Special Session Proposal

Special Session Title: Innovation, Transparency, and Policy Implementation in Israel's Public Sector

Abstract

This panel examines innovation, transparency, and policy implementation in the public sector in Israel, focusing on how organizational and cultural conditions shape the outcomes of reform initiatives. Rather than treating innovation and digitalization as primarily technical challenges, the papers in this session emphasize the role of decision-making processes, administrative culture, and implementation dynamics in public organizations, particularly at the local government level in Israel.

Several contributions explore internal organizational processes. **Margarita Barer**'s study conceptualizes decision-making transparency in local authorities as a collective, multi-member process and shows that higher transparency is associated with more informed decisions, while also highlighting the role of technology in complex decision-making settings. **Tali Malinof**'s study investigates the adoption of artificial intelligence in the public sector, revealing how employees' perceptions of readiness are shaped by tensions between professional identities, regulation, infrastructure, and competing organizational priorities. Together, these studies illustrate how innovation is negotiated within existing institutional constraints rather than simply adopted.

Additional papers broaden the analytical perspective on innovation. **Vered Uziel and Chen Sharony**'s study analyzes the role of informality in bureaucratic organizations, demonstrating how informal practices can support innovation in public sector organizations. **Shaul Hartal**'s study advances a broader conception of innovation that includes organizational and non-technological change, arguing that overreliance on R&D-driven models limits inclusive growth and effective policy outcomes.

Finally, the session links organizational dynamics to policy results through **Liran Maymoni and Chen Sharony**'s empirical evaluation of Israel's 2010 health capitation reform. Despite explicit equity-oriented goals, the reform coincided with widening regional health disparities, highlighting an implementation deficit between policy design and outcomes. Overall, the session contributes to debates on public sector innovation, governance, and policy failure by demonstrating that transparency, culture, and implementation capacity are central to understanding why reforms succeed or fall short in practice.