987), Moore & Benbasat (Moore and Benbasat 1991), several influence factors to organisational IT diffusion have been identified (Agarwal and Prasad 1998; Cooper and Zmud 1990). Bradford and Cooper (Bradford and Florin 2003) analyse the ERP implementation success in organisational settings and include innovative characteristics (e.g. complexity), organisational characteristics (e.g. top management support), and environmental characteristics (e.g. competitive pressure) in their research model. It becomes apparent that the value of such model lies in explaining individual-organisational innovation, or better “infusion”.

<table>
<thead>
<tr>
<th>Perspectives of Analysis</th>
<th>Single-organisational/Managerial Perspective</th>
<th>Multi-organisational/Sectoral Perspective</th>
</tr>
</thead>
<tbody>
<tr>
<td>Result-oriented Perspective (Innovation and Acceptance)</td>
<td>1) eGovernment and NPM innovations, such as managerial (Kaneko 2006) business process-oriented (Becker et al. 2006), hardware-oriented (Mentzel and Reichstaedter 2002) or information system innovations (Fleck 2003; Scherlis and Eisenberg 2003)</td>
<td>2) eGovernment and NPM adoption-studies addressing issues of, for instance, eReadiness (Lee-Kelley and Kolsaker 2004) or certain technology-specific usage/adoptions (Becker et al. 2004; Henriksen and Andersen 2003)</td>
</tr>
<tr>
<td>Process-oriented Perspective (Innovation and Diffusion Processes)</td>
<td>3) Inner-organisational IT innovation and diffusion processes, mainly shaped by general Diffusion of Innovation Theory (Moore 1987; Moore and Benbasat 1991; Rogers 2003)</td>
<td>4) General public sector studies of policy diffusion, for instance, social, environmental, or information disclosure policies (Ito 2001; Ito 2006) → Shortcoming of eGovernment and NPM innovation and diffusion processes studies</td>
</tr>
</tbody>
</table>

Tab. 1. Analytical Perspectives on Public Sector Innovations and Related Work

3) Multi-organisational or (public) sectoral studies often inform political decision makers, for instance, reporting eGovernment or NPM adoption ratios. Such studies might address, for instance, cooperative eGovernment or NPM projects, eReadiness (Lee-Kelley and Kolsaker 2004), certain technology-specific usage and adoption (Becker et al. 2004; Henrik-
sen and Andersen 2003), or country-specific reports on public information systems usage, e.g. the Japanese case (Sekiguchi and Andersen 1997; Sekiguchi and Andersen 1999).

4) Multi-organisational or sectoral issue have been addressed by various general public sector studies. Investigations went into, for instance, the area of social, environment, or information disclosure policies (Ito 2001; Ito 2006). However, political science research does not yet provide a comprehensive body of knowledge in innovation and diffusion processes of public sector IT (Feller and Menzel 1978).

At this juncture, we take the stance that eGovernment and NPM innovations support a more effective and/or efficient public service delivery. However, our study will transcend a single-organisational perspective (see 1 and 2) in order to investigate into how politico-administrative circumstances shape public-sectoral diffusion of such innovations (see 4). While policy diffusion research has shown that innovation and diffusion processes in the public sector heavily depend on the specific policy field (Ito 2001), we seek to contribute in terms of providing a specific study on eGovernment and NPM innovation and diffusion processes. With regard to the presented Japanese case (Section 4), we also seek to complement country-specific investigations (Ito 2002; Jain 2002; Sekiguchi and Andersen 1997; Sekiguchi and Andersen 1999).

RESEARCH METHODOLOGY

Literature Analysis and Research Framework

Prior to the series of expert interviews, an extensive literature review was conducted. Main fields included (comparative) studies of public sector reform, comprising eGovernment and NPM approaches, organisational innovation studies, political science-oriented innovation and diffusion studies as well as adoption studies in the public sector (see also Section 2). Here, we sought to identify relevant circumstantial dimensions which acknowledge the embeddedness of eGovernment and NPM innovation and diffusion processes in the politico-administrative systems. Here, Pollitt and Bouckaert (Pollitt and Bouckaert 2004) provide a comprehensive and detailed framework for understanding public sector reforms in their specific national context. Major dimensions of analysis comprise a) external influences to the politico-administrative system, e.g. change events, b) political system characteristics, e.g. party system, c) administrative system characteristics, e.g. federal or unitary structure, and d) system dynamics (see Tab. 2). These dimensions will guide our further analysis in terms of expert interviews.

<table>
<thead>
<tr>
<th>Dimension</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>a) External factors to the</td>
<td><em>External factors often influence politico-administrative systems in and initiate system internal dynamics and changes. Such external factors include change events, such as elections and scandals, but also broader socio-economical developments, such as aging populations or economic recessions. Moreover, general modernisation policies, such as NPM or eGovernment can be considered to have an external influence.</em></td>
</tr>
<tr>
<td>politico-administrative</td>
<td></td>
</tr>
<tr>
<td>system</td>
<td></td>
</tr>
<tr>
<td>b) Political system characteristics</td>
<td><em>A political system may be shaped, for instance, by its party system, political actors, or lobbies.</em></td>
</tr>
<tr>
<td>c) Administrative system</td>
<td><em>An administrative system consists of, for instance, its inner structure (federal or unitary), administrative decision-making characteristics, or administrative culture.</em></td>
</tr>
<tr>
<td>characteristic</td>
<td></td>
</tr>
<tr>
<td>d) System dynamics</td>
<td><em>Politico-administrative) system dynamics often trigger changes in public sector innovation and diffusion processes. This might be the case, if decision-making competencies (with regard to eGovernment and NPM innovations) are shifted from one to another entity. At this point, public sector reform approaches, such as eGovernment and NPM, reveal a duality. On the one hand, they represent specific policies; on the other hand, they reshape the politico-administrative system itself. Consequently, public sector innovations influence the context for their own emergence and diffusion. Here, the analysis of system dynamics addresses those reform approaches which have impact on the politico-administrative system.</em></td>
</tr>
</tbody>
</table>

Tab. 2. Major Circumstantial Dimensions to Public Sector Innovation and Diffusion (Pollitt and Bouckaert 2004)

Expert Interviews

Against this background, a series of 10 expert interviews was conducted within a 3 months-timeframe. Local government (4) as well as central government/ministerial experts (6) were interviewed while 6 out of those 10 held positions of department heads or division deputy directors. Here, both local government and central government interview partners were chosen in order to reflect on the possibly different perspectives on the central government role in innovation and diffusion. The series of interviews was carried out against the background of an interpretivist-epistemological assumption (Kamlah and Lorenzen 1984; Klein 2006). Such stance appreciates the subjective and organisational embeddedness of interview statements and, in a
critical view, acknowledges that such statements do have political dimensions. As a consequence, special attention was paid to the relationship of the interview content and the history and current position of the expert interviewed.

CASE STUDY JAPAN – DECENTRALISATION AND INNOVATION

Key Points of Public Sector Reform Dynamics in Japan

Japan is regarded as a late adopter of NPM-oriented approaches while, however, societal and economical challenges (see Tab. 3, a) have triggered major reform efforts since the late 1990s (Muramatsu and Matsunami 2003). Furthermore, after nearly 50 years of LDP-prime ministers being in office, oppositional parties gained power from 1993 to 1996 and intensified the reform discussion, for instance, regarding decentralisation (see Tab 3., b).

<table>
<thead>
<tr>
<th>Dimension Description</th>
<th>Country</th>
</tr>
</thead>
<tbody>
<tr>
<td>a) External factors to the politico-administrative system</td>
<td>Economical challenges, also as a consequence of the burst of the Japanese “Bubble Economy” in the early 1990s (Yamamura 1997).</td>
</tr>
<tr>
<td>...“Aging Society” phenomenon hand in hand with a decline of the population (Oe 2006)</td>
<td>A series of corruption scandals among high officials lead to a decrease of trust in the Japanese government</td>
</tr>
<tr>
<td>...Lack of (local government) accountability (as a result of high government-internal financial transfers, e.g. Local Allocation Tax)</td>
<td></td>
</tr>
<tr>
<td>b) Political system characteristics</td>
<td>The Liberal Democratic Party (LDP) has strongly dominated the political landscape in Japan, having a LDP prime minister in office from 1955 to 1993 and from 1996 onwards. However, during Hosokawa (1993 to 1994) and the Murayama administration (1994 to 1996) several steps have been undertaken which shape today’s public sector reform in Japan, for instance, the decentralisation promotion program (Institute of Administrative Management 2006).</td>
</tr>
<tr>
<td>c) Administrative system characteristic</td>
<td>The Japanese administrative system consists of the central government and local governments. The latter is organised as a two-tier system consisting of prefectures and municipalities (Institute of Administrative Management 2006). Japan can be considered as a unitary system where, in contrast to, for instance, German federal states, ‘local’ entities are not the state constituting elements. However, issues of local autonomy are covered by law.</td>
</tr>
<tr>
<td>d) System dynamics</td>
<td>Japanese reforms heavily emphasise decentralisation. Such efforts comprise, for instance, the decentralisation of functions as well as authority and responsibility or the fiscal “Trinity Reform” which shifts tax income from central to local entities (Doi 2004).</td>
</tr>
</tbody>
</table>

Tab. 3. Major Circumstantial Dimensions to Public Sector Innovation and Diffusion in Japan

While the Japanese politico-administrative system is a unitary system (see Tab. 3, c), strong emphasis of recent public sector reforms is put on decentralisation (see Tab. 3, d). These decentralisation efforts comprise agencification (here: “Incorporated Administrative Agencies (IAA)” (Ministry of Internal Affairs and Communication 2007)) as well as vertical decentralisation in terms of a central to local shift of authority. Niikawa (Niikawa 2006) identifies two major streams of action underlying to such governance structure reform: (1) The first stream of action aims at strengthening and enabling local governments for larger governance tasks. Such reform efforts include, for instance, building up an operable unit size, here in terms of municipal mergers (1999: 3,229 Japanese municipalities, 2007: about 1,800). Furthermore, a variety of NPM and eGovernment reforms is performed in order to increase Japanese local government managerial efficiency and effectiveness. Examples for such NPM-oriented approaches are project & policy evaluation systems and strategic management while major eGovernment projects address Business Process Management, Open Source Software, and data standardisation issues. (2) Alongside with strengthening local governance capabilities, the central-local relationship is changed in terms of vertical decentralisation. Such decentralisation comprises the transfer of tasks and functions from central to local entities, but more and more also the transfer of genuine authority accompanied with a significant change of the fiscal system (“Trinity Reform”) (Doi 2004).

The resulting decentralisation of decision-making and governance competencies (see Tab. 3, d) changes the basic outline for the emergence and diffusion of eGovernment and NPM innovations themselves. First, a growing accountability in local entities increases the motivation for local governmental reforms. Second, a greater financial independence fuels such decentralised local reform initiatives. Here, the question arises of how central and local actors make use of such new opportunities in terms of pursuing eGovernment and NPM innovations.

Expert Interviews

The series of expert interviews aims at identifying central and local government influence on local eGovernment and NPM innovation and diffusion. Specifically, it is investigated into how decentralisation of governance opens up for a decentralisa-
tion of innovativeness. Here, several institutions have high impact on current streams of innovation and diffusion (see Tab. 4). Such institutions include mass media, educational institutions, local-horizontal cooperation, but also targeted central government measures, for instance, in terms of financial support, know-how transfer, and personnel exchange (‘amakudari’).

Here, a recently started central government measure is the distribution of comprehensive best-practice reports on innovative NPM as well as eGovernment projects. Both types of reports follow a similar schema: Central government requests prefectures and municipalities to report about their ongoing reform efforts. The resulting project descriptions are collected and constitute the basis for best-practices selection, a process which is performed by the central government Ministry of Internal Affairs and Communication (MIC). Subsequently, a best-practices case book is compiled and distributed among local entities on a nation-wide basis. Both types of reports have been introduced recently, the first NPM-oriented report (about 100 case descriptions) was issued in 2006, the first eGovernment-oriented report (about 40 cases) in January 2007. Remarkably, the two types of reports are accounted by two different divisions in the central MIC (the former by the Local Administration Division on NPM, the latter by the Division of e-Local Government).

<table>
<thead>
<tr>
<th>Category</th>
<th>Main institutions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Statutory-based measures (by Central Government (CG))</td>
<td>Central government requires local governments to develop a NPM-oriented “Intensive Reform Plan”. Here, certain categories of reform have to be covered, including, for instance, policy and administration evaluation or personnel management issues.</td>
</tr>
<tr>
<td>Personnel measures (by CG)</td>
<td>The Japan-specific “amakudari”-system allows for central government officials to temporarily work in local governments, habitually on the top management level.</td>
</tr>
<tr>
<td>Financial measures (by CG)</td>
<td>Financial incentives for local eGovernment projects that comply with central government requirements in terms of, for instance, free of cost Open Source Software or funds for joint IT outsourcing projects.</td>
</tr>
<tr>
<td>Educational measures</td>
<td>Educational scholarships for (central and local) government officials, often Public Administration Studies in the US or at Japan-based graduate schools. Education of local government officials in often central government-related educational institutions, for instance, Local Autonomy College (<a href="http://www.soumu.go.jp/jitidai">www.soumu.go.jp/jitidai</a>), Japan Academy for Municipal Personnel (<a href="http://www.jamp.gr.jp">www.jamp.gr.jp</a>), or Japan Intellectual Academy of Municipalities (<a href="http://www.jiam.jp">www.jiam.jp</a>).</td>
</tr>
<tr>
<td>Mass media</td>
<td>Public administration-specific mass media, for instance “Government Technology”, regularly provide information about best-practices in public sector reform and undertakes various ranking efforts. Most leading local government reform projects provide extensive information on their websites.</td>
</tr>
<tr>
<td>Local-horizontal relationships</td>
<td>Local-horizontal relationships include, for instance, institutional relationships such as working group collaborations, and personal contacts.</td>
</tr>
</tbody>
</table>

Tab. 4. Institutions in public sector innovation and diffusion in Japan

Compared with the situation five years ago, the central ministry influence on local government innovation and diffusion processes diversified in its appearance. Here, traditional measures of taking influence, such as the personnel exchange system ‘amakudari’, are complemented by new measures, including, for instance, best-practice reports on NPM and eGovernment or financial support for local eGovernment projects that comply with central government requirements (see Tab. 4).

Some local governments, in that regard, afforded on own research department which closely watches reform-related activities by other governmental agencies, especially the central government:

_The research section is not independent from other projects, it relates to the other reform subjects. A major way of researching is learning from other governments. This also means especially watching central government activities: What does the central government think about eGovernment and other public administration reforms._ [translated]

Nevertheless, local government officials stated that they perceived significant changes in their eGovernment and NPM activities. A local administration NPM department head argued:

_Only five years ago, local government just had to follow central government orders, but that situation has radically changed. We have to be independent in thinking about local government circumstances and about streamlining our own local governmental processes._ [translated]
Local governments experience a growing responsibility when it comes to initiating and designing concrete NPM and eGovernment reform projects. With regard to the diffusion of innovations, a local government official stated:

_We perceive that there is an increasing influence of local governments on public sector reform policies in Japan. Here, the central government acts as a promoter in order to spread local government best-practice ideas to other local governments._ [translated]

Taking a reform example from the field of Public-Private-Partnership, a local government official described the central government influence as follows:

_All local governments have to deal with Public-Private-Partnerships, e.g. in the area of facility management. But still, central government still preserves influence on local governments’ facility management. This means that though facility management can be regarded as initially local government-driven (as a lot of local governments introduced NPM-oriented facility management approaches and privatised maintenance) central government now follows these efforts and made a law which is already enacted._ [translated]

Consequently, we could identify a multitude of factors that influence NPM and eGovernment innovation and diffusion in Japan. Such factors include traditional as well as new measures undertaken by the central government, but also a growing trend towards local-horizontal cooperation and diffusion processes.

**DISCUSSION OF CASE STUDY RESULTS**

Public sector reform in Japan, especially decentralisation, has significant impact on the governance structure. There is a growing trend towards strengthening local governance capabilities and shifting tasks, functions, authority, financial revenues, and responsibility from the central to the local government level. Such changes in the governance structure have a strong effect on eGovernment and NPM innovation and diffusion processes. First, decentralisation creates a greater motivation for local governments to innovate and adapt innovations (accountability). Second, financial and managerial reforms support a decentralisation of innovativeness. Here, for instance, greater financial autonomy allows for a decentralised establishment of eGovernment and NPM knowledge in local entities, e.g. in terms of own research units. Furthermore, managerial and educational reforms build up a greater body of NPM and eGovernment knowledge among local government officials.

As a consequence, traditional top-down innovation and diffusion processes are increasingly complemented by bottom-up approaches (see Fig 1., CG: central government, PG: prefectural government, LG: local government; for other policy fields than NPM and eGovernment see (Ito 2006)):  

(1) **Innovation and diffusion processes in the Japanese government have a strong top-down tradition (Jain 2002; Westney 1982). Japan is often referred to as the “Catch-up state” (Jain 2002) that adapts other nation's best-practices to Japanese requirements (e.g., Prussian governmental system). Hence, also eGovernment and NPM ideas have been taken from other national practices, for instance, the British government agency system (in Japan: Incorporated Administrative Agencies (IAA)). Such top-down approach was tied to a strong central government decision-making power and an accordingly strong central government influence on local government NPM and eGovernment innovation and diffusion.**

(2) **In the tide of decentralisation, an emergence of bottom-up innovation and diffusion processes can be observed. Here, the central government might play the role of a multiplicator by collecting best-practice knowledge and distributing it among other governmental entities. In that regard, NPM (2007) and eGovernment (2006) best-practice case books (see again Tab. 4) play an important role. An example of such local innovation and central-local diffusion are performance**

![Fig. 1. Possible pathways of innovation and diffusion in Japan](image-url)
measurement activities first carried out by Mie-Prefecture and today transformed into a national standard for all local governments.

(3) In addition, horizontal-local diffusion of NPM and eGovernment innovations is characterised by a quasi-absence of central government influence. One reason for this might be that the particular innovation is still in an early phase and that the central government does not yet intend to promote this or competing approaches as ‘best-practice’. Also, particular innovations might not lie in the focus of central government attention.

The diversification of innovation and diffusion processes can be explained by decentralisation and capacity building efforts among local governments. Here, innovative local governments might perceive central government influence as (too) strong as local innovativeness still depends on central financial support to a great extent. On the other hand, at the moment central government tries to sustain certain influence on local government decision-making (see again Tab. 4) arguing that local government capabilities might not yet comply with a fully decentralised governance system. For that reason, central government, until now, plays an active and important role in NPM and eGovernment innovation and diffusion in Japan.

CONCLUSIONS AND FUTURE RESEARCH

Regarding the Japanese case, our study revealed a diversification of innovation and diffusion processes. Decentralisation and localisation tendencies in the Japanese governance structure open up for a decentralisation of NPM and eGovernment innovativeness. From the perspective of local government innovators, a multitude of information sources comes into play including, for instance, central government information material such as NPM and eGovernment best-practice reports, central government statutory requirements such as an obligatory “intensive reform plan”, but also mass media and horizontal-local information sources. Furthermore, decentralisation increases local accountability and consequently raises motivation for local governmental innovations. Further research might quantify the impact of particular factors.

Studying NPM and eGovernment innovation and diffusion processes, the Japanese case exposed the significant effect of decentralisation efforts and changes of governance structures. Traditional top-down approaches are complemented by bottom-up innovations and imply a central government in the role of an innovation multiplicator. Such insights open up for further research which might aim at analysing how such multiplication can be improved or how particular innovation practices might be designed in order to function as role model and best-practice for other settings. Such question potentially bridges between a managerial-organisational and a multi-organisational/sectoral perspective on NPM and eGovernment innovations. Furthermore, the present analysis framework and the Japanese case study provide a starting point for further comparative studies on IT innovation and diffusion processes in the public sector. Here, especially a comparison with federal governmental systems, for instance, in Germany or Switzerland, might be of great interest.

Our political science-oriented study on NPM and eGovernment innovation and diffusion processes revealed that the politico-administrative system entails greatest relevance for public sector innovations, let it be in the field of NPM and/or eGovernment. This calls for further interdisciplinary research that appreciates the politico-administrative embeddedness of socio-technological innovations. Here, a multi-organisational/sectoral perspective on innovation and diffusion processes (see again Tab. 1. Point 4) provides a fruitful starting point as it addresses the question of innovation multiplication and economies of scale from a national perspective. Here, governments might investigate into which measures stimulate a sustainable innovativeness among governmental entities: Large central government-funded pilot projects (see, for instance, in Germany “’Media@Komm”) or rather original means of understanding genuine (local) innovation and its multiplication (see, for instance, NPM and eGovernment best-practice reports in Japan). Here, further qualitative as well as quantitative research is necessary.

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