

POLICY BRIEF

Project title: Co-Production and Co-Governance: Strategic Management, Public Value and Co-Creation in the Renewal of Public Agencies across Europe (COGOV)



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I. INTRODUCTION

COGOV responds to the policy problem of how strategic management can best enable local governments and public agencies to exploit the drivers - and overcome the barriers - to the co-production or co-creation of innovative public value outcomes at both organizational and project levels, and which lessons can be shared on undertaking strategically managed co-creation?

By co-creation, we mean the process through which two or more public and private actors attempt to solve a shared problem, challenge, or task through a constructive exchange of different kinds of knowledge, resources, competences, and ideas that enhance the production of public value in terms of visions, plans, policies, strategies, regulatory frameworks, or services. This can either be through a continuous improvement of outputs or outcomes or through innovative step-changes that transform the understanding of the problem or task at hand and lead to new ways of solving it.

Given the scale of the COVID-19 virus since March 2020, some data collection has been delayed (and timelines amended). However, there are also opportunities to refine aspects of COGOV data-collection to enable an early assessment of COVID's impact on the strategic management of co-production and co-creation.

Evidence collected/being collected to answer this policy problem include:

1. Administering a large pan-European Survey across 6 national sites
2. Establishing an archive of innovative practices, based on 205 interviews in 15 case studies across Europe (<http://cogov.eu/wp-content/uploads/2020/10/D2-3.pdf>) and
3. Creating an analytical framework to examine co-production and co-creation of territorial cultural strategies in the UK and France: (Aix-Marseille <http://cogov.eu/wp-content/uploads/2020/12/WP55.1.Synthesis.pdf> and London: <http://cogov.eu/wp-content/uploads/2020/12/Overview-London.pdf>)
4. Organising and implementing an innovative design-experimental approach to introducing co-creation approaches in:
 - The Slovenian Ministry of Public Administration;
 - Newcastle City Council (UK);
 - Vitrolles Council (France);
 - Rijeka Local Partnership (Croatia); and
 - Gentofte Municipality Council (Denmark).

The evaluation framework applied is based on a five-step 'Ladder of Co-Creation:

Step 1: The curious municipality or public agency		Score
Impetus	Austerity, resource constraints and external inspiration put co-creation on the agenda	1
Extension	Individual agencies experiment with co-creation where appropriate	1
Organizational design	Administrative silos prevail and contact with external actors is sparse	1
Participation	Citizens are sporadically involved, but late in the process	1
Core principle	Curiosity as to how co-creation can help solve acute problems	1

Step 2: The involving municipality or public agency		Score
Impetus	Initial experiences are positive and spur new efforts	2
Extension	Local experiments blossom as public leaders openly support co-creation	2
Organizational design	Project groups cuts across silos on an ad hoc basis	2
Participation	Citizens and organized stakeholders are involved earlier in the process to harness their resources and ideas	2
Core principle	Co-creation will enhance democratic legitimacy	2

Step 3: The ambitious municipality or public agency		Score
Impetus	Mixed evaluations stimulate learning about how to co-create	3
Extension	Bottom-up initiatives are supplemented by top-down strategies	3
Organizational design	Employees drill holes in silos and co-create in mandated networks and partnerships	3
Participation	Skilled and competent boundary spanners connect public and private actors that are involved in developing and implementing solutions	3
Core principle	Public and private actors can learn from each other to improve solutions and create public value	3

Step 4: The mature municipality or public agency		Score
Impetus	Identification of problems and dilemmas heightens ambitions	4
Extension	Co-creation becomes a standard operational procedure	4
Organizational design	Cross-boundary collaboration is enhanced by new platforms	4
Participation	Relevant actors participate in co-creation of problem definitions and new solutions, but the process is orchestrated and steered by public actors	4
Core principle	Public and private actors are co-responsible for public value outcomes	4

Step 5: The co-creating municipality or public agency		Score
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Impetus	National Public Innovation Award turns the municipality or public agency into a beacon	5
Extension	Elected politicians have begun to co-create policy solutions	5
Organizational design	Agile and fluid organizations design digital and physical platforms for co-creation	5
Participation	Both public and private actors can initiate and lead co-creation: co-creation is combined with co-management	5
Core principle	The public sector increasingly sees itself as an arena for co-creation	5

Source: <http://cogov.eu/publications/wp/wp4-t1-t2/>.

5. Developing a 'CO-CREATOR' board game to aid policy learning

6. Identifying the relevant skills for managers and professionals engaged in co-production and co-creation via the study of key policy sectors, such as housing, education, culture, employment, education, social care, environment, planning, digital innovation (<http://cogov.eu/wp-content/uploads/2020/07/D61.pdf>)

7. Developing an e-toolkit based on four tools providing holistic support for public service renewal through co-creation. (Co-Ready) supports the assessment of organizational readiness for co-creation. (Co-Serve) supports the selection of public services most suitable for the renewal based on co-creation principles. (Co-Renew) supports the co-creation process for a selected public service (once it has been selected with Co-Serve tool). (Co-Master) supports the assessment of the quality of the co-creation process that took place during the service renewal in order to identify room for improvements in future co-creation processes. Below is an example of how data from COGOV WPs have been assimilated and used by WP7 to define the key attributes needed to assess the organizational readiness for co-creation.

(Co-Ready): the assessment of organizational readiness for co-creation

Attribute	
1. Capacity of the organization	
1.1 Structural characteristics of organization	
1.1.1 Readiness for change of existing institutional structure (awareness of the limits of conventional policy-making and intent for structural change towards co-creation)	
1.1.2 Connected organizational structure (no silos)	
1.1.3 Collaborative culture (internally and externally)	
1.2 Communication	
1.2.1 A two-way channel of communication securing direct, structured and continuous interaction with external stakeholders	
1.2.2 Developed strategies for mobilization and motivation of external stakeholder participation	
1.2.3 Formal evaluations and/or evidence about the impact of previous co-creation activities	
1.3 Strategic setting of the organization	
1.3.1 Clear mandate and vision of the organization	
1.3.2 The organization is guided by clearly defined long-term community-oriented strategic goals	

Attribute	
1.3.3	The performance of the public organization primarily guided by quality targets (not by quantified output-oriented practices giving key importance to productivity)
1.4	Organizational resources
1.4.1	Sufficient financial resources to implement co-creation
1.4.2	Sufficient human resources availability to implement co-creation
1.5	Stakeholders' trust
1.5.1	The public organization enjoys a high level of public trust (based on public polls, customer satisfaction surveys, evaluations or internal analysis conducted by the organization)
2.	Staff's capacity (knowledge and skills, attitudes and autonomy)
2.1	Knowledge and skills
2.1.1	Training and education opportunities for staff implementing co-creation
2.1.2	Staff are skilled in project management
2.2	Attitudes
2.2.1	Supportive perceptions on co-creation among staff
2.2.2	Staff's awareness of the benefits of collaboration with external actors
2.2.3	Staff have a desire for building a positive public image of the organization
2.2.4	High level managers take the role of advocates of co-creation
2.2.5	Staff support reforms (concrete operational steps) that would lead to the introduction or improvement of co-creation (even though, in the short-term, it could be a 'painful' process in terms of additional workload)
2.3	Autonomy
2.3.1	Staff have decision-making autonomy about specific cases/tasks they deal with
2.3.2	Staff are willing to give discretion to external stakeholders in policy making/service delivery
3.	The wider societal, political and legal context in which the organization acts
3.1	Loose regulative framework of the policy areas within the competence of the public organization
3.2	Support and promotion of co-creation by international organizations
3.3	The general political context (at the national, regional and/or local levels) is perceived supportive of collaboration with external stakeholders
3.4	Collaborative-based institutional environment, where co-creation is perceived as the standard procedure of policy-making
3.5	National legislation sets positive climate for co-creation

II. SOCIO-ECONOMIC AND DEMOCRATIC IMPACTS

Impacts so far (there is still over a year left in the project) can be seen in terms of enhancing democracy though both enhancing citizen involvement in governance and improving the link between administrations and their publics.

The sharing of lessons amongst public administration bodies is exemplified in our [Case Study Work](#) which draws on over 200 interviews in 15 areas. The cases presented represent three different areas of working: environment; culture; and government, industry and administration. Examples included:

In Croatia, The Rijeka 2020 ECoC Participatory Programme aimed to actively involve citizens in the creation of cultural, environmental, and social programs as well as improve the production and organizational capacities of informal individuals and civilian groups

In the UK, The Welsh Water 'Resilient Community' project which placed the community at the heart of plans to upgrade 23km of water pipes running between two towns

In France, a 'concertation' (decision-making based on social dialogue) took place in Gardanne, a small industrial town, to address an ongoing local environmental conflict.

In the Netherlands, the Netherlands Enterprise Agency (RVO) adopted the 'Agenda 2022' strategy to respond to societal challenges as well as to focus on developing integrated services, attracting qualified employees and providing data-driven stakeholder support. The focus of the strategy is on creating public value, referring to the United Nations' sustainable development goals.

Participatory Budgeting in France: the municipality of Brest made €500,000 available for the implementation of projects proposed by inhabitants. All residents regardless of age or nationality were allowed to participate, and individuals or groups could submit projects. The municipality actively encouraged inhabitants through hosting public debates and co-constructing projects.

The study represented different actors with whom public agencies now work such as civil society, citizens (individual or groups) and service users. The cases also span across Europe from Slovenia, to the United Kingdom, Netherlands, France, and Croatia. They represented some of what the team see as the most promising cases of bottom-up ways of working with citizens and service users at both a strategic and operational level. The research aims to support local political leaders, public managers and practitioners as they seek to engage society in innovative ways of organizing and delivering public services by highlighting key practices that supported project or organizational success and may be useful to others who similarly seek to co-produce or co-create.

While the stakeholders were able to reflect on their own practice through being part of the COGOV research, some additional patterns of practices across all the cases were fed back:

- Creating a sense of community (within the organization and with collaborators);
- Focus on relationship-building;
- Ensuring communication (internally and externally) is transparent and easy to understand;
- Willingness to learn and adapt when necessary;
- Creating capacity through for example hiring staff, changing structures, or allocating time;
- Ensuring that purpose and goals are easy to understand (both internally and externally);
- Creating a plan which explicitly includes enhanced stakeholder participation.

(<http://cogov.eu/wp-content/uploads/2020/10/D2-3.pdf>)

III. USE CASES

One exemplar is our work on Design Experiments in Co-Creation. Here, a group of 6 use cases have been selected in which we will conduct a series of design experiments in order to create a detailed, contextual knowledge of what works when it comes to the strategic efforts of public actors to spur co-created problem solving. The three aims are:

- Identifying and extrapolating practices for transforming (in a robust and sustainable way) public agencies into arenas for co-production and co-creation
- Creating a learning game called 'CO-CREATOR' that aims to teach elected politicians and public managers how they can manage challenges and dilemmas arising in relation to co-creation and collaborative innovation.
- Supporting the development of the local governments and public agencies that we have studied into 'Beacons' for inspiration and knowledge diffusion of practices of co-production, co-creation and co-governance

While the work is still in operation, the type of interventions that have been made - and whose impact is being monitored - includes:

Slovenia: The Ministry of Public Administration is developing a centralized system for e-authorization that will enable users to authorize another person to perform different online or offline services in their name. The intervention is aimed at facilitating the integration of information and opinion gathered from different external and internal stakeholders by going beyond initial plans for engagement.

Denmark: The Gentofte municipality has formed a new Task Committee with politicians, citizens and administrative facilitators that is mandated to develop a plan for how 6 local public libraries can be developed into cultural hubs. The intervention is facilitate the creation of an innovative solution (turning libraries in to cultural hubs based on co-creation) that respects and retains the traditional functions of the extremely well-functioning libraries.

UK: Homelessness Project in Newcastle: the municipality aims to incorporate service users' views into the re-design of systems for homeless people. The goal is to improve service for homeless by incorporating service users (for the first time) directly in the design of services.

Croatia: The Local Partnership Programme of Rijeka, through direct participation of citizens, associations and local boards, enables citizens to resolve part of their needs faster and more cost effectively, by renewing smaller public spaces (e.g. children's play areas; grass verges; avenues with Trees). The goal is to improve the service in order to enhance the quality of information provided for the citizens and the quality of the provided services and also to increase the co-creation aspect of the services.

France: Development of a strategic document for cultural democratization in Vitrolles. The experiment will engage 12 local public managers, 3 community partners, 2 politicians and 12 citizens. The goal is to enhance citizen participation in cultural policy and activities to build legitimacy and a positive reputation.

These cases - and the lessons on how to successfully manage co-creation interventions - will be available as part of the Deliverable Report on *Case Studies of Public Administrations as arenas for co-production and co-creation*. They will also underpin the development of the interactive Learning Game 'CO-CREATOR'. They will also form part of a web-based repository of practices for the strategic renewal of public administrations in Europe.

IV. POLICY IMPLICATIONS AND RECOMMENDATIONS

a) Strategic Management and Co-creation: Emerging Lessons

1. Irrespective of different administrative traditions, co-creation as a public governance practice is being widely implemented across the COGOV countries.
2. The use of co-creation to explore new issues and unmet needs is increasingly more likely than the use of collaboration to improve already existing services (co-production).
3. Public Value (with an emphasis on stakeholder engagement and improved service performance & satisfaction) as opposed to resources and capacity, is increasingly important in shaping response of managers
4. Our analysis of the strategic management efforts indicates that co-creation in most cases is:
 - **Values:** A central part of the organizational vision and mission
 - **Leadership:** Embraced by leading public administrators, but infrequently by elected politicians
 - **Platforms:** Underpinned by digital platforms BUT physical platforms are vital conducive for building trust, spurring mutual learning and crafting new solutions
 - **Roles and Perceptions:** Supported by a tentative and yet incomplete movement from traditional command and control leadership and management to a more facilitative forms of leadership and management that aims to empower employees and citizens to co-creation innovative public value outcomes
 - **Drivers:** highly committed social, administrative and political actors; convergence of needs; strong levels of trust
 - **Barriers:** institutional and resource constraints e.g., lack of time and resources to invest in co-creation e.g., the reluctance to let go of governmental control of policy-making & service provision.

ii) Co-Creation and the Role of Professionals

1. Public management reform initiatives for more internal and external collaboration (New Public Governance) created new role expectations for public professionals as *co-creators and network partners*, different from earlier expectations for roles as *legal servants* (Traditional Public Administration) or *service providers* (New Public Management).
2. Involving professionals in the renewal of local government and public agencies puts the full burden on professionals on how to implement the NPG model in practice in a context of competing logics (NPM and TPA). Plans, on a more strategic level, to involve professionals and cope with new (and multiple) role expectations seem absent.
3. Professionals are supposed to invite and accept (experiential) knowledge of clients and others next to their professional knowledge. Especially in a welfare state context this is a challenging task, whereas clients and citizens are traditionally seen as 'objects of care' rather than equal partners.

iii) Co-Creation for Managers: Recommendations

- Managers, politicians, and professionals should be aware that a hybrid/mixed approach to strategy may be beneficial when attempting co-creative or co-productive projects or services
- Greater attention needs to be paid to understanding the processes involved with co-creation and co-production outside of simple impact evaluations;
- Managers should set aside time and resources for training professionals in how to co-produce and co-create;
- Politicians, professionals, and managers should be aware of the necessity of funding and staff capacity when beginning a co-creative or co-productive project or service

(iv) Knowledge Gaps: New Research Agendas identified by COGOV

Overview

a) Future research in what is a rapidly maturing field of co creation should now emphasise *extensive and sustained empirical work*. Given that the initial theoretical ground clearing exercise has largely been undertaken, building the empirical base further should be a key priority. It will still be important to ensure that such empirical work is theoretically informed. Future empirical work should include: **Comparative case-study** based work which moves across sectors and jurisdictions (so getting beyond single cases) and large N survey-based studies. It would also be interesting in longitudinally orientated case study work to track how traditional TPA/NPM public agencies move to different co-creation approaches and any role of strategic management models in supporting such a change; A more detail empirical study needs to be undertaken to **understand the relationship between public value impact and co-**

creation or co-creation and leadership. Specifically, in the case of leadership, future studies would be advised to expand the measurement of collaborative leadership and include variables that measure other leadership types as a counter effect to collaborative leadership'

b) Future research is needed to capture and analyse *the implications - across Europe - of COVID on public administrations, public service delivery and the engagement of citizens.* Government's frequent reformulations of COVID restrictions clearly test the populations' understanding and patience. However, citizens' trust in government, compliance with rules and regulations, and acceptance of new norms and values are critical to the creation and successful implementation of national responses to COVID. Will this act as a spur to co-creation, as in order to build popular support, governments must get in closer proximity to citizens by inviting them to participate in the co-creation of public governance? (Ansell, Torfing, and Sorenson, 'The COVID-19 pandemic as a game changer for public administration and leadership?' in *Public Administration Review*, 2020).

Specific Research Questions

- How can co-creation help us to build robust solutions in the face of turbulence? What is the role of collaborative governance for crafting robust problem-solving strategies. What types of institutional designs, platforms, and arenas will help spur robust governance and which forms of leadership are conducive to this.'
- Is it possible to conceptualize a distinct form of co-creational leadership?
- How can co-creation at multiple levels help us to promote the European green deal?
- How can public authorities make co-creation more effective in terms of cost and red tape?
- What is the relationship between public value impact and co-creation and between co-creation and leadership?
- What is the impact of multiple network membership and broader network-environment relations on the capacity of network organizations to function effectively in the face of competing and often conflicting demands?
- What new institutional designs can be promoted to support the advancement of collaborative governance where politicians are brought into contact with professionals and non-state stakeholders and facilitate cross-sector collaboration.
- How can elected politicians become fully involved in co-creation and how can we understand network governance's relationship to traditional democratic systems.
- How can strategic management facilitate professionals in coping with multiple role expectations: as co-creators and network partners?
- How can we ensure that evaluation of co-creation begins at the start of the project to capture stakeholder feedback; and that evaluations pay close attention to organizational processes as well as impact assessments.

V. SUSTANABILITY TOOLKIT

Both the Online *Co-Creation Tool Kit* and the *Practice Sourcebook of Promising Practices* will be practitioner- orientated outputs which will be available to the field (and be diffused widely) after the project. This is also the case for the interactive CO-CREATOR game.

The project's online presence (web site and social media) will remain open for two years after the end of the project, still providing online resources.

The networks created by the end of project conference and the learning sets we will have set up, will continue to develop in a self-sustained manner.

Academic publications after the life of the project will foster longer term interest in the results and we will ensure a body of scholarship work that will leave a discernible footprint in the field (see extensive dissemination plans on: <http://cogov.eu/wp-content/uploads/2020/12/D8-1.pdf>)

We will continue to seek to give presentations to key meetings of academics, policy makers and practitioners on the basis of these published outputs to provide face to face dissemination. Crucially, given the way the project is designed, its findings will provide a set of concrete recommendations for policy-makers at local regional and national level –as key project deliverables.



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