

2. Creating value-led futures

Chapter 1 outlined the normative and value-led approach to futures. Anticipatory processes for systems change require taking action today and exploring different options. What is often considered plausible is based on values. Yet, how these interlink with the systems transformation in the public sector has not yet been examined. For example, the main line of literature on public sector change, public sector innovation, has usually been viewed through a public service lens (Osborne et al. 2013). Less attention has been paid to how problems are framed and how value conflicts and priorities in transformation processes and outcomes are debated. Public policy in general is inherently contested (Fuglsang and Rønning, 2014; Oldenhof, Ostma and Putters, 2013), making the role of political engagement extremely important when starting systems change processes. But how should different values be expressed and enhanced, muted or addressed in public sector systems change processes?

Defining problems

The first step towards a value-led approach to collectively defining the future is to start defining problems from a value perspective. Policy systems are, however, notoriously ill-equipped to deal with complex problems, not to mention the public values connected to them (OECD 2017). Therefore, we should elaborate on the nature of how we define problems before tackling the issue of public value.

Before problems are productively defined, it is difficult, if not impossible, to systematically talk about values that might conflict with reaching public consensus. Therefore, before problems are defined and labelled, they cannot usually be discussed constructively in a political process. A comparison could be an issue of child or spousal abuse that did not exist as a social problem before being publicly defined as such (Nelson 1984). Defining policy problems is usually seen as a two-stage process (Peters 2005): 1) define what the problem is about; and 2) identify the scope of the problem. “Problem frames” are in essence ‘sense-making devices’ (Brugnach and Ingman, 2011), but they also make problems dependent on context and cognitive comprehension. In other words, there can be several deductive or inductive paths to the same problem, multiple moral reasoning, multiple realisation of models (Boschetti 2011, 149). Also, as we imagine long-term planning and the future, totally new problems may manifest themselves that we cannot predict. For example, case 3 in Chapter 4 describes how, through a collective process of analysing wicked problems in the City of Namyangju, previously hidden welfare blind spots can become visible and addressed in new ways.

Much research has been conducted on the social construction of policy problems and policy framing in general. Head (2014) outlines different levels: cognitive, communicative, organisational, and political dimensions in which problem framing debates take place. The cognitive dimension is about knowledge and ideas. The communicative dimension is about how key messages are distributed, challenged and reinforced. The organisational or institutional dimension refers to embedded views and practices within organisations. Finally, the political dimension refers to political action, power and crisis management. The more complex the issue, the more these diverging dimensions come into play. This can influence how people interpret facts, because they apply diverging problem frames.

In another stream, the agenda-setting literature argues that the way in which an issue is defined influences the type of policymaking chosen, the potential to achieve the goals of a particular policy, and the potential outcome (see overview in Peters 2005). Clear labels and stories around policy problems are important to attract attention to issues and create urgency around issues (Mosse 2005). Problem definitions shape 1) the actions taken afterwards, 2) how problems get added to political agendas, 3) which stakeholders are involved and 4) which type of action is taken. Labelling problems is not very useful in the complex stage of finding solutions for an issue, because numerous, interlinked factors need to be considered. Thus, one of the most important moments in the policy-making process is when an issue is “framed” or “re-framed” (Schon and Rein 1994; Hisschemoller and Hoppe 1995). This needs to be done in a way that takes into account the whole ecosystem of the problem (see Box 2.1).

Box 2.1. Wicked Lab's FEMLAS Process: South West Food Community Lab

Systemic Innovation Labs, developed by Wicked Lab in Australia, are a lab model that has been purposefully designed to address wicked problems (highly complex challenges). They support systemic design, solution ecosystem and systemic innovation approaches for addressing wicked problems and incorporate features widely recognised as required for addressing such issues: focus on addressing complex problems, take a place-based transition approach, enable coherent action by diverse actors, involve users as co-creators, support a networked governance approach and recognise government as an enabler of change (Zivkovic, 2018).

Wicked Lab has developed a systemic innovation lab methodology called FEMLAS, which is an acronym for the six-stage process of the methodology: Form, Explore, Map, Learn, Address and Share. At the Share stage of the process there is an iterative loop: after completing the Share stage, the four stages from Map to Share are repeated periodically. The South West Food Community systemic innovation lab in Western Australia has recently commenced using the FEMLAS process to improve food security in their community.

The key tasks at the Form stage of the FEMLAS process include: form the core team, define the solution ecosystem boundary, frame the solution ecosystem and undertaking an initial mapping of the initiatives and organisations in the solution ecosystem. The core team of the South West Food Community Lab includes stakeholders working in nutrition, Aboriginal health, environmental health, food production, education, social work and town planning. These stakeholders include state government, local government, university, non-profit, business and community representatives. The boundary of the solution ecosystem for the South West Food Community Lab consists of the South West region of Western Australia and the wicked problem of food security. The pillars of food security have been used to frame this boundary. The core team has used Wicked Lab's Tool for Systemic Change to undertake an initial mapping of the initiatives and organisations in their solution ecosystem that are addressing the causal factors underpinning food security in their community. The online tool is used to map each of the initiatives in the solution ecosystem to 36 initiative characteristics that aid transitions and strengthen the interface between the solution ecosystem and government.

The focus at the Explore stage of the FEMLAS process is for the core team to engage with users: the initiatives in the solution ecosystem and the organisations that are collaborating on these initiatives. During this stage, a thorough mapping of the solution ecosystem is undertaken by conducting key informant interviews and facilitating focus groups. A crosswalk survey instrument that describes the 36 initiative characteristics is used to aid this process. The South West Food Community Lab is currently developing its survey instrument.

At the Map stage of the FEMLAS process, the main tasks are to enter into the online tool the mapping data that was collected during the Explore stage, and to use the tool to create a transition card for the solution ecosystem. The transition card displays each of the identified initiatives in the solution ecosystem and highlights how each initiative is contributing towards systemic change: how each of the initiatives maps to the 36 initiative characteristics for system transition and strengthening the interface between the solution ecosystem and government. For the South West Food Community Lab, the transition card will showcase the initiatives in the South West region of Western Australia focusing on

food security, all of the organisations working on these initiatives, and how these collectively contribute towards systemic change.

The Learn Stage focuses on analysing the transition card to determine where in the solution ecosystem there are gaps in effort for achieving systems change. This is easily undertaken by using the online tool's "show gaps in effort" feature. A discussion document highlighting the gaps is then prepared. These identified gaps are used to guide future action for addressing the wicked problem.

During the Address stage, users and other stakeholders are asked to participate in a large group intervention process to co-create initiatives that aim to bridge the identified gaps. During the large group intervention process, users identify if their organisations and initiatives can address the identified gaps in effort by amending their existing initiatives or creating new initiatives. Users are encouraged to co-create new initiatives with other users and to take a safe-fail experimentation approach.

At the start of the Share stage, the transition card is updated to incorporate any amended and new initiatives from the Address stage. The transition card is then uploaded onto the Lab's website so that it can be viewed, discussed and shared by all of the initiatives and organisations that are participating in the solution ecosystem. The South West Food Community Lab is embedding its transition card into a purpose-built food security platform that includes a website and app.

Source: Zivkovic 2018.

Policy problems must be framed correctly in order to ensure policy choices are as appropriate as possible. Do policy choices address the underlying causes or just symptoms of issues? Do they address the organisational capabilities in an adequate manner? Do they communicate to stakeholders? Are they able to mobilise supportive coalitions? For example, when environmental problems were redefined as behavioural and ecological balance issues compared to predominantly technological problems (Peters and Hoornbeek 2005), it enabled the inclusion of civic, third party actors in the debate.

Is the policy problem incremental, cumulative in nature or dependent on substantial levels of input? Some problems are large-scale and thus need an "all or nothing" approach (Schulman 1980). There is no point in getting halfway to Mars. There is no point in moving incrementally toward the third generation of global warming reducing greenhouse gas emissions due to large vulnerability in certain regions, populations, or resource systems; and severe climate change that critically challenges the most robust systems (Kates, Travis, and Wilbanks, 2012). In other areas, cumulative efforts, the slow increase of scientific evidence, trial and error, and trials may be the better way forward (Peters 2005). Hence, the problem scale should not be misconstrued, because it may lead to disproportionate responses. Thus, not all policy making should be large-scale in nature, especially in areas where contextual issues are paramount.

The conventional policy design frame seems to favour evidence-based policy making that is led by experts, but in conditions when uncertainty is very high and value choices have to be made, a pluralist approach may be more prudent (Verweij and Thompson, 2006; Verweij et al. 2006). In this decision-making stream, preferences and different perspectives in policy-making are inevitable, which means different strategies have to be applied. Especially in the context of wicked problems, experimental schemes are more prudent because "*tackling complex problems requires flexible combinations of these various approaches to problem solving*" (Head 2014). Rational planning and implementation

schemes or extensive multiparty agreements decrease the chance of more radical experiments, and may increase the likelihood of failure.

From problems to public value

Once policy problems are defined and labelled, they can be connected to values and, more specifically, changes in public value. This may be very useful when discussing systems change in the context of longer time horizons.

Public value is a concept that originated in the mid-1990s from the book “Creating Public Value” by a professor at the Harvard Kennedy School of Government, Mark Moore. Moore described public value as an alternative logic to private value, which dominated the debate on public sector reform since the Reagan and Thatcher eras and was seen to be commoditising every corner of the public sector. This suggested public value can be defined as something that is valued by the public or is good for the public as assessed against various public value criteria – transparency, fairness, etc. (Bryson et al. 2014). However, it is important to note that ‘public value’ goes beyond the understanding of public good defined by economists as was recently argued in detail by Mariana Mazzucato (2018). It is not only the individual’s self-interest, but the aspirations of the society as a whole – collective purpose (Moore 1995, Ch2) that are important.

Consequently, public value tries to capture the notion that the government provides services to the community as a beneficiary and that the beneficiaries are not just the direct recipients of services, but a broader community that benefits from the collective goods provided by the government. Thus, public value can be defined by both the values the public sector aspires to, but also value added to the public sphere (Benington and Moore, 2011; Benington, 2015; Moore, 2013). These collateral benefits would accrue from public investments in parks and other civic spaces, education, healthcare, transportation infrastructure and affordable housing (Seddon 2008, p. 162). Moore felt that in order to understand public value, it was necessary to observe how value accrued to all citizens from services provided directly to individual constituents. Consequently, in Moore’s (1995) perspective public value is created through a public value triangle in which strategy or action has democratic legitimacy, is supported by the authorising environment and when the government has the operational capacity to implement the strategy or action effectively.

As Moore stated in 1995, his aim was “to lay out a structure of practical reasoning to guide managers of public enterprises”. His concept of public value then has two parts:

1. It defines the purpose of actions taken by public managers when they are deploying public assets; and
2. It defines public value as an end-goal that would guide public managers as they make decisions while executing their responsibilities.

Moore ties the concept closely to a broader definition of individuals not just as consumers or customers, but as citizens with a right to claim public goods and services. As such, public value represents a normative consensus of prerogatives, principles, benefits and rights that can be attributed to both governments and citizens (Bozeman 2007) and can be linked to more values of good governance in general like transparency, participation, integrity and lawfulness. Therefore, public value can pertain to both the content of the service itself and how it is delivered. The heterogeneity of what public value can mean is at the heart of public sector work (Meynhardt 2009).

In a comprehensive overview, Jorgensen and Bozeman (2007) outlined 72 different values, which they categorised into seven different constellations of values associated with:

1. public sector contribution to society;
2. transformation of interests to decisions;
3. relations between public administration and politicians;
4. relations between public administration and its environment;
5. intra-organisational aspects of public administration;
6. behaviour of public sector employees; and
7. relationship between public administration and citizens.

Table 2.1. Value sets and categories

VALUE CATEGORY	PUBLIC SECTOR CONTRIBUTION TO SOCIETY	TRANSFORMATION OF INTERESTS TO DECISIONS	RELATIONS BETWEEN PA AND POLITICIANS	RELATIONS BETWEEN PA AND ITS ENVIRONMENT	INTER-ORGANISATIONAL ASPECTS OF PA	BEHAVIOUR OF PUBLIC SECTOR EMPLOYEES	RELATIONSHIP BETWEEN PA AND CITIZENS
VALUE SET	Common good - public interest - social cohesion Altruism - human dignity Sustainability - voice of the future Regime dignity - regime stability	Majority rule - democracy - will of the people - collective choice User democracy - local governance - citizen involvement Protection of minorities - protection of individual rights	Political loyalty - accountability - responsiveness	Openness-secrecy - responsiveness - listening to the public opinion Advocacy-neutrality - compromise - balance of interests Competitiveness-cooperativeness - stakeholder or shareholder value	Robustness - adaptability - stability - reliability - timeliness Innovation - enthusiasm - risk readiness Productivity - effectiveness - parsimony - business-like approach Self-development of employees - good working environment	Accountability - professionalism - honesty - moral standards - ethical consciousness - integrity	Legality - protection of rights of the individual - equal treatment - rule of law - justice Equity - reasonableness - fairness - professionalism Dialogue - responsiveness - user democracy - citizen involvement - citizen's self-development User orientation - timeliness - fairness

Source: Based on Jorgensen and Bozeman 2007, pp. 360-361.

The value sets are outlined in Table 2.1. This is not an exhaustive list and especially in terms of citizen involvement, the value perspective has diversified considerably in recent years. Furthermore, there are many neighbouring values (such as parsimony and productivity) and the causality between issues (hierarchy of values) is very difficult to draw out (ibid). For example, compromise is directly connected to balancing interests and reasonableness, fairness, dialogue, adaptability and robustness of the practice. As such, some values can be pursued for their own right (prime value) and others are instrumental in achieving other values (instrumental or prime). Yet, it would be wrong to ignore

instrumental values, especially, because the fundamental problem with the value triangle is that it treats some of the practices, procedural values (democratic process) as an instrumental outcome or an output measure. However, they are ends in themselves (Dahl and Soss 2014), while often they cannot be distinguished on that basis alone. Consequently, analysing public value is both a causal and moral/philosophical inquiry. This inquiry must be conducted on continuous basis, especially, when dealing with systems change when situations are bound to change as processes are rolled out. Therefore, public value needs to be ‘managed’.

Public value management

The core idea of public value management is based on three ideas: the substantive value the public sector should be producing, legitimacy and support of that proposition and the operational capacity to carry it out (Moore 2013).

First, according to Moore, public sector agencies should develop their own ‘public value propositions’ to a degree akin to task-specific mission statements (purpose of systems), the bottom line of public aspirations the agencies should achieve.

Second, public managers need to actively legitimise the idea of public value. They need to get vertical backing for their value propositions, managing up, and ensure buy-in from the general public, managing out. This requires engaging with a broader ‘authorising environment’ (Moore and Fung 2012). This is very similar to the process of legitimising systems change around specific purposes previously described by the OECD (2017). Public managers must extend their influence beyond their normal authority, and connect with other actors whose support can help fulfil their public missions (Leonard and Moore 2012, 86). Public managers become ‘explorers commissioned by society to search for public value’ (Moore 1995, 299).

Third, public managers need to be able and willing to pursue the value proposition in practice, and deliver on it. This requires both managing down within the specific organisation and managing out to the broader value chain (coordinating and collaborating with a broad range of organisations and groups). Then, and only then, will it be possible to actually generate public value (Alford et al. 2017).

As such, Moore also argued in favour of the “integration of policy and administration” (Seddon 2008, 163) as a way to avoid the potential inertness of the bureaucracy and better connect public administration to political decision-making. Indeed, public managers are more likely to have a better sense of the issues at play than political leaders. This is especially important when large systemic reforms are undertaken, as most of the instrumental choices are made in the ‘implementation’ phase rather than the ‘political vision’ stage. With a pragmatic world perspective, Moore argues that from a public value perspective civil servants have to become agents of change. Furthermore, discussing public value empowers the public at large to tackle its problems. Public managers, politicians or the public itself are in the best position to determine what constitutes a beneficial outcome of decision making.

In John Seddon’s (2008, 164) analysis of Moore’s work:

“Moore argues convincingly that public managers should be ‘explorers’. They should propose ways forward and then be judged on their results. Much as private-sector managers aim to create private value for their company by maximising long term shareholder wealth, the judgement of value created should be made by the

public. Moore argues for the construction of an equivalent method of measuring the success or otherwise of public sector managers that would liberate them to act entrepreneurially without having to wait for the slow, painful process of political authorisation.”

Therefore, public value is not only a way to understand the value of services and investments made by government, it is also a way to unleash the public sector to attack future challenges with confidence when they understand their actions are demonstrably in the interest of the public.

This, of course, has raised many discussions on the politics-administration relationship (Rhodes and Wanna 2008), but it has been nonetheless picked up in public administration scholarship.¹ The dichotomy between political and public manager domains has long been debated. In the public value context, this can be seen in terms of how far beyond their initial scope of activities public managers are willing to go to achieve a net value benefit for citizens or to learn what the public actually wants (Alford et al. 2017). As systems change, in particular, is an evolving practice that requires continuous reframing and adaption, civil servants have to become active within their missions and value propositions. For example, framing missions around social issues as highlighted above in Box 2.1 around food policy.

In theory, public servants can sponsor participatory, dialogic or deliberative processes (see Chapter 3) in defining public value, without getting involved with the political content themselves. In today’s world, many outcomes and innovations are collaboratively co-produced and co-created, which means the operational capacities to pursue public value propositions have to also exist in a network setting (Page et al. 2015). This has been seen to go hand-in-hand with the advent of New Public Governance (Osborne 2006; Torfing and Triantafillou 2013). This theory builds its thesis around interdependency, networks and collaboration rather than government control. It pursues innovation and public value creation instead of procedural or political rationality. This implies moving away from a narrow intra-organisational focus and towards a more horizontal leadership structure (Quick 2015). This also means public organisations need to go structurally beyond the silos created for another era to deliver newly defined public value for the 21st Century. Case 4 in Chapter 4 on the collaborative innovation in the Gothenburg region describes how based on new values and needs organisations can collectively work to offset restrictions imposed by administrative boundaries between the city, surrounding municipalities and the state.

How is public value created?

“And finally, uncritical use of the triangle treats public value essentially as an output or outcome when in fact many important public values and practices, and perhaps especially democracy and democratic practices, are not just instrumental means but are ends in and of themselves (Pateman 1976; Dahl and Soss 2014). Beck, Jorgensen and Bozeman’s (2007) inventory of public values, for example, indicates that many public values are procedural. More generally, Dewey (1937) argues that democracy is best viewed as a way of life. In a similar vein, Pateman (1976) asserts that civic engagement is as much about building citizenship as it is about producing better decisions.”

(Bryson et al. 2017)

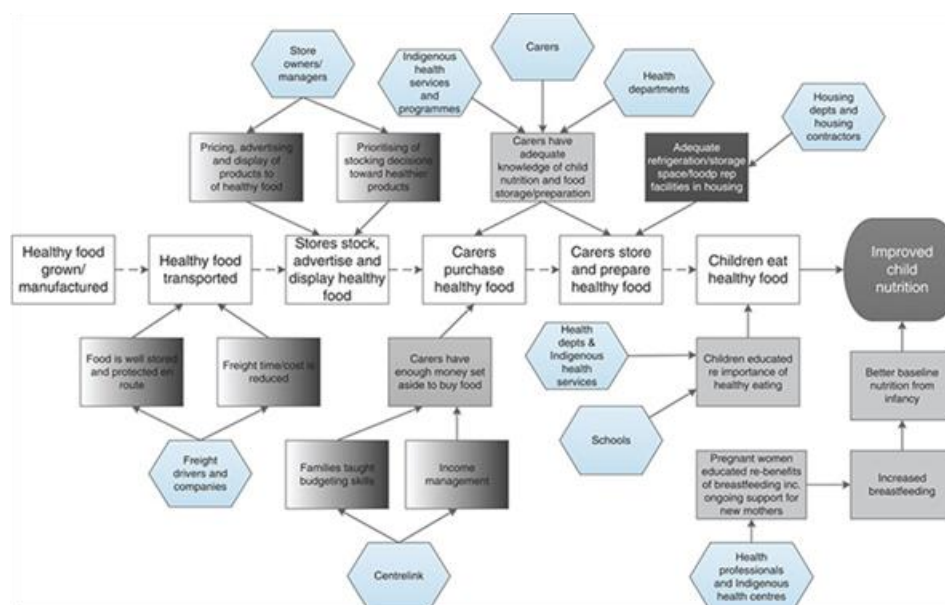
How is public value created? How can it be measured? How is it maintained? How does it erode? Although it has increasingly been the subject of a theoretical debate, it is also telling that public value has inspired a limited number of empirical research papers (Alford et al.

2017). The public sector has not fully adopted the approach and, as the concept makes difficult trade-offs visible in the public sector, it may not be the most comfortable approach to pursue. Yet, it is important to be able to increase and measure public value, not only to better design future reforms, but also to evaluate the outcomes connected to current policy initiatives.

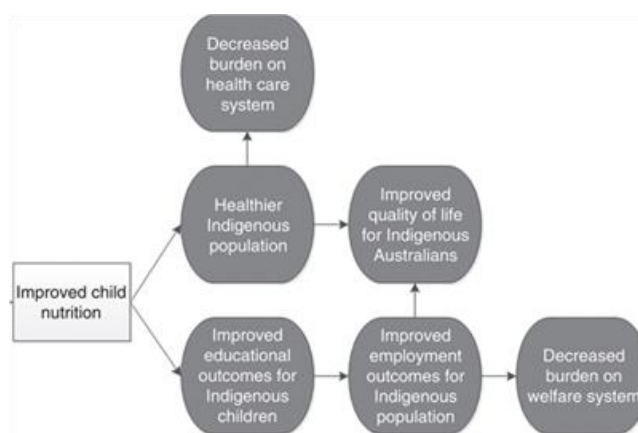
Moore tackled these questions in his 2013 book “Recognizing Public Value”. His approach hinges on what he calls the “public value account,” a construction where both the idea of the utilitarian welfare for an individual and ethical idea of a societal right (such as justice, fairness, economy) are juxtaposed. ‘Value’ within this framework denotes something like worth or utility which is created through actions, objects or situations and should be measured as an aggregate, net-result of a wide range of competing purposes (Alford et al. 2017). Illustrated as a financial ledger, the public value account puts the use of public assets such as financial costs on the left. Two additional factors appear on the left, unintended negative consequences and the social cost of using authority. Unintended negative consequences could include an erosion of trust in government. The social cost of using authority attempts to capture the limitations on freedom that stem from using government’s regulatory authority. On the right side of the public value account ledger, Moore placed achievements of collectively-valued social outcomes. This could include mission achievement, unintended positive outcomes, citizen satisfaction and justice and fairness. In the spirit of managing what you measure, Moore encourages public managers to complete the public value account as they see fit. This is the first step in determining how public value can be created, or lost.

Another approach to make public value visible is to use public value ‘process mapping’, which helps to deconstruct public sector work into elements and identify relationships (Alford and Yates, 2014). Figures 2.1 and 2.2 below illustrate these maps in the case of improved child nutrition. However, it is predicated on certain assumptions (regarding causality, range of analysis) that may not hold up in practice.

Figure 2.1. Public Value Process Map for Indigenous Child Nutrition



Source: Alford and Yates 2014, p. 345.

Figure 2.2. Expanded Outcomes for Indigenous Child Nutrition Public Value Process Map

Source: Alford and Yates 2014, p. 347.

In Moore's framework, much of the responsibility for problem-solving and creating public value falls to public managers. The approach is very actor-focused. It asks what public managers should do given a specific challenge or context (see Box 2.2). Public managers should work proactively, demonstrating leadership skills that foster interaction (Crosby and Bryson 2010) and more intense public engagement. These skillsets have been spelled out in greater detail by the OECD (2017a). However, details are lacking in the public value framework about how to design specific cross-sectoral fora (their structure, management) that go beyond transactional engagement and move towards creative problem (re)formation and productive discussions around public value.

Box 2.2. Tools for Public Value

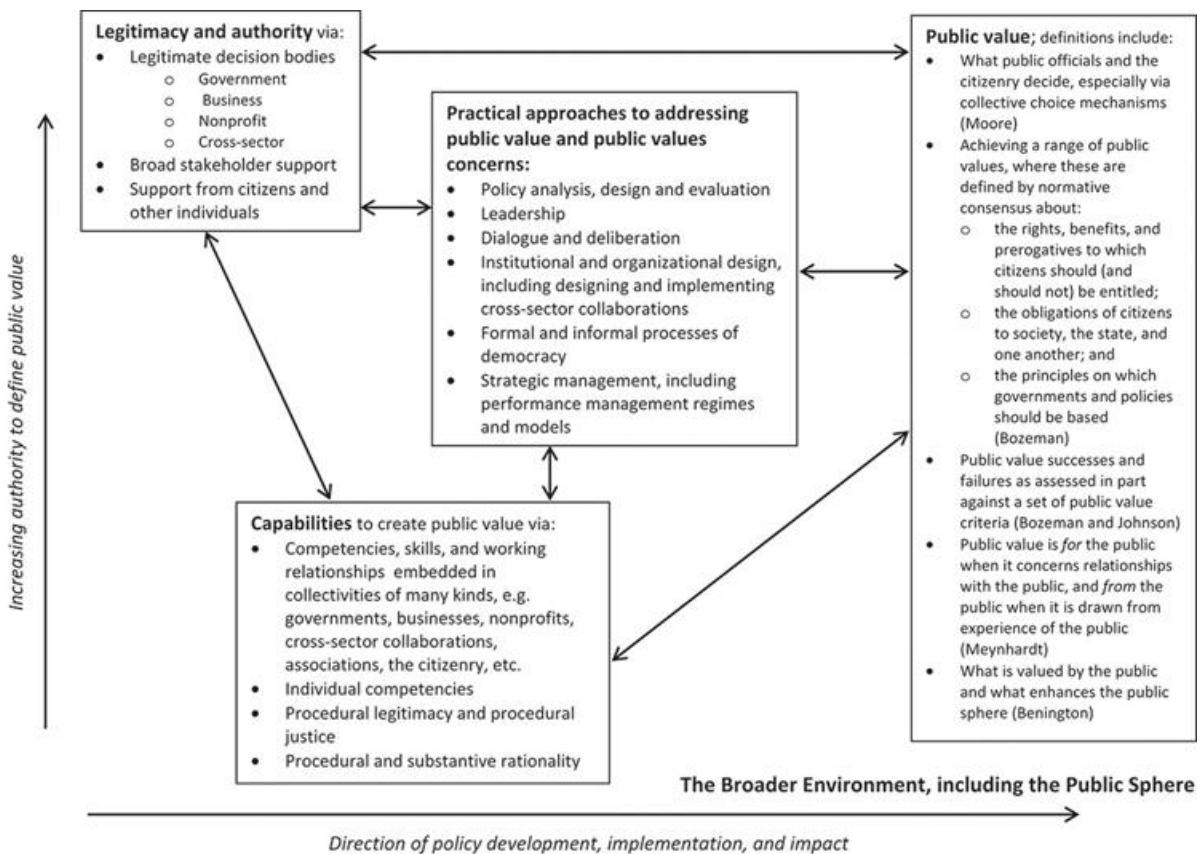
Tools are used in public value management, as explained by De Jong et al. (2017), to ensure public organisations continuously seek to generate value for their constituents. The researchers identified the following four dimensions practitioners should use to better manage public value.

- **Ambition:** What is at stake for clients, stakeholders and the public at large? How is value defined, and by whom? What more can be done to meet clients' needs or improve social conditions? Are we underperforming and missing out on creating more value?
- **Strategic space:** What external circumstances favour maintaining the status quo or moving away from it? What room for manoeuvre exists for the organisation (or the individual public manager) to adapt to these circumstances?
- **Conflicts and constraints:** What value trade-offs, conflicting interests, political power struggles or disputes over budgetary control and governance manifest themselves as a source or result of the situation that require strategic adjustment?
- **Personal role:** As an individual politician, policymaker, policy advisor, executive, manager or professional what can you do to help align value, capacity and support at a more optimal equilibrium? Referring back to the first three points above, how can you shape the value goal, explore the strategic space and mediate and resolve conflicts and constraints in order to create public value?

Source: De Jong, J., Douglas, S., Sicilia, M., Radnor, Z., Noordegraaf, M. and Debus, P., 2017. Instruments of value: using the analytic tools of public value theory in teaching and practice. *Public Management Review*, 19(5), pp.605-620.

Bryson et al. (2015) expand on the three dimensions of public value management and draw on concrete examples regarding a host of factors: policy analysis, design and evaluation; leadership; dialogue and deliberation; institutional and organisational design (including designing and implementing cross-sector collaborations); formal and informal processes of democracy; and strategic management (including performance management regimes and models). Figure 2.3 shows the practice-oriented approach. The list of practices is neither exhaustive nor entirely focused on public managers. Instead, it highlights the role of the broader landscape of all public authorities. Nevertheless, it is difficult to accommodate the multiplicity of actors (on different levels, arenas, spheres and areas of action) into the public value management framework. It raises a number of questions. Who takes the lead? How should competing value propositions be reconciled? How can stakeholders take a whole-systems approach to public value? Furthermore, involving citizens and other stakeholders in the authorising environment also means that the roles, power and identity of societal actors within the engagement process must be redefined (Bryson et al. 2016).

Figure 2.3. The Expanded Public Value Governance Triangle



Source: Bryson et al. 2015, 15.

Others have started to look into the governance processes connected to public value (Mouton 2009; Williams and Shearer 2011) linking it in more detail to traditional public

management tools and systems (Spaneo 2009; Vandenbeeke et al. 2013). Invariably the formal governance structures, institutional routines and power games within public organisations will have a role to play in public value management (Bryson et al. 2017). This approach to complexity is better suited to the systemic approach than seeing public value as something that does not emerge from discrete task environments, but it is also multi-dimensional in nature and collectively defined. But this can also help to deconstruct issues in a new way. For example, by using public value perspective it is possible to explore global wicked problems and establish which kind of institutional innovations are needed in the authorising environment at the transnational level (Geuijen et al. 2017). Geuijen et al. (ibid) show that, in the case of forced migration, complex values come into play with regard to the well-being of refugees, their rights as well as the duties and costs to society. Furthermore, an effective solution can be dependent on local and national governments, commercial enterprises and grassroots organisations where responsibility needs to be assigned and shared for effective social action. As such, using a public value perspective creates consensus about what kind of future to work toward, which is a prerequisite in tackling wicked problems. Facilitating these relationships and interconnections connected to complex issues is instrumental, and in some cases new forms of governance to support these relationships need to be developed (see Box 2.3).

Box 2.3. Facilitating networks to create value

Regional Innovation Networks in North Rhine-Westphalia, Germany

The Ministry of Culture and Science of North Rhine-Westphalia has supported interdisciplinary networks for innovation, regional innovation networks (RIN), in response to specific societal challenges. The ministry was interested in new sources for innovation and especially in creating ways to work together with citizens. In accordance with policy makers, the aim of RIN is to “start a dialogue with citizens to understand what the problems really are and frame them accordingly” (interviewed policy maker). Thus, RIN’s aim is to provide a constructive and propositional interaction between intermediaries, practitioners and citizens. The programme started in 2014 and has since supported more than 10 networks.

The Ministry puts out open calls to support RIN. They select the most viable ideas and support the network developments iteratively: they give the network coordinator one year to develop the concept and three years to develop the network and wean itself off public support. “We allow the baby to grow up and become independent.” RINs should become real laboratories where, through collaboration, new solutions can be tested. Thus, in RIN it is important to include regions and cities in the network, as most of the responses to problems are usually implemented at that level. RINs can look into different types of innovation from task-oriented and process-oriented innovation and finally innovation concerning strategic integration of different spheres of activity.

The approach has been applied in various contexts from diabetes to migration. One of the earliest networks, RIN for Diabetes was created in 2014. They started the network with a survey of people and their primary needs and came up with five important topics that required innovation for the network: prevention for children and youth, lifestyle notification processes, patient initiated research, prevention programmes in companies and knowledge transfer/online guides. The network coordinator, the Diabetes Information Centre, thought they would struggle to find partners to build the network and take these goals further, but it proved to be easier than expected: “Surprisingly it was really easy. We

had collaborated with the City of Düsseldorf before and the city was looking for health partners.” RIN worked with the city through different projects connected to prevention and health campaigns, thus establishing a “proof of concept” of its value. Currently, RIN is working on prevention campaigns in companies.

In the field of migration the fledgling RIN is looking into “filling the gaps in the system” from government policy to citizen action. Different administrative levels and local governments support refugees and tend to work in silos regarding the integration of refugees. The RIN hopes to break down these barriers, build on existing best practices and facilitate learning. Thus, the aim of the RIN is to build more inclusive neighbourhoods at the local level that are able to also meet migrants’ needs. For example in a recent European Academy of Integration organised by the RIN the possibility of integrating migrant-specific criteria into services was discussed.

Source: OECD interviews.

Who determines which value prevails? Navigating value conflicts

Public managers can and will be subject to value conflicts: while outlining 72 different values in chapter 2.2., it is clear that governments (especially in the context of systems change) cannot take all factors into account. Sometimes privacy trumps efficiency or a more radical choice between different policy options (backed by different value propositions) has to be made. For example, a corrections officer may be aware that the rehabilitative justice will be more effective in the long term, but must deal with politically supported punitive approaches or a solution supported by cost-benefit analysis, which puts marginalised groups in a worse situation (Alford et al. 2017; De Graaf et al. 2014 Page et al. 2015). Public managers should be attuned to these trades-offs and discuss the long-term effects of different choices from the perspective of value outcomes. In addition to compromise (Oldenhof et al. 2014), there are a multitude of different ways in which public managers can approach such value conflicts (Box 2.4). However, inside the public sector, different agencies and public managers within organisations can pursue diverging public value propositions at the same time. As a result, public value management becomes a complex, strategic issue in multi-actor, shared-power environments.

Box 2.4. Possible strategies to deal with public value conflicts

- **Cycling:** alternately emphasising different values that conflict at different points in time.
- **Firewalls:** distributing responsibility for pursuing distinct competing values to different institutions or administrative units.
- **Casuality:** consulting past decisions about similar value conflicts and crafting a customised response based on those examples.
- **Hybridisation:** sustaining distinct policies and practices that pursue competing values.
- **Incrementalism:** softening or attenuating value conflicts through a series of small adjustments to policy or practice.
- **Trade-offs:** safeguarding one value at the expense of another.

- Bias: a specific type of trade-off that gives preference to values that are consistent with a dominant discourse or larger value set at the expense of other conflicting values – in keeping with the notion of a values hierarchy.
- Escalation: elevating questions about competing values to a higher administrative or legislative authority.
- Compromise.

Source: Bryson et al. 2017.

This makes problem framing and facilitation so important: how this is done may either help people sharpen and revise their viewpoints and practices into new and better solutions, or otherwise reduce to a zero-sum game. Dunlop (2015) argues that “*as participation increases, different types of knowledge come to the fore and perceived wisdom is challenged and recreated.*” To be successful in collaborative forums, it is important to design processes that facilitate relationship building and mutual respect early on in the process where conflicting issues may come up (Keast et al. 2004). In situations where serious deliberation has taken place and all group members have had a say, even if some disagree with the dominant view, they are able to accept the majority view (‘rough consensus’) if this reflects the intentions of the group and is formed by an adept leader (Crosby et al. 2017). In such situations, it is helpful to identify similarities among different arguments and form a storyline to support the decision made. Especially as one should not assume that public value conflicts, leadership or stakeholders interests always affects public value positively (Hartley et al., 2019). Skilled facilitators can use a variety of strategies to deal with value conflicts in deliberative settings. A more important question is who is invited behind the table and how to have these debates as part of systems change in government. The next chapter will address this question.

Last but not least, politicians have a significant role to play in making public value trade-offs and discussing public value conflicts. Various public administration paradigms, such as Weberian public administration, and New Public Management and Public Value based theoretical streams, have assigned different roles to political leadership within these processes (Stoker 2006). Recently more voices have emerged among the network governance proponents outlining the benefit of politicians co-creating value proposals rather than communicating them from the top down (Torfing and Sørensen, 2019). Consequently, the following roles are proposed for political leadership as part of leading by public value (ibid. 2):

- the discursive formation of the political community that they aim to lead;
- the identification of the societal problems and challenges that call for public action;
- the development of innovative, feasible and robust policy solutions;
- the mobilisation of widespread support for the implementation of these solutions; and
- the highlighting of the public value that results from public policy-making.

Therefore, when confronted with complexity and diverging values, in political terms, policy design has to become (1) flexible enough to respond to varying interests; (2) understood by all those involved; (3) defined in terms of specific processes for overcoming stalemate and disagreement (Peters 2005).

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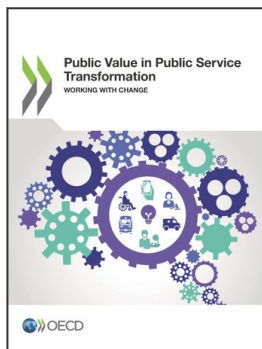
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Note

¹ See further discussion in the following works: Alford 2008; 2014; Alford and O'Flynn 2009; Benington and Moore 2011; Alford and Yates 2014; Bryson et al. 2015; Alford et al. 2017.



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