

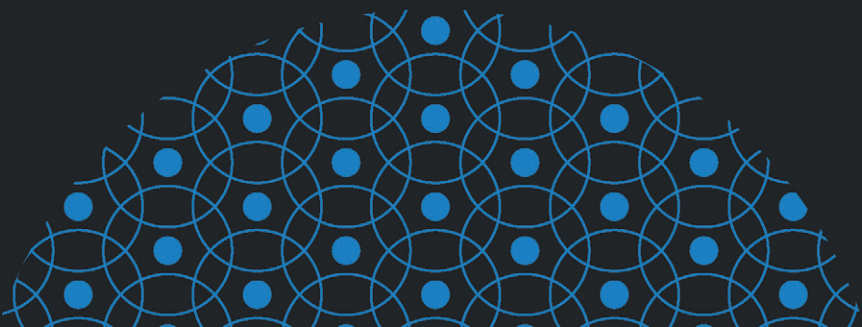


EMERALD POINTS

PUBLIC VALUE CO-CREATION

A Multi-Actor & Multi-Sector
Perspective

ALESSANDRO SANCINO



PUBLIC VALUE CO-CREATION

This page intentionally left blank

‘Alessandro Sancino’s new book offers thought-provoking discussions on several key concepts in public management, especially on public value and the actors involved in creating it’.

Taco Brandsen, Professor of Public Administration at Radboud University Nijmegen, The Netherlands, and President of EMES International Research Network

‘Alessandro Sancino’s book is a remarkable and much-needed synthesis of the multiple literatures related to public value co-creation. For those of us trying to find our way in this field that is crucial for the future of liberal democracies, the book is an invaluable guide to navigation for purposes of research, teaching and service’.

John M. Bryson, McKnight Presidential Professor Emeritus, Hubert H. Humphrey School of Public Affairs, University of Minnesota, USA

‘This book is a really valuable contribution to the new literature on co-created public value creation for two reasons. First, it moves beyond the narrow perspective of public values as something that the public sector produces alone or by occasionally involving private actors by pointing out that public value is produced in all corners of society and that a public sector that aims to mobilize society and enabling place-based co-creation stand much better chance of contributing a strong and well-functioning society. Second, the book offers much-needed guidance for public managers who aspire to take on this task’.

Eva Sørensen, Professor in Public Administration and Democracy, Department of Social Sciences and Business, Roskilde School of Governance, Roskilde University, Denmark

‘Sancino’s book is an insightful contribution to the public value theory for at least three reasons: firstly, because it proposes a circular framework. Actually citizens know better than anyone else their needs and the right services. Secondly, because the co-creation is analyzed in different interdependent phases. Thirdly, because it adopts the complexity lens. Turbulent environments, multilevel and

multiagent relations require “disruptive innovation” in theory and practice’.

Elio Borgonovi, Emeritus Professor of Public and Healthcare Management, Bocconi University, Milan, Italy

‘Alessandro Sancino’s fascinating book highlights the essential role of multi-sector collaboration in the co-creation of public value, exploring the role that different actors play including the key role of civic and community led action in enabling place-based change. It provides practical insights into different theories, models and case studies from across the world. This book is an invaluable guide for academics, students and practitioners, including those who work in the public, private and community sectors’.

Lorraine Hudson, Associate Lecturer in the School of Engineering and Innovation at The Open University and previously Director of Bristol Living Lab, Knowle West Media Centre, UK

‘I thank Alessandro Sancino for providing an innovative definition of the modern public manager, who is asked in this historical moment to be a true “civil servant”, capable of generating community development together with the other societal actors. Studies like this represent a fundamental stimulus for those who work in the public administration in close contact with the needs but also with the resources that the community does have. A precise vision rich in suggestions that must be part of the permanent training of public managers’.

Michele Bertola, City Manager of Bergamo and President of Italian City Management Association, Italy

‘In this very readable short volume, Alessandro Sancino makes an insightful contribution to our understanding of the changing possibilities for the future of public management. Driven by a desire to advance the cause of public purpose in changing times, his analysis will be of great interest to scholars, public servants and civic activists alike’.

Robin Hambleton, Emeritus Professor of City Leadership, University of the West of England, Bristol, UK, and Director of Urban Answers

‘Alessandro Sancino’s important book has arrived at just the right time as governments, businesses, NGOs and communities grapple with the post-COVID-19, geopolitically uncertain and carbon neutral challenged world. He thoughtfully integrates diverse strands of public management research, such as collaborative governance and place-based leadership, in a manner that is both authoritative and accessible, wise and empowering. The book reveals a scholar who is reaching the peak of his capabilities; an accomplished scholar who has built his career on all-too-rare first-hand local government leadership experience. The book will be an invaluable resource for academics, policy-makers and public and private sector leaders’.

*Brad Jackson, Professor of Leadership and Governance and
Associate Dean, Waikato Management School, University of
Waikato, New Zealand*

‘Dr Alessandro Sancino’s book is an important addition to the burgeoning literature on the theory and practice of public value. He draws together and develops the perspectives of academics, policymakers and managers from many different countries, focusing on three key public value themes – co-creation, civic-ness and place. Crucially, his prior experience in local government in Italy also allows him to add a distinctive “insider’s” understanding of the political challenges of creating public value in contested and turbulent contexts. I have found Alessandro’s book a stimulus to my own thinking and writing about the implications, for public value theory and practice, of the seismic systemic changes taking place in the ecological, political, economic, social, technological, organizational context and culture. I read it and recommend it!’

*John Benington CBE, Emeritus Professor of Public Policy
and Management, Warwick University Business School, UK*

This page intentionally left blank

PUBLIC VALUE CO-CREATION

A Multi-Actor & Multi-Sector
Perspective

BY

ALESSANDRO SANCINO

*The Open University, UK & University of
Milan-Bicocca, Italy*



United Kingdom – North America – Japan – India
Malaysia – China

Emerald Publishing Limited
Howard House, Wagon Lane, Bingley BD16 1WA, UK

First edition 2022

Editorial Matter and Selection © 2022 Alessandro Sancino.
Chapters 3, 5, 6 © 2022 Alessandro Sancino.
Chapter 2 © 2022 Irene Schindele and Alessandro Sancino.
Chapter 4 © 2022 Alessandro Braga and Alessandro Sancino.
Published under exclusive licence by Emerald Publishing Limited.

Reprints and permissions service

Contact: permissions@emeraldinsight.com

No part of this book may be reproduced, stored in a retrieval system, transmitted in any form or by any means electronic, mechanical, photocopying, recording or otherwise without either the prior written permission of the publisher or a licence permitting restricted copying issued in the UK by The Copyright Licensing Agency and in the USA by The Copyright Clearance Center. Any opinions expressed in the chapters are those of the authors. Whilst Emerald makes every effort to ensure the quality and accuracy of its content, Emerald makes no representation implied or otherwise, as to the chapters' suitability and application and disclaims any warranties, express or implied, to their use.

British Library Cataloguing in Publication Data

A catalogue record for this book is available from the British Library

ISBN: 978-1-80382-962-3 (Print)
ISBN: 978-1-80382-961-6 (Online)
ISBN: 978-1-80382-963-0 (Epub)



ISOQAR
REGISTERED

Certificate Number 1985
ISO 14001

ISOQAR certified
Management System,
awarded to Emerald
for adherence to
Environmental
standard
ISO 14001:2004.



INVESTOR IN PEOPLE

CONTENTS

<i>Dedication</i>	<i>xi</i>
<i>List of Tables and Figures</i>	<i>xiii</i>
<i>About the Author</i>	<i>xv</i>
<i>Acknowledgements</i>	<i>xvii</i>
1. Introduction	1
2. From Public Value to Public Value Co-Creation	7
3. Reconnecting State and Society Through Public Value and Civicness	21
4. Understanding Public Value Co-Creation From a Place Perspective	39
5. Designing and Leading Processes of Public Value Co-Creation: Domains and Actors	57
6. Concluding Remarks	69
<i>References</i>	<i>73</i>
<i>Index</i>	<i>99</i>

This page intentionally left blank

To the Spirit of Public Value and to my Family

This page intentionally left blank

LIST OF TABLES AND FIGURES

2

Table 2.1.	Public Managers and Public Value: Interaction, Deliberation and Public Values.	12
Table 2.2.	The Evolution of Public Administration Paradigms.	18

3

Table 3.1.	Strategic Management Schools and Public Value Co-creation.	29
------------	--	----

4

Table 4.1.	Dataset and Coding Process.	45
Table 4.2.	Community Leadership Themes.	47
Table 4.3.	Political Leadership Themes.	48
Table 4.4.	Managerial Leadership Themes.	50
Table 4.5.	Business Leadership Themes.	52

5

Table 5.1.	The Public Manager and Public Value Co-Creation: Challenges, Domains and Key Actors.	65
------------	--	----

2

Figure 2.1.	The Public Value Strategic Triangle: Original Version.	8
Figure 2.2.	The Public Value Strategic Triangle for a Multi-Actor Theory of Public Value Co-Creation.	10

3

Figure 3.1.	Four Alternatives for the 'Public Value Society'.	22
-------------	---	----

4

Figure 4.1.	Process of Qualitative Thematic Analysis.	44
-------------	---	----

5

Figure 5.1.	'Public Management Domains'.	58
Figure 5.2.	Public Value Co-Creation: A Multi-Actor Perspective.	63

This page intentionally left blank

ABOUT THE AUTHOR

Alessandro Sancino is a Senior Lecturer (Associate Professor) in Public Management at The Open University, UK, and at the University of Milan-Bicocca, Italy. He has published in top journals in the field of public management and is a member of the Executive Board of PUPOL (Public and Political Leadership Network) and of the RSA (Regional Studies Association) Publications Committee. Alessandro's research has been funded by several institutions, such as The College of Policing in the UK, the UK Chartered Institute of Management Accountants, the Netherland Institute of Government, the Italian Ministry of Education, University and Research (MIUR). In 2021 he has been awarded as one of the world best 40 under-40 years old business school professors by the prestigious Poets&Quants.

This page intentionally left blank

ACKNOWLEDGEMENTS

Many people have influenced my thinking and who I am as an academic, and I am indebted to all of them. Mentioning names is almost impossible and probably not right as I would probably forget somebody. It is more important that if you read this and you have worked or interacted with me, then please you should know that I am really grateful because I have certainly learned a lot from you, whatever has been the occasion.

Specifically for the writing of this book, I wish to acknowledge comments and suggestions given by Dr Alessandro Braga and Dr Irene Schindele and for working with me, respectively, for Chapter 4 and Chapter 2. I wish to thank Prof. Mariafrancesca Sicilia for suggestions to the title and for supporting me throughout the book; to Prof. Edoardo Ongaro, Dr Steven Parker, Dr Rory Shand for comments to some unpublished texts that I have written and that now in a revised form have been included in Chapter 3; to Dr Fulvio Scognamiglio for comments to Chapter 5 and to Prof. Elio Borgonovi for writing with me a conference paper in 2014 that contained some figures and some contents now included in a revised form in Chapter 5.

Thank you very much to all the staff at Emerald for supporting this project. Needless to say, any errors or omissions in the text are mine alone.

Alessandro Sancino
Milan, April 2022

This page intentionally left blank

INTRODUCTION

There is now a shared recognition that public value is inherently co-created not only by government but also by other actors and sectors, and by government-citizens relations (Borgonovi & Mussari, 2011; Bryson et al., 2017; Crosby et al., 2017; Vangen et al., 2015). However, very often, public management as a professional field of practice is traditionally associated with the leadership, governance and management within a single public organization. From that perspective, public management would be just about internal procedures and processes that can generate some kinds of outputs and/or products leading to a certain level of organizational performance.

This is all certainly an important part of public management. Yet, it is only a part of the story. In this book, taking inspiration from seminal contributions on public values, public value and public service logic (Bozeman, 2007; Moore, 1995; Osborne, 2020), it is contended that public managers should think of public value as integrated into society and territorial political communities (rather than into a single public organization) to mobilize other stakeholders to accomplish socially useful purposes to progress public values. This is essential if those involved in the profession of public management (Barzelay, 2019) are to accomplish socially useful purposes to advance public value and public values, rather than only being thought of as managing staff, activities, procedures, processes and products within a public organization.

The book proposes the following definition of public management which has been adopted throughout the years by several courses at the Harvard Kennedy School of Government:

Public management is the work of mobilizing others to accomplish socially useful purposes and advance the public interest.

(Zimmerman, 2009)

This definition has a premise and a logical consequence which was included in the syllabus provided. The premise is that ‘improving public sector performance is crucial as a foundation for social and economic development and for restoring trust in government’ (Zimmerman, 2009). The logical consequence is that ‘leaders of public organizations mobilize resources, both within their own agencies and from outside networks, to meet the needs of the people they serve (Zimmerman, 2009; Harvard University Course – Strategic Management for Public Purposes)’.

The above definition is underpinned by a focus on democratic societies (it would not be directly applicable to non-democratic societies) and by a ‘public value(s)’ approach to public management (e.g. Alford & Hughes, 2008; Benington & Moore, 2010; Bozeman, 2007; Bracci et al., 2014; Bryson & George, 2020; de Jong et al., 2021; Lindgreen et al., 2019; Meynhardt, 2009; Moore, 1995; Osborne, 2020), which is consistent with a view of public value co-creation as a function that can be pursued by multiple actors, such as, for example public managers, politicians with managerial responsibilities in public organizations, civic leaders, social innovators working outside the public sector, social enterprises, B-corps, other businesses linking shared value initiatives with public value and self-organized groups of citizens (e.g. Edelenbos & van Meerkerk, 2016; Igalla et al., 2019; Sancino, 2016).

Drawing from Moore (2019), the following five propositions can be developed to illustrate implications of a public value approach to public management: (1) public value moves people’s imagination from the management of processes to the achievement of results; goals and ends rather than processes and means; (2) public value can be intended as a link with a more just, sustainable and fair society and as a new philosophical framework to guide action; (3) a strategic approach to public value often implies the updating of the missions of public organizations to improve their strategic positioning in the social and economic environment; (4) a strategic approach to public value is linked with the development of collaborative governance structures and processes; (5) a public value approach is characterized by promoting spaces for some forms of civic deliberation on what is public value and what adds value to society.

Accordingly, the units of analysis seem changing (Moore, 2015) to include collaborations, partnerships, networks, projects, ecosystems, platforms, forums, arenas and/or courts (e.g. Ansell & Miura, 2020; Bryson & Crosby,

1993; Strokosch & Osborne, 2020). In this book we adopt the definition of public value as ‘what the public values and what adds value to the public sphere’ (Benington, 2011, p. 42). Public value might be also better defined and operationalized in terms of societal challenges, intended not as ‘entities waiting to be fixed, but rather as a dynamic web of relations that changes over time’ (van Twist & Bressers, 2015). Societies are facing nowadays a range of challenges happening simultaneously, such as for example: climate change; technological developments impacting on individual privacy and on democracy; income and racial inequalities; global health threats; migration etc. A growing number of societal challenges are thus complex and wicked and require working across organizational boundaries through dependency and collaboration (e.g. Bianchi et al., 2021; Head & Alford, 2015), with implications on how to measure public value (e.g., Steccolini, 2019; Tommasetti et al., 2020) ‘that emerges as results of many contributors and on the accountability and performance design that may contribute to networking and to information flows and coordination across organizational boundaries’ (Sicilia, 2015, p. 6).

In this respect, not only the units of analysis but the range, type and configurations of actors involved in processes of public value co-creation (or destruction) are expanding, given that resources and capabilities needed for implementing public programmes and campaigns to deal with those societal challenges are dispersed (e.g., Ayres, 2022; Bryson et al., 2021). Thus, the work of co-creators of public value is to make temporal resolutions able not to fix societal challenges (as that would be impossible) but to generate improvements and advance public value for certain publics and/or for the wider society.

This book aims to offer a conceptual map for public managers to design and to lead processes of public value co-creation and it is informed by a multi-actor and multi-sector perspective to public value; according to Moore (2015, p. 4), ‘in public value thinking we should be widening the frame, to include social entrepreneurs and social change makers, who spark social change’. Specifically, the book describes three levels where public management is at play; each level constitutes a distinctive, but complementary, domain that characterizes modern public management. A level is meant as a locus of action, while a domain is intended as an area of knowledge and practice with a distinctive, but complementary, logic of public management. The three levels with related domains identified are: the single public organization as locus of action which is rooted in the institutional domain; the inter-organizational level and the network domain where value might be co-created or destroyed by relationships among different organizations, also pertaining to other sectors;

the systemic and extra-organizational level and the civic/community domain where public value might be co-created (or destroyed) in spaces such as forums, platforms, arenas and ecosystems that might be constituted by the public organization or by other actors and/or organizations (for example by a social innovator or by a non-profit organization).

The result is a conceptual map that can guide the strategic thinking and the strategic action of public managers to design and to lead processes of public value co-creation as well as to intervene through meta-governance in those forums, platforms, arenas and ecosystems not designed or managed by a public actor when public values are at stake (Osborne, 2020; Sørensen, 2006; Sørensen & Torfing, 2009; Torfing et al., 2020). Specifically, co-creation is intended as ‘a 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, either 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’ (Torfing et al., 2019, p. 802).

The conceptual map proposed in chapter five is of course only one of the possible illustrations of the domains and actors of modern public management. Other representations are possible and needed. However, this map can herald thoughts, reflections and debate and it might be a useful framework for teaching and developing public management and for dealing more explicitly with the spaces and practices of modern public management from a multi-actor and multi-sector perspective.

The conceptual foundation of this book lies in several sources of inspiration, seven are mentioned but others might have been mentioned too. Much influence is clearly represented by the studies on public value. (1) I was lucky enough to be invited at an international seminar in 2015 on ‘The Value of Public Value’ at the Utrecht School of Governance where I met all the giants in this field, including Professor Moore. Another source of inspiration can be identified by the (2) Italian community of scholars on public management and governance (e.g. Anessi-Pessina et al., 2020; Bianchi & Montemaggiore, 2008; Borgonovi & Mussari, 2011; Capano, 2011; Decastri et al. 2020; Decastri & Buonocore, 2021; Esposito & Ricci, 2015) and by (3) the Anglo-Saxon colleagues working on public leadership and social enterprise (Bryson et al., 2021; Hambleton, 2019; Hartley, 2018; Jackson, 2019; Ospina & Foldy, 2010; Powell et al., 2019; Teasdale & Dey, 2019; Vangen et al., 2015), two fields of research and practice very much expanding and with promising

affinities. The studies on (4) new models of business in society (e.g. Battilana & Dorado, 2010; George et al., 2016; Mair et al., 2012) and (5) of managerial work done by Mintzberg influenced this book too (e.g. Mintzberg, 1973); the idea of a conceptual map of key domains and actors for public value co-creation is indeed consonant with the metaphor of the strategy safari (Mintzberg et al., 1998), which as a journey itself, it would ideally need a map.

A sixth stream is represented by other important debates on the status of the field of public administration (6), such as those on positive public administration (Douglas et al., 2021); on integrative public administration (Carboni et al., 2019); on levels of analysis (macro, meso and micro) in public administration (e.g. Jilke et al., 2019; Moynihan, 2018; Roberts, 2020). In this respect, while the second chapter of the book is mainly a theoretical backdrop, the third, fourth and fifth chapters tried to deal with the interplay and connections between levels of analysis. The third chapter moves from the macro to the meso, discussing some mega-trends such as post-capitalism, the emergence of the public value society and civicness, also pointing to new strategic approaches for co-creating public value through platforms, ecosystems and arenas; the fourth chapter, similarly, recognizes the macro-meso interface focusing on the emerging of a place-based approach to public value co-creation; finally, the fifth chapter can be located at the meso-micro interface with the identification of actors and domains for public value co-creation. Last but not least, this book is grounded on the same (7) philosophical vision of co-creation as expressed vividly by Ansell and Torfing (2021): ultimately, public value co-creation is about establishing a new form of economic and political governance that has the potential to rejuvenate democracy for the years to come.

This page intentionally left blank

2

FROM PUBLIC VALUE TO PUBLIC VALUE CO-CREATION

2.1 MOORE'S PUBLIC VALUE THEORY AND THE STRATEGIC TRIANGLE

The term public value got attention in the academic literature as the public sector equivalent of the shareholder value of the private sector thanks to the work of Harvard professor Mark H. Moore. The theory of public value creation was outlined in the book *Creating Public Value* which was first published in 1995 (Moore, 1995). According to Moore, the creation of public value is the central activity of public managers. In essence, creating public value is about the 'realization of collective political aspirations through public programs' (Barzelay, 2019, p. 3); however, public organizations that want to achieve the creation of public value should build on 'a healthy democracy with supportive institutions' (Bryson et al., 2014, p. 449).

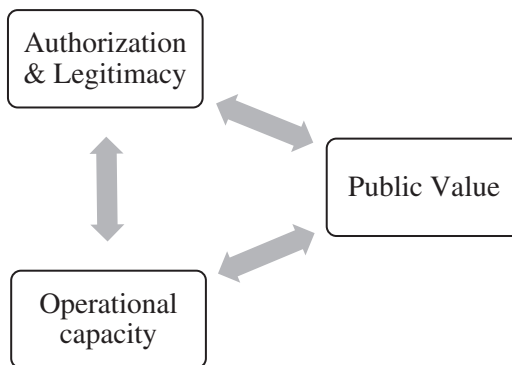
Moore's starting point was a parallelism between strategic goals in the private and in the public sectors. Like for-profit ones, public managers have been trusted with a bundle of assets and are responsible for ensuring the highest value use for those assets in a dynamic, ever-changing environment, discerning what is valuable for different and sometimes contesting publics (e.g. Hartley et al., 2019; Sancino et al., 2021). As Moore wrote, 'like private sector managers, managers in the public sector must work hard at the task of defining publicly valuable enterprises as well as producing that value. Moreover, they must be prepared to adapt and reposition their organizations in their political and task environments in addition to simply ensuring their continuity' (Moore, 1995, p. 55).

Public managers become therefore 'strategists rather than technicians' (Moore, 1995, p. 20). In this regard, Moore developed a so-called 'strategic

triangle' representing three complex issues public managers should consider in their work: firstly, what is public value; secondly, what sources of legitimacy and support are to be relied upon for the creation of public value; thirdly, what operational capabilities are needed to produce public value. As a result, the strategic triangle represents the three elements that a public manager should try to align in developing a strategy for the creation of public value (Fig. 2.1).

The strategic triangle is a useful framework which spurs strategic thinking and strategic decisions along three dimensions. First, the strategy must be 'substantively valuable', which means that it should aim at creating public values (Bozeman, 2009) and outcomes desired by stakeholders and citizens (Benington & Moore, 2011). This dimension of the triangle seeks therefore to answer the question: 'what is public value, what is valuable for the territorial political community with its publics?'. Second, the strategy must be legitimate and politically sustainable. This dimension underlines the importance of politics and law as fundamental elements to be considered in public management. Accountability plays a central role in a public manager work too. Together with law, politics, constitutional and democratic values, professional standards and citizen interests, they all play a key role in determining the strategic space for public managers' discretion. Third, the strategy must be operationally and administratively feasible. Thus, public managers should be able to implement the strategy relying upon their organization or government agency, possibly with the help of other stakeholders, even from other sectors than the public one.

According to Moore, the three dimensions of the strategic triangle 'identify the necessary conditions for the production of value in the public sector' (Moore, 1995, p. 71). The absence or non-fulfillment of only one of them may



Source: own elaboration from Moore (1995).

Fig. 2.1. The Public Value Strategic Triangle: Original Version.