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*Co-production and innovation -
creating better solutions for future
public service implementation*

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Co-production is about government, experts and users coming together as a service system to improve the practical public service delivery. It requires interrelationships between the public service, service providers and service users and is considered an essential element in the successful design and delivery of contemporary public services because it can offer opportunities for users to gain empowerment. It also offers increased innovation as we suggest the capacity of an organisation and the users of the service to co-produce and the levels of innovation it creates is linked.

Co-production is a process that requires collaboration but how it looks differs depending in part upon when the co-production takes place and whether it is linked to management, service or systems theory. This is important because a lack of understanding of the theoretical framing of co-production results in challenges to co-production management that means the opportunity for innovation is lost.

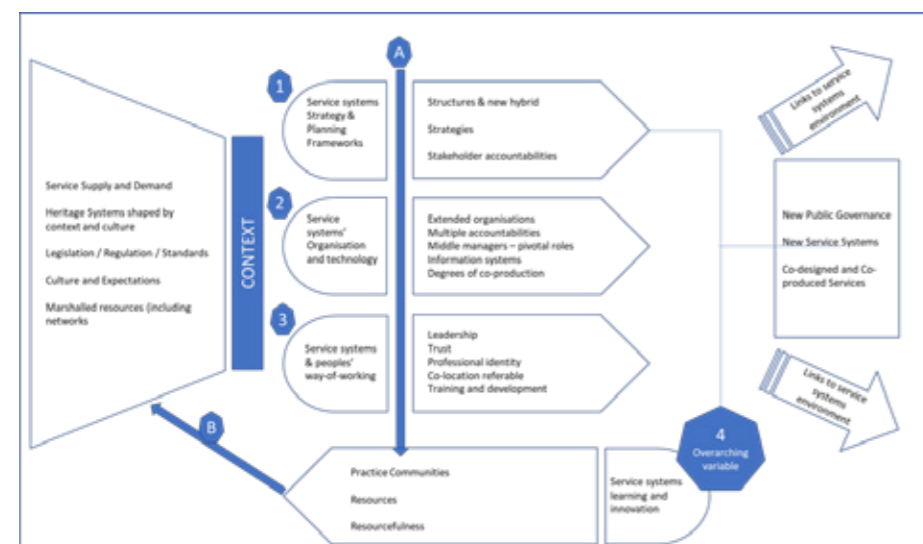
There are **three alternative theoretical perspectives** of co-production.

- First, a public administration approach where the focus is upon on the creation of the ideal service design and delivery by experts.
- Second, an approach to the delivery of public services with a focus on “services” to be delivered **with** the user within a service management system, rather than “manufactured goods” delivered **to** them. Thus, the importance of context in which the service is delivered is recognised, and it is accepted that there is no one best way of delivering services.
- Third, is the systems approach where the focus shifts from participation in a single service to value gained from the interactions across the system as a whole. Each organisation is a sub-system within a complex public service system where interactions between citizens or service users are dynamic. Every participant has a unique personal pathway through the systems and sub-systems which is influenced by their individual lived experiences. This both enables them to make sense of their world and, inevitably, impacts upon the experiences of other users.

The interactions between multiple stakeholders give rise to the emergent properties, or unexpected outcomes, within the system that facilitate evolution and innovation. Thus, we suggest that for innovation to be really supported, organisations should adopt a service integration approach to co-production where the user is central to the service design and delivery.

In an integrated service system view of co-production value is embedded in the service and is “pulled” from the service by the service users for what they want rather than being “pushed” by the organisation. **Public value emerges through the integration of organisations, people, skills and knowledge rather than through the decisions of an expert.** Some possible elements are indicated in the figure below.

Service integration and new governances (Laitinen, Kinder and Stenvall, 2018, p 865)



Adopting a service integrated systems strategy changes the roles of the different actors in the co-production system and has **three implications**:

- **Who benefits** from co-production changes with a move from product focused, where the most likely beneficiary was the service provider, to service integrated where most users would benefit. However, this could be a major change for those undertaking this as it requires the capacity to work in an effective, systems focused, joined-up way.
- **Different skills are required** within government so that public servants are able to support this model. The ability of public servants to lead expert groups, steward service-wide programs of work and span boundaries within, and external to, the public service would be significant in affecting innovation success.
- The **focus of how to create and sustain innovation moves away from stand-alone innovation processes**, towards using service integrated co-production as the mechanism that will enable innovation to emerge. We submit that when there is the call for collaboration to enable innovation, what is needed, in fact, is the development of service integrated co-production. If this way of working is embedded into government systems and structures, ongoing calls for transparency, accountability, agility and innovation would, inevitably, have to be addressed.

As a result of our analysis we suggest that the way forward for both academics and practitioners if co-production is to be better understood as a trigger for innovation is to consider some new research and practice questions:

- Is the service integrated systems model with its claims of innovation and long-term cost saving legitimate?
- What is the social impact of user centred co-production when the system includes the third sector?
- What is the evidence of the success of co-production as an innovation tool, and how can it be evaluated within the Australian context?
- Does understanding that there are different forms of co-production help clarify the wide range of potential uses that range from a relationship for enduring and voluntary outcomes (such as school participation) to the mundane and at times involuntary or compulsory activities with immediate outcomes (completing a tax return)?
- What is the role of information technology and social media in co-production?

To answer these new questions we call for more diversity in research and practice approaches using a wider range of methodologies and methods to help evaluate whether co-production is either capable of, or actually delivering, anticipated innovation results.

A full version of this paper can be found on:


<https://www.unsw.adfa.edu.au/public-service-research-group/psrg-paper-series>

Reference:

Laitinen, I., Kinder, T. and Stenvall, J. (2018). Street-level new public governances in integrated services-as-a-system, *Public Management Review*, 20:6, 845-872, doi:10.1080/14719037.2017.1340506.

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