



# Public services management and co-production in multi-level governance settings

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## Abstract

From a normative stance, co-production has been recommended at all stages of the public service cycle. However, previous empirical studies on co-production have neglected the question of how to make this happen. Moreover, little attention has been paid to how co-production might occur in multi-level governance settings. The aim of this article is to fill these gaps, identifying triggers and organizational and managerial issues that could support the adoption of co-production in multi-level governance settings. The empirical analysis is based on a case study of services for autistic children. The findings highlight that co-production was prompted by inter-organizational arrangements and that trust-building among the actors played a pivotal role in nurturing a co-production approach.

## Points for practitioners

From an organizational perspective, our case study shows that, in order to foster co-production in multi-level governance settings, all stages of the public service cycle should be aligned and inspired by the same logic. From a managerial perspective it

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highlights that the implementation of co-production requires new managerial skills and tools. Public managers are asked to listen to community groups and individuals, to mobilize collective resources and knowledge, and exercise a meta-governance role. Finally, in order to have co-produced services, our findings point to the need to start thinking differently about the roles of civil society and government in satisfying the common good.

### **Keywords**

co-production, inter-organizational collaboration, managerial skills, multi-level governance, public service management

## **Introduction**

The last few decades have seen wide reforms in the provision of public services. A minimum of three waves of reform can be identified. The first wave aimed at improving the efficiency of public organizations by allowing managers greater autonomy. The second entailed the marketization of public services through privatization and contracting on the assumption that competition would trigger greater efficiency and closer attention to user needs. More recently, the central issue – particularly in light of the current financial crisis and austerity in public finances – has become cooperation with and the involvement of service users and members of the community in the production of public services. This new model of public service provision is called co-production, and is characterized by the population's involvement in the provision of public services (Pestoff et al., 2012).

Several reasons account for the development of co-production: the attempt to improve public service quality by bringing in the expertise of users and their networks; the need to provide public services that are better targeted and more responsive to users; the possibility of using co-production as a way of cutting costs; the opportunity to create synergies between government and civil society with a positive impact on social capital (Brudney and England, 1983; Ostrom, 1996; Pestoff, 2009; Seligman, 1997).

Co-production has received attention and has increased in relevance because of its potential to deal with a range of factors inhibiting effective public service provision. Indeed, as Marshall (2004: 232) pointed out, 'the fundamental point is that without active citizen participation the capacity of government to provide public goods and services is severely compromised'. It has also gained momentum in the current context of reductions in state expenditure, since 'co-production has the potential to transform public services so that they are better positioned to address these problems and to meet urgent challenges such as public spending cuts, an ageing society, the increasing numbers of those with long-term health conditions and rising public expectations for personalized high quality services' (Boyle et al., 2010: 3).

As noted by Osborne (2010), co-production has the ability to apprehend the complexity of public services delivery in the twenty-first-century pluralist

environment, in which the delivery of public services requires the negotiation of complex inter-organizational relationships and multi-actor policy-making processes. However, previous studies have mainly illustrated cases in which co-production plays a part in only one stage of the cycle of public services or have focused on the intra-organizational elements of co-production. The cycle of public services is often not covered by one single organization; rather, intersecting organizations located at different institutional levels are responsible for the provision of public services. In this context, decisions regarding the service (planning, design, delivery, and evaluation) might be shared between organizations intertwined vertically and/or horizontally.

With these points in mind, our study looked at the following research question: how can co-production occur in a context of multi-level governance? To this end, the article presents and discusses a relevant case study, and aims to analyze the conditions that can help to spread co-production along the whole range of actors, government tiers, organizations, and phases that occur in the cycle of public services in multi-level and multi-actor governance settings. In particular, we looked at the roles played by different actors, the triggers, and the organizational and managerial issues that can support the adoption of co-production across levels of government.

The article is organized as follows. First, there is a review of the relevant literature on co-production. Second, the article explains the strategy and methodology of the research conducted. Next, it describes and discusses the case study, and finally, it offers some conclusions.

## **From old public administration to co-production**

### *The main models of public administration and co-production*

The provision of public services might be analyzed according to three main models of public administration. These models, as shown in Table 1, differ on many aspects. Each of them is embedded into a particular paradigm and relies on a specific organizational ideology and designates specific roles to the population, to civil servants, and to politicians. As pointed out by Benington and Hartley (2001) and Hartley (2005), these models can also be seen as competing, in that they coexist as layered realities for politicians and managers, with particular circumstances or contexts calling forth behaviors and decisions related to one or the other conception of governance and service delivery.

The first model may be termed 'old public administration'. It is based on control, well-defined rules, hierarchy, and bureaucracy. In this context, the line of power is vertical and moves from politicians to the population, through public servants. Politicians act as masters in charge of taking decisions, while public servants act as purely neutral executors of political mandates. As suggested by Hartley (2005), this model assumes the population to be 'fairly homogenous' and conceives its role as that of the client. Alford (2009) defines clients as people who

**Table 1.** Evolution of the main models of public service provision

Public service provision	Old public administration model	New Public Management model	New governance model
Organizational values	Hierarchy, control, and bureaucracy	Market orientation, focus on performance, contracting in/out	Networks, inter-organizational relationships and multi-actor policy-making
Role of the population	Client	Consumer	Co-producer
Role of public servants	Providers	Commissioners	Directors and mediators
Role of politicians	Masters	Scrutinizers	Facilitators

Source: Adapted from Hartley (2005).

receive the services. They play a passive role, whereas public organization is the active participant in the exchange relationship. In particular, public servants refer to professional rules and provide standardized services, but largely disregard the specific needs of their population.

The ‘old public administration’ model was reformed by the New Public Management (NPM) model. With NPM came the idea that government should be run like a business (Ferlie et al., 1996). NPM prompted a new model inspired by market orientation, a focus on performance and contracting in and out of services and a vision of the population as consumers of public services rather than as clients (Hood, 1995). This model is associated with a customer-centered view in which consumers are not involved in any of the phases of public services management, but instead are able to exercise choice and to exit from any particular provider if their needs are not fully satisfied. As such, public servants should look for the most suitable arrangements for public service delivery in a context characterized by open competition between public organizations (contracting in) and public, private, and nonprofit organizations (contracting out). Public servants should therefore move from being purely professional bureaucrats and become fully professional managers. In this context, politicians play a role that is concerned mainly with scrutiny.

The third model can be labeled the ‘new governance model’ (Bingham et al., 2005). This model emphasizes the relationships between the population, public servants, and other actors (for example nonprofit organizations), and the organizational landscape is characterized by networks, inter-organizational relationships, and multi-actor policy-making (Agranoff and McGuire, 2003; Huxham and Vangen, 2005). According to this new governance model, public servants play a role as directors and mediators. In other words, they are asked to adopt holistic strategic thinking and a strategic shaping approach in making things happen (Bovaird, 2005, 2008), and to manage interdependencies between different actors (Sancino, 2010). Politicians should act as facilitators of interactions among many institutions and actors (Hansen, 2001: 121). The role of the population is as a

co-producer endowed with knowledge, resources, assets, and capabilities that can be used to create more public value (Moore, 1995).

### *The roots of co-production: theoretical backdrop*

The concept of co-production is not new. It first appeared in public policy and public administration research in the early 1980s. For example, in 1981 Parks et al. argued that the production function for goods or services combines inputs from both a regular producer and a consumer producer (Parks et al., 1981). This perspective also underpins the service management literature (Normann, 1991) and is based on the idea that services are unavoidably co-produced by service staff and users.

Moreover, in economic studies the notion of co-production has also been used in a normative way, describing co-production as an alternative institutional arrangement through which different kinds of organizations may contribute to the delivery of public services. This approach is closer to the new governance model and is based on the premise that government cannot serve as the sole provider of public services.

Among public administration scholars, co-production has been interpreted in different ways and can be considered 'a rather heterogeneous umbrella concept' (Verschuere et al., 2012: 1094). Differences between definitions are related both to the 'co-' side and the 'production' side of this concept. The 'co-' side is about who the co-producers are. In this regard, two competing perspectives can be found in the literature. Some scholars have emphasized the individual dimension of co-production, arguing that it occurs when clients/consumers/customers<sup>1</sup> (depending on the label used by different authors) produce their own services, at least in part. This is the perspective taken by Pestoff et al. (2006), who focused mainly on the role of the third sector in public services provision and developed the following three labels: co-governance, co-management, and co-production. In this classification, co-production refers to situations in which service users take part in the production and delivery of services, distinguishing it from interactions among organizations. Other scholars (Alford, 2014; Bovaird, 2007) support the idea that co-production is not confined to service users and may also involve other types of people, such as citizens, volunteers, or non-governmental partners. Embracing the collective and individual perspective of co-production, Alford (2014) proposes an innovative classification of different types of co-producers according to their roles in the production process. He distinguishes three kinds of co-producers: consumers, suppliers, and partners. Consumers stand at the end of the service delivery process and act as co-producers in their secondary role, whereas suppliers and partners do so as part of their primary role.

The 'production' side of the concept of co-production is also controversial. Some scholars use the concept of 'production' to refer to the service delivery phase (Alford, 2009). Whereas others (Bovaird, 2005; Bovaird and Loeffler, 2012) interpret 'production' in a broader way, referring not only to the service delivery phase, but to the whole cycle of public services, ranging from planning, design, managing, delivering, monitoring, and finally, to evaluation activities.

Consistent with this line of reasoning, Bovaird (2007) suggests that full co-production occurs only when individuals and community are highly involved in both the commissioning and delivery functions. This usage of the term ‘co-production’ implies that the word ‘production’ is not used as a synonym for ‘delivery’ but is more akin to collaboration. This article takes this more expansive view. However, since we are aware, as suggested by Alford (2013), that such usage of the term can be ‘fairly loose’ and can generate confusion in the literature, we will carefully specify how the involvement of collectives as well as individuals takes place in each specific stage of the cycle of public service and at each level of government (as do van Eijk and Steen (2014), when they state explicitly that in their study they focus on a specific type of co-production, namely co-planning).

Finally, the empirical analysis that has been conducted with regard to the co-production of public services has also highlighted: the benefits (Bovaird, 2007; Cahn and Gray, 2012; Jakobsen, 2013; OECD, 2011; Ostrom, 1996) and drawbacks of co-production (Bovaird, 2007; Bovaird and Downe, 2008); the motivations that prompt citizens or the community to co-produce (Alford, 2009; Jakobsen, 2013; Pestoff, 2012; van Eijk and Steen, 2014); and the motivations of public organizations for promoting co-production (Bovaird, 2007; Joshi and Moore, 2004; OECD, 2011).

Several authors (Bovaird, 2007; Boyle et al., 2010; Vershuere et al., 2012) have also emphasized the different kinds of co-production initiatives and the fact that the local level is closer to citizens and therefore potentially more suitable for exploiting co-production; again, other contributions have emphasized how specific kinds of services (e.g. health, safety, environment, etc.) may be more suitable for co-production initiatives.

Co-production has deep and long historical roots, and its modern application is therefore particularly complex. Thus, before we can examine the case of service provision for autistic children, we will try to unpack the concept to develop an appropriate framework for analysis.

### *Co-production of public services: in search of a framework for analysis*

Co-production can be considered as a maturing concept (Verschuere et al., 2012). Indeed, there are a large number of open issues in the research around this topic. Here we focus on some specific units of analysis including: triggers, the main organizational and managerial issues, and the engagement tools that have been used in co-production initiatives.

Joshi and Moore (2004) identified two kinds of organizational triggers or motivations for promoting co-production: governance drivers, which respond to declines in governance capacity locally or nationally, and logistical drivers, which refer to situations where some services cannot be effectively delivered to the ultimate recipients because of environment complexity or variability and high costs. Following Bovaird (2007), governance drivers are more likely to result in co-planning and co-design, whereas logistical drivers are more likely to result in co-delivery. These two types of

drivers might help to distinguish situations in which co-production is a 'genuine' solution (Bovaird, 2007: 855) from those in which co-production is seen as a 'vehicle for doing more with less' (Thomas, 2013: 788). In this regard, a survey carried out by the OECD (2011) on the motivation of public organizations for partnering with citizens and civil service organizations showed that co-production is more often used as a way to increase user involvement; only 29 percent of cases emphasize cost reductions. This result is not surprising since organizations may not want to admit that their motivation for using co-production is cost-cutting.

In terms of organizational issues, Alford (2009) underlined that co-production involves developing the right organizational structures and culture. According to Jaworski and Kohli (1993), such structures should be characterized by low centralization and high connectedness. Besides structure, organizational culture should also be recast to increase the focus on service users and other members of the community. Ostrom (1996) identified some organizational conditions that need to be satisfied in order to ensure success in co-production situations: defining the boundaries of the resource itself as well as the group of users; adapting the rules concerning use and provisions to local circumstances; involving co-producers in the decision-making, directly or via participation; restraining the involvement of external authorities to preserve the right of communities to self-organize; and developing a (social) infrastructure for resolving conflicts between actors. It is worth noting that these concerns generally have been developed without referring to each phase of co-production.

With regard to the managerial skills for encouraging co-production, the literature mainly assumes a normative stance (Cahn and Gray, 2012). Indeed, it highlights the need for new professional skills, such as being able to identify and harness people's assets; making room for people to develop themselves; and using a wide variety of tools for working with people rather than just processing them (Pollitt et al., 2006). In this regard, Alford (2009) pointed out the necessity for the ability to understand clients' needs. Fostering these managerial skills means changing the way professionals are trained, recruited, developed, and managed.

Co-production also requires the development of effective tools for engaging the population and for empowering its capabilities. Accordingly, public meetings, advisory committees, focus groups, and surveys might be used in different phases of the public services cycle for getting more information, sharing decision-making powers, and/or co-delivering better public services.

Finally, we can identify at least three main gaps in the literature. First, studies have neglected to analyse the whole cycle of public services and the outcomes of public policies. Second, studies have mainly assumed the old public administration view in which public servants/professionals of a single organization interact with the population, despite the fact that this is incongruent with the modern realities of public service delivery, which increasingly requires the involvement of multiple actors across levels of government and the private and nonprofit sectors. Third, studies have not investigated the role and skills of those public managers involved in the different stages of the co-production process. This article aims to help fill these gaps.

## Method

This investigation looks at the experience of co-production in public services for autistic children. An exploratory case study (Yin, 1994) approach is used, since the current changes are so significant that it is necessary to qualitatively appreciate the phenomenon under analysis to identify relevant patterns of behavior and the related influencing factors. In this case, the provision of services involved public organizations at different levels of government, nonprofit organizations, service users, and community groups. It was selected because it is attuned to theoretical sampling consistent with the aim of theory-building (Eisenhardt, 1989). In particular, this case provides the opportunity to study the phenomenon of co-production across institutional levels and the different stages of the public service cycle.

### *Case description*

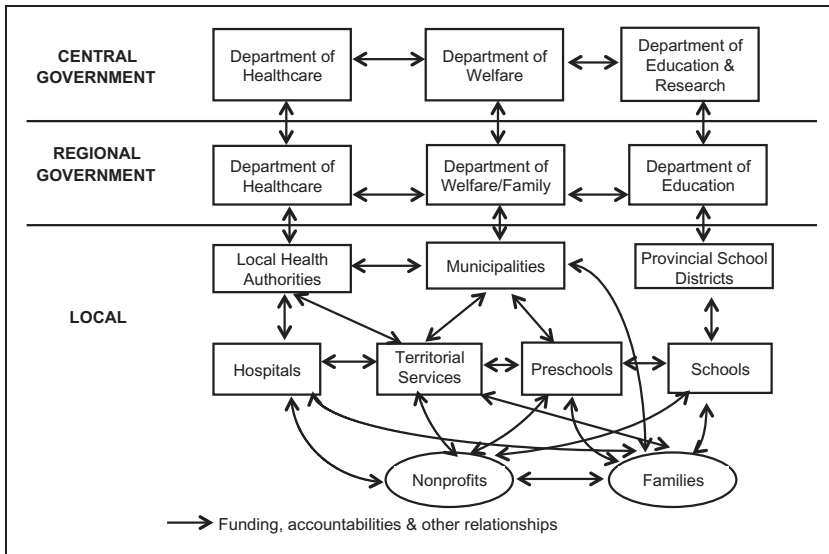
The empirical study is set in the Lombardy region of Italy.<sup>2</sup> In this context, the care of autistic children is complex from two points of view. On the one hand, service management takes place in a fragmented setting since it requires the coordination of three regional government departments: healthcare, welfare, and education. On the other hand, it is characterized by a multi-level governance setting since responsibility for the provision of health, social, and educational services is split across different levels of government (central, regional, and local) (Figure 1).

The organization of these services is historically regulated by central government under the national legislation for healthcare. At the local level, different autonomous public organizations – health authorities, hospitals, municipalities, schools – provide multi-purpose services such as early diagnosis, therapy, home support to children, integration with other children in school, counseling, and subsidies to families. Nonprofits and community groups are also involved in the delivery of services. The regional government is in charge of policy-making, coordination, and funding of healthcare and welfare services, among other activities. It has legislative and fiscal powers within the limits of state laws.

Despite the minimum service levels set by central government, in the Lombardy region the provision of services to children with autism has traditionally been depicted as fragmented, with families playing a pivotal role in integrating contributions from paediatricians, social assistance, teachers, and educators. To address these and other complaints from families with autistic children, the regional government of Lombardy activated a special project, which is described below and depicted graphically in Figure 2:

- At the beginning of 2005, the Department of Welfare of the regional government of Lombardy led an initiative that involved families and their associations in service planning, along with field experts, and Local Health Authorities (LHAs). This participatory process enabled the regional government to better map the critical issues embedded in the provision of services to autistic children.





**Figure 1.** The service-delivery system for childhood autism in Italy

- In March 2008, the regional government launched an invitation to tender aimed at providing funding for partnership projects at the local level. The bid encouraged each LHA to collaborate with other local actors (families, public and nonprofit organizations, etc.) following the criteria defined in the tender.
- The LHAs in Lombardy submitted a total of 15 projects aimed at enhancing autism services in their jurisdiction and strengthening collaboration between governments, nonprofit organizations, and families. We focused our research interest on the two projects that won the tender and adopted a co-productive approach along the cycle of public service. These projects were led by the LHA of Monza-Brianza and the LHA of Cremona.<sup>3</sup>
- In the following two years, the two funded LHAs provided services in collaboration with local partners. Each partnership showed distinguishing features in terms of services delivered and organizational arrangements.
- During the service delivery, the regional government started to evaluate local projects, involving some of the recipient families, LHA professionals, and nonprofit organizations. Co-evaluation lasted two years up to January 2011.

### *Data gathering and analysis*

Data were gathered from different sources to ensure triangulation and the internal validity of empirical evidence through observational and interpretational replicability (Stake, 1995). Documentary analysis and semi-structured interviews were combined. First, we analyzed primary documents provided by the actors involved

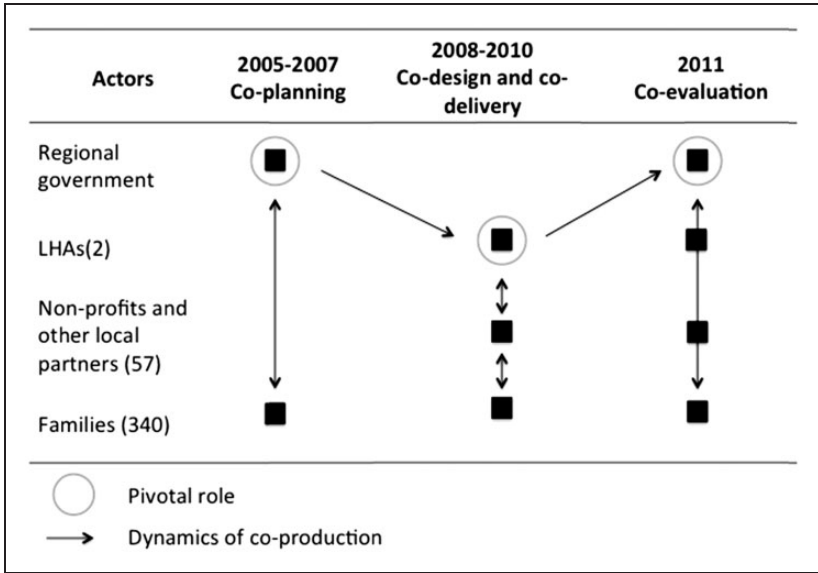


Figure 2. The Lombardy region case: policy cycle, co-production and actors involved

in the planning and provision of services with the aim of collecting preliminary information about the context, and understanding the distinctive features of service co-production.

Second, we carried out interviews with three regional government managers in charge of the whole project – the Chief Executive Officer (CEO) of the Department of Family and two department managers – and with the managers responsible for the projects in the LHAs of Cremona and Monza-Brianza. All interviewees were asked the same set of open-ended questions and each respondent’s answers were recorded and transcribed. Two main topics were addressed, including (1) how families and community groups were involved in each phase of the autism services lifecycle (planning, design, delivery, and evaluation), and (2) how and to what extent organizational arrangements and management skills were adapted to fit the emerging collaborative *modus operandi*. Seventeen families involved in the project were interviewed by independent auditors commissioned by the regional government to give a rounded perspective on the co-productive experience. Since we had full access to this research output, we could argue that the families’ voice has been considered in our study, although for privacy reasons we were not allowed to contact them directly.

The qualitative data were analyzed in three steps: data storing, managing, and processing (Miles and Huberman, 1984). To ensure that the qualitative analysis was reliable, we first triangulated the sources and then used the researchers’ triangulation results and arranged meetings to discuss the data with our colleagues and interviewees.

## Case study analysis

In this section, we outline the results of our investigation. This section is divided into four sub-sections, focusing in turn on each of the four phases of co-planning, co-design, co-delivery, and co-evaluation in terms of actors, triggers, organizational issues, managerial skills, and engagement tools (Table 2).

### Co-planning

The major trigger (Joshi and More, 2004) for prompting co-production in the provision of autism services was the willingness to respond to families' requests for improved services for their autistic children. Indeed, in late 2004, a family with an autistic child called attention to the state of the art in autism services. This family asked the CEO of the regional Department of Family for the implementation of a new therapy. The regional department began to reflect on services for autistic people and on its own ability to respond to the political vision of recognizing the central role of families and fulfilling their needs. Thus, by interacting with this family, the CEO and his staff became aware of the fragmentation of specialist services and treatments applied in the Lombardy Health System and the governance problems associated with service delivery. The discovery of this knowledge gap prompted them to arrange an ad hoc research project to better understand families' needs.

The research was developed in collaboration with an experienced local foundation in education and social assistance and with the scientific support of the regional government research agency. These partners were joined by a group of families with autistic children and by a private polling company. Researchers surveyed a sample of 300 families with an autistic child between the ages of 3 and 19 (about 21 percent of the Lombardy autistic population estimate). Moreover, they carried out one-to-one interviews and a focus group with 40 members of families with autistic dependants between 3 and 25 years old. The research was the first opportunity for the regional managers to meet with families and get first-hand information on their needs. As noted by one regional manager, *'we already knew the number of autistic children in our jurisdiction, but we didn't know their families'*. According to their perception, this was *'a very new method of policy making'*. What they felt to be critical in terms of their own managerial skills was their outreach ability. In the words of one regional manager, *'it requires empathy with the user'*.

From the families' perspective, the research was an opportunity to voice their opinions about services provided, express their needs, and ask for improved services.

Following the research output, in March 2008, the regional government launched an open tender in the Lombardy jurisdiction looking for new service arrangements at the local level.

The tender called for cross-sector collaborations led by the LHAs, which were required to co-finance at least 20 percent of the project. It should be noted that the

**Table 2.** Features of co-production in the Lombardy region case

	Co-planning	Co-design	Co-delivery	Co-evaluation
Actors	Regional government Families	LHAs Nonprofits Families Schools, hospitals, municipalities	LHAs Nonprofits Families Schools, hospitals, municipalities Logistical drivers Trust	Regional government LHAs Families
Triggers	Political vision Governance and logistical drivers	Open tender and availability of new funding		Creating actionable knowledge
Organizational issues	Cross-departmental executive team	LHA staff Highly connected network Cross-sector teams	LHA staff Cross-sector teams	External audit Multi-level governmental team
Managerial skills	Listening and outreach ability	Strengthened awareness of local actors Collaborative skills Capacity-building attitude	User empowerment attitude	Listening and outreach ability
Engagement tools	Focus group Survey One-to-one interview	Project management	Training	Focus group Survey One-to-one interview

tender was innovative to the extent that it included inter-organizational arrangements as a fundamental prerequisite. This was aimed at revising the service delivery system, avoiding fragmentation, and improving both the continuity and comprehensiveness of care management. It is also interesting to note that, at this stage, the open tender was the tool for disseminating co-production down from the policy-making level (the regional government) to the service delivery level (the LHAs). All the LHAs took part in the call for tender by submitting a project aimed at building partnerships with families, nonprofits, schools, and municipalities.

This process allowed the regional government to co-plan with families the services to be provided at the local level and their local arrangement. Indeed, the tender criteria were drawn up jointly with families, with the aim, as stated by a regional government manager, of *'improving the governance of the service-delivery system and not just to add new services'*.

### Co-design

The pivotal role in the co-design of services from 2008 to 2010 was played by the LHAs of Cremona and Monza-Brianza, following the open tender launched by the regional government. One important outcome of the co-design phase was the creation of mutual trust between public authorities (e.g. hospitals, schools, municipalities), families, and local nonprofits. In both cases, an initial design phase took place in order to propose a project for the bids, but the designs were fine-tuned once the bids were accepted. The whole process was managed by existing LHA staff and required project management tools to support the engagement of partners.

The support from families and their associations was not very strong during the design of the bid but increased afterwards. As pointed out by one LHA professional: *'At the beginning of the design phase, many families and nonprofit organizations attended meetings with an obstructionist stance. After the first meetings, all partners became more collaborative in that they perceived the real opportunity to contribute to the design of services.'* Moreover, as described by another LHA professional, *'the involvement of families allowed our team to stay rooted in their children's priorities'*. A local health authority manager reported his enthusiasm for the benefits of co-design to the regional government, claiming: *'Never again without partnering with associations and families in the design of services'*. The trust built into the design of services laid the groundwork for collaboration in the co-delivery phase that followed.

In both cases, the involvement of families, nonprofits, and other local partners (i.e. hospitals, schools, municipalities) was facilitated by the arrangement of cross-sector teams for voicing values, facilitating interaction among public sector professionals and civil society, and creating a shared outcome. According to the LHA executives, the arrangement of these teams was informed by their strengthened awareness of local actors and their highly connected network. This process also

**Table 3.** The co-design and co-delivery phases: alternative models

Items	Cremona LHA	Monza-Brianza LHA
Governance (power)	Devolved	Decentralized
Local partners involved in co-design:	22 (initially 17)	22 (initially 19)
– Public sector organizations	7	10
– Families and nonprofits	10	9
Co-funding, split	€324,000	€411,000
Regional government (55%), LHA (45%)		
New co-designed and co-delivered services	<ul style="list-style-type: none"> <li>• Parent training</li> <li>• Family mutual help</li> <li>• Day center for the empowerment of child autonomy</li> </ul>	<ul style="list-style-type: none"> <li>• Family mutual help</li> <li>• Weekend service</li> <li>• Volunteers training course</li> </ul>

required the development of collaborative skills and capacity-building attitudes on the part of public managers.

However, the two partnerships differed according to the role played by the LHAs in managing this process (Table 3). Cremona promoted a partnership characterized by an equitable distribution of responsibility, tasks, and power between three different teams arranged on a geographical basis. These teams worked autonomously on a local service-delivery system. Instead, the partnership model developed in Monza-Brianza was characterized by the LHA playing a pivotal role. Indeed, while it decentralized specific tasks to four teams, it steered the strong coordination among them.

### Co-delivery

A co-productive approach was also adopted in the delivery phase. The two cases shared logistical motivations and the trust developed during the service design as drivers for co-delivery. Indeed, a distinctive feature of autism services is that the families are strongly involved in the provision of care to their children. Their role is crucial for service effectiveness. Accordingly, the two LHAs trained families and made them better co-producers of services (see Table 3). For example, in Cremona a day center was opened where families could meet and share experiences.

The Monza-Brianza LHA co-delivered a mutual help service and a special weekend service managed by the association of families with the support of trained volunteers. The Monza-Brianza LHA executives recognized that increasing the knowledge and competencies of local professionals and families was crucial for effective service co-delivery. Hence, hospital-based training courses on autism were provided to families, school teachers, pediatricians, and general practitioners.

Training end-users and local partner professionals resulted from public managers focusing on user empowerment and appeared to be an effective managerial tool for improving service co-delivery.

### Co-evaluation

The evaluation of services was also carried out with a co-productive approach. The co-evaluation was led in 2011 by the regional level of government jointly with the LHAs (see Figure 2). The main trigger for this phase seems to have been creating actionable knowledge for policy-making. As pointed out by a regional government manager: *'During the policy implementation we realized that the approach we implemented in this service case had become, in a paradigmatic way, the benchmark for the reform of the whole welfare services policy.'*

In this phase, specialist external auditors were asked to develop shared and reliable indicators for measuring network operations and family satisfaction. Data on these items were collected through focus groups with family associations and in-depth interviews with 17 families. Several meetings were organized to discuss and jointly assess the results.

Regional executives pointed out that – as in the co-planning phase – they were extremely interested to share information with the associations of families and local partners and to reduce skepticism. In addition, the external audit confirmed that families appreciated the leading role of their associations. Some families also emphasized the importance of being co-producers of services for their children, particularly in 'parent training' (*'... families should get involved in service provision otherwise they will always expect the government to solve their problems ...'*), as well as the value of local public–private networks (*'... the family plays a pivotal role in autism services but we cannot do the job alone'*).

In terms of results, the bureaucratic spending and reporting rules imposed by the regional government for project accountability was the main point of criticism for the families. Nevertheless, the co-evaluation highlighted a high level of family satisfaction and a strong empowerment of families and nonprofit associations.

### Conclusions

In the twenty-first century, the public sector is increasingly characterized by a high level of complexity, partly due to the presence of multi-level governance settings where several kinds of organization are in charge of different phases of the public policy and service cycle. This case allows us to explore how co-production takes place in that complex environment, going beyond the traditional approach taken by the literature. While most extant studies illustrate cases in which co-production covers only one stage of the cycle of public services or focus on the intra-organizational elements of co-production, this case covers co-production in the entire service cycle and in a multi-level setting, allowing us to point out some important issues from both organizational and managerial perspectives.

From an organizational perspective, we should first remark that in our case, co-production was intrinsically inter-organizational. Any single organization working alone would not have been able to deliver the proper outcomes. Indeed, the case study highlighted how co-production was disseminated across the different stages of the service cycle, and involved different kinds of organizations and different levels of government. The co-productive approach was promoted initially at the planning stage by the regional government. This allowed the direct involvement of families in the planning of services for autistic children, and it also spread the value of collaboration to other organizations involved in the various stages of the service cycle. This means that in order to foster co-production in multi-level governance contexts, all the stages of the public service cycle should be aligned and inspired by the same logic.

The allocation of funds for developing co-production across the whole system of actors involved in autism services and policy has been an important element for ensuring that the project got off the ground, confirming that co-production is value for money, but it is not value without money (Bovaird and Loeffler, 2012).

Another important element for starting the project was the input from the service users. However, the generation and consolidation of trust over time was probably the most critical factor ensuring the collaboration of families and non-profit organizations. Trust was nurtured by the involvement of these actors in all phases of the policy and service cycle and not only at the point of service delivery. This being the case, families and nonprofit organizations did not perceive co-production as government attempting to dump its difficulties on them, but as an opportunity for improving services. And the results also show that all parents can and will support their autistic children if given adequate tools.

From a managerial perspective, our case study demonstrated that the implementation of co-production required new managerial skills and tools. In particular, public managers were asked to listen to users and community groups, to mobilize collective resources and knowledge in order to meet the public interest, and to exercise a meta-governance role with a view of the public sector that is systemic and oriented toward final outcomes. Moreover, the main element for guaranteeing capacity-building and the sustainability of co-production was the ability of public managers to manage co-productive fatigue, nurture co-productive behaviors, and facilitate their continuance even when public funding ceased.

These findings suggest some avenues for further research. First, our research showed that public managers promoted co-production activities without being aware of 'co-production'. Within this perspective, we need a clearer theoretical framework about the concept and the operations embedded in the theory and practice of co-production. With this in mind, co-production of public services is an argument to be strengthened in management education for public managers. Second, future studies might also address how the process of creating co-production may differ in terms of participation, representation, outcomes, and effectiveness when used at various stages of the policy and the service cycle. Indeed, in our case study, engaging users and community groups from the initial phase of co-planning



onward was critical for building trust across the whole cycle. Third, future studies might investigate the impact of co-production on accountability patterns and on the power structure between professionals and users. Indeed, accepting co-production implies that the government is willing to share power with users. Fourth, our case study provided evidence that new values were generated by the actors involved and by the interactions that took place between them across the full co-production cycle. Therefore, future research studies should focus on developing possible frameworks for assessing the performance of co-production in public services and for detecting the different components of that performance, both tangible and intangible. With this in mind, it would be interesting also to further analyze whether the success or failure of co-production initiatives differs among different kinds of services and among different levels of government.

Finally, our findings highlight the need for public organizations to rethink their role in public service provision in order to move from a 'service-dominant' approach (Osborne et al., 2013) to a 'citizen-capability' approach (Sen, 1993). In our view, this shift is not evolutionary but transformative towards a new ethos. It requires us to start thinking differently about the roles of civil society and government in satisfying the common good. Thus, future studies should investigate in depth whether the empirical reality of co-production is going to be merely a fad, a way to re-engineer service management in the public sector, or a whole new ethos for public organizations and for the people working in them.

## Notes

1. We use clients/consumers/customers in consideration of the different words used by scholars to refer to those who receive services and can assume an active role in the cycle of public services. However, henceforth we will adopt the word 'users' or 'service users'.
2. The Lombardy region has a population of about 10 million inhabitants. Italy has four levels of government: central, regional (20 Regions), provincial (110 Provinces), and municipal (8102 Municipalities). Regions and Provinces play a limited role in the production of services and act mainly as regulators and re-distributors of resources to municipalities and other public sector and nonprofit organizations.
3. Monza-Brianza and Cremona are two provinces in the Lombardy region.

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