Designing local public organizations for the introduction of an institutional logic of co-creation: anticipating conflicts between institutional logics

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Introduction

In recent years, public organizations in numerous countries have seen the rise and the clash of two conflicting paradigms regarding public service: New Public Management (NPM), and the Public Value Paradigm. NPM, today dominating in many administrations, is based on the pursuit of efficiency, the reduction of costs, and the improvement of the organizations' economic performance, and carried by a technical and a mechanical conception of public service (Brandsen & Guenoun, 2019). However, Public Value is based on efficacy, focusing on the ends and outcomes of public action, as well as the social performance of public organizations, and embodies a democratic approach to public service (Alford & O'Flynn, 2009; Moore, 1995). Alongside these approaches, specific managerial practices find their way into public organizations. In contrast to NPM where the citizen is treated as a pure customer of public services (Pollitt, 2017), the Public Value paradigm is defined by the introduction of open and participatory decisional processes (Geuijen et al., 2017). This openness is also at the service of the search for solutions to current societal challenges, which can be considered so-called wicked problems (Rittel & Webber, 1973) that require innovative treatment. Enabling citizen participation in decisional processes and innovating the way public service is conceived are necessary elements for dealing with today's complex world. Especially on the level of local public organizations finding strategies to respond to wicked problems is crucial, as this is where they crystallize and require rapid public action.

These two trends nourish the legitimacy of new participatory practices such as co-creation, the object of our study. They are, however, novel and potentially in conflict with anterior practices that are taken for granted and reflect the dominant traditional institutional logics. While most publications in the field of institutional logics tend to analyze conflicts during or after the introduction of a new logic, we aim to investigate an approach based on anticipation, allowing us to accompany the introduction of a new institutional logic and identify potential conflicts before they can arise. Little academic work has focused on the anticipation of conflicts between logics (Besharov & Smith, 2014) and – in advance – designing for the unfolding of an institutional logic to avoid them. We aim to better understand the best suited a priori strategy

for the introduction of a logic of co-creation in the field of territorial public policy by anticipating conflicts through a priori identification of barriers and drivers to its development.

1. Institutional complexity and definition of the field

Choosing territorial public organizations as our unit of analysis, we take into consideration the institutional complexity of the field (Greenwood et al., 2011); these organizations are exposed to environments conditioned by multiple, sometimes conflicting and partially opposed, institutional logics (ibid.). Recent publications invite to conceive of the organization as an open political arena where conflicts of logics emerge internally and externally at the same time (Waeger & Weber, 2019). This conception seems even more suitable when studying a local public organization. The local public organization's borders are by definition permeable, leading to a conception of institutional complexity that goes beyond the traditional organizational limits and plays out on the level of the territory where institutional life takes place; this is what forms a shared structure consisting of its proper rules, values, and norms (Arnaud & Serval, 2020).

Hence, the introduction of an institutional logic of co-creation in the field of territorial public policy requires to work with existing logics that are structuring the field: the political and the managerial logics. While these logics may be conflicting, the tensions they create are not insurmountable and are the object of compromise or even hybridization (Boitier & Rivière, 2016; Fred, 2020).

For a better understanding of the institutional complexity that is the object of this study, each logic will be characterized (Thornton et al., 2012) as shown in Table 1. After having identified the sources of tensions between them, our goal is to identify the barriers and drivers of the introduction of this logic of co-creation.

	Political Institutional Logic (PIL)	**Managerial Institutional Logic (MIL)**	**Institutional Logic of Co-Creation**
Root metaphor	Political activities are natural activities	Crisis of the welfare state	Deliberative imperative
Sources of legitimacy	Decisions taken in public space	Managerial expertise	Open and non-elitist public space
Sources of authority	Elections	Top-management	Decisional process
Sources of identity	Affiliation to political groups; common ideas	Specialized schools and networks	Multiple social classes and groups

Basis of norms	Citizenship	Rationalization of activities	Usership
Basis of attention	Expression in public space	Results	Capacity to participate and produce judgements
Basis of strategy	Change	Producing a performing public service	Co-creation of shared public value
Informal control mechanisms	Elections	Outputs	Societal outcomes

Table 1. Adapted from Thornton et al. 2012.

1.1.Institutional logic introduction strategies

Academic work on institutional logics tends to present multiple possible scenarios: either the new logic imposes itself and eventually dominates the existing one (Rao et al., 2003), or the logics converge over time and create a new dominant logic (Glynn & Lounsbury, 2005), or, finally, the conflicts between logics continue (Pache & Santos, 2013). Considering the paradoxical tension between New Public Management and Public Value paradigms, it seems unrealistic to envision that conflicts between logics continue overtime. The first two scenarios seem more realistic and reinforce the necessity to anticipate the strategic management of the institutional logic's introduction process.

In literature, three types of strategies have been identified to introduce a new institutional logic (Pache & Santos, 2013): (i) decoupling, (ii) compromise, and (iii) selective coupling. (i) Decoupling (Meyer & Rowan, 1977) corresponds to the symbolic adoption of practices that are taken for granted within an institutional logic, while at the same time practices belonging to different logics are implemented. (ii) Compromise, on the other hand intends to partially respond to requests, negotiating with stakeholders to modify their expectations (Oliver, 1992). Finally, (iii) selective coupling seeks to combine contradictory institutional logics by adopting and joining practices and activities of each one of them (Pache & Santos, 2013). Considering that each logic is core to the organizational functioning (Besharov and Smith, 2014), strategies based on compromise and selective coupling seem to be more suitable and lead to identify levers and barriers in order to strategically spur co-creation in local public organization.

1.2.Factors explaining conflicts between institutional logics

Introducing an institutional logic may provoke more or less important conflicts, depending on the new logic's degree of compatibility with the existing ones, and its degree of centrality for the organization's functioning (Besharov & Smith, 2014). The existence of conflicts between institutional logics is explained in literature by multiple factors. The more specific a logic, the harder it is to achieve compromise (Greenwood et al., 2011). In this respect, conflicts regarding goals of institutional logics seem to be harder to resolve than those regarding their means (Pache & Santos, 2010). Furthermore, the organization's position in the field – central or peripheral -, affects the incorporation of an institutional logic (ibid.).

On an individual level, perceived conflicts can be explained by the individuals' cognitive capacities (Voronov & Yorks, 2015), their faculties of interpretation (Almandoz, 2012) and the extent to which they adhere to the different logics (Pache & Santos, 2013), as well as their professional background (Svenningsen-Berthélem et al., 2018).

Given these theoretical considerations, we propose to explore, within the scope of a single-case study and by mobilizing a contingency approach, the specific case of the field of territorial public policy and the introduction of an institutional logic of co-creation.

2. Methodology

2.1.Presenting the case of Vitrolles

For the empirical part of our study, we have chosen to work on the case of Vitrolles, a municipality of 35.000 inhabitants situated in the South of France. Due to rapid growth starting in the 1970s, the town is fragmented, lacking an urban center and social cohesion. Furthermore, the political context in Vitrolles is a very particular one. After a period dominated by the right-wing party Front National at the end of the 1990s that has led to the creation of a negative atmosphere in and image of the municipality, Vitrolles has, now under a socialist mayor, shifted its focus on the re-democratization of its inhabitants, encouraging them to participate in local societal life, and the creation of a new and positive identity. A broad cultural offer, urban renovation and construction are now prioritized, and letting inhabitants participate in decisional process has been attempted in select projects. Therefore, first experiences with co-creation have been made in Vitrolles.

Originally, this case has been chosen for a European research project, CoGov, that is part of the H2020 research agenda; CoGov is a project aiming to analyze co-creation mechanism in European municipalities. French local municipalities face difficulties in enhancing citizen participation and these practices remain largely unstudied. Therefore, selecting the case of Vitrolles presents a great opportunity to provide insights and disseminate knowledge in order to develop local participatory democracy practices.

2.2.Research design

As institutional logics show in language and practices and manifest in symbols and materials, a qualitative approach is particularly suited (Reay & Jones, 2016) to capture them (Van Maanen, 1995). Therefore, we have chosen to mobilize a holistic single-case study approach (Yin, 2015). The analysis of the case is based on the collection and triangulation of data originating from multiple sources (Gioia et al., 2013; Reay & Jones, 2016): semi-structured interviews with managers and political leaders of the municipality of Vitrolles, participant observation, and secondary data.

The data we have collected has been analyzed thematically (Miles & Huberman, 2003). In the case of this research, which is based on a hybrid exploratory approach, the creation of the coding table has been structured by existing literature (ibid.). We have carried out an "a prio-steriori" coding (Allard-Poesi, 2003) aiming to, in an open and axial manner (Strauss & Corbin, 1998), configure our data around a semi-structured coding table.

3. Findings

Divided into barriers and drivers, and structured on three levels - environmental, organizational, and individual – our findings have allowed us to identify factors affecting the introduction process of an institutional logic of co-creation in Vitrolles.

3.1.Barriers

Environmental level: The current legal situation for territorial public organizations in France that is based on the NPM-paradigm and a bureaucratic view of public service is not welcoming for a co-creation logic; the political history of Vitrolles presents an important barrier as it still

negatively affects the public service agents' and citizens' worldviews, and the relationships within the organization as well as with citizens.

Organizational level: The first category on this level is *citizen-related*: the inhabitants are rather passive consumers of public services than active citizens; the organization does not consider them to be knowledgeable enough to participate in decisional processes and fears a loss of control and power when they do. The legitimacy of unelected citizens speaking for others is contested. Certain groups of citizens auto-discriminate because they have internalized the discriminations suffered during the FN-period. The second category concerns the *legitimacy of the organization* itself: Vitrolles being a part of the Aix-Marseille metropolis, distribution of power, authority, and competences proves to be difficult. The final group of organizational factors that may hinder the introduction of a co-creation logic in Vitrolles is the *entrenched vision of public service* with both the PIL and MIL dominating the organization's worldview and functioning.

Individual level: The traditional vision of the organization as the sole responsible for public service provision, and the resistance to changes in work modes present important obstacles.

3.2.Drivers

Environmental level: An environmental drama (the wildfire of 2016) served as a trigger for citizen mobilization and co-creation processes due to the shared experience, and the complexity of the issue.

Organizational level: First, there are *political reasons* for the introduction of this logic: the motivation to strengthen social cohesion and democratization, and the wish to increase legitimacy of decisions. Political support for co-creation is strong in Vitrolles. Then, the organization's *relationship with the inhabitant*s is important: citizen councils are used as a tool to discover co-creation processes and build trust and get to know each other, crucial elements for the successful introduction of this new logic. Lastly, the *slow introduction* of a co-creation logic seems to be beneficial: realizing co-creation projects within the organization before including external actors, having clearly defined rules, roles, objectives, and timeframes, taking a trial-and-error approach to co-creation, and communicating about its successes and benefits.

Individual level: A reason for public managers to support the introduction of a logic of co-creation is their interpretation of public service values and the "right way" to fulfill their role as public service providers; this consciousness serves as an important motivation.

4. Discussion

Our findings reveal the potential for conflict on multiple levels of the organization and its environment. We were able to confirm the importance of individual cognitive capacities and faculties of interpretation for the successful introduction of a co-creation logic to a local public organization, as well as the impact of past professional experiences of its employees. Furthermore, no matter the position of the organization in the field – central or peripheral – fully assuming the new logic appears to be difficult due to a perceived lack of legitimacy. Lastly, we confirm the importance of public service motivation in the introduction process.

Designing a local public organization for the introduction of a co-creation logic implies, firstly, finding strategies to avoid conflicts before they arise (Alt & Craig, 2016). These strategies should include the mobilization of a narrative approach to sell this logic to stakeholders, and integrative solutions combining elements from the existing and new logics. In other words, selective coupling (Pache & Santos, 2013) seems to be the approach that should be chosen in cases like this. Secondly, while these elements should be considered in the organizational design that must be adapted (Santos et al., 2015) for a co-creation logic, others such as the participation of stakeholders in design processes, rethinking human resource management for co-creation (trainings, revision of job descriptions), as well as creating citizen participation indicators to track and improve practices, must be taken into account, too.

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