Rethinking co-creation: the fluid and relational process of value co-creation in public service organisations.

Author 1: Dr Victoria Cluley – Post-doctoral Research Fellow

Cass Business School

City, University of London

106 Bunhill Row

London

ECY1 8TZ

victoria.cluley@city.ac.uk

Bio: **Dr Victoria Cluley** is a Post-doctoral Research Fellow at Cass Business School, City, University of London. Victoria's research focuses on service user experience and the conceptualisation of co-creation in public service settings. Victoria has a professional background in local government, specifically public health. She has been involved in many research projects addressing issues in public service organisations mainly focusing on health and social care policy and practice.

Author 2: Professor Zoe Radnor - zoe.radnor@city.ac.uk

Vice-President

Professor of Service Operations

Cass Business School

City, University of London

106 Bunhill Row

London

ECY1 8TZ

Bio: **Professor Zoe Radnor** is Vice President (Strategy and Planning) and Professor of Service Operations Management at Cass Business School, City, University of London. Her main areas of interest are in co-production, process improvement and service management in public sector organisations. She has published nearly 100 journal articles, conference papers, book chapters and reports as well as presented widely on the topic to both academic and practitioner audiences.

1

Abstract

This paper develops the ongoing conceptualisation of the value co-creation process in public services. To do this we draw on a practical experience of a major service re-design to integrate health and social care services. Here we report the questions this experience raised for us regarding the value process, drawing on the theory of Deleuze and Guattari (1987) in conjunction with existing conceptualisations of value to provide answers and expand the debate.

Impact

Public services are increasingly thought of in terms of the public value they provide. Co-creation is a popular public service management tool to provide services that benefit public value. Both public value and co-creation have been conceptualised in terms of experiences based on a two way relationship between the service user and provider. Here we expand this relationship to account for the complexity of public services whereby other, often non-human, factors also play an explicit role in value creation. This paper draws on a particular instance of public service delivery to show this complexity. We make sense of this by drawing on the philosophical work of Deleuze and Guattari. Four recommendations for practice are provided to ensure that complexity and fluidity are accounted for when undertaking co-creation work.

Introduction

This paper explores the value co-production/creation process in public sector organisations (PSOs), drawing on a recent experience of a Gateway Review of a regional service redesign to integrate health and social care points of contact; the Integrated Point of Access programme,

2

to do so. This experience raised many questions regarding value and its creation process in public service settings. While value and its creation process has many frameworks (Osborne et al 2016), models (Ostrom 1972) and conceptualisations (Osborne 2107), to aid its understanding, such models did not fully reflect what we observed to be happening in practice. The co-production/co-creation debate has predominantly been conducted at a theoretical level. When we applied these concepts, some of which we have developed ourselves, in practice we found them lacking. They did not reflect the complex world of PSOs. Owing to this, we found ourselves asking questions such as: what and who is involved in the process of creating or producing value? Is public value different for different stakeholders? Who is public service value for? Is value an outcome or a continuous process? And how can the value creation/production process be made sense of? The example provided here aims to develop the theorisation of value co-creation as well as bringing a practical dimension to this debate by offering real Public Service Organisation (PSO) circumstances on which theories can be applied and made sense of.

Cluley and Radnor (2019) outline a practical ontological framework for making sense of the reality of the value co-creation process. This framework draws on the philosophical approach proposed by Deleuze and Guattari in their two volume work, *Capitalism and Schizophrenia,* specifically focusing on their concept of rhizomatic assemblage. This framework differs from previous conceptualisations of the co-creation process in that it repositions value co-creation as a fluid and heterogeneous process rather than a two way, agency focused interaction. In doing this, the role of objects, institutions, societal norms, lived experiences can also be accounted for. Where previous conceptualisations have prioritised the role of specific human agents, namely the service provider and the service user, Cluley and Radnor's (2019) framework moves away from a focus on agency to focus on the relational assemblage of many

3

and varying elements without prioritisation.   This is helpful because it allows the heterogeneous processes and practices of PSOs and their users to be accounted for and removes any prioritisation of specific agents.

This paper illustrates Cluley and Radnor's (2019) conceptualisation of co-creation and shows how it can be used to make sense of practice. To do this the paper is divided into three sections. The first section provides an overview of the Gateway Review experience. The second section provides an overview of the value co-production/creation debate as it currently stands. In doing this the progression of thinking is mapped from value co-production to value co-creation in PSOs. The various frameworks that have been put forward as ways of seeing value in PSOs are also discussed here. These conceptualisations are then applied to the reality observed in the Gateway Review experience to highlight the problems encountered when applying such conceptualisations and models in practice. Finally the third section outlines our use of Deleuze and Guattari (1987) to make sense of the value process observed in practice, concluding finally that, this way of seeing value better reflects the reality of the value creation process in public sector organisations, allowing complexity to be accommodated.

Section one: The Integrated Point of Access Gateway Review

The example we draw on is a Gateway Review of a health and social care service redesign, the Integrated Point of Access programme, to progress the central government target of integrating health and social care services by 2020 (NAO, 2017). Over a three year, phased approach, the Integrated Point of Access (IPoA) programme will integrate eight different points of access for adult health and social care services across a regional area, involving the inclusion and integration of services across eight different partner organisations including: three Clinical

Commissioning Groups (CCGs), three local authorities, one NHS acute hospital trust, one community and mental health NHS trust, and one commissioned public health call centre.

An independent consultancy was first commissioned to scope out the IPoA vision and provide a viable business plan for its implementation. When the resultant business plan was disseminated among the service partners there was a considerable degree of resistance to commit. This reaction occurred across the partners for a number of reasons including; lack of confidence in the business case process; perceived lack of financial, human and operational resources; change fatigue; unwillingness to change to a new system of delivery; and confidence that the current system worked well enough (Whiting et al 2017). As a consequence, the change team who were responsible for overseeing the project proposed a Gateway Review to provide external scrutiny of the process at the end of phase one in order to examine the likelihood of success and make recommendations for improvement. This was agreed by the partners involved and our team was commissioned to provide the review.

A Gateway Review is an example of external peer review that is typically carried out by reviewers who are independent to the organisation under review, with the aim of producing an impartial report for improvement. The Gateway Review process was developed by the Office of Government Commerce (OGC) following the Gershon Review (Gershon[1] 2004) recommendations to improve efficient policy implementation. Following the OGC closure in 2010, Gateway Review is now overseen by the National Audit Office (NAO[2]). We refer to our

---

[1] The Gershon Efficiency Review was conducted in 2003/4. It recommended a series of efficiency savings for the public sector.
[2] The National Audit Office is a UK independent parliamentary body. Its main role is to audit government departments, agencies, and public bodies.

review as an informal Gateway Review because it was not delivered in conjunction with the NAO. The review was carried out by an independent team that included two academics and two independent consultants. The review included: a document review, a review of IT solutions, a financial review, 24 semi-structured interviews, and three focus groups with 16 stakeholders. In addition to this we also reviewed a total of 55 documents ranging from national and local LLR strategy documents to minutes of IPOA work stream meetings. The review resulted in 15 recommendations for improvement. What is important to this paper, however, are the questions that the observation of the IPoA project raised for us regarding the co-creation/co-production debate. This is not an empirical paper, we do not focus on the empirical findings of the project here, rather we focus on the realisation that this experience drew us to – that previous conceptualisations of public service value and its creation or production process do not reflect the reality of public service practice.

We found ourselves asking fundamental questions regarding existing theorisations of co-creation, outlined in the introduction (what and who is involved in the process of creating or producing value? Is public value different for different stakeholders? Who is public service value for? Is value an outcome or a continuous process? And how can the value creation/production process be made sense of?) But also is the IPoA project an example of public service value co-creation? And if so what is the role of the IPoA process in the creation of a value experience? In order to answer these questions we drew on our existing knowledge of conceptualisations of public service value and its co-creation process and as outlined in the introduction we encountered a number of problems.

Section two: Existing conceptualisations of value co-creation and their application in practice.

How one defines value is of pivotal consequence to how its production is theorised. Unfortunately, while current debate regarding the creation of value in public services is progressing rapidly, the question of what value really is remains largely unanswered. Value is fast becoming what Cluley (2013) defines to be a 'buzzword' without agreement over what it actually means. Indeed, value has been defined differently by different people in different contexts.

Public value is generally is often thought about differently to concepts of value in the private sector (Stoker 2007). Public Value Management (PVM) scholars, for example predicate their conceptualisation of public value upon the notion that the public and the private sector operate differently and so, therefore, require different theories, and consequently processes of actualisation of value (Stoker 2007). Within the PVM literature, value is often described in terms of public value (Moore 1995) and public values (Bozeman 2007). For Moore public value is a consequence of a range of conceptualisations of value as utility or worth (Alford et al 2017). In contrast to this, public values pertain to shared ideas about citizen rights and benefits, their duties to society and the state, and the basis of government decision making and policy provision (Bozeman 2007). Thought of in these terms public value can be seen to be something that can be measured and experienced while public values can be seen in terms of an ethos. Within these concepts of public value, managers are often positioned at the forefront of the value creation process (Bryson et al 2017).

Within service literature again there is no universal definition. Gronroos (2011), writing from a service dominant logic perspective, for example distinguishes between value in exchange and value in use. Alternatively, Haenlein et al (2006) frame value in terms of economic worth,

Anderson and Narus (1998) focus on net benefits, and Prahalad and Ramaswamy (2000) highlight the phenomenological experience of value. Writing specifically from a public service perspective, Kelly et al (2002) focus on the role of government services. Additionally, who/what it is that specifically creates value is also open to debate. For those employing a service dominant logic, it is the customer who creates value (Vargo and Lusch 2008). For those starting from a public administration management position, however, it is the PSO that creates value (Ostrom 1972). In contrast to these perspectives, for those employing a service management perspective, value emerges through the interaction between the service user and the provider (Osborne et al 2015), although it should be emphasised that the service user is generally the primary focus. Expanding this limited focus, Meynhardt (ibid) asserts that public value is a thing that emerges from a combination of factors inevitably the public themselves, but also the private and social sectors. For Meynhardt (2009, p.199), 'Value is bound to evolving relationships and ongoing processes of subjective evaluations and revaluations'.

One explanation for the lack of consensus over what value is and how it emerges, is that value is a subjective, contextual and temporal concept; value can mean different things for different people in different contexts and time periods (Cluley and Radnor 2019). It should also be emphasised that value is not exclusively a positive phenomenon. While public services generally function for the common good and the implicit meaning of the term value infers the usefulness of something, the value created within public service delivery and receipt and its impact may not be regarded positively by all involved.

There have also been numerous attempts to conceptualise the process of value creation in the service sector (Vargo and Lusch 2004, 2008, Gronroos 2011, Osborne et al 2016, Osborne 2017), such as co-production, co-creation, co-innovation and co-design. Co-production now

8

represents a common approach to service delivery within PSOs. The concept of co-production of value as a model for understanding value creation in public services emerged largely out of the failure and resistance to the strategies and discourse of New Public Management (Osborne et al 2015). Where New Public Management employed concepts found in Fordism and other industrial approaches to value creation, co-production employed a public service logic that embraced value creation from the perspective of PSOs, their service users and pivotally, the interaction between them (Osborne et al 2016).

The theoretical debate addressing co-production is based on theories of value taken from Public Administration and Management (PAM) and service management theory (Osborne et al 2015). Briefly, PAM theory asserts that co-production involves the participation of service users and citizens in service delivery (Ostrom 1972). In this way, co-production is a process that can be built into the service delivery process to improve quality (Osborne and Strokosch 2013). Service Management theory on the other hand, positions co-production as an inevitable and integral process regardless of the service on offer or the people involved (Osborne et al 2016).

In order to work towards a clear conceptualisation of co-production in PSOs, Osborne et al (2016) provide a 2x2 matrix based on a combination of service management and public management theory. In their conceptualisation, co-production and co-creation exist in a dynamic and co-dependent relationship. Here co-production is defined as 'the voluntary or involuntary involvement of public service users in any of the design, management, delivery, and/or evaluation of public services' (Osborne et al 2016).

The relevance of such conceptualisations of co-production for PSOs has recently been questioned (Osborne 2017). The argument here is that if defined as 'a process where the PSO

is dominant and where the logic is linear and based upon product-dominant conceptions of production' (Osborne 2017 p. 1), co-production's emphasis on the PSO as the value creator is perhaps misplaced. Building on the work of Gronroos (2011) and Vargo et al (2008), Osborne (2017) proposes the conception of value co-creation as offering a better fit for understanding value in PSOs. For Osborne (2017 p.1) co-creation is 'an interactive and dynamic relationship where value is created at the nexus of interaction'. Thus, the public service user is positioned as the value producer rather than the PSO. Further to this Osborne's (2017) theorisation of co-creation argues that value creation is fundamentally linked to the service user's 'wider life experience'.

Viewed in terms of Osborne et al's (2016) 2x2 matrix, the Integrated Point of Access (IPoA) programme did not fit any of the ideal types of co-production because the service user is yet to be involved. Indeed, if the IPoA was to be squeezed into any definition of co-production it would sit most comfortably with the PAM model, whereby service user involvement is built into services; the IPoA team fully intend to consult widely with the public once a model for implementation has been agreed upon.

Returning then to the definition of value, as outlined in our example, we could see that the IPoA planning process was an integral part of the value process in that the service it will provide will and does result in value experiences for everyone involved; inclusive of service users and service providers. We could also see that in the future the IPoA will have a value impact at both an individual (service user and service provider) level and also at a wider societal level. From this we came to the conclusion that how the service is designed is of direct consequence to the value creation process, whether or not the service user is explicitly included

10

throughout. This goes against our previous constructions of value co-creation/production (Osborne and Radnor 2016 and Osborne et al 2015) because the service user is yet to be involved in this redesign. While the service users were yet to be included in the IPoA work, the value experience for the service user was the overarching driver for the proposed change in order to accommodate the top down requirement to integrate health and social care services by 2020 (NAO 2017). Indeed, this way of working is often typical of PSOs because they are often statutorily required to respond to top down central government issued directives that can drive major service changes in relatively short time scales, indicating that existing concepts of the value process are not reflective of the pressures of reality.

We welcome Osborne's (2017) development, particularly the focus on value co-creation as an 'interactive and dynamic relationship' that captures factors that are important to its process such as wider life experience. We agree that co-creation, defined in this way, presents a better fit with the diverse, public facing services, offered by PSOs and their heterogeneous service users. We also agree with the service management perspective that public service delivery would not deliver without some form of co-creation (Osborne et al 2016). However, based on our Gateway Review experience we also propose that co-creation is a fluid process rather than a two way or structured interaction.

Where we expand our previous conceptualisations, moreover, is that we do not believe it is necessary to place an emphasis on any one factor in this relationship, such as the service user, rather we would emphasise the relationship, heterogeneity of factors involved and their connectedness without favouring any single element or structured interaction. The 'co' in co-creation does not have to be a dual relationship and it does not have to be a singularly human

exchange (service user – service provider), rather, co can be and necessarily should be multiple and heterogeneous depending on circumstance. For this reason we describe value co-creation as an assemblage of fluid and varying elements. In positioning co-creation as an assemblage we shift the focus of the co-creation debate from a service logic, which focuses primarily on the service user, to a focus on multiplicity and difference whereby value co-creation is a process and experience that is subjective and will be different for all involved. Again, we emphasise here that this experience/process might not be positive at all times. How we have come to this conceptualisation, philosophically, is now discussed.

Section 3 – Rethinking co-creation

Akin to the premise of public value management, we begin from the perspective that PSOs are different to commercial organisations (Stoker 2007). For example, PSOs provide services as opposed to products for consumption and service users represent their client base as opposed to customers. Indeed, the purpose of PSOs is to offer state provided services. Further to this, PSOs have statutory duties to provide certain services to the public and are required to ensure equality of access (Kippin 2013), setting them apart from private service providers. Traditionally PSO services have included services such as: health care, highways, environmental and public health services, benefit provision, judicial services, emergency services, and education. These services are now typically delivered in partnership and the public sector is now characterised by a mix of providers. The service users accessing the services provided are representative of society as a whole, consequently their needs are wide ranging. There will be able bodied service users and service users with physical, cognitive and sensory impairments; there will be wealthy service users and low wage service users; there will be service users with different ethnic and cultural heritages; there will be male, female and

12

transgender service users; and there will be heterosexual and LGBT service users, to list but a few demographic groups. The point to be made is that PSOs are diverse settings characterised by diverse providers and service users acting in close relationship with each other. This is not a novel statement, various approaches have been suggested for making sense of and managing public service work (see Kickert et al 1997, Kiljn and Koppenjan 2000, and Bryson et al 2007 for examples), however, previous conceptualisations of the value process tend not to reflect this (Radnor and Cluley 2019). Indeed, it was this lack within previous conceptualisations of value creation that we found problematic when trying to make sense of public service reality.

It is imperative, moreover, that the discourse that underpins conceptualisations of value and its creation process acknowledges the purpose of PSOs, the range of services they deliver, how they deliver them, and the diverse populations they serve. As Bryson et al (2017, p.3) concisely state the world of PSOs is 'polycentric, multi-nodal, multi-sector, multi-level, multi-actor, multi-logic, multi-media, multi-practice place characterized by complexity, dynamism, uncertainty and ambiguity in which a wide range of actors are engaged in public value creation and do so in shifting configurations'. This level of complexity and multiplicity is the focus of Cluley and Radnor's (2019) ontological framework for co-creation, informed by the work of Deleuze and Guattari (1987).

Deleuze and Guattari (1987) reject essence in favour of multiplicity and reject unity in favour of fluidity and connectivity (Nail 2017). In this paper Deleuze and Guattari's (1987) concept of rhizomatic assemblage, found in their collective work Capitalism and Schizophrenia (1984 and 1987), is applied to value co-creation in order to better understand this process in PSOs, to make sense of the value relationship we observed in practice, and to expand the concept. A detailed outline of this philosophical foundation proposed for making sense of and also doing

13

co-creation is found in Cluley and Radnor (2019). Here a precis is provided. For Deleuze and Guattari (1987) phenomena, actions, change, and experiences are produced as a consequence of a multitude of heterogeneous and changeable elements existing in a fluid relationship with one another. No one single element is prioritised rather, the relationship that holds the elements together is the focus. Taking into account our characterisation of PSOs we argue throughout the course of this paper that this philosophy is mirrored in the reality of PSO delivery and all that this involves.

Indeed, Deleuze and Guattari (1987, p.21) liken an assemblage to a rhizomatic root system typically associated with weeds, stating

'The rhizome is reducible to neither the One nor the multiple. It is not the One that becomes Two or even directly three, four, five etc. It is not a multiple derived from the one, or to which one is added (n+1). It is comprised not of units but of dimensions, or rather directions in motion. It has neither beginning nor end, but always a middle (milieu) from which it grows and which it overspills. It constitutes linear multiplicities with n dimensions having neither subject nor object, which can be laid out on a plane of consistency, and from which the one is always subtracted (n-1)'.

A similar application of the notion of assemblage is used by Clarke et al (2015) to make sense of government policy. In this way policy can be viewed as an assemblage of changeable and heterogeneous factors that can adapt to changing environments and circumstances. Indeed Clarke et al (2015 p.49) tell us that the deleuzoguattarian concept of assemblage 'provides a way of emphasising aspects of multiplicity and movement'. For Newman and Clarke (2009), an assemblage brings together the diverse elements of public sector interactions and provides

a means for making sense of the current public environment of change typified by a neoliberal approach to governance. In a similar vein to the Deleuzoguattarian concept of assemblage, Newman and Clarke (2009 p.19) define an assemblage as 'the practices that bring together multiple sets of ideas, apparatuses, personnel and practices into apparently coherent entities that function as ways of governing'.

While viewing public service experience in terms of a dynamic process is also emphasised in other approaches to public value (see Osborne 2017 and Kickert et al 1997 for examples), viewing this experience in terms of the specific philosophical approach that underpins the notion of assemblage shifts the focus from epistemology (how we come to know things) to ontology (being in the world). While other approaches such as network theory (Kickert et al 1997) talk of variables, outcomes and measures of success, such language and associated epistemology is rendered redundant if viewed in terms of the specific and open ontology of assemblage. Human factors/agency are no longer prioritised and the need to prioritise any element involved in the relationship that is public service experience is removed entirely. Rather public service experience can be seen as a subjective, heterogeneous and fluid relationship that reflects the diversity present in reality. Assemblage, moreover, is not about predicting success, it is a philosophy of being in the world that can be used to make sense of why things are as they are (Fox and Aldred 2017).

Applying a Deleuzoguattarian starting point as a lens through which to view the IPoA, we assert that value is a heterogeneous thing/experience that varies across the heterogeneous stakeholders involved in its creation and dissemination. Additionally we assert that its creation occurs as a consequence of a multiplicitous range of factors that are unique to the people and

things (objects, policies, environments) involved in the creation process acting in connection with each other. In line with the deleuzoguattarian logic of assemblage, these factors will exit and enter the value assemblage as and when necessary. In this way emphasis on either the PSO or the public service user is removed. Rather, there is no emphasis on any one factor, it is the relationship or assemblage that holds these factors together that is of importance – Deleuze and Guattari (1987) call this the abstract machine. Owing to this, we use Cluley and Radnor's (2019) definition of value

The subjective phenomenon (this could be a feeling/emotion, a physical effect, a material object, or an event) that emerges through the interaction of all elements (human, material, environmental, political, cultural, experiential) involved in the relationship between a service user and a public service organisation.

It is important to note that we do not perceive this to be a static or one size fits all transaction, moreover, the elements of the relationship that produces value are heterogeneous and diverse; consequently they will be different for all interactions.

If we define value in this way*,* the value co-creation process is necessarily a dynamic and changeable relationship or assemblage that includes connected and heterogeneous factors such as: people (PSO staff, service users, citizens); environments and buildings; technology (such as communications technology and digital technology); objects (such as computers, telephones, equipment); life experiences of those involved; and wider social, political, economic and cultural contexts. For Deleuze and Guattari (1987) an assemblage is the abstract relationship that contains multiplicitous factors acting in a fluid relationship with each other that then produces something. The thing produced, however, is less a thing than it is a multiplicity in that it is dependent on a range of dynamic factors for existence. In the case of co-creation, the

assemblage of all elements existing and working together and sometimes in conflict result in the creation of value. In other words value is the thing that is produced as a consequence of the assemblage that is the multuplictious and fluid co-creation process.

In the case of the IPoA a range of factors inclusive of the PSO and the service user can be seen to be included in the value creation process, such as resistance, the environmental context, objects, communication aides, social and cultural values and norms, the wider life experiences of those involved, to name but a few. Conceptualising value co-creation as a relational process allows the IPoA programme to be thought of in terms of an assemblage of relational and changeable factors with the potential to create value (see figure 1 for a visualisation of this).
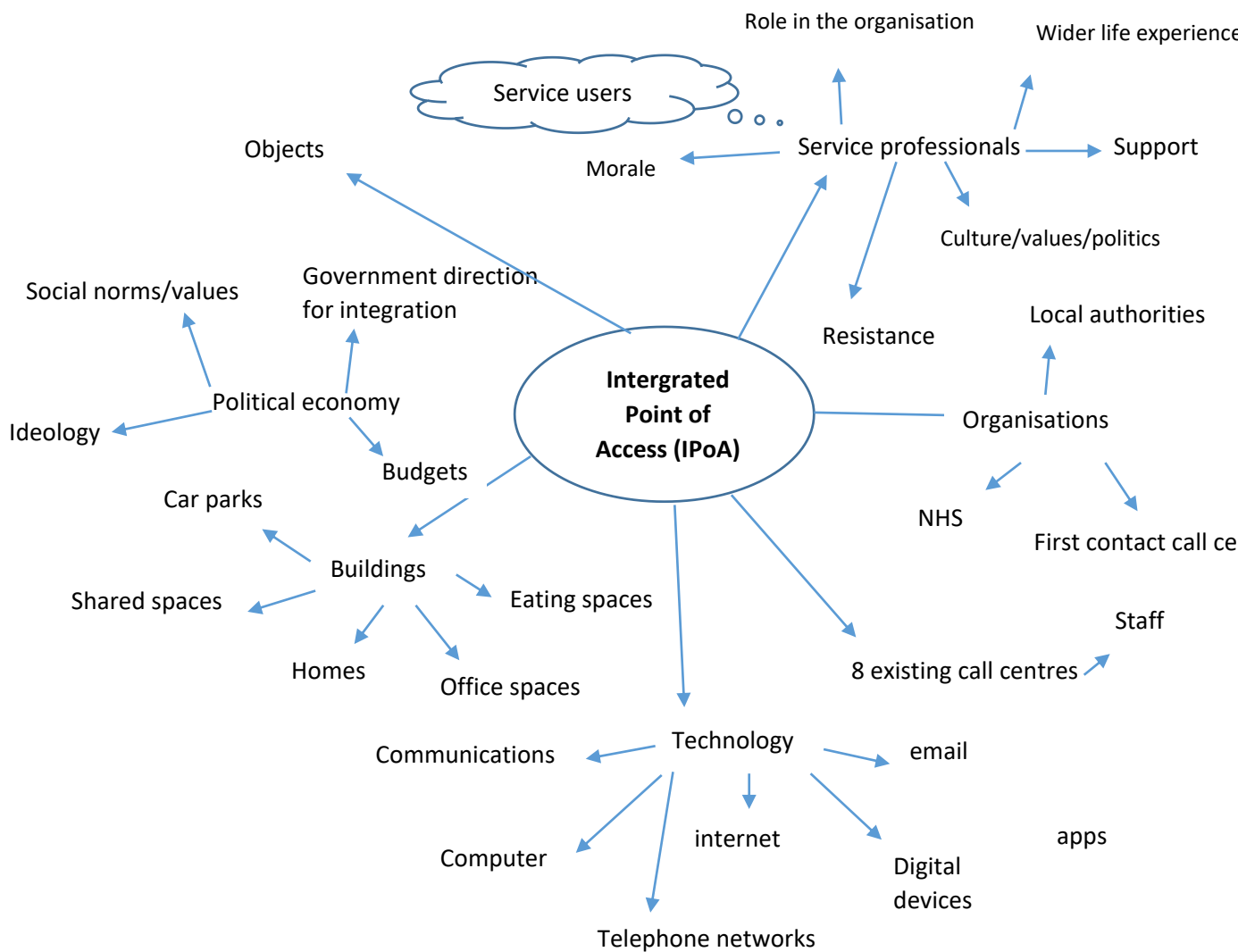
Figure 1 – IPoA as an assemblage of elements

Figure one shows the IPoA as an assemblage of elements involved in the value co-creation process to exist in a flexible, co-dependent relationship with each other. This visualisation is not a model. The elements shown are not intended to represent 'variable' that can be measured. Indeed, there are no set variables within an assemblage. An assemblage cannot be measured, rather it is fluid and relational and it is experienced. We have chosen not to show the relationships between each element for the reason that the relationships will be different at

different points in the project and also for different people involved. Two linked points require explanation. It is the content of these points that differentiate this approach from previous conceptualisations. First, in thinking of the IPoA in these terms, value is positioned as an inherent quality of the programme by virtue of the potential for value within the assemblage of relational factors involved in its implementation and future delivery. We assert that the potential for value is inherent within each of these factors and for this reason no one factor in the process is prioritised, rather it is the relational, changeable and multiplicitous qualities of these factors that is emphasised. Owing to this, we assert that value is both inherent within the IPoA as a potential service in the design stage and that the value creation process involved will be different for different people.

The value created in this process thereby is a subjective and diverse experience for those involved. As mentioned this does not mean an emphasis on the PSO as the value creator as some definitions of value co-production have (Osborne 2017), rather the PSO is an element within the assemblage that creates value. In this way we reposition co-creation in terms of a relationship rather than an interaction. Seeing the IPoA in terms of an assemblage allows the value process to be seen from any perspective be it human, social, cultural, economic, or environmental. This further allows the wider impact of value to also be considered. This is in contrast to the existing conceptualisations of public value where the starting point is either the PSO or the service user. Viewed in terms of an assemblage, moreover, the value co-creation process has no beginning and no end, it is a continuous and iterative process.

The second point is that this assemblage of factors is changeable; as the IPoA progress some elements will exit the assemblage as and when they are no longer needed and other elements

19

will enter. As highlighted in the introduction and detail about our Gateway Review experience, the value co-creation process or assemblage inherent within the IPoA programme cannot yet be seen from the service user perspective due to the fact that service users and citizens have yet to be significantly involved. In our diagram (figure 1) we have included the service user in a thought bubble to show them as virtual or imagined elements of the assemblage of the value co-creation process. When the service users are consulted as part of the planning process and when they begin to engage with and use the IPoA they will exit the thought bubble and become a tangible element of the value creation process. In positioning co-creation philosophically in terms of a logic of assemblage, the ontological and epistemological implications of this allows the complex practice of value co-creation to be accommodated. In this way, attention is removed from the public service user, public service users can enter and exit the assemblage fluidly. The emphasis is not the presence of the public service user in the value creation process, the emphasis is the relational and changeable presence of a variety of human, social, environmental, cultural and material phenomena.

Understanding value and its creation process as an assemblage of changeable and diverse factors, allows the role of the service professional and any other factors outside of the service user to be explored as part of the assemblage. In this way our deleuzoguattarian informed definition of value and our framing of the value creation process in terms of an assemblage deteritorialises the existing conceptualisations of value co-creation and reterritorializes them to reflect the multiplicitous and fluid work of PSOs and all that this involves.

Theoretical and practical application

In working through this expansion of the conceptualisation of co-creation we are able to provide some answers to the questions we found ourselves asking. First – was value co-

20

creation in process at this stage of the IPoA project? Our answer to this is, yes. For Deleuze and Guattari (1987), however, thinking in terms of assemblages allows the processes of change and disruption (Deleuze and Guattari refer to this as Deteritorialisation) and the consequent repair and reformulation (Deleuze and Guattari refer to this as reterritorialization) to be seen. Deteritorialisation occurs when elements leave the assemblage and reterritorialization happens when elements enter the assemblage and reformulate it in terms of a new approach that represents the changed elements in the assemblage (Nail 2017). Working to the assertion that value co-creation is a relational, fluid and multiplicitous process and that value is different for different people involved in its creation process we argue that value co-creation is in process despite the lack of involvement of the service user. Understanding value and its creation process as an assemblage of changeable and diverse factors, allows the role of the service professional and any other factors outside of the service user to be explored as part of the assemblage rather than focusing on the solely human interaction between user and provider. In this way our deleuzoguattarian informed definition of value and our framing of the value creation process in terms of an assemblage deteritorialises the existing conceptualisations of value co-creation and reterritorializes them to reflect the multiplicitous and fluid work of PSOs and all that this involves.

A logic of assemblage can also be used to answer the practical questions, how can the public service value creation process be made sense of, and what and who is involved in the process of creating value? It can be seen in our discussion of the IPoA process, visualised in figure one, that if thought about in terms of a logic of assemblage, value co-creation can be composed of many and varying elements, human, material, environmental and cultural. Using a logic of assemblage to make sense of the value co-creation process shifts its conceptualisation ontologically, any notion of essentialism is removed from the process and importantly, from

the human interaction between service user and service provider that features in all previous conceptualisations. In doing this the full complexity and dynamism of service use and provision is accounted for. It must be emphasised that the positioning of public service value co-creation as an assemblage does not mean that all instances of co-creation follow the same pattern. All public value co-creation experiences will be different. They will likely involve similar elements, owing to the nature of public service however, the co-creation process will always be experienced differently and composed of a varying mix of elements. A logic of assemblage allows this complexity to be embraced and removes the need to focus solely on the presence of one particular element. In this way, the presence or absence of the service user is not essential. While this may seem controversial, all prior conceptualisations of co-creation have been predicated on the presence of the service user (including our own), it is a claim that both reflects reality and allows the complexity of public service to be embraced.

Conclusion

In applying a practical example of public service redesign and viewing the co-creation process inherent within it in terms of an assemblage we have sought to develop the value co-production/co-creation debate. In our example we have shown that the IPoA could be squeezed into the boundaries of previous definitions of co-production but argue that such definitions do not adequately reflect what is really happening. Our example showed that a multitude of changing and connected factors came together to create the IPoA and the value inherent within it. For this reason we argue that definitions of co-creation that prioritise one element of its dynamic process do not represent a suitable model for application in PSO settings. Moreover, we have attempted to provide a theory of value and co-creation that better reflects the dynamic and changeable process that it is; progressing co-reation from an dualistic interaction to a fluid

22

process. In this way, the questions and conundrums raised by others can also be accounted for, service providers, unwilling and involuntary involvement in the process, co-destruction, and lived experiences can all be accounted for in that they represent separate but connected elements in the assemblage of value co-creation.

In applying a Deleuzoguattarian perspective to value co-creation we shift the theoretical focus from the previous dominant logic of production to a focus on the relational composition of co-creation and the diversity of experience and value this can create in public service settings. We reposition co-creation in terms of a relational rather than a structured exchange or interaction. This approach allows both our own and previous questions about the value creation process in PSOs to be addressed. In the introduction we outlined that throughout the Gateway Review the following questions were asked: what and who is involved in the process of creating or producing value? Is public value different for different stakeholders? Who is public service value for? Is value an outcome or a continuous process? And how can the value creation/production process be made sense of?

Applying the deleuzoguattarian concept of assemblage as a lens through which to view the value co-creation process in PSOs we have redefined value as *the subjective phenomena (this could be a feeling/emotion, a physical effect, a material object, or an event) that emerges through the interaction of all elements (human, material, environmental, political, cultural, experiential) involved in the relationship between a service user and a public service organisation* (Cluley and Radnor, 2019, p.4). This further allows the value co-creation process to be seen as a multiplicitous assemblage of diverse and changeable elements that will be different for different people. In this way the value creation process is positioned as a

continuous process rather than an outcome or interaction. The outreach of this process is also not confined to just the PSO and the service user interaction, the value creation has the potential to have a wide ranging impact that extends into the public domain whether positively or negatively regarded.

To answer our questions clearly and concisely therefore, the concept of assemblage provides a lens through which to view the reality of public service delivery and its value co-creation process. Public service value is a subjective and diverse phenomena that will be different for different people and will change over time. The factors involved in the value creation process are heterogeneous, wide ranging, and temporal. Consequently, the value co-creation process is not limited to either the service user or the service provider, or indeed the relationship between these two factors. Moreover, the emphasis should be on the multiplicity of factors involved in the value creation process and how this can affect the value created, the service provided, the service user, and the wider impact that might result. In this way, value creation is a continuous and fluid process. The public service user can enter and exit the assemblage in the same way other elements can and do. Conceptualised in this way, value co-production as a process is able to accommodate for the vast array of services provided by PSOs, their diverse service users and also the inevitable changes to policy and practice that they are frequently subject to.

In repositioning the value co-creation process as an assemblage, other questions require attention such as what are the boundaries of co-creation or are there boundaries? and indeed, are there or should there be any boundaries? We do not intend to present a process that is both everywhere and nowhere, rather we intend to highlight the potential for change that exists

24

within the value co-creation process and its dynamic, heterogeneous relationship. We do not intend this paper to be a reproduction of the application of our previous conceptualisation of value and its creation process in PSOs, rather we intend to expand the debate and offer our thoughts by way of progressing the co-creation debate to better reflect the reality of PSO delivery and use.

The example provided shows the fluid nature of the reality of co-creation and we argue that this is part and parcel of PSO delivery and use. While an emphasis on heterogeneity, multiplicity and diversity might seem challenging to PSOs needing to provide statutory services that are accessible to all (a service for example cannot feasibly follow different processes for every service user) an appreciation of the dynamism of the value co-creation process can be extremely useful in service provision. When designing new services, for example, as was the case described here, a wider understanding of the range of factors involved in the value co-creation process and the service user experience can result in a holistic approach to planning that we assert can produce better services. We propose that using the concept of assemblage to view services and their service users holistically could have a range of applications in PSOs and practitioners, such as:

- The design of new services – where a holistic and relational appreciation of the elements involved in the experience of the new service and the value process that this is part of could result in services that better reflect the heterogeneous factors that service users and service providers bring to the value exchange.
- In the design and implementation of personalised services such as in health and social care settings where service user inclusion and personalisation is priority. Approaching each service user's care as an assemblage of factors would allow practitioners a wider

appreciation of the service user's individual circumstances and also allow the service user a key role within their own care.

- In creative and innovative approaches to service provision. Seeing the value process as a relational assemblage comprised of diverse factors could foster creativity in terms of how services are provided.

- In consultation and engagement exercises with service users. Seeing value co-creation as an assemblage could help to create more targeted and specific engagement activities that reach more service users and/or the specific service users required.

Regarding further research, we propose that viewing public service relationships in terms of an assemblage will provide a robust philosophical foundation from which qualitative research to explore public service experience can begin from. Indeed, empirical evidence of the public service experience has explicitly been called for (Dudau et al 2019 and Osborne 2017). Indeed, in combination with a logic of assemblage we suggest that the specific methods of experienced based design (Bate and Robert 2007) situated interviews (Gale and Sultan 2013) and other ethnographic approaches would yield rich, in-depth accounts of service experience.

References

Alford, J. Douglas, S. Geuinjen, K. and Hart, P. (2017). Ventures in Public Management: introduction to the symposium, **Public Management Review**, 19 (5), pp. 589-604

Anderson, J.C. and Narus, J.A., 1998. Business marketing: Understand what customers value. **Harvard business review**, Vol. *76*, No. 6 pp.

Bate, P. and Robert, G., 2007. *Bringing user experience to healthcare improvement: The concepts, methods and practices of experience-based design*. Radcliffe Publishing.

Braun V, Clarke V. (2006) Using thematic analysis in psychology. **Qualitative Research in Psychology**, 3(2): 77-101.

Bryson, J. Sancino, A. Benington, J. and Sorenson, E (2017). Attitudes towards a multifactor theory of public value co-creation, Public Management Review, 19 (5), pp. 640-654.

Bozeman, B. (2007) **Public Value and Public Interest: Counterbalancing economic individualism**. Washington, DC, Georgetown University Press.

Clarke, J. Bainton, D. Lendvai, N. and Stubbs, P. (2015) **Making Policy Move.** Polity Press: Bristol

Deleuze, G. and Guattari, F. (1987) **A thousand plateaus**. London: Continuum

Dudau, A., Glennon, R. and Verschuere, B., 2019. Following the yellow brick road? (Dis) enchantment with co-design, co-production and value co-creation in public services.

Fox, N.J. and Aldred, P., 2016. *Sociology and the new materialism: Theory, research, action*. Sage.

Gale, N. and Sultan, H., 2013. Telehealth as 'peace of mind': Embodiment, emotions and the home as the primary health space for people with chronic obstructive pulmonary disorder. *Health & place*, *21*, pp.140-147.

Gershon P. (2004) **Releasing resources to the frontline**. The Treasury Office, London. ISBN: 1-84532-032-8

Grönroos, C. (2011) Value Co-Creation in Service Logic: A Critical Analysis. **Marketing Theory** 11 (3), pp. 279–301.

Haenlein, M. Kaplan, A. M. and Schoder, D (2006) Valuing the real option of abandoning Un profitable customers when calculating customer lifetime value. **Journal of Marketing**, Vol. 70, No. 3, pp.5-20

Nail, T. (2017) What is an assemblage? **SubStance**, 46 (1), pp. 21-37

Kelly , Gavin , Geoff Mulgan, and Stephen Muers . 2002 . Creating Public Value: An Analytical Framework for Public Service Reform . London : Cabinet Offi ce . http://www.cabinetoffi ce.gov.uk/strategy/downloads/fi les/public_value2.pdf

Kickert, W.J., Klijn, E.H. and Koppenjan, J.F. eds., 1997. *Managing complex networks: Strategies for the public sector*. Sage.

Kippin, H . (2013) Public Services and Equality (online). British Council. Available at https://www.britishcouncil.org/sites/default/files/dk_d160_book_3_public_services_and_equality_henry_kippin.pdf Accessed on 13th June 2018

Moore, M. H. (1995) **Creating Public Value: Strategic Management in Government**. Boston: Harvard University Press.

Nail, T. (2017) What is an assemblage? **SubStance**, 46 (1), pp. 21-37

National Audit Office (NAO) (2017) **Health and Social Care Integration**. The Stationary Office, LondNational Audit Office (NAO) (2013) **Evaluation in Government**. The Stationary Office, London.

National Audit Office (NAO) (2007) **OGC Gateway Review Process Review 5: Operations review and benefits realisation**. The Stationary Office, London.

National Audit Office (NAO) (2004) (a). **Improving IT procurement**. The Stationary Office, London.

National Audit Office (NAO) (2004) (b). **Improving procurement Progress by the Office of Government Commerce in improving departments' capability to procure cost-effectively**. The Stationary Office, London.

Newman, J. and Clarke, J. (2009) **Publics, Politics & Power.** Sage: London

Osborne, S. P. (2017) From public service dominant logic to public service logic: are public service organisations capable of co-production and value co-creation? **Public Management Review**, pp.1-7.

Osborne, S.P. Radnor, Z.J. and Strokosch, K, (2016) "Co-production and the co-creation of value in public services: a suitable case for treatment?" **Public Management Review**, 18 (5), pp. 639-653.

Osborne, S. P. Radnor, Z. Kinder, T. and Vidal, I. (2015) The SERVICE framework: a public service dominant approach to sustainable public services. **British Journal of management**, 26 (3), pp. 424-438

Osborne, S. P. and Strokosch, K. (2013) It takes two to tango? Understanding the co-production of public services by integrating the services management and public administration perspectives. **British Journal of Management**, 24 (1), pp. 31-47

Ostrom, E. (1972) 'Metropolitan Reform: Propositions derived from two traditions', **Social Science Quarterly**, 53, pp. 474-493.

Phillips, J. (2006) Agencement/Assemblage. **Theory Culture Society**, 23 (2-3) pp.108-109

Prahalad, C. K., & Ramaswamy, V. (2000) Co-Opting Customer Competence. **Harvard Business Review**, 78, pp. 79-90

Cluley, V. and Radnor, Z., 2019. Progressing the Conceptualization of Value Co-creation in Public Service Organizations. *Perspectives on Public Management and Governance*. Online, available at https://academic.oup.com/ppmg/advance-article/doi/10.1093/ppmgov/gvz024/5628190 Accessed November 2019.

Stoker, G. (2007) Public Value Management. A new narrative for networked governance? **American Review of Public Administration**, 36 (1), pp.41-57

Vargo, S. L and Lusch, R. F. (2008). "Service-Dominant Logic: Continuing the Evolution." Journal of the Academy of Marketing Science 36 (1), pp. 1–10.

Vargo, S. L and Lusch, R. F. (2004). Evolving to a new dominant logic for marketing. **Journal of Marketing**, 68 (1), pp. 1-17

Whiting, A. Cluley, V. Salvatori, F and Radnor, Z. (2017) **Gateway Review Report – Leicester, Leicestershire and Rutland Integrated Point of Access Programme**. 21st September 2017