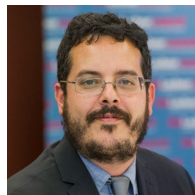


# Co-Creation at Scale

Interactive policy brief Issue 26/2021

## How Service Design, Living Labs and Innovation Networks Help Public Servants Deliver Better Services – and How Those Services Can Be Made Sustainable



By Charlotte van Ooijen and Francesco Mureddu

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The importance of easily-accessible, well-crafted digital public services designed to provide value to citizens has never been more clear.<sup>1</sup> When circumstances become extreme – as they did in 2020 with the onset of pandemic and lockdown – citizens do not have the capacity or time to go through unintelligible technical interfaces, complicated processes or government silos to access the crucial assistance they need. Co-creation, or the involvement of users from the early stage of service-delivery design, has become indispensable for the digital transformation of public services. Digitalising existing processes is not enough: governments have to radically rethink the way in which citizen needs are addressed and create the conditions to implement these changes across the public sector. Policymakers seem to be catching on; the critical importance of giving more attention to the needs and demands of citizens and businesses for well-functioning digital government featured prominently in two recent minister-level manifestos: *The 2017 Tallinn Declaration on eGovernment*, in which 32 European Union and European Free Trade Area ministers committed to the principle of “user centricity” in public services; and *The 2020 Berlin Declaration on Digital Society and Value-based Digital Government*, which added “co-creation” to the list of near-term deliverables to which ministers were concretely committed.<sup>2</sup> Now it is time to translate these words into deeds, notably by taking advantage of the historic “implementation windows” that are opening up: the delivery of the Next Generation EU and the Digital Europe programmes and the new European Interoperability Framework and eGovernment Action Plan.<sup>3</sup> The ambitious social and economic goals of these policies will be achieved only if the real needs of citizens and business systematically drive the individual initiatives, from digital public services to cloud infrastructures, from high performance computing to data spaces.

<sup>1</sup> This interactive policy brief builds on research conducted by the [Understanding Value Co-Creation in Public Services for Transforming European Public Administrations \(Co-VAL\)](#), a 12-partner research consortium, co-funded by the European Union. The consortium partners are Athens Technology Center, University of Alcalá, Bocconi University, Corvinus University of Budapest, The University of Edinburgh, University of Konstanz, University of Lille, The Lisbon Council, Maastricht University, Inland Norway University of Applied Sciences - INN University, PricewaterhouseCoopers Advisory and Roskilde University. Individual contributors include Pascal Arnaud, Mari Bjerck, Javier Carrillo-Hermosilla, Tie Cui, Benoît Desmarchelier, Faridah Djellal, Nora Fazekas, Valérie François, Lars Fuglsang, David Gago, Faiz Gallouj, Giorgio Garbasso, Márton Katona, Norbert Kiss, Stéphanie Lepczynski, Christine Liefoghe, Siv Magnussen, Ines Mergel, Céline Merlin-Brogniart, Francesco Mureddu, Alberto Peralta, Luis Rubalcaba, Éva Révész, Rolf Rønning, Miklós Rosta, Ada Scupola, Kirsty Strokosch, Maria Taivalsaari Rønnebak and Anne Vorre Hansen. Thanks as well to Paul Hofheinz, Chrysoula Mitta and David Osimo. All errors of fact or judgment are the authors’ sole responsibility.

The opinions expressed in this interactive policy brief are those of the authors alone and do not necessarily reflect the views of the Lisbon Council, the European Commission, the Co-VAL consortium members or any of their associates.

The interactive policy brief seeks to make knowledge more accessible through online circulation, interactive features such as hotlinks to articles cited in the footnotes, and a web-friendly format.

# 'When circumstances become extreme, citizens do not have the capacity to go through unintelligible technical interfaces.'

<sup>2</sup> Council of the European Union, *Tallinn Declaration on eGovernment (Brussels: Council of the European Union, 2017)*. See also Council of the European Union, *The 2020 Berlin Declaration on Digital Society and Value-Based Digital Government* (Brussels: Council of the European Union, 2020); See also Johanna Barton and Francesco Mureddu, "From Tallinn To Berlin: Five Novelities in the New Declaration on Digital Society," *Co-VAL, 2020*. The OECD digital government policy framework offers a longer list: digital by design, data-driven, acts as a platform, open by default and proactive. See Organisation for Economic Co-operation and Development, "Digital Government Index: 2019 Results," *OECD Public Governance Policy Paper 3, 2020*.

<sup>3</sup> Next Generation EU is the €750 billion recovery plan to repair the social and economic damage of the pandemic. For more, visit [https://ec.europa.eu/info/strategy/recovery-plan-europe\\_en](https://ec.europa.eu/info/strategy/recovery-plan-europe_en). Digital Europe is the €7.5 billion programme to build digital capacities and deploy digital technologies. For more, visit <https://ec.europa.eu/digital-single-market/en/europe-investing-digital-digital-europe-programme>. The European Interoperability Framework, launched in 2004, is up for review and relaunch in 2021. The programme includes guidelines to ensure the interoperability of public services to better serve citizen needs. For more, visit <https://ec.europa.eu/info/law/better-regulation/have-your-say/initiatives/12579-European-Interoperability-Framework-EIF-evaluation-and-EU-governments-interoperability-strategy>. The eGovernment Action plan is a European Commission-led initiative.

<sup>4</sup> For statistics on adoption of co-creation in European public administrations, see Anthony Arundel, Francesco Mureddu and David Osimo, "The State of 'Co-Creation': How Countries, Cities and Regions Are Using New Thinking to Deliver Better Services," *Lisbon Council Policy Brief, Vol 13, No. 1(2020)*.

<sup>5</sup> Francesco Mureddu and David Osimo, "Co-Creation of Public Services: Why and How," *Lisbon Council Interactive Policy Brief, 25/2019*.

There is a wealth of mature, well defined co-creation methods, such as online user research, focus groups and prototyping that provide the key to opening the door to user-driven digital government. However, the adoption of such methods is too often one-off and fragmented.<sup>4</sup> Keeping this door open and getting all relevant stakeholders across the doorstep will require more than a couple of successful co-creation initiatives. Put simply, co-creation is ready to be put at the core of government functioning.<sup>5</sup> This means that the innovation capabilities and methods which are characteristic for co-creation need to be more widely spread across public administration. We need to incite a cultural shift to making services more user-driven with a central place in government. Ultimately, co-creation methods and ways of thinking should be integrated in the everyday work life of public servants.<sup>6</sup>

But how? And when? The second question is easier to answer – now. But the first question – how do we take a promising start and turn it into a service-driven revolution that lifts the lives of citizens and delivers the value they seek through effective, easy-to-access public services – is by far the harder one. To address these questions, the Co-VAL consortium spent 36 months analysing best practice and on-the-ground experience with co-creation, looking for answers to three simple questions: What works? What doesn't? And what are the levers and frameworks that seem to be unlocking and stimulating the most success? Some early results are presented in this interactive policy brief.

Several trends became clear. For starters, in nearly two-thirds of the most successful cases, activities were aimed at making co-creation part of core organisational processes rather than letting it remain an ad-hoc experiment. This points to a change from co-creation as innovation in the margin to a more structural transformation in public-service design and delivery. This was especially true among the "living labs" and "public service innovation networks," which will be discussed in more detail below. For instance, in the [Torino City Lab](#), a pilot to implement smart city solutions across Torino, regulators managed to create a successful policy/assessment/improvement loop. Agencies and companies providing public-service solutions can access real-life data to develop new and better solutions and pitch those solutions to "living labs" where continuous improvements can then be studied and piloted.<sup>7</sup>

## The Co-VAL Consortium

The **Understanding Value Co-Creation in Public Services for Transforming European Public Administrations (Co-VAL)** project is a 12-partner consortium, co-funded by the European Union. The project aims to find new ways of examining the co-creation of value in public services in order to transform public administrations and processes. Along with a plethora of new tools, cutting-edge research and a survey of public administrations, the consortium has produced four policy briefs which set out the challenge of public administration reform in Europe and explore the cutting edge of unique "value co-creation" models for delivering better public services and improving citizen-state relations. For more information, visit <http://www.co-val.eu> or follow the consortium on Twitter at [@CoVAL\\_eu](#).

# 'The goals of Next Generation EU will be achieved only if the real needs of citizens and business systematically drive the individual initiatives.'

The analysis of successful co-creation projects like the Torino City Lab leads to four policy recommendations, which will be discussed in greater depth in Section III on page 11.

- 1) **Take Co-Creation Seriously.** The lack of ongoing support for co-creation in some public authorities – including funds and human resources – points to a legitimacy deficit. Strengthening both the formal requirements and value-based justification for co-creation is essential to prioritise adoption. Governments should 1) include co-creation explicitly as a key component in their digital government and public-sector innovation strategies; 2) define the expected value and measure the realised value of co-creation in terms of attaining policy goals and delivering sustainable effects on society and the economy; 3) be explicit in both co-creation policy and practices about the value and values that they aim to create and link these to the more immediate goals in terms of output and process.
- 2) **Ensure the Delivering Agency is Well-Supported with Expertise and Critical Resources.** In conjunction with putting in place the appropriate formal requirements in a given country, it is essential to ensure the necessary coordination and skills support to public organisations that want to engage in co-creation. Governments should 1) make available central resources to local co-creation efforts, such as a coordinating body, decision-making guidance and central information sources; 2) ensure the continued presence and access to co-creation specialists to boost organisational co-creation skills alongside digital literacy.
- 3) **Motivate the Civil Service to Embrace Cultural Change.** Besides the formal measures, attention needs to go to finding the right informal conditions to motivate public servants to take on board user needs and make it easy for those public servants to do so. Governments should 1) set up a well-defined institutional environment, such as a “living lab” which will enable public servants to integrate co-creation into organisational routines; 2) make co-creation the default option (similar to digital by default) in relevant processes and applications, thereby creating barriers for “solo creation;” 3) share success stories and impact statistics at a more aggregated level to provoke a cultural shift from thinking that “co-creation is a burden” to knowing that “it yields benefits and is worth the effort.”
- 4) **Simplify Stakeholder Engagement.** Even when public organisations are completely geared towards co-creation and ready to initiate and participate in the design of user-driven services, it will not work if key external stakeholders are not on board. Successful co-creation projects all show the urgency of making it easier and more rewarding for stakeholders to participate. This is especially true for vulnerable populations which are challenged by their personal situations and at the same time require user-driven services more than any other group in society. Governments should 1) integrate tools for user feedback and interaction into the digital-service experience; 2) emphasise the social interest dimension when recruiting external stakeholders for co-creation; 3) leverage active and therefore already interested service users in co-creation initiatives.

6 See Sabine Junginger's extended model of innovation functions in government organisations in Bas Leurs and Isobel Roberts, *Playbook for Innovation Learning. Thirty-five Diagrams to Support Talking and Thinking about Learning for Innovation* (London: Nesta, 2018).

7 Lars Fuglsang and Anne Vorre Hansen (eds.), "Report on Strategic Case Studies," *Co-VAL Deliverable 5.2*, 2019.



# 'The adoption of co-creation methods is too often one-off and fragmented.'

8  
The four recommendations have been integrated into the 10-point roadmap for user-centred public services, which appears on page 12. The schema was first put forward in Francesco Mureddu and David Osimo, *Co-Creation of Public Services: Why and How*, *op. cit.* The add-ons are drawn from two years of additional study of co-creation success stories.

9  
For more, see [Maria Røhnebak \(ed.\), "Report on In-depth Case Studies," Co-VAL Deliverable 4.2, 2020](#); Stefan Holmlid and Shelley Evenson, "Bringing Service Design to Service Sciences, Management and Engineering," in Bill Hefley and Wendy Murphy (eds.), *Service Science, Management and Engineering Education for the 21<sup>st</sup> Century* (Boston: Springer, 2008); [Maria Røhnebak and Kirsty Strokosch, "Report on Cross Country Comparison on Service Design," Co-VAL Deliverable 4.1, 2018](#); [Katarina Wetter-Edman, Daniela Sangiorgi, Bo Edvardsson, Stefan Holmlid, Christian Grönroos and Tuuli Mattelmäki, "Design for Value Co-Creation: Exploring Synergies Between Design for Service and Service Logic," Service Science, 6.2 \(2014\).](#)

10  
Lars Fuglsang and Anne Vorre Hansen, *op. cit.*

11  
Céline Merlin-Brogniart (ed.), "Fourth Empirical Approach to Value Co-Creation in Public Services: Structural Transformations," Co-VAL Deliverable 6.1, 2019.

This interactive policy brief is divided into three sections. Section I provides an overview of the three key approaches to co-creation: service design, living labs and public service innovation networks. In Section II, we will look at the main findings from the Co-VAL cases and conduct a review of approaches of co-creation. Section III concludes with a more detailed presentation of the policy recommendations, drawing from the case studies and research presented in the previous sections.<sup>8</sup>

## I. Service Design, Living Labs and Public Service Innovation Networks

The researchers involved have focused on three leading approaches to co-creation throughout the Co-VAL project: service design, living labs and public service innovation networks. Each has its own key characteristics.

**Service design.** This is the systematic application of design methodology and principles to public services with the goal of designing those services from the perspective of the user.<sup>9</sup> It can be used to explore what users really value and suggest how such insights can be deployed to improve service systems. Its methods include user research, workshops, prototyping and testing as well as surveys and interviews. The Co-VAL study – conducted across five countries (France, Hungary, Norway, Spain and the United Kingdom) – showed that users themselves define “service design” around seven key aspects: a user-centred approach, a collaborative approach, creating something new, iterations and testing, approaches intersecting with agile methodologies, design beyond materiality and professional expertise.

**Living labs.** These are independent administrative units located within the public sector but capable of operating autonomously and defining their own innovative targets and working methods.<sup>10</sup> Living lab activities take place in different types of environments and through different co-creational approaches and methods. Living labs can be test facilities for achieving feedback from users, collecting data about users and providing policymakers with a tool for consulting with users. They can also be a safe space that encourages deliberations with employees and users and facilitates deliberation across stakeholder groups. And they can be places where people meet formally and informally, involving community actors in participatory processes, where data is collected by citizens or volunteers, and which potentially enable greater participation in democratic practices.

**Public service innovation networks.** These are multi-agent collaborative arrangements that bring into play a variable number of public and private agents, especially citizens, in order to co-produce technological and non-technological innovation and ultimately co-create value in the field of public services from a sectoral perspective or public service from a functional perspective.<sup>11</sup> Public service innovation networks often have a strong bottom-up and voluntary character, but in several cases strong government steering can be found as well, giving the network more of a top-down character.

# 'Co-creation methods and ways of thinking should be integrated in the everyday work life of public servants.'

## II. Stakeholders, Organisational Structures, Challenges and Values

In order to assess the best way for making co-creation sustainable, the authors analysed the 56 case studies produced by the Co-VAL consortium in 11 countries.<sup>12</sup> These cases can be considered advanced practices and allow for the observation of similarities and differences between service design, living labs and public service innovation networks across Europe. They illustrate ways for governments to overcome the obstacles on the way to realising sustainable co-creation practices. In no way do the authors claim that the reviewed cases are statistically representative for all co-creation cases in Europe. Any mentioned percentages refer only to the 56 case studies and are intended to give a quick overview of the relevant observations across this particular selection.<sup>13</sup>

The analysis has been broken down to shed light on progress and strategy in five key areas: 1) the policy domain, 2) the role of stakeholders, 3) the type, organisational status and orientation of co-creation deployed, 4) the challenges encountered, and 5) the value created.

### Denmark: Cycling Without Age

Cycling Without Age is a movement aimed at ensuring mobility and active partaking in society. More concretely, by bringing together "pilots," passengers and personnel, elderly people living in care centres or elderly people offered home care are given the opportunity to get a bike ride in a trishaw. The pilot (driver) is either a volunteer or an employee from the care centre or home care. The passenger is the elderly person and personnel refer to the employees and/or administration at the care centre/home care. The movement started in Denmark in 2012. By 2018, it could be found in 40 countries with more than 1200 chapter locations. The social initiative is perceived as a success, both regarding the overall idea and the rapid expansion nationally and internationally. The preceding conditions for the innovation to become sustainable are timing (increased focus on new public governance in the public sector); financial grounding (founders and key persons in the establishment of the foundation started as volunteers having full-time jobs); releasing of resources (applying professional competences, personal motivations and former experiences in this new context); strategic communication (social media, word of mouth and storytelling as tools to mobilise both public sector actors and volunteers); networking (activating both professional and personal network); methods focus/ focus on methods (discursively constructing and continuously developing the bicycle ride as a method to embrace "all that which happens around the ride itself"); locality (local people are engaged and that due to local knowledge they are able to activate the immediate environment, be that other individuals or companies and institutions); and openness (offer a platform for innovation and experimentation, avoiding excessive rules).

Lars Fuglsang, Anne Vorre Hansen and Ada Scupola, "PSINSI Danish case studies" in Céline Merlin-Brogniart (ed.), "Fourth Empirical Approach to Value Co-Creation in Public Services: Structural Transformations," Co-VAL 6.1, 2019

<sup>12</sup> Most of the case studies evaluated as part of this project can be found in the Case Studies Repository on the Co-Val website at <https://www.co-val.eu/case-studies/>. The remaining case studies can be found among the project deliverables at <https://www.co-val.eu/public-deliverables>.

<sup>13</sup> Statistically representative results on adoption of co-creation can be found in Anthony Arundel, Francesco Mureddu and David Osimo, *op. cit.*

# 'Governments should set up a well-defined institutional environment to integrate co-creation in institutional routines.'

14

Two thirds of the co-creation case studies undertaken by Co-VAL were found at the local level. This is a reflection of two things: 1) local government is key to co-creation and will be key to making it sustainable, and 2) more attention needs to go to documenting co-creation activities at the national and regional levels of government.

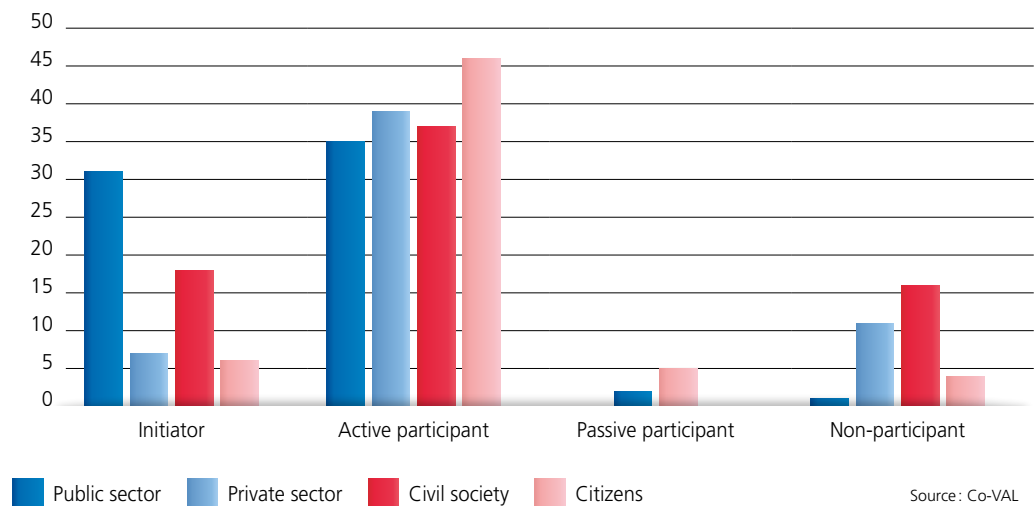
## Welfare Services

Co-creation can be organised in a wide variety of policy fields, including mobility, culture, education and immigration policies.<sup>14</sup> A clear majority of the cases reviewed (54%), especially those that embraced the public service innovation network approach (84%), can be categorised within the broader realm of welfare policies (e.g. social security, healthcare, youth and education). Arguably, identifying citizens' needs and addressing these through close collaboration is most urgent in the welfare area, as the citizens concerned often find themselves in situations of poverty, social exclusion and/or illness. Not surprisingly, it is especially in this area that bottom-up networks emerge to facilitate collaboration around the pressing needs of vulnerable groups. For instance, Cycling Without Age, a public service innovation network that began in Denmark, demonstrates how co-production between a civil society organisation, care centres and local authorities has led to improving the well-being of elderly people in Copenhagen and beyond. See the box on Denmark: Cycling Without Age on page 5 for more.

## Public-Sector Leadership

In more than half of the cases surveyed (55%), the initiative to start a co-creation process came from the public sector, which consequently often plays an active role in the co-creation process (63%). Individual citizens are the most represented stakeholders with an active role in 82% of the cases.

Chart 1. Stakeholder Roles



## 'It is essential to ensure the necessary coordination and skills support to public organisations that want to engage in co-creation.'

Zooming in on the best practices of service design, the initiative to use design methodologies in public-service development comes from government actors (70% of service-design cases) in most cases, after which many government actors stay on as active participants in the design process. In two cases, the initiative sprung from a cooperation between multiple parties. In the case of Madrid's citizen juries, the citizen laboratory [ParticipaLab](#) started a co-design process to transform the local policy observatory following a mandate of the Madrid city government to explore new ways of involving the citizenry in the design and development of city services.<sup>15</sup> In the case of car sharing in Lille, it was the civil society organisation [La Fabrique Sillysienne](#) together with a small number of individual citizens that decided to apply for project funding in the context of Lille 2020 World Design Capital, enabling them to start a process of co-design for a car-sharing service to reduce the burdens of heavy traffic.<sup>16</sup> Private-sector stakeholders usually have an active role in service design (80%), as they bring the expertise on design methods, such as user research, prototyping and workshops. Individual citizens tend to have an active role (80%) by expressing their needs and opinions and coming up with ideas on how to design or adapt a service. Only in rare cases do citizens take part in the implementation of the service (co-production is seen in only around 20% of cases). In other cases, civil society organisations have an active role in the service design process (40%), usually when they've initiated the project themselves.

In the living labs approach, public-sector organisations are the (co-)initiator in the majority of cases (81% of living labs cases). However, they rarely stay involved as active participants of the living lab (20%), thereby leaving the real co-creation up to the private sector (62%), civil society (67%) and citizens (71%). The initiative to create a living lab may also come from these three groups of actors, albeit generally as a joint initiative between multiple parties. Two exceptions are reported where companies started a living lab by themselves. [Public Intelligence](#) in Denmark aims to develop healthcare services striving towards radical change of the healthcare service system, where patients become more in charge of their own health. It is driven by an external professional operator describing itself as having special knowledge of how to drive an innovation process.<sup>17</sup> In the case of the [PricewaterhouseCoopers \(PwC\) experience centres](#) in Italy, the consultancy firm focuses on establishing new business models in bringing together public-sector customers and businesses in dynamic spaces to design and implement services that incorporate users' views at all stages.<sup>18</sup>

Public service innovation networks display a different ensemble of stakeholder roles. Among researched cases, the initiative to start a public service innovation network primarily comes from civil society, quickly followed by public- and private-sector stakeholders. Individual citizens rarely start such networks (10% of public service innovation network cases). Public service innovation networks are characterised by a high active participation of all types of stakeholders (public sector-92%; private sector-72%; civil society-76%; citizens-92%).

15 Maria Røhnebak, *op. cit.*

16 Ibid.

17 Lars Fuglsang and Anne Vorre Hansen, *op. cit.*

18 Ibid.



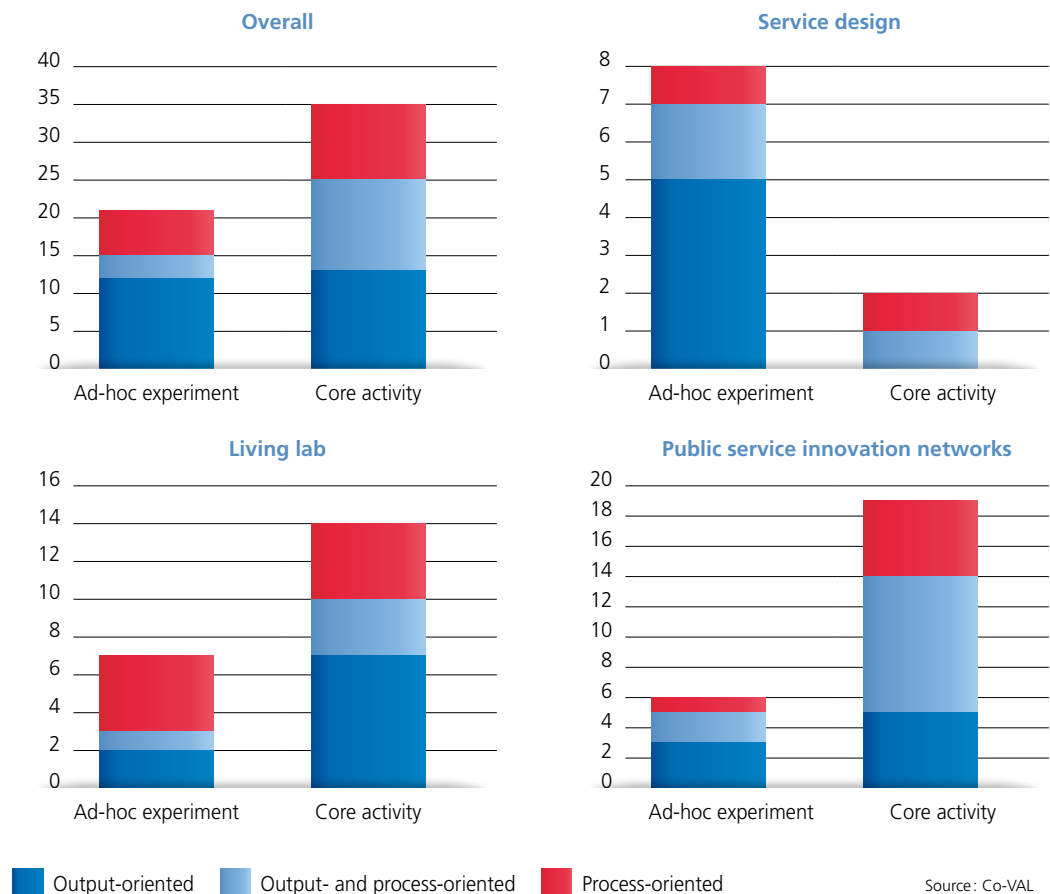
# 'Identifying citizens' needs and addressing these through close collaboration is most urgent in the welfare area.'

## Making Government-Initiated Co-Creation a Core Activity

Co-design, where citizens participate actively through feedback and ideas, and co-production, where citizens participate actively and take part in the implementation, are equally represented among the cases (68%). In many instances, both types of co-creation are present in the same project. Co-construction, where citizens participate passively, for instance, in user-centred design, is only found in 14% of the cases.

When looking at the organisational status and the chosen orientation of the co-creation initiatives, the overall picture shows that in the majority of cases (63%) the project focuses on turning co-creation into a core activity, meaning that the initiative is focused on embedding stakeholder engagement in structural organisational processes with no clear limitation in time. These core activities show an equal orientation towards output (i.e., the results produced) and process (i.e., meaningful interactions). This overall picture is disrupted when zooming in on the service design approach to co-creation, where eight out of 10 cases can be characterised as ad-hoc experiments aimed at solving a pressing need with a clear limitation in time. In addition, most of these service design initiatives are focused on delivering a specific output, as one sees with new municipal services in the United Kingdom and changes to educational programmes in Hungary.

Chart 2. Organisational Status





## 'In more than half of the cases surveyed, the initiative to start a co-creation process came from the public sector.'

Making service design activities part of structural organisational processes appears to be quite an achievement. The two cases where co-creation is actually focused on becoming a core organisational activity had several things in common. Besides both being situated in Spain, a civil society organisation is the (co-)initiator and main carrier of the project and the projects have a strong orientation to the process of co-creation itself, not just the expected output. Living labs and public service innovation networks clearly display more of a long-term orientation than service-design projects. This observation is consistent with the seniority of the first two approaches compared to service design as a relative newcomer in the field of co-creation. Moreover, most public service innovation network cases are initiated by civil-society organisations, for which the core mission often involves developing structural collaboration with public authorities in order to serve the interests they represent. The analysis of living labs reveals that a co-creation initiative does not need to have a process orientation in order to become a core organisational activity. In addition, similar to service-design initiatives, several living labs are initiated by the public sector, but they do manage to move beyond an experimental status.

### **Public Organisations' Culture is Often at Odds with Integrated Co-Creation**

The cross analysis of cases reveals that the culture and organisational characteristics of the public sector is a key challenge, along with resource constraints. Issues such as organisational change fatigue, political decision making and legacy systems as well as restrictions on available budget and time seem to stand in the way of taking on board the results from co-creation practices, integrating co-creation in organisational processes or facilitating other stakeholders, notably civil society organisations in the public service innovation network approach to continue practicing co-creation. For instance, in the Norwegian public service innovation network case which details a process for the integration of refugees in three rural municipalities, "people from different 'silos' have to interact to meet this new challenge. Even if they have received refugees for some years, it is still seen as a temporary project."<sup>19</sup> Other common obstacles are related to the practical and psychological management of the stakeholders involved, from recruiting the relevant participants to educating them and managing their stress in the process itself. Especially in cases dealing with vulnerable groups, such as in the service-design case concerning the development of a "dementia village" in one of Norway's largest municipalities, this is a sensitive problem.

An important challenge for the implementation of design methodologies in public services is found in the way in which public sector organisations function. The agility of the design process sometimes stands in contrast with the complexity of government and its general resistance to change. In addition, required time and personnel investments to fully see a design process through and implement the required changes to the services are experienced as rather steep.

19  
Céline Merlin-Brogniart,  
*op. cit.*



**'The agility of the design process sometimes stands in contrast with the complexity of government.'**

### Scotland: Service Design in the Social Security Setting

With the founding of Social Security Scotland <https://www.socialsecurity.gov.scot/> in 2018, the governance of various social security rights and services was devolved from HM Government to the Scottish government. Service design in this case was an entangled element in a broad and comprehensive collaborative process of designing a new service. The service design approach has three core components: a user-centred approach to design that is based on user research; collaborative working within multidisciplinary teams; and an iterative approach to design that relies on testing ideas with service users. Service design methods were just one piece of the puzzle when collaboratively and comprehensively designing a new service. Both citizens and public servants were seen as beneficiaries of the service design approach. However, senior managers acknowledge that it is difficult to establish whether the accomplished societal value was the result of the policy direction or the service design approach, or a combination of the two. An additional value was that "the service design narrative was supporting a cultural change within the Scottish government, which shifts to a user-centred perspective." Identified challenges did not concern the application of service design methods as such, but were linked to the contextual conditions of the case. The analysis highlighted challenges and constraints around six themes: time constraints; the scale and complexity of the services being designed; resourcing issues; legacy/legal requirements; the concurrent development of policy alongside service design; and the availability of appropriate creative space for service design.

Maria Røhnebæk (ed.), "Report on In-depth Case Studies," Co-VAL Deliverable 4.2, 2020.

### Defining and Measuring the Value of Co-Creation

For many cases, the value of co-creation is defined in terms of immediate, short-term effects, such as improved customer experience in the case of re-design of services of a United Kingdom county council and improved communication in the public service innovation network case of the [Hungarian BAGázs Public Benefit Association](#). These direct outputs aren't always linked to long-term outcomes and structural effects for the society, economy and functioning of government. In cases where broader impacts, such as a more user-centred government culture in the Scottish social security setting are mentioned, it is rarely clear through which path of intermediate effects it is achieved. For more, see the box on the Norwegian Labour and Welfare Administration living labs on page 11.

In some of the case descriptions, there's no account of the value that has been realised through co-creation, only of the expected value. In one case of service design, regarding the library in Madrid's San Fermín neighbourhood, the lack of metrics and indicators to measure success is even explicitly mentioned as a challenge.

The development of new services or improvement of service quality are recurring values in all three approaches to co-creation as is the act of involving citizens in itself. A variety of socio-economic impacts are reported for the public service innovation network cases. The social IT innovation JobIntra developed by the [E-bro Aps](#) in Denmark manages to achieve faster employment by boosting competition among the different actors on the job market and consequently increasing the number of flexi-jobs available. Engaging young "outsiders" in [Drive for Life car clubs](#) in Norway

## 'The lack of metrics and indicators to measure success is a challenge.'

resulted in longer school attendance, fewer drop-outs and better preparation for the job market. The multi-stakeholder [Melting Potes Programme](#) in France, which facilitates the acquisition of the French language by young allophones through French-speaking civic service volunteers, reports an increase in social cohesion due to the reduction of prejudices among young people in civic service.<sup>20</sup>

20  
Ibid.

21  
Francesco Mureddu and  
David Osimo, *op. cit.*

### Norway: Living Lab in the Norwegian Labour and Welfare Administration

The Norwegian Labour and Welfare Administration applies experimental ways of working to innovate and improve its services through interactions and feedback from citizens and other stakeholders. The people-oriented living lab approach has been integrated into the work routines of employees. The value is to provide services that support people in gaining or maintaining employment, thereby combining individual and societal value. By developing structures and methods of working that actively take into account the feedback and perceptions of users, the services are expected to become more effective (i.e., more targeted or better suited), which may save costs in socio-economic terms. However, it has proven to be hard to evaluate the linkages in practice.

Lars Fuglsang and Anne Vorre Hansen, *Ibid*; Maria Røhnebak, "Digitalisation of Labour and Welfare Services - A Case from Norway," Presentation at the Lisbon Council High-Level Roundtable on Human-Centric Digital Government: The Berlin Declaration in Practice, 11 December 2020.

### III. Making Co-Creation Long-Term and Sustainable: How Do We Get There?

It is time for governments to move beyond the promise and reinforce the legal, organisational and financial conditions for co-creation to become a sustainable practice, so it can also serve as an enabler for the digital transformation of the public sector. This is not about creating a service development checklist with a co-creation box to tick, as this might function as an open invitation to cosmetic attempts at citizen engagement without reflection about the value created. Making co-creation sustainable is about making user involvement a natural, functional, adaptable and integral part of public-service development. From the start of (re) designing a public service, the needs of citizens should be front and centre together with the question of which co-creation approach or combination of approaches can help to assess and address those needs in that particular context. At the same time, it is essential to make sure that the results of co-creation are implemented (through co-production where meaningful) so they can have an actual impact on the lives of citizens.

The findings from the cross-analysis of the 56 Co-VAL case studies concerning service design, living labs and public service innovation networks reconfirm the relevance of the 10-point roadmap for user-centred public services put forward in a 2019 policy brief.<sup>21</sup> At the same time, the new findings allow for an extension of the recommendations. To ensure the sustainability of the co-creation roadmap, it is presented here as a growing guidance document that countries can adopt and

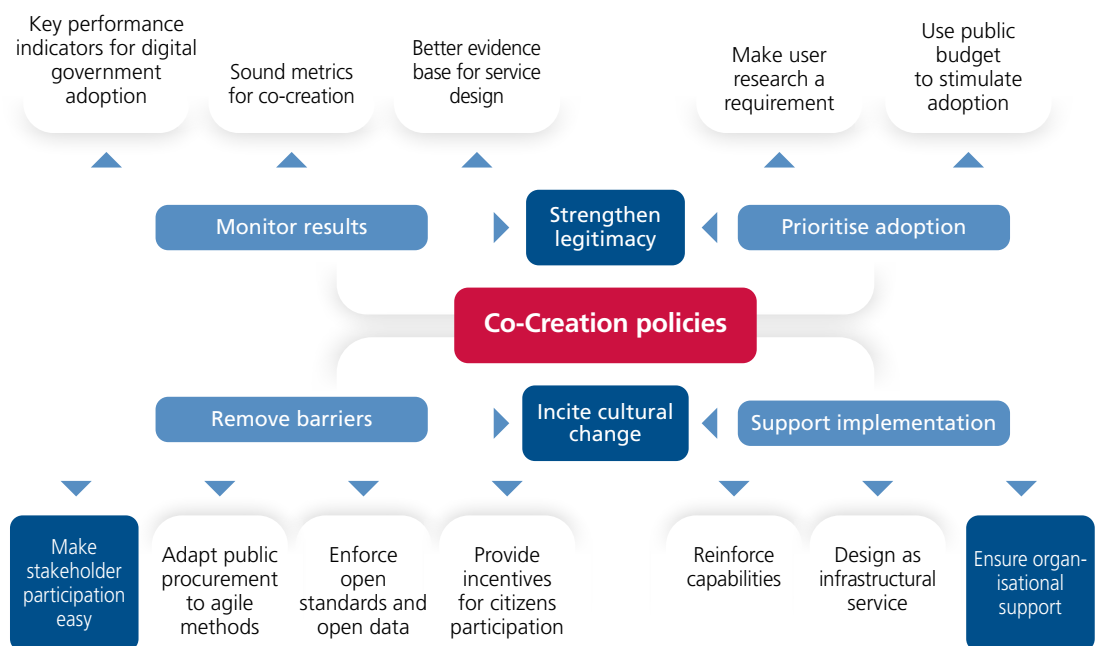


## 'Only a few countries have formal requirements to use co-creation tools.'

22  
Organisation for Economic  
Co-operation and Development,  
*op. cit.*

further develop within their national contexts in the years to come. As already highlighted at the start of this interactive policy brief, four steps are crucial to success: increasing legitimacy, providing organisational support, inciting cultural change and enabling easy stakeholder involvement. Chart 3 gives a consolidated picture, showing where these four recommendations fit in with the roadmap.

**Chart 3. Sustainable Co-Creation: An Expanded Roadmap**



Source: Co-VAL

1) **Strengthen Legitimacy.** The lack of continued support by public authorities, including adequate funds and availability of human resources, is related to a fundamental underlying problem: the low legitimacy of co-creation. It is not enough for public officials to publicly recognise the importance of citizen involvement. While a vast majority of member and partner countries of the Organisation for Economic Co-operation and Development (73%) state that participation in design processes is an important part of their national digital government strategies, only a few have formal requirements in place for central/federal line ministries or agencies to use digital government tools to crowdsource ideas from stakeholders during policy (30%) or service development (36%).<sup>22</sup> Strengthening both the formal requirements and value-based justification for co-creation is essential to prioritise adoption. And this is linked to monitoring results.

A recently published inventory of codified rules supporting co-creation shows that there's an extensive range of approaches across European countries consisting of procedural framework legislation, statutory requirements for consultative bodies, legislation on civil service as a profession, freedom of information laws, laws requiring public participation and finally European Union and international

## 'Co-creation projects face problems of proving the "value" in quantitative measures.'

legal instruments.<sup>23</sup> For instance, Spanish Royal Decree (951/2005) regulated a framework for cooperation with citizens as an important part of quality improvement in the public sector, including service charters and systems for complaints and suggestions. But much of the operational, organisational-level regulation of collaborative practices is likely to be laid down in "soft" sources of legitimacy, such as action plans on digitalisation and guidelines for public servants on how to engage with citizens, especially in countries which are less likely to enact the previously mentioned "hard" laws. Therefore, explicitly including co-creation as a key component of national digital government and public sector innovation strategies is considered essential to foster digital transformation. The [Co-VAL Dashboard](#) – which accompanies and expands this research – shows that only two EU countries, Estonia and Greece, explicitly mention co-creation in their national digital plans, thereby highlighting the urgency of this issue.<sup>24</sup>

The practices analysed here demonstrate how living lab approaches achieve legitimacy in specific public sector services. For instance, the [Wallonia e-Health Living Lab](#) managed to become a legitimate player in the Walloon e-health ecosystem by showing that they successfully used the initial public money made available during the pilot phase. So, the legitimacy of co-creation isn't solely tied to formal requirements in strategies for digital government or public innovation. It can also be obtained by showing how co-creation contributes to the achievement of sector-specific policy goals. The importance of measuring and demonstrating the value of co-creation is also underlined in the service-design cases, where value tends to be captured and communicated through qualitative data. Such projects face problems of legitimising and proving the "value" in quantitative measures, as was the case with the use of service design at the library in Madrid's San Fermín neighbourhood. Therefore, strengthening the legitimacy of co-creation is also linked to ramping up its monitoring system.

Specific attention should go to defining the expected value and measuring the realised value of co-creation in terms of policy goals and sustainable effects on society and the economy while clearly showing a path to long-term public value creation. At the same time, it is important to link long-term values to the more immediate goals in terms of both output and process. In several of the cases, output and process are strongly intertwined: the product of the co-creation process, such as a new library or a piece of music, is just as important as the experience of and space for interaction between multiple stakeholders. In order to ensure maximum value creation, both output- and process-related goals and consequently indicators should be specified from the start. For instance, strengthening the public's trust in government may be achieved through the direct involvement of citizens in the design of a new digital service and the indirect involvement of citizens by showcasing the co-creation process. At the same time, the process-generated value of public trust may be complemented by an output-generated value related to policy goals, such as less overall poverty as a result of more accessible, cross-policy, tailor-made services driven by the insights of the citizens involved.

23 Agnes Batory and Sara Svensson, "Regulating Collaboration: The Legal Framework of Collaborative Governance in Ten European Countries," *International Journal of Public Administration*, 43.9 (2020).

24 The Co-VAL Dashboard tracks the adoption and implementation of co-creation-driven projects in 28 European countries. Visit <https://www.co-val.eu/dashboard/>.



## 'Making co-creation sustainable is about making user involvement an integral part of public-service development.'

25  
Céline Merlin-Brogniart, *op. cit.*

26  
Lars Fuglsang and  
Anne Vorre Hansen, *op. cit.*

27  
[Ines Mergel, "Digital Service Teams in Government," \*Government Information Quarterly\*, 36.4 \(2019\).](#)

2) **Ensure Organisational Support.** In conjunction with putting in place the appropriate formal requirements in a given country context, it is essential to ensure that the co-creation initiatives that different public organisations want to be involved in are well-coordinated and that they have the necessary abilities and capacity to enact them. Central coordination can boost the efficiency of setting up co-creation projects and may invoke synergies between different projects, thereby moving from a scattered to a central model of co-creation. At the same time, strong coordination doesn't have to stand in the way of the necessary freedom to achieve innovation in the local context. Such an approach is demonstrated in one of the public service innovation network cases in France, which centres around the implementation of the so-called MAIA-method, a method of action for the integration of healthcare and support services in the field of autonomy. This is an organisational model adapted to local specificities. It aims to counter the institutional, organisational and clinical fragmentations in healthcare for the elderly.<sup>25</sup> Supported by central funding and common information-sharing and action-steering tools, it is intended to facilitate the decision-making process between stakeholders by setting up meetings at a local level between decision makers and funders of gerontological policies (i.e., the strategic level) and between the local operators responsible for the healthcare and support services that help seniors to stay at home (i.e., the operational level). Similarly, Stimulab, the Norwegian living lab, functions as a broad incentive structure set up at the national level, which is meant to stimulate the use of co-creation and service design approaches to deal with complex societal problems which require coordination and collaboration across different service organisations and agencies.<sup>26</sup>

Besides coordination, organisational support is also about bringing in or ensuring access to co-creation specialists with the aim of spreading the necessary know-how and capacities, so it can ultimately be integrated into daily work practices. Digital service teams, which are already present in several European countries, are an example of organisational units that decentralised departments can rely on for help with the re-design of services using a user-centred approach.<sup>27</sup> Boosting co-creation skills alongside digital literacy is the ultimate goal.

3) **Incite Cultural Change.** Besides putting in place the aforementioned formal measures for co-creation, attention needs to go to having the right informal conditions both to support implementation and to remove barriers. It is key to motivate public servants to always take on board users' needs and make it easy for them to do so. Several Co-VAL cases indicate that public servants tend to find co-creation processes resource-consuming and sometimes even stressful, especially for ad-hoc projects. The living labs approach suggests that enabling public servants to experience co-creation in a well-defined institutional environment can help to boost their motivation and integrate it into organisational processes. For instance, for the German [GovLab Arnsberg](#), the first public sector innovation lab established in Germany, interrelated changes have been reported at the organisational and individual levels. This change in organisational culture appears to be closely related to the values created on the individual level: a change in

# ‘Central coordination can boost the efficiency of co-creation projects.’

mindset and the creation of networks to draw in external actors in public value creation.<sup>28</sup> Similarly, the people-oriented living lab approach in the Norwegian Labour and Welfare Administration is integrated into the work routines of employees.

Insights from behavioural sciences may also be applied to nudge public servants towards co-creation. After all, elected and unelected government officials are themselves influenced by the same heuristics and biases that they try to address in others.<sup>29</sup> For instance, the “collaborative red teaming” technique – where civil servants deliberately try to find weaknesses in a proposal – can be useful to challenge the idea held by some public servants that co-creation is cumbersome and not useful. Additionally, “nudges,” which “work through automatic cognitive processes and by changing the choice architecture of a decision,” can be a subtle way of guiding public servants in the desired direction.<sup>30</sup> For instance, co-creation could become the default option for public servants involved in public-service reform by requiring them to provide an argumentation in the relevant forms if they don’t want to include citizen-driven insights. In short, removing barriers for co-creation may be realised by creating barriers for “solo creation.”

As the open data movement has shown, demonstrating the produced value at both an aggregated and anecdotal level helps to motivate people to engage in something new. The most successful countries, such as France, have ramped up monitoring and showcasing on their portals, thereby boosting both the availability and reuse of open data.<sup>31</sup> More solid evidence will not only lead to more policy support but also will help to provoke a cultural shift from “co-creation is a burden” to “it’s worth it.” A similar cultural shift has already taken place in many parts of public administration when it comes to the use of digital technologies. The biggest resistance against the introduction of digital ways of working seems to have passed. By now, it has even become inconceivable not to think of the digital component when developing a new service. The same can happen for co-creation.

- 4) **Make Stakeholder Participation Easy.** Even when public organisations are completely geared towards co-creation and ready to initiate and participate in the design of user-driven services, it will not work if key external stakeholders are not on board. In other words, getting citizens, businesses and civil society organisations to express their needs and provide input on potential solutions or actually to co-construct those solutions is a crucial aspect of removing barriers to more sustainable co-creation. The Co-VAL case studies restate the urgency of making it easier and more rewarding for stakeholders to participate. This is especially true for vulnerable populations who are challenged by their personal situations and at the same time require user-driven services more than any other group in society.

A first way to make it easier for people to express their needs is by making co-creation an integral part of the digital-service experience. The integrated chat for direct communication between users and councillors in the service design

28  
Lars Fuglsang and  
Anne Vorre Hansen, *op. cit.*

29  
Strategies including “collaborative red teaming” and “nudges” are described in greater detail in [Michael Hallsworth, Mark Egan, Jill Rutter and Julian McCrae, \*Behavioural Government: Using Behavioural Science to Improve How Governments Make Decisions\* \(London: Behavioural Insights Team, 2018\).](#)

30  
[Rosanna Nagtegaal, Lars Tummens, Mirko Noordegraaf and Victor Bekkers, “Nudging Healthcare Professionals Towards Evidence-Based Medicine: A Systematic Scoping Review,” \*Journal of Behavioral Public Administration\*, 2.2 \(2019\).](#)

31  
Visit <https://www.data.gouv.fr/en/>.



**'It is urgent to make it easier and more rewarding for stakeholders to participate, especially for vulnerable groups.'**

32  
[La DINUM, "Qualité des services publics numériques: les 250 démarches phares de nouveau évaluées," \*numerique.gouv.fr\*, 29 October 2019.](#)

33  
[Charlotte van Ooijen, Barbara Ubaldi and Benjamin Welby, "A Data-Driven Public Sector: Enabling the Strategic Use of Data for Productive, Inclusive and Trustworthy Governance," \*OECD Working Papers on Public Governance\*, 33 \(2019\).](#)

34  
Céline Merlin-Brogniart, *op. cit.*

case for the Norwegian Labour and Welfare Administration services is an example of this approach. Another example is the "I give my opinion" button developed by the French inter-ministerial directorate for digital affairs (DINUM) and available for all French government organisations to include at the end of a digital-service journey.<sup>32</sup> Moreover, DINUM also defined a key performance indicator requiring 250 key digital services to adopt this button by the end of 2019. Besides explicitly asking citizens for their opinion, their needs may also be identified when using available data in a smart way while respecting the General Data Protection Regulation, the EU's privacy rules. For instance, data may be collected about which groups of citizens actually take up a service so that public services can later be improved accordingly.<sup>33</sup> This will not become a standard practice if only the technical infrastructure is there but the organisational configuration and culture are not adapted to co-creation as well. So, making digitally-enabled co-creation happen is in the first place about changing mindsets, competences and ways of working across the public sector.

When it comes to inviting stakeholders to participate in a specific co-creation project requiring a sometimes considerable investment of time and effort, the strategies to make this more attractive and easier are scarce. Most Co-VAL case studies mention this as a big challenge and suggestions on how to overcome it are rare. As many projects deal with vulnerable groups, the social interest dimension appears to be an important motivator for volunteers, as is seen for example in the Cycling Without Age programme. Insights from domain specialists, such as social workers and care professionals, could be leveraged to find ways to involve vulnerable groups in co-creation activities in a more structural way. Additionally, active, and therefore already interested, users of a service may be recruited to contribute to the improvement of the service, as shown by the Hungarian [Járókelő](#) association, which recruits its volunteer case managers among citizens who regularly report problems through their street-fixing website.<sup>34</sup>





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