

# Leading and managing the co-creation of public value outcomes

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# The rise of bureaucracy

- ◆ The **public sector** that expanded in the postwar era was **bureaucratic**
- ◆ **Bureaucracy** was a great improvement compared to earlier:
  - Centralized control and horizontal specialization enhanced efficiency
  - Rule-following and meritocratic recruitment put an end to corruption
- ◆ In some countries, bureaucracy was combined with **professional rule** giving frontline personnel autonomy in exchange for high performance



# Bureaucracy bashing

- ◆ The expansion of bureaucracy fostered a new sport: **bureaucracy bashing**
  - **Downs**: ossification of public organizations
  - **Niskanen**: service too poor and too expensive
  - **Lane**: public employees act opportunistically
  - **Reagan**: public bureaucracy is not the solution, but the problem
- ◆ **Neoliberals** criticized public bureaucracy for being a parasite squandering value produced by the private sector
- ◆ The **NPM cure** was less state, more market



# The discovery of public value

- ◆ The constant bashing of the public sector led to an **inferiority complex** that demotivated public employees
- ◆ Fortunately, Harvard professor Mark Moore demonstrated that the public sector produces a **distinct public value**
- ◆ Public value defined as what has value to the public and what public value



# The public value triangle

- ◆ Public managers are portrayed as **explorers** who are constantly searching for new ways of producing **public value**
- ◆ Their public value propositions must be **authorized** by elected politicians and stakeholders to gain legitimacy and support
- ◆ Finally, public managers must build **organizational capacities** to secure implementation



# Co-creating public value

- ◆ Public value management has been criticized for being **too managerial**
- ◆ Not only managers, but a broad range of **public and private** actors including citizens can contribute to public value production
- ◆ Hence, public value is a **game changer** leading us to embracing **co-creation** in networks and partnerships



# Defining co-creation

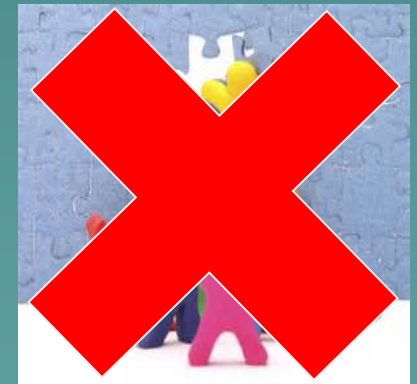
## ◆ Co-creation:

- When two or more public and private actors collaborate to define common problems and design and implement new and better solutions

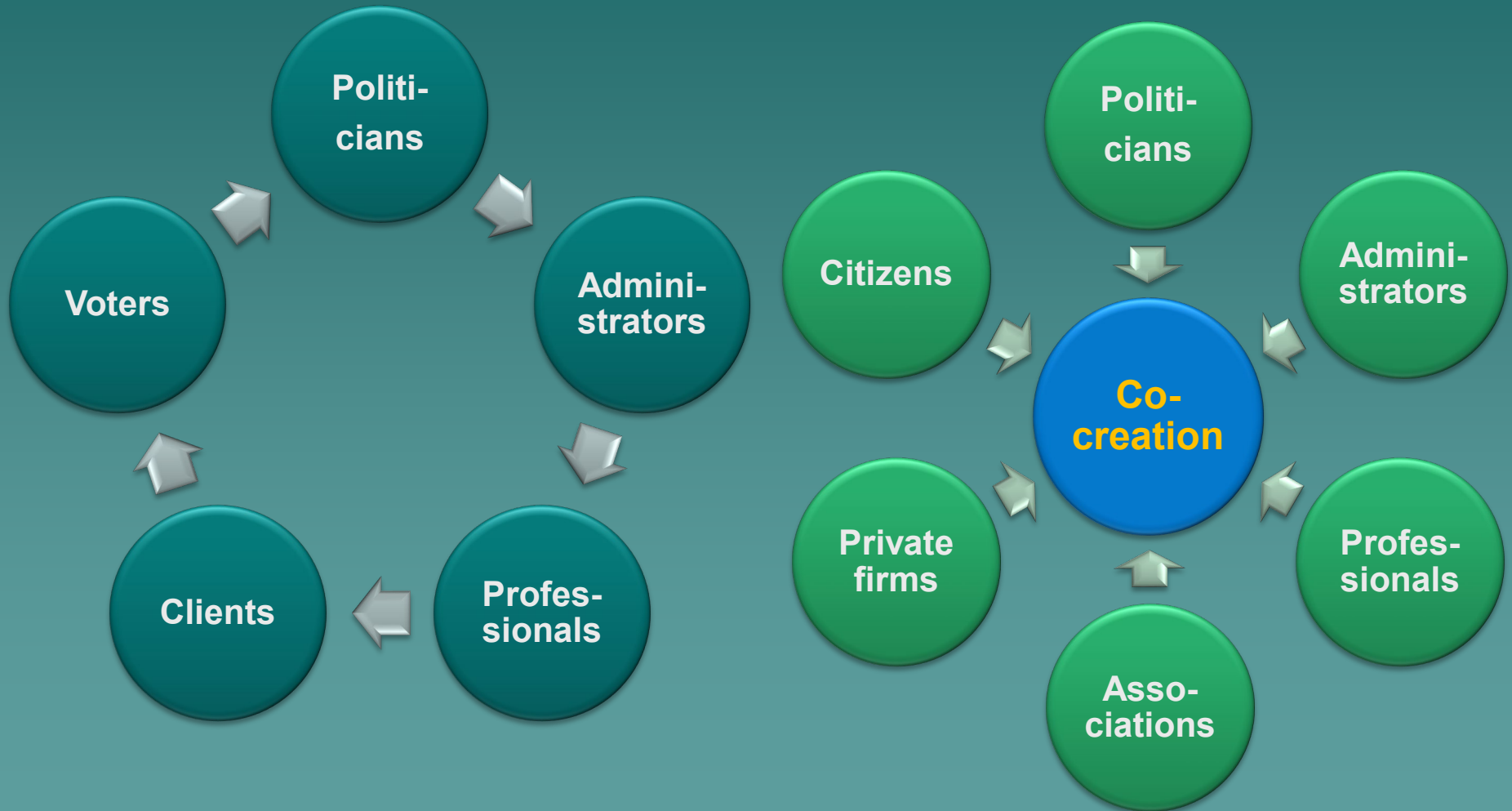


## ◆ Not co-creation:

- When citizens are consulted about public planning decisions
- When public tasks are dumped at the feet of weak local communities
- When public service production is contracted out to private business firms



# From chain of government to co-creation





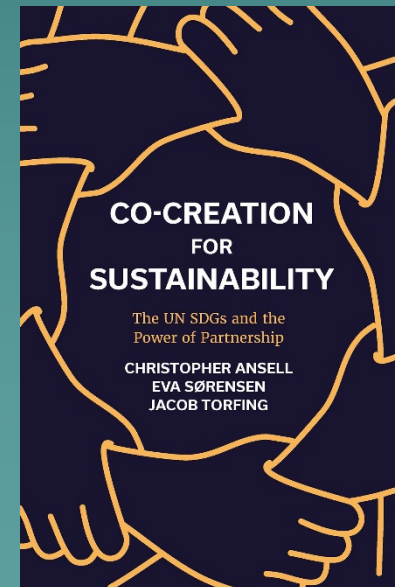
# Achievements

- ◆ Co-creation mobilizes experiences, ideas and resources of relevant and affected actors and that tends to **enhance service quality**
- ◆ Co-creation **strengthens social cohesion** by bringing together diverse groups of citizens
- ◆ Co-creation **stimulates innovation** and **builds common ownership** for new solutions
- ◆ Co-creation **enhances citizens' democratic influence** at the output side of the political system



# Co-creating the SDGs

- ◆ The UN Sustainable Development Goals comes with their own recipe
- ◆ **Goal 17** is that all the first 16 SDGs should be co-created through networks and partnerships
- ◆ Currently writing a book about that....



# Leading and managing co-creation

- ◆ **NPM:** public managers must lead their own organization and employees in order to achieve pre-defined results (transactional leadership)
- ◆ **Co-creation** calls for a new type of relational leadership that seeks to mobilize actors in the development of yet undiscovered solutions:
  1. Cross-boundary leadership
  2. Distributive leadership
  3. Volunteer leadership
  4. Innovation leadership

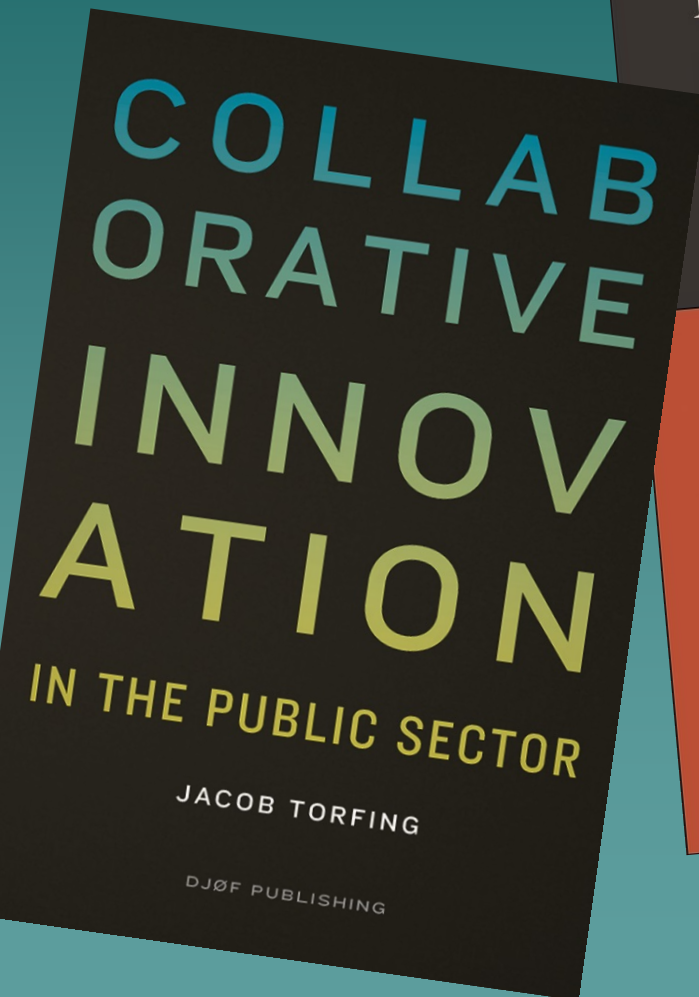


# Governing co-creation

- ◆ Co-creation can be supported by a new type of **generative governance** aiming to build platforms and arenas



# Want to read more?



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