Towards a Public Service Management: Past, Present, and Future Directions

Abstract

Purpose – In providing a fine grained analysis of public service management the review makes an important contribution to furthering research in service management, a body of literature that has tended to regard public services as homogenous or to neglect the context altogether.

Design/methodology/approach – Integrating public management and service management literatures, the past and present of public service management are discussed. Future directions for the field are outlined drawing on a service-dominant approach that has the potential to transform public services. Invited commentaries augment the review.

Findings – The review presents the Public Service Network Framework (PSNF) to capture the public value network in its abstraction and conceptualizes how value is created in public services. The study identifies current shortcomings in the field and offers a series of directions for future research where service management theory can contribute greatly.

Research limitations/implications – The review encourages service management research to examine the dynamic, diverse and complex nature of public services and to recognize the importance of this context. The review calls for an interdisciplinary public service management community to develop, and to assist public managers in leveraging service logic.

Originality/value – The review positions service research in the public sector, makes explicit the role of complex networks in value creation, argues for wider engagement with public service management, and offers future research directions to advance public service management research.

Keywords Public service-dominant logic, Service-logic, SDL, Goods-logic, GDL, Value, Co-production, Co-creation, Governance, Public sector, Research agenda.

Paper type General review
Introduction
The service management literature has largely neglected the public service context. This is surprising given its importance and impact on the everyday lives of citizens, for instance, public expenditure on health services is almost three times that of private citizens, private companies and not-for-profit organizations (OECD, 2017); with similar contrasts found in the areas of education and welfare. Moreover, managing public service delivery is very different to the management of services in the private sector. Public services are typically more complex, encompass a broader array of service providers and stakeholders, and require higher levels of transparency and accountability (Osborne et al., 2013). The purpose of this paper, therefore, is to advance understanding of service characteristics within the public setting, and to highlight the need for special theoretical treatment of this important context.

On the surface, public services are different from private sector services because they are provided by the state (or government). Thus, public services tend to reflect the political and institutional behaviour of these organizations (Lane, 2000). This conceptualization is, however, very simplistic and fails to recognize the dynamic and interconnected nature of modern public services. Contemporary public services are embedded within a network comprised of multiple actors whose direct and indirect interactions do not exist in isolation but as part of a wider ecosystem (Jaakkola et al., 2015). This characterization of public services as a network (or ecosystem) is consistent with the broader service management literature, where the network or ecosystem view of services has emerged as the dominant view within the research on service-dominant logic (SDL) (e.g., Jaakkola and Hakanen, 2013; Jaakkola et al., 2015). Compared to the private sector, however, public service networks are more complex as they comprise “multiple and/or conflictual users” (Osborne et al., 2013, p. 150), with a greater propensity for outsourcing and contracting out of service elements (c.f. Tax et al., 2013). Moreover, with increased marketization and mixed service delivery models involving public, private and third sectors (Hodgkinson and Hughes, 2014), it is clear that contextual differences exist not only between public and private sector services (Van de Walle, 2016), but also among and within public sector organizations (Hodgkinson and Hughes, 2014). If we accept that the purpose of theory is to understand and explain the world around us, then we must also acknowledge that the failure of existing service management theory to take into consideration context-specific insights has contributed to weak mid-range theories with ambiguously defined boundaries, limited practical value, and poor predictive validity (Van de Walle, 2016).
While it may be argued that service differences between the public and private sectors have diminished in recent years, as governments have sought to find savings through greater use of market mechanisms and the adoption of corporatization, it is contended that these efforts have not materially changed the political and institutional differences. The most extreme example is visible through the recent adoption of austerity measures. The aggressive pursuit of efficiency and productivity gains has acted to highlight a key difference between the private and public sectors by creating a platform for disenfranchised citizens to gather and voice their opposition to the reduction and/or removal of important public services. These pressures have been particularly prevalent in the advanced economies of the UK, US, Australia, New Zealand and parts of Europe, where governments are now under increasing pressure to maintain high standards of living and deliver better public services despite reduced economic means (Osborne et al., 2013). This illustrates, among other things, how contextual differences remain between the private and public sectors, and how these differences are adding to higher levels of volatility within public sector networks.

This review contributes to the broader service management literature by highlighting how public service networks differ from private service networks. This responds directly to a call for research to help us better understand how value is created in different service settings and within systemic and fragmented service contexts (Verleye et al., 2017). The aim of the review is to present context-specific insights regarding the development and delivery of public services, offer an interpretation of the shift from goods-dominant to service-dominant thinking within the public sector, and inform service management theory by identifying future directions for research in the area of public services. This is achieved by applying SDL as a lens for understanding value creation in the public sector, which to date, has largely been characterized by a goods-dominant logic (GDL) where services are produced by organizations in relative isolation from their customers (Åkesson and Skålén, 2011). The review also adds to recent research which has highlighted the need for public sector organizations to embrace a service culture (Enquist et al., 2011); one which is able to meet divergent stakeholder interests across complex public service networks. Thus, as Osborne et al. (2013, p. 151) highlight, “what is now needed is an agenda of empirical research to test out the insights and limitations of this theoretical approach [in the public sector].”

To achieve this, the paper seeks to build a bridge between service management theory and theory in the field of public management, which until now have largely developed exclusively of one another. Service management theory has the potential to transform public services, but has typically been neglected in public management research despite its potential
to offer new ways forward for public service management (Osborne et al., 2013). This review serves as a means to unite public management and service management literatures and direct future public service management research, paving the way for transdisciplinary research as called for by Gustafsson et al. (2016).

**Approach**

Drawing on the work of Ravishankar et al. (2011), the paper adopts the approach of soft positivism\(^1\). This allows the analysis to be conducted with certain expectations based on prior theory, while also allowing for unexpected themes and explanations to emerge, as is more typical of interpretivist approaches. First, existing research on public services is examined to trace the progress of public service management and the corresponding developments in how public services have been addressed. This aspect of the analysis implies a positivist approach in deciding, in advance, expected factors. Second, in contrast the softer stance gives the freedom to develop themes and theoretical categories without having to force data into existing themes. The interpretivist dimension is used specifically to capture emerging themes, identify current shortcomings in the field, and set directions for future research.

To enable an analysis at different levels of a complex service network there is a need to account for the service system at the organizational level and the system of systems at the value network level (Pinho et al., 2014). The positivist stance gives this study the necessary initial focus drawn from existing knowledge on the two distinct levels to public value creation (Hartley et al., 2017) conceptualized in the Public Service Network Framework (PSNF), shown in Figure 1. Here value creation is not located in the customer’s sphere as is typical of SDL application (Grönroos, 2008), rather value is split across two levels: at the ‘domain’ level, public value is conceptualized as that which is created or added (i.e., a public bottom-line) through the activities of public service organizations (hereafter PSOs) (e.g., hospitals, transport, schools, etc.), service managers (e.g., legislators, elected and appointed executives, etc.), and is influenced by service policy (e.g., healthcare, social care, etc.); while at the ‘sphere’ level, public value is positioned as the public interest which is shaped by political system (e.g., democracy), citizenship (e.g., mutuality, collective good, and self-restraint), and governance (e.g., global and local arrangements, formal and informal norms and understanding). Clearly the composition of complex networks will vary, but the PSNF is

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\(^1\) Soft positivism has its origins in law and refers to morality figuring in the determination of the existence of valid law (Mitrophanous, 1997). Translated into management scholarship, soft positivism refers to allowing new insight and knowledge to emerge beyond pre-established frameworks, constructs, and knowledge.
generic in design so that it is applicable across service networks and importantly is explicit about the interactive and networked nature of value creation (domain-level and sphere-level), which has typically only been addressed implicitly in SDL (Vargo and Lusch, 2008). This supports the call from Enquist et al. (2011, p. 235) who contend that “…in a value network, a more dynamic approach is required to define, design and deliver the service solutions than is required in a value chain” for public services.

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Though public management research has typically been devoid of service management theory integration, three prominent public management scholars who have pushed for greater service management thinking in the field of public management were invited to submit short reflective commentaries. These scholars were specifically targeted given their international research profiles, contribution to the field of public management, and by virtue of their influence in advancing the public service management research agenda; these scholars are:

- Tony Bovaird, Emeritus Professor of Public Management and Policy, University of Birmingham, UK.
- John Bryson, McKnight Presidential Professor of Planning and Public Affairs, University of Minnesota, US.
- Zoe Radnor, Professor of Service Operations Management and Dean of the School of Management, University of Leicester, UK.

Each of these scholars was asked to frame their commentary around three core research questions (full commentaries are included in Appendix A):

RQ1. How has the concept of ‘service’ affected your own research in the field of public management?

RQ2. How has public service management research developed in recent years?

RQ3. To push the field of public service research forward, what do you perceive as the critical issues to be addressed?

The research questions are intentionally open-ended based on the areas of interest of the review (e.g., past, present, and future directions), and were formulated to direct the flow of narrative while providing a flexible setting for the commentators to explore a wide-range of related issues in public service management; reflective of the interpretivist side of the
approach adopted. The commentaries were analysed by travelling back and forth between the narratives and emerging structure of theoretical arguments from across public management and service management fields. The use of expert commentaries helps to ensure content and face validity of the review’s findings, and as a methodological approach has been used effectively in service management literature to set appropriate research agendas, which is the aim here (e.g., Fisk et al., 2016; Jaakkola et al., 2015). Consistent with Jaakkola et al. (2015), then, the commentaries are used to broaden the study’s perspectives, assist in identifying matters of relevance to public service management, and identify emergent issues related to service phenomena in the public sector, with excerpts used to augment the review.

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The paper is structured as follows: first, a literature review establishes the predominance of GDL at the expense of SDL in the public sector. The conceptual background of goods-dominant thinking in the sector is then examined to address RQ1. In response to RQ2, the recent application of SDL to public service contexts is considered and its merits discussed in light of complex service networks. Following this, the emergent theme of performance measurement as both a barrier and driver of service logic is presented, prior to a discussion that outlines shortcomings of the field and future research directions; in line with RQ3. To close, conclusions are drawn and implications for public service management theory and practice are discussed in light of the limitations of the review.

**From GDL to SDL? The public sector journey**

Traditionally, the public sector is recognized as a provider of public goods, informed by management theory that has been derived from research conducted in manufacturing rather than the services sector (Osborne et al., 2013). Under GDL, value is embedded in an organization’s offering of products (Åkesson and Skålén, 2011) and this has dominated public service management thinking. This has been evidenced in the performance measurement of public services, reducing the potential for customer-oriented delivery (Enquist et al., 2011). Public transport, for instance, has typically been understood as a “public good” evoking an internal cost orientation at the expense of a market orientation (Gebauer et al., 2010).

The expansive use of outsourcing of public service provision to private agents is a case in point. Service externalization is a mechanism which is attractive to the political principal since the economic and/or political costs of developing services internally is typically much higher relative to the costs of outsourcing to private agents. Public-private partnerships are an illustration involving a variety of structures where risk and responsibility
is shared between public and private actors. Private finance initiatives are another form of such partnership working in the public sector, but are only possible with funding credits agreed and provided through government and may be more accurately described as a type of contracting or procurement. Moreover, there has been increasing externalization of services across not only the public and private sectors, but also the public and third sectors with private companies providing domiciliary care, voluntary bodies proving community based drug and alcohol services, and arms-length management organizations providing housing services; the providers of public services are therefore markedly different in their sector-origins (Bovaird et al., 2012). A key driver of such partnership or cross-sector working has been the pursuit of efficiency and effectiveness, though “the relationship between contractual governance and performance measurement has traditionally been studied from the perspective of conventional production, driven by ‘goods-dominant logic’” (Enquist et al., 2011). This is the opposite of SDL that is conceptualized as customer-oriented and relational (Vargo and Lusch, 2004, 2008); yet failure to focus on the actual process of service delivery—where service production and consumption occur contemporaneously—as espoused under SDL (e.g., Vargo and Lusch, 2004, 2008) is endemic to public services management (Osborne et al., 2013).

This neglect arguably may be driven by pragmatic research implications, such that to capture the service delivery process is in itself uniquely challenging in the public sector context (Verleye et al., 2017). Take the UK National Health Service as an example, there are a range of actors within this complex service network that span across the organizational-level and network level from hospital management (e.g., board, governors, managers), hospital operators (e.g., clinicians, nursing staff, administrators), commissioning agencies (e.g., support units, regional offices, clinical groups, area teams) regulators (e.g., NICE, Healthwatch, MONITOR, Care Quality Commission, etc.), local actors (e.g., patients, carers, public, general practitioners, local government, health and wellbeing boards, oversight and scrutiny committee, education and training boards, etc.), and governmental bodies (e.g., Department of Health, NHS England, etc.), each of whom can be considered essential resource integrators to service value creation (Vargo and Lusch, 2008), but each with conflicting and diverging needs and wants from the delivery system (Verleye et al., 2017); illustrating the sheer complexity of the public service value network.

This complexity may explain why in practice GDL has persisted, as it may be easier for practitioners to understand services as discrete and transactional rather than processual and systemic. However, public services must be understood as services “with the distinctive
service dominant logic and managerial challenges that this implies, and must hence reject the fatal flaw contained within current, product-dominant public management theory” (Osborne et al., 2013, p. 136). This move toward SDL is now explored by drawing on literature from the public management and service management fields, and excerpts from the commentaries.

A public goods-logic
This section addresses how public services have been characterized over time by tracing the development of public service management research as examined in the public management field; addressing RQ1.

From Public Administration to New Public Management
The traditional view of public service management, known as Public Administration (PA), focused on the ‘rule of law’ and the administration of rules and guidelines with services provided for all citizens ‘from the cradle to the grave’ (Hood, 1991; Osborne, 2010). The central tenets of administration and bureaucracy within PA ensured a split between public service managers administering public policy and politicians using bureaucracy to implement policy changes (Hood, 1991; Fryer et al., 2009; Osborne, 2010). Other key elements of PA included a dedication to incremental budgeting within PSOs, and the dominance of the public service manager as ‘the professional’ delivering public services. However, as Professor John Bryson notes in his commentary, in traditional PA managers have limited discretion, they are not directly involved in the democratic process, and accountability is hierarchical. As a field of academic study, PA provides an important mechanism to understand public management and performance in a historical context and where services are delivered along more ‘traditional’ goods-dominant notions of public management (Osborne, 2010). However, the prominence of PA in developed western economies diminished from the late 1970s onwards when the needs of service users began to outstrip the resources available to PSOs. This forced a move towards the private sector for new ways to provide improved services to service users and citizens with limited resources (Fryer et al., 2009; Hood, 1991).

This adoption of private sector management techniques is referred to as New Public Management (hereafter NPM). The key components of NPM include the development of ‘hands-on’ professional management in PSOs (Hood, 1991) and the use of clear and specific measures of performance with a greater focus on output controls, budgetary discipline, and frugality with public resources (Hood, 1991; Fryer et al., 2013). This shift from traditional PA toward the benefits of market competition in public service delivery resulted in greater
decentralization and marketization of public services (Hood, 1991; Fryer et al., 2013).
Emeritus Professor Tony Bovaird highlights this move to working with the private sector:

Research into partnership and collaborative working took off in business schools in the 1980s but it was only the 1990s that these topics became a major theme in public management, largely at the same time as they became a key issue with governments around the world, e.g. in the form of public-private partnerships (PPPs).

The drive for NPM in the UK, USA, Europe, Australia and New Zealand, led PSOs to adopt a plethora of private sector style performance measures, performance indicators and performance management techniques (Johnston et al., 2002), including the ‘Balanced Scorecard, the Performance Prizm, and Lean Thinking, Six Sigma, Business Process Reengineering, Kaizen and Total Quality Management, as well as blended approaches such as Lean Six Sigma’ (Professor Zoe Radnor). Many of these private sector management practices have helped to deliver improvements to public services (Hood, 1991; Radnor and Noke, 2013), and though NPM has been characterized by the increase in regulation and inspection of PSOs, it has delivered professionalization of management roles in the sector and, arguably, increased standards of management (Osborne, 2010; Radnor and Noke, 2013). By the late 1990s, however, many authors had begun to criticize the assumption within NPM that private sector management practices could be readily and successfully applied in PSOs, with reports that their application had caused problems such as prioritizing efficiency over the long-term sustainability of public value (Fryer et al., 2009; Osborne, 2010; Radnor and Noke, 2013). Professor John Bryson explains the rise (and fall) of NPM in his commentary:

NPM arose out of a concern with government failures, a belief in the efficacy and efficiency of markets, a belief in economic rationality, and a push away from large, centralized government agencies toward devolution and privatization. In terms of values, NPM has focused clearly on service efficiency and effectiveness, often to the detriment of other important public values. For example, there is clear evidence that NPM-style public welfare policies can undermine citizenship behavior in recipients (e.g., Soss, et al., 2011), in contrast to prior public services approaches that actually increased citizenship behavior (Mettler, 2007).

There has been a growing move away from the rhetoric of NPM, as countries such as the UK, USA, New Zealand, and Scandinavia face greater austerity in public spending, towards governments promoting wider network management under a broader framework
termed New Public Governance (Osborne, 2010; Osborne et al., 2013). Osborne et al. (2015, p. 425) emphasize, “PSOs are now part of complex public service delivery systems where their mission-critical objectives require the successful negotiation of relationships within these systems – with policy makers, other PSOs, service users, citizens, and indeed a range of service system elements and stakeholders”; as observed by Professor John Bryson:

While the challenges that prompted NPM have not disappeared, new material conditions and challenges have emerged. They center on how to govern, not just manage, in increasingly diverse and complex societies facing increasingly complex problems (Osborne, 2010; Pollitt and Bouckaert, 2011)…Scholars arguing for the new approach see public value emerging from broadly inclusive dialogue and deliberation. This work can engage many different kinds of people, including public-spirited managers from across sectors and citizens. Citizens thus move beyond their roles as voters, clients, constituents, customers, or poll responders to becoming problem-solvers, co-creators, and governors actively engaged in producing what is valued by the public and good for the public (De Souza Briggs, 2008).

Yet, as Osborne et al. (2013, p. 138) note, “what is remarkable is that the [...] debate about the management of public services has been conducted in almost ignorance of [service management theory], and despite its apparent relevance”.

A public service-logic
This section addresses the recent developments in public service management, uniting both the public management and service management fields. In doing so, this section examines how public service management has transformed in recent times; in response to RQ2.

Proceeding from NPM, discourses in the field of service management and specifically SDL have been applied within the public sector focusing on the distinct nature of the service experience for customers and service users (Osborne et al., 2013). In the service management literature, SDL views all actors of the service value network as resource integrators who interact to gain resources for use in their respective value creation processes (Vargo and Lusch, 2008). Within this, customers and service users are co-creators and co-producers of the services they consume (Verleye et al., 2017) with the production and consumption of services occurring simultaneously (Osborne et al., 2013). This represents an important shift in perspective in the public sector from GDL to SDL (Åkesson and Skålén, 2011). As Professor Zoe Radnor emphasizes in her commentary:
[...] the majority of ‘public goods’ (whether provided by government, the non-profit and third sector or the private sector) are in fact not ‘public products’ but rather ‘public services’ that are integrated into people’s lives. Social work, health care, education, economic and business support services, community development and regeneration, for example, are all services provided by service organisations rather than concrete products, in that they are intangible, process driven and based upon a promise of what is to be delivered. Public services can of course include concrete elements (health care or communications technology, for example). But these are not ‘public goods’ in their own right – rather they are required to support and enable the delivery of intangible and process driven public services.

While SDL has been explored in the context of single public service settings such as transport (Enquist et al., 2011; Gebauer et al., 2010), health (Verleye et al., 2017), and employment (Åkesson and Skålén, 2011), according to Pareigis et al. (2012) there remains a lack of knowledge of how customers actively participate in servicescapes—combination of service and landscape—which forms the service experience that is central to SDL. However, although Pareigis et al. (2012) among others situate their study in a public service (transport) they overlook the contextual peculiarities of the public sector, where distinctions can be drawn between customers, consumers, service users, and citizens, and the characteristics of the public sector landscape differ to that of the private sector. Concurrently, Osborne et al. (2013) have extended the principles of SDL to the public sector at large by proposing a Public Service-Dominant Logic (hereafter PSDL) that refocuses public service management around the co-creation and co-production of public services with service users and citizens, but within the characteristics of the public sector landscape. This shift in focus is discussed by Emeritus Professor Tony Bovaird:

[...] At first, this co-production was often identified with the contributions which service users make at the ‘moment of truth’, where both service user and producer have to play a role for the service to work. However, over time it also became clear that the preparation made by service users, often long before the ‘moment of truth’, may also be a key contribution to the eventual effectiveness of public services...So, ‘public services’ are everybody’s business – produced by multiple stakeholders, including their users, for the benefit of multiple stakeholders, including (but not exclusively) their users.

Osborne et al. (2013) outline four propositions of PSDL: First, by focusing on a public service-dominant approach, service users and citizens are “situated as essential stakeholders of the public policy and public service delivery processes and their engagement
in these processes adds value to both” (p.149); Second, the strategy of PSOs is a ‘service promise’ or offering, which is shaped by service users and staff delivering the service. This service promise provides PSOs with a robust framework to develop better trust and relationships with other PSOs, service users and citizens; Third, co-production becomes an “inalienable component of public service delivery that places the experiences and knowledge of the service user at the heart of effective public service design and delivery” (p.149); Fourth, there is a need for PSOs to use operations management and a public service-dominant approach to produce more efficient and effective public services; Professor Zoe Radnor elaborates:

Service operations management is concerned with both the output or outcome of ‘the service’ in the sense of ‘customer service’ and also the service organisation itself - in the way it configures, manages and integrates its (hopefully value-adding) activities (Johnston and Clark, 2008).

As a new theory for public service management, PSDL puts service users and citizens at the heart of public service delivery e.g., through the co-creation and co-production of its services. Refocusing the role of the citizen and/or service user is therefore central to PSDL; for example, in their examination of service blueprinting in a university, Radnor et al (2014) found that service user value was created by allowing students to co-create the redesign of the service. Similarly, in her examination of co-production of outcome based contracting in public services, Farr (2016) reports that public value is created when PSOs are able to understand the differing experiences of service users. Åkesson and Skålén (2011) also note that within a public employment service, employees adopted a new customer-oriented approach by viewing customers as collaborative partners. Hence, understanding the role of service users in the delivery system can help PSOs to find new ways of understanding and measuring public value. Though proving valuable to the study of PSOs, PSDL remains in its infancy and both Emeritus Professor Tony Bovaird and Professor John Bryson point to key themes for development within and alongside this approach:

[There is] need for clearer and better-tested logic chains connecting what we do to the outcomes we want suggests a further requirement in public services research – to reinvigorate an understanding of the dimensions of service quality (Emeritus Professor Tony Bovaird).
more work is needed on developing and testing the usefulness of approaches to mapping the public value creation (or destruction) process and its effects on service provision and service recipients (Professor John Bryson).

**PSDL and performance: An emerging dimension**

In examining the predominance of GDL in public service delivery, it is apparent that there are core performance implications to be considered in the move towards PSDL. Through the interpretivist side of the soft positivist approach adopted, the theme of performance measurement emerged from the expert commentaries and is explored.

Traditionally, public service efficiency has centred on reducing public services costs without considering the sustainable delivery of services to service users, in keeping with the predominance of GDL (Osborne *et al.*, 2013; Radnor and Noke, 2013). As a result, existing models of public performance measurement do not directly address public value or how different groups of service users are accounted for in public service performance. This is a measurement limitation highlighted by Emeritus Professor Tony Bovaird:

[...] how can we assess more convincingly the potential value of pathways to outcomes which include co-production? This involves assessing changes to the range of outcomes brought about by the co-production initiative and also, of course, the changes to the costs to different stakeholders. Most importantly, it involves measuring the costs to co-producers, especially citizens, when they move to a more intensive co-production model. The costs experienced by citizens who co-produce have so far received almost no attention in the literature, although a general equilibrium welfare economics approach would suggest that even voluntarily accepted costs may have disadvantageous effects on citizens (e.g., if they underestimate the likely long-term commitments which they are taking on) – and the net benefits to co-producing citizens may be even lower if their co-production decision is not entirely voluntary.

Andersen *et al.* (2016) have attempted to ‘map’ the wider aspects of performance in their systematic review of the public service performance literature. In their ‘conceptual space of performance’ framework the authors seek to capture the intangible nature of public services by considering six aspects of performance measurement: stakeholders, formality, subjectivity, type of process focus, type of product focus, and units of analysis. For each, they propose a question which should be used to measure the quality, validity and effectiveness of a public service performance measure (e.g., ‘who decides what good performance is?’), which highlights key features of the public sector landscape that will differ to the private sector
landscape and should be accounted for in the application of SDL. This highlights the range of outcomes and the associated problem of trade-offs in measuring public service performance:

In previous work, I have proposed the ‘governance impossibility’ theorem, whereby it is not possible for all the principles of public governance to be realised simultaneously. All the more likely, then, is the need for explicit trade-offs between quality of service, quality of outcomes and the achievement of governance principles, all of which dimensions need to be convincingly evaluated. This will be a key challenge for future public services management research (Emeritus Professor Tony Bovaird).

It becomes clear, then, that the relationship between performance measurement and service improvement in the sector is not clearly defined. Johnston et al (2002), for instance, report that performance measurement frameworks such as the Balanced Scorecard have actually served to overload public managers with too many performance measures. Attempting to standardize performance measurement across the sector is problematic given the variety of performance objectives that exist. Micheli and Neely (2010) for example contend that there is little consistency in the definitions and use of performance indicators across PSOs. This also leads to the question: why are performance measures used in the first place? As Moxham (2013) uncovers, rather than a means to steer service improvement in the public sector, performance measures have often been used to ensure regulatory compliance; subsequently, little effort is made by PSOs to interpret performance data which in turn hinders real performance improvements (Moxham, 2013). Taken collectively, the conceptualization and measurement of public service performance is in clear need of attention, in line with PSDL. As appropriately highlighted by Enquist et al. (2011, p. 236), then, new performance indicators based in SDL “will become increasingly important if public service businesses are to move towards a true service culture”.

**Future research on public service management**

This section directly addresses RQ3: To push the field of public service research forward, what are the critical issues to be addressed? There is an important distinction to be made in how ‘service’ is viewed in the public sector, which concerns whether the foci is indirect or direct benefits to citizens, both individually and collectively. This distinction is important since the application and implication of service logic–the provision of value-supporting processes (Grönroos, 2008)–may be contingent on the perspective taken. For example, would
an imprisoned citizen view their service experience in the same way as that of a citizen using public transport? It is very unlikely. Adopting the latter view affords greater conceptual clarity by establishing appropriate parameters to investigate service management in the sector. This presents a clear opportunity for theory development. For instance, Professor Zoe Radnor emphasizes the lack of engagement with the service concept in the public sector:

[...] public sector organisations should recognise that they are a service organisation so should engage with service operations management theory and frameworks [...] I have noted that operations management methodologies are ‘context specific’ and this means that the discipline needs to adapt [...].

Specifically, from an outcome-orientation, how actors can, do, or should contribute to the creation of value emphasizes the under-examined role of value processes i.e., pathways to value creation. Theory generalization across service-contexts has resulted in the neglect of insights for PSOs contributing to a lack of comprehension regarding the ‘service’ concept in the public sector. This illustrates the importance of applying and adapting service management theory to the public sector context, highlighting a growing emphasis on public value creation and what this might actually mean for public service management. The broader PSDL approach in turn emphasizes the usefulness of drawing on other disciplines outside of the traditional public management field. Yet, there has been limited inclusion of other disciplines in the study of public service management (e.g., Osborne et al., 2013), as Professor John Bryson explains in his commentary:

There has been a steadily increasing volume of research on public service management over the course of my career. There are now many more journals and professional organizations attending to public service management. Unfortunately, too much of this research is uninformed by what is going on in other disciplines, including mainline business management, political science, and law (Wright, 2011). There has been less attention to public services management, although that is changing (e.g., Andrews et al., 2011; Hodgkinson and Hughes, 2014; and Osborne, et al., 2015).

The increasing application of service logic illustrates the value of applying service management theory to the public management field (that has been narrowly concerned with policy and goods-logic) to better understand and inform public service management i.e., to set the agenda. Though significant steps have, and are, being taken to explain different value
processes from different theoretical foundations, this effort is still building momentum and remains under-examined.

Public value emerges from the interaction of actors, such as the contribution made by citizens (as problem-solvers, co-creators, and governors) to public services, which is in contrast to the NPM rhetoric that saw competition and private sector acumen as a solution to the ills of the public sector. The application of PSDL is one approach to more effectively capture value creation processes. Professor John Bryson elaborates more on this shift from PA and NPM and what it means for public managers:

Public managers’ role thus goes well beyond that in traditional public administration or NPM; they are presumed able to help create and guide networks of deliberation and delivery and help maintain and enhance the overall capacity of the system…In both traditional public administration and NPM managers are not directly involved in the democratic process, viewed mainly as elections and legislative deliberation. In contrast, in the emerging approach government delivers dialogue and catalyzes and responds to active citizenship in pursuit of what the public values and what is good for the public.

While understanding of public service management has progressed considerably in recent years, the review depicts a level of complexity within the public service management domain where a value network perspective is becoming increasingly necessary to accurately reflect and capture a changing environment, but as yet has been rarely investigated. Three notable exceptions are found in the service management literature: in their application of SDL, Verleye et al. (2017) examine the causes of value destruction across a public health network, Enquist et al. (2011) examine the relationship between contractual governance and performance measurement in a value network for public transport, while Pareigis et al. (2012) explore constellations of activities and interactions to understand the customer service experience in public transport; illustrating the value of applying service management theory for a public service network perspective. Moreover, the review depicts a fuller picture of network actors roles than has been previously captured, both in terms of expectations to instil SDL (Åkesson and Skålén, 2011), but also how their actions are constrained by wider norms and beliefs through competing institutional logics in complex service networks (Verleye et al., 2017). Nevertheless, a network perspective in public service management research will help to capture public value creation at both domain and sphere levels of the PSNF:
[Research investigation must be] integrated with a broader paradigm that emphasises both the governance of inter-organizational (and cross-sectorial) relationships and the efficacy of public service delivery systems rather than discrete public service organizations (Professor Zoe Radnor).

The review emphasizes an emerging need to go beyond traditional measures of efficiency and effectiveness with the aim to more accurately capture service effectiveness and to develop a true service culture (Enquist et al., 2011), as supported under PSDL. This broadening of service evaluation will help to establish if different expectations, goals, and pressures can be reconciled across and between the domain and sphere levels of public value creation, which in turn will provide a basis to measure the contribution of PSDL to public service management. Hence, the need to broaden the application of service logic and service management theory beyond the ‘customer’ sphere, as Professor John Bryson asserts:

[…] public services research in a democracy should also attend to the effects of those services on democracy itself in terms of intellectual, human, social and political capital; citizenship; and accountability. What services help their formulators, implementers, recipients, and democracy itself become stronger, and in what ways, and which do not? Which help promote democracy, and in what ways, and which do not?

Shortcomings and future research directions
The PSNF is embedded in priory theory and can serve as a guide to position future public service management research for theory development. To complement this, the interpretivist dimension of the review signals a number of shortcomings in the field of public service management as summarized in Table I. The intention here is not to provide an exhaustive list but to offer a focus on core areas where the field of service management can contribute greatly. A number of potential directions for future research that emerge from the analysis are highlighted in response to four key shortcomings of existing knowledge.

Please insert Table I here

Taken collectively, the review contributes to theory on value creation in public services and calls for more inter-disciplinary research between public management and service management scholars to explore the application and adaption of service logic to public services, as Professor Zoe Radnor appropriately surmises in her commentary:
[It is] service management theory, it is argued here, that should inform our theoretical and conceptual understanding and analysis of the management and delivery of public services (Osborne et al., 2015).

Conclusions

Theoretical contributions

This review develops the concept of ‘service’ in public service management, with the aim to advance current understanding of this important context for service management research. To this end, the review provides the impetus for new research into public service management and three conclusions emerge.

First, the paper shows how the concept of service has been progressed in public management research and illustrates the often ambiguous use of the concept to capture all public sector interventions. This concurs with Fountain (2001) who suggests that a better understanding of service to citizens, as opposed to services for citizens, is the key to unlocking greater levels of public value. Not surprisingly, the review highlights that a richer understanding of service is more common within public services providing direct benefits to individual citizens and the citizenry. However, Ng et al.’s (2009) examination of defence contracting shows that this distinction is also valid in other public settings, where a better recognition of ‘service’ was essential to the co-creation of value.

This lack of appreciation of the subtleties of service logic has driven simplistic notions about public services that are often uninformed by the work in other disciplines (Osborne et al., 2013). The review of public services presented here reveals a more complex set of activities between a diverse set of network actors that has the creation of public value as central to its thinking. The wider engagement of service management scholars to explore this complexity and extend the relevance of service logic to address the creation of public value in more depth is necessary. This observation is consistent with the work of Moore (1995) who argued that a failure of the public management field to engage with other disciplines had inhibited understanding and progress toward the creation of public value. The PSNF makes a very useful contribution in this regard, and will help to appropriately position studies of services in the public sector landscape, and importantly, to distinguish between the domain and sphere levels of value creation in public services.

Second, a clear divergence emerged between the dominant approaches of PA and NPM, and a new emerging perspective to public service management research that offers to more appropriately capture new material conditions and challenges that characterize
increasingly diverse and complex societies. Consistent with the work of Alves (2012), the review highlights that the emphasis has shifted to include the value network and the complexity of interactions therein, as well as a substantial widening of what outcomes should be included to better understand value processes. This has helped to establish the broader approaches that underpin public value creation, and has offered a more fitting understanding of the role of network actors within the full process of public services delivery.

However, criticism has begun to emerge regarding the efficacy of some of the approaches used to engage stakeholders in the service improvement process. For instance, Radnor and Osborne (2013) suggest that lean, workshop-driven approaches have failed to impact on public sector culture and structures, and that a lack of understanding of the underlying value creation processes of citizens has undermined the benefits derived from such approaches. To this end, Lusch and Nambisan (2015) argue that service innovation efforts need to be supported by stronger theorization, more empirical evidence, and provide greater guidance for practice to ensure a better understanding of how service logic holds across different application settings. The review also highlights that the current literature on public service improvement is too biased to specific service settings, western-centric theory, and empirical evidence derived from developed economies. To this end, a more theoretical approach to collaborative value creation informed by PSDL should go a long way to resolving these concerns.

Third, in tracing the progress in public service management from PA and NPM to the newer emerging perspective of PSDL, the past and present of public service management can be more clearly understood by scholars in the service management field; this is important given that the roots of public service management will inevitably influence its future growth. It is the future directions of the field shown in Table I, however, where service management theory can contribute substantially, since a service-dominant approach has the potential to both transform “our understanding of public management tasks and offers new ways forward for their resolution” (Osborne et al., 2013, p. 136). Already there is alignment between the themes of, and conversations in, PSDL and the service management field and it is hoped that an interdisciplinary public service management community will develop; one that embraces diversity of thinking to advance understanding of service phenomena in the public sector (e.g., Gustafsson et al., 2016), as after all, public services are just that – services.

*Implications for practice*
With increasing fiscal demands across public services of western economies there is a need for practitioners to focus on the actual delivery of services rather than treating these as discrete and transactional. By viewing all actors as resource integrators there is a clear opportunity for both enhanced effectiveness and efficiency, but this will rely on all actors being driven by service logic within the complex public value network. This is a big challenge for network actors who have typically succumbed to cost-oriented action (Gebauer et al., 2010) for short-term gain (and survival) when facing economic pressures. Such actions have been observed to drive value destruction in complex service networks (Verleye et al., 2017) and this in part has been a consequence of narrow public service evaluation, which continues to reflect GDL.

Arguably, public value creation is far more complex that notions of ‘customer value’ espoused in SDL given the multiple stakeholders, conflicting needs and far reaching outcomes of public services (Osborne et al., 2013). Yet, if a true service culture is to develop there is a need to develop inter-organizational performance indicators (Enquist et al., 2011) that address key questions across the domain level such as ‘Why has it been so hard to achieve cost-effective collaboration in public services, which appears to have become commonplace in the private sector?’, and also across the sphere level such as ‘To what extent can government deliver dialogue, and catalyze and respond to active citizenship in pursuit of what the public values and what is good for the public?’. This broadening of service evaluation is a necessity if the value of PSDL to practice is to be understood and championed by public network actors. Essential to this will be the use of feedback loops to appropriately capture the cyclic nature of public value creation for sustained service delivery. However, this poses further challenges for public services that have traditionally payed lip service to the extensive inspection and performance measurement enforced under NPM, which have had the opposite effect of their intension i.e., service deterioration rather than service improvement (Moxham, 2013).

This review acknowledges that the majority of public service management knowledge, and within that PSDL, has been derived from western-centric theorization and empirical evidence; but, as the antithesis to PSDL is GDL always bad? In the context of public services in developing economies, GDL might be a more appropriate approach for practitioners. For instance, a goods-dominant perspective might be more effective for delivering greater access to basic public services such as clean water, relative to the customer-oriented and relational service logic. Thus, the distinctiveness of different public
services and service contexts needs to be remembered (Osborne et al., 2013); this is where the PSNF can help interpret the different characteristics of complex public service networks.

Limitations
This review was not intended to be an exhaustive overview of the work that has, and is, being undertaken by public management and service management scholars. Similarly, had the review included a larger number of commentators, or indeed different commentators, there might have been variation in the shortcomings and future research directions presented. Nevertheless, the general themes uncovered are perpetual to the field and, therefore, this review can serve to guide future public service management research.

References


**Figure 1.** The Public Service Network Framework (PSNF)
### Table I. Future directions for public service management research

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<tr>
<th>Public service management shortcomings</th>
<th>Directions for future research</th>
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| 1. There is a need to capture the whole-service value network and value creation processes therein across two levels: domain (terms raised include manager, organization, and policy) and sphere (terms raised include citizenship, governance, and democracy). Understanding of how value is created at these levels is lacking. | ➢ How is public value shaped in emerging economies under different landscapes (e.g., political systems, governance, citizenship, policy, etc.)?  
➢ Which public services strengthen the public services paradigm, and in what ways, and which do not?  
➢ How should the usefulness of approaches to mapping the public value creation (or destruction) process and its effects on service provision and service recipients be developed and tested?  
➢ What should an integrated PSDL approach to public value, across the domain and sphere levels look like?  
➢ Which service evaluation frameworks from the service management field will be valuable in highlighting the impact of partnership working and of co-production on different aspects of value? |
| 2. Current measurement of service evaluation, which has focused on efficiency and effectiveness, has held the field back from being able to explore the actual relevance and usefulness of PSDL. Public service evaluation must be much broader to account for neglected outcome dimensions. | ➢ As an expected value process, why has it been so hard to achieve cost-effective collaboration in public services, which appears to have become commonplace in the private sector?  
➢ How should foci be integrated within a broader services paradigm that emphasizes both the governance of inter-organizational relationships and the efficacy of public service delivery systems, rather than discrete public service organizations?  
➢ How can we assess more convincingly value processes (incl. co-production, partnership, and intra-organizational management) within a public services paradigm?  
➢ To what extent can government deliver dialogue, and catalyze and respond to active citizenship in pursuit of what the public values and what is good for the public? |
| 3. To capture how public value emerges from different sources, including cross-sector collaboration and citizen engagement, the role of public managers and government to orchestrate value needs further investigation. This requires a move away from GDL to PSDL and the accumulation of empirical evidence. | ➢ How can we assess more convincingly value processes (incl. co-production, partnership, and intra-organizational management) within a public services paradigm?  
➢ To what extent can government deliver dialogue, and catalyze and respond to active citizenship in pursuit of what the public values and what is good for the public? |
| 4. Value creation is more cyclic than linear, i.e., public need drives policy, which in turn results in public service interventions that create value and address public need, and so on. It is, therefore, necessary to explore the cyclic nature of public value creation and that includes actors in the wider value creation process. | ➢ As an expected value process, why has it been so hard to achieve cost-effective collaboration in public services, which appears to have become commonplace in the private sector?  
➢ How should foci be integrated within a broader services paradigm that emphasizes both the governance of inter-organizational relationships and the efficacy of public service delivery systems, rather than discrete public service organizations?  
➢ How can we assess more convincingly value processes (incl. co-production, partnership, and intra-organizational management) within a public services paradigm?  
➢ To what extent can government deliver dialogue, and catalyze and respond to active citizenship in pursuit of what the public values and what is good for the public? |
Appendix A. Expert Commentaries

Emeritus Professor Tony Bovaird
Tony Bovaird is Emeritus Professor of Public Management and Policy at the Institute of Local Government Studies and Third Sector Research Centre, University of Birmingham, UK. His research covers strategic management of public services, performance measurement in public agencies, evaluation of public management and governance reforms, and user and community co-production of public services. He has undertaken research for UK Research Councils, the European Commission, many UK government departments, LGA, IDeA, Audit Commission, National Audit Office, and many other public bodies in the UK and internationally. He is co-author (with Elke Loeffler) of Public Management and Governance (Routledge, 3rd edition 2015).

RQ1.
As a public management and governance researcher, a ‘public service’ for me has been one of a family of interventions open to the public sector, along with legislation, taxation, subsidy, regulation, promotion of behaviour change and co-production of outcomes with citizens. Here, the definition of a public service which I am using is ‘an ongoing and connected set of activities which are either provided and/or funded by public sector organisations directly to citizens in order to improve their outcomes’.

An outcome-orientation is central to all of these public sector interventions, since public services (just like legislation, taxation, etc.) are rarely desired for their own sake. Consequently, an interest in the available pathways to these outcomes (Bovaird, 2012) has also been central to my work (although, when Brian Reader first coached me in the methodology of ‘hierarchies of objectives’ in the 1970s, it was the objectives of public services which then stood atop these hierarchies). This in turn has led me to explore how our analysis of ‘services’ has to differ between the knowledge domains facing public sector organisations, which we might characterise as simple-complicated-complex-chaotic (Bovaird and Kenny, 2015), since pathways to outcomes are simply not knowable in the complex or chaotic knowledge domains.

Over time, a semantic issue has arisen as to whether ALL public sector interventions can be labelled as ‘services’. While there is a substantial level of agreement that they CAN be so labelled, it has also become clear that it serves little purpose to push all public sector interventions onto such a Procrustean bed – what is gained in generalisation is lost in the precision of meanings. The definition of a public service given above does NOT naturally include as a ‘service’ those regulatory activities which are imposed upon unwilling citizens. For example, imprisoning violent criminals could be categorised as part of the ‘community safety’ or ‘corrections’ services. However, we have to ask what this would achieve. At one level, the law, if it is to maintain its authority, must be implemented. From this perspective, it makes no sense to see such a regulatory intervention as comparable to other community safety initiatives, such as advice to citizens on how to protect their homes against burglary. It has entirely different design, implementation and assessment procedures – and focuses, indeed, upon a totally different client group. However, one could validly argue that INDIRECTLY prisons provide other citizens with protection from potentially dangerous criminals. However, I have generally stuck to the view that is more logical – and a lot closer to the normal linguistic usage – to stick to the generic concept of ‘public sector interventions’ and see public services, narrowly defined providing DIRECT benefits, as just one of these interventions.

RQ2.
The pathways to outcomes approach contextualises services as logical chains of activities which lead to a desired effect. Very quickly, this brings the analyst up against the reality that many influences upon outcomes are not obviously connected to the activities of the public sector. In the health, there is a huge literature on the ‘social determinants of health’. In education, from the early 1970s there was a heated debate throughout OECD countries on ‘do schools matter’, with uncomfortable conclusions about their limited influence on examination results, employability or future life chances of young people. This approach therefore slowly introduced the idea that social capital was a key determinant of the effectiveness of public services (Etzioni, 1993; Putnam, 1992). And then slowly a further
realisation crept into the analysis – that user co-production, as well as community co-production, was a key factor in service effectiveness (Ostrom, 1996).

At first, this co-production was often identified with the contributions which service users make at the ‘moment of truth’, where both service user and producer have to play a role for the service to work. However, over time it also became clear that the preparation made by service users, often long before the ‘moment of truth’, may also be a key contribution to the eventual effectiveness of public services, e.g. in terms of the preventative activities which they undertake (Loeffler et al., 2008). In our subsequent research, we have demonstrated the intensive contributions of service users and other citizens to publicly-desired outcomes both in several European countries (Bovaird et al., 2015) and in several local authorities in England and Wales (Bovaird et al., 2016) and more recently in Australia (Alford and Yates, 2015). Moreover, we have been able to demonstrate that these co-production activities are not the preserve of the ‘usual suspects’ but are rather quite general through the adult population in the countries studied. So, ‘public services’ are everybody’s business – produced by multiple stakeholders, including their users, for the benefit of multiple stakeholders, including (but not exclusively) their users.

To have arrived at this understanding of public services as a complex set of activities between a complex set of stakeholders, may seem a rather mixed blessing (“Are we trying to find a path through the woods … or just planting more trees?”) but it indicates why so many of the simplistic notions about public services which have often gained popular attention just don’t work in practice.

It is also important to observe that social capital and citizen and community co-production are important in other public sector interventions, too, not just in public services – citizens who don’t self-assess their taxes accurately, who don’t change their behaviour in the light of government anti-smoking or anti-obesity campaigns or who don’t co-operate with regulatory regimes (such as imprisonment) can significantly increase costs or decrease outcomes. However, citizens in these roles would surely be surprised to be told that they are co-producing ‘public services’, rather than simply helping the public sector to run more smoothly.

RQ3.

Rather than attempting to take into account all the recent developments in public services management, and the critical issues which now need to be addressed by research in the field, I will confine my remarks to two major trends with particular impacted on my work – first, research into partnership and collaboration at an organisational level, and second, user and community co-production.

Research into partnership and collaborative working took off in business schools in the 1980s but it was only the 1990s that these topics became a major theme in public management, largely at the same time as they became a key issue with governments around the world, e.g. in the form of public-private partnerships (PPPs). As with all topics, the first wave of enthusiasts and promoters for the concept (Osborne, 2002; Gobedian et al., 2004) quickly gave way to sceptics and gloom-mongers (Pollock, 2007; Hellowell and Pollock, 2010). Both sides have subsequently developed a set of arguments (incontrovertible, as seen from their own frame of reference) both for and against partnership working and externalising elements of public service provision to a wider supply chain (Bovaird, 2016). More recently, much academic attention has switched to ‘network management’, as opposed to the more normatively-loaded concepts of ‘partnership’ and ‘collaboration’ (Klijn and Koppenjan, 2016). However, academic research still has not given us a clear picture of why it has been so hard in public services to achieve the kinds of cost-effective collaboration which appears to have become commonplace in the private sector. Indeed, an influential recent report (Dickinson et al., 2013) concludes that there is little evidence that the emphasis on joint working in UK health and social care has produced significant benefits. Moreover, some aspects of partnership working have pretty unambiguously failed in most contexts – e.g. Private Finance Initiative, a modern version of ‘marriage for money’ (Bovaird, 2010). However, there are some examples of partnership working indeed improving public services – a particularly dramatic example has been provided by services for young people in Surrey County Council, where a 60% improvement in outcomes was achieved through improved partnership with the third sector, simultaneously with a 25% budget cut (Bovaird and Loeffler, 2014).
So the greatest challenge to scholars in this field is clear - why are public service partnerships so apparently difficult to pull off? Is it because they are typically so unsharing, in spite of all the fine promises initially made by the supposed partners – the ‘what’s yours is mine, what’s mine is my own’ trap? Is it because public sector partners are especially reluctant to share budgets, even where it seems likely to improve results – the ‘money is the most precious resource’ fallacy? Is it simply a risk-adverse reaction, based on a belief (or a hope) that risks which are managed alone are more able to be ‘controlled’ – the ‘control fallacy’? Or is it the belief that both performance and accountability for performance will genuinely be easier to achieve when attempted alone – the ‘lone hero fallacy’?

Turning to current research issues in co-production, the research agenda mentioned in the previous section has uncovered two areas which need much greater research - first, the blindness to the contributions made by the public to public services and, second, how can we assess more convincingly the potential value of pathways to outcomes which include co-production?

Why do public services staff, managers and politicians see only their own contributions to public service outcomes and remain so blind to the contributions made by service users, their carers and the communities in which they live? In most of our surveys of co-production, we have devised the questionnaire partly in conjunction with focus groups comprising a wide range of stakeholders. In almost all cases, the public sector officials (and politicians) in these groups underestimate the level and range of co-production activities, as compared to the responses which citizens give in the subsequent surveys (Loeffler et al., 2008; Loeffler et al., 2015). Is this because of the over-professionalised nature of public services, which means that other contributions are invisible to professionals? Or because public service staff are so over-stretched that they do not have time to probe how service users and other citizens are complementing services by their activities? Or simply because some public service staff fear that contributions by citizens, if given more weight, might drive them out of a job?

Second, how can we assess more convincingly the potential value of pathways to outcomes which include co-production? This involves assessing changes to the range of outcomes brought about by the co-production initiative and also, of course, the changes to the costs to different stakeholders. Most importantly, it involves measuring the costs to co-producers, especially citizens, when they move to a more intensive co-production model. The costs experienced by citizens who co-produce have so far received almost no attention in the literature, although a general equilibrium welfare economics approach would suggest that even voluntarily accepted costs may have disadvantageous effects on citizens (e.g. if they underestimate the likely long-term commitments which they are taking on) – and the net benefits to co-producing citizens may be even lower if their co-production decision is not entirely voluntary. This assessment also has to tackle the attribution problem – how much of observed changes to services and their outcomes can be attributed to the changes in the level or kind of co-production which has been undertaken? This requires research designs which allow comparisons that can throw light on cause-and-effect chains, not simply correlations between co-production and other variables.

The understanding that we need to develop and test the logic chains behind the input-output-outcome chains in our public service models is now widespread in the sub-disciplines of public service strategic management and public service evaluation, as shown by the various labels applied to these cause-and-effect chains - e.g. means-end analysis, hierarchies of objectives, ‘logical framework’ (often called ‘logframe’ or ‘the logic model’), ‘programme theory’, ‘strategy maps’, ‘policy maps’, the ‘theory of change’ approach, or ‘systems maps’. However, the calibration of these pathways to outcomes has so far been tackled only rarely, even before major service changes. I am not suggesting that evidence must be gathered in advance of all proposed changes – such a rule would prevent any innovation. However, it should often be possible to identify which links in the logic chain behind any innovation appear weakest, so that evidence gathering in the early phases of the innovation should focus on these potentially weak links.

This need for clearer and better-tested logic chains connecting what we do to the outcomes we want suggests a further requirement in public services research – to reinvigorate an understanding of the dimensions of service quality. From the 1980s, the SERVQUAL concept (Parasuraman et al., 1992) allowed a much more analytical understanding of public service quality (Youssef et al., 1995). By focusing on the concept of ‘service gaps’, bound up with the expectations of service users and other stakeholders, the SERVQUAL model (later called RATER) encouraged a multi-stage (and
therefore multi-stakeholder) approach to service performance measurement and management. Moreover, its ease of operationalisation also allowed a rapid empirical literature to grow on the drivers of service quality. Thirty years on, the SERVQUAL approach seems now to be less used in public services research – but it has not been replaced by any more coherent conceptual framework for service quality evaluation. If we are to understand the role of partnership working and of co-production in improving public services, then the SERVQUAL approach is likely to be valuable in highlighting their impact on different aspects of the quality of public services.

A final area where research is needed is the conceptualisation of an integrated approach to public service evaluation. The evaluation and performance management literatures have increasingly emphasised the need for quality-of-life outcomes to be measured, as well as the quality of service. Moreover, if we accept the principle that ‘the ends do not justify the means’, then we have to go even further – we have to ensure appropriate achievement of the principles of public governance. In previous work, I have proposed the ‘governance impossibility’ theorem, whereby it is not possible for all the principles public governance to be realised simultaneously. All the more likely, then, is the need for explicit trade-offs between quality of service, quality of outcomes and the achievement of governance principles, all of which dimensions need to be convincingly evaluated. This will be a key challenge for future public services management research.

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**Professor John Bryson**

John M. Bryson is McKnight Presidential Professor of Planning and Public Affairs at the Hubert H. Humphrey School of Public Affairs at the University of Minnesota. He works in the areas of leadership, strategic management, collaboration, and the design of engagement processes. He wrote Strategic Planning for Public and Nonprofit Organizations, 4th Edition (Jossey-Bass, 2011), and co-wrote with Barbara C. Crosby Leadership for the Common Good, 2nd Edition (Jossey-Bass, 2005). Dr. Bryson is a Fellow of the National Academy of Public Administration and received the 2011 Dwight Waldo Award from the American Society for Public Administration for “outstanding contributions to the professional literature of public administration.”

**RQ1.**

There are two different ways in which the concept of service has affected my research. They reflect the difference between public service and public services. Public service – meaning service to and for the public in general, or more typically the work of public servants – has been a dominant theme in my own research. Public service, of course, now goes well beyond government and embraces ways in which governments, nonprofit organizations, businesses, the media, other kinds of organizations, as well as the citizenry in general, can, do, or should contribute to advancing the common good in a democracy (Bryson, Crosby, and Bloomberg, 2014; Denhardt and Denhardt, 2015). In terms of public service, my own work has concentrated principally on strategic management (Bryson, 2011), leadership (Crosby and Bryson, 2005), collaboration (Bryson, Crosby, and Stone, 2015), and public values (Bryson, Crosby and Bloomberg, 2015).

In term of public services, my work has focused less on specific services and more on the organizations that provide them in the context of strategic management (Bryson, 2011). Strategic management issues often concern public services in one way or the other, including issues of policy and political support, goals, target audiences, delivery designs, management, financing, performance (including unintended effects), and accountability. My work has generally been focused on trying to understand how groups of people (elected officials, policy board members, senior managers, service recipients, the public in general) figure out what they think they ought to want, and how to get it; and on trying to develop processes and techniques that will help they do that.

**RQ2.**

There has been a steadily increasing volume of research on public service management over the course of my career. There are now many more journals and professional organizations attending to public service management. Unfortunately, too much of this research is uninformed by what is going on in other disciplines, including mainline business management, political science, and law (Wright, 2011).
There has been less attention to public services management, although that is changing (e.g., Andrews et al., 2012; Hodgkinson and Hughes, 2014; and Osborne, et al., 2015). Part of the stimulus for this line of work is seminal 1995 book by Mark Moore called Creating Public Value. Moore argued that public managers (by which he meant government managers) needed to have a “restless, value-seeking imagination” (Moore and Benington, 2011, p.3) as they sought to help public officials and the citizenry decide what the public value to be created was in specific circumstances, especially via collective choice mechanisms; assure the authorization and legitimacy of those decisions; and use or create the capabilities to deliver what was desired. In developing his formulation, Moore has been strongly influenced by the business-oriented strategic management literature, but has also been selective and judicious in how he has adapted that literature to public purposes in the context of a constitutional democracy.

Moore’s work has been influential in the United States and the Commonwealth countries in part because its appearance coincided with the rise of what has been called the New Public Management (NPM) (Hood, 1991). After a long gestation period, NPM became the dominant approach to public administration in the 1980s and 1990s in the US, UK and other Commonwealth countries, and many other places (Ferlie and Ongaro, 2015). NPM arose out of a concern with government failures, a belief in the efficacy and efficiency of markets, a belief in economic rationality, and a push away from large, centralized government agencies toward devolution and privatization. In terms of values, NPM has focused clearly on service efficiency and effectiveness, often to the detriment of other important public values. For example, there is clear evidence that NPM-style public welfare policies can undermine citizenship behavior in recipients (e.g., Soss et al., 2011), in contrast to prior public services approaches that actually increased citizenship behavior (Mettler, 2007).

In the next several paragraphs, let me reprise my colleagues and my views about a newer emerging approach to public administration, including public service and public services management (Bryson et al., 2014, 2015b). In NPM public managers are urged to “steer, not row.” They steer by determining objectives, or what should be done, and by catalyzing service delivery, or how it should be done, via their choice of a particular “tool” or combination of tools (e.g., markets, regulation, taxes, subsidies, insurance, etc.) for achieving the objectives. Markets and competition—often among actors from different sectors—are the preferred way of delivering government services in the most efficient and effective way to recipients seen as “customers,” not citizens. Public managers should be empowered and freed from constrictions so that they can be “entrepreneurial” and “manage for results.” In practice, of course, managers often face the worst of circumstances in which they are accountable for results, but not allowed to manage for results (Moyihan, 2006).

While the challenges that prompted NPM have not disappeared, new material conditions and challenges have emerged. They center on how to govern, not just manage, in increasingly diverse and complex societies facing increasingly complex problems (Osborne, 2010; Pollitt and Bouckaert, 2011). In the US, natural disasters, failures of large parts of the economy, unevenly effective health care and educational systems, a stagnant middle class, deepening inequality, and bankrupt communities offer recent examples that have challenged not just governments, but businesses, nonprofits, and civil society generally. In the U.S., these challenges are occurring at a time of historic distrust of a broad range of institutions.

The responses to these new challenges do not yet constitute a coherent whole, but the outlines of a new approach are becoming clear in, for example, Janet and Robert Denhardt’s (2015) widely cited framework called the New Public Service, but also in Gerry Stoker’s (2006) public value management, Barry Bozeman’s (2007) managing publicness, Stephen Osborne’s new public governance (2010), and political theorist Harry Boyte’s and colleagues’ (Boyte, 2011) new civic politics. The scholars draw on different theoretical and epistemological foundations from traditional public administration or NPM. Citizens, citizenship, and democracy are central to the new approach. The approach advocates more contingent, pragmatic kinds of rationality (Alford and Hughes, 2008), going beyond the formal rationalities of Herbert Simon’s (1997) “administrative man” and microeconomics’ “economic man.” Citizens are seen as quite capable of engaging in deliberative problem solving that allows them to develop a public spiritedness of the type de Tocqueville saw in the 1830s American republic when he talked about the prevalence of “self-interest rightly understood” (de Tocqueville, 1840/2002).
Scholars arguing for the new approach see public value emerging from broadly inclusive dialogue and deliberation. This work can engage many different kinds of people, including public-spirited managers from across sectors and citizens. Citizens thus move beyond their roles as voters, clients, constituents, customers, or poll responders to becoming problem-solvers, co-creators, and governors actively engaged in producing what is valued by the public and good for the public (De Souza Briggs, 2008).

In the new approach, government agencies can be a convener, catalyst, and collaborator—sometimes steering, sometimes rowing, sometimes partnering, and sometimes staying out of the way. In addition, the way government’s key objectives are set changes. In traditional public administration, elected officials set goals are provided by and implementation is up to public servants, overseen by elected officials’ and senior administrators. In NPM elected officials still set goals. Managers then manage inputs and outputs in a way that ensures economy and responsiveness to customers. In contrast, in the new approach both elected officials and public managers are charged with creating public value so that what the public most cares about is addressed effectively and what is good for the public is pursued. This change for public managers raises obvious questions of democratic accountability. On the other hand, the change is essentially simply a recognition that managers have always played an important role in goal setting because of the advice they give to elected officials and the need to act in the face of often ambiguous policy direction.

A number of other changes are also apparent. In the emerging approach the full range of democratic and constitutional values is relevant. Policy makers and public managers are encouraged to consider the full array of alternative delivery mechanisms and choose among them based on pragmatic criteria. This often means helping build cross-sector collaborations and engaging citizens to achieve mutually agreed objectives (Emerson and Nabatchi, 2015; Nabatchi and Leighninger, 2015). Public managers’ role thus goes well beyond that in traditional public administration or NPM; they are presumed able to help create and guide networks of deliberation and delivery and help maintain and enhance the overall capacity of the system. The nature of discretion also changes. In traditional public administration, public managers have limited discretion; NPM encourages wide discretion in meeting entrepreneurial and performance targets. In the emerging approach, discretion is needed, but is constrained by law, democratic and constitutional values, and a broad approach to accountability.

Accountability becomes multi-faceted, and not just hierarchical (as in traditional public administration) or market-driven (as in NPM), since public servants must attend to law, community values, political norms, professional standards, and citizen interests (Mulgan, 2009). In the emerging multi-sector collaborative environment, no one sector has a monopoly on public service ethos, although government plays a special role; in addition, there is less skepticism about government and a less strong preference for markets and customer service. Finally, in this emerging approach public administration’s contribution to the democratic process is also different. In both traditional public administration and NPM managers are not directly involved in the democratic process, viewed mainly as elections and legislative deliberation. In contrast, in the emerging approach government delivers dialogue and catalyzes and responds to active citizenship in pursuit of what the public values and what is good for the public. The extent to which it is possible for dialogue and deliberation to do so in practice remains unclear, however, in systems that favor elites and are stacked against ordinary citizens (Dahl and Soss, 2014).

The emerging approach is partly descriptive of current and emerging practices, partly normative in its prescriptions regarding the role of government and public managers, and partly hopeful as a response to the challenges posed by a “changing material and ideological background.” In contrast to traditional public administration and NPM, however, the emerging approach often looks ambiguous, unevenly grounded theoretically, relatively untested, and lacking in clear guidance for practice. Yet, what else can one expect in a shared-power, multi-sector, no-one-wholly-in-charge world (Crosby and Bryson, 2005)?

RQ3.

In response to this question, let me focus principally on public services research. Before doing so, however, let me emphasize that I believe that for public services research to be relevant and useful in the context of a democracy, it must take seriously the emerging view of public administration noted
above and must attend to a broader array of publicly significant values than just service efficiency and effectiveness narrowly construed.

Let me suggest three issues I think worthy of further investigation. First, more work is needed on developing and testing the usefulness of approaches to mapping the public value creation (or destruction) process and its effects on service provision and service recipients. For example, Alford and Yates (2013) have made a noteworthy contribution with a technique they call a Public Value Process Mapping. The process enhances traditional value chain mapping by calling attention to the broad range of public values potentially relevant in any given public service delivery context.

Second, public services research should explicitly take into account the full process of public services formulation and deliver from policy, through organizational management, to front-line delivery and effects in a context of competing social fields (Fligstein and McAdam, 2011). Only by taking the full process into account will it be possible to more fully understand how best to effectively provide public services; or alternatively, to understand why they fail and in what ways. Sandfort and Moulton’s (2015) work on implementation is particularly noteworthy in this regard.

And finally, public services research in a democracy should also attend to the effects of those services on democracy itself in terms of intellectual, human, social and political capital; citizenship; and accountability. What services help their formulators, implementers, recipients, and democracy itself become stronger, and in what ways, and which do not? Which help promote democracy, and in what ways, and which do not?

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RQ1.
This first question is a difficult one to answer directly as my route to public management research has been an interesting one. My base discipline is ‘operations management’ which has a foundation in manufacturing. Over the years the discipline has grown to include and recognise service operations management (Johnston and Clark, 2008). My research in public services spanning nearly 15 years began by considering the engagement and adaptation of ‘manufacturing’ concepts (particularly related to process and performance management such as lean) which were being implemented due to the spending cuts and focus on efficiency. Through researching public services I began to employ public administration and public management literature to frame my findings. More recently my work has reflected the lack of comprehension regarding ‘service’ in public services (Osborne et al., 2013, Osborne et al., 2015). Before that is considered in more detail in answering question 3 let us reflect back on positioning and relationship between operations and public management.

Public service can be considered to be a service or set of services provided to citizens directly through a public sector body or through financing of provision by private sector, third sector or voluntary organisations. Public Sector is the Economic body which many public service organisations reside. At the most simplistic level operations management (OM) is concerned with managing inputs of processes, people and resources through a transformation process model to provide the required output of goods and services (Slack et al., 2012). Service operations management is concerned with both the output, or outcome of ‘the service’ in the sense of ‘customer service’, and also the service organisation itself - in the way it configures, manages and integrates its (hopefully value-adding) activities (Johnston and Clark, 2008). Operations tasks fall into three main areas; developing an operations strategy, improving the operation and, managing the day-to-day operations (Slack et al., 2012). Within a service operations two main components are evident; the front office and back office (Johnston and Clark, 2008). The front office being the interface between the organisation and user
and, the back office being the activities, tasks and processes being carried out remotely from the user (Johnston and Clark, 2001). All these elements; transformation process, tasks and components are pertinent and support the development of operations management within the public sector and public service organisations.

Throughout my research I have and am arguing that general operations management concepts, tasks and components are relevant to public services and public management but also, that public sector organisations should recognise that they are a service organisation so should engage with service operations management theory and frameworks (Radnor et al., 2012). I have noted that operations management methodologies are ‘context specific’ and this means that the discipline needs to adapt, rather than dismiss, the context (Radnor and Osborne, 2013).

RQ2.
In answering this question the focus will be how operations management has and is embracing public services and public management. Interestingly, periodically authors and editors of operations management journals state the need for more Operations Management research in not-for-profit and Public Sector organisations (Karwan and Markland, 2006; Taylor and Taylor, 2009; Verma et al., 2005). In 2014 the Office of National Statistics quoted that 5.7 million people in the UK worked in the public sector which equates to 19.1% of the workforce. In the US and UK in 2005 the total outlay on public services as a percentage of National Gross Domestic Product (GDP) was 35.9% and 44.5% respectively (Pettigrew, 2005) rising from 12.7% and 24.0% in 2001 (Karwan and Markland, 2006). In 2011 the Index of Economic Freedom reported that Government spending as a percentage of National GDP was 38.9% for the USA and 47.3% for the UK (Index of Economic Freedom, 2011). During this same period (2005 – 2011) both the UK and US, as well as other countries such as Greece and Portugal, have experienced financial crisis with debts in the billions and trillions leading to serve budget and spending cuts across the public sector. In the UK, the Operational Efficiency Report (HM Treasury, 2009) in April 2009 stipulated that potential savings of around £10 billion a year should be sought over three years across public services.

This growing pressure on public services across the western world has led to a focus on increased efficiency which, according to Berman (1998), traditionally receives less focus as an outcome measure than effectiveness and equity. However, although the focus on efficiency and productivity initially led many public organisations to consider information technology as a possible solution (Karwan and Markland, 2006) the pressure to reduce the cost base and reduced of budgets has meant many organisations have had to adopt private management concepts in order to improve their internal operations and processes. In particular, public services including Health (Fillingham, 2008; Guthrie, 2006), Central and Federal Government (Radnor and Bucci, 2010; Radnor and Bucci, 2007; Richard, 2008) and, Local Government (Krings et al., 2006; Office of the Deputy Prime Minister, 2005; Seddon and Brand, 2008) have responded by implementing business process improvement methodologies. Business process improvement methodologies (BPIMs) include Lean Thinking, Six Sigma, Business Process Reengineering (BPR), Kaizen and Total Quality Management as well as blended approaches such as Lean Six Sigma. In a recent literature review focusing on the use of business process improvement methodologies in the public sector 51% of publications sourced focused on Lean, with 35% of these were on health services (Radnor, 2010).

An analysis of the key operations management journals; International Journal of Operations and Production Management (IJOpm), Journal of Operations Management (JOM) and Production and Operations Management (POM) from 1980 to 2014 shows how operations management thinking has evolved over the last thirty years and role that public service operations has taken within this body of work. Of 3607 papers published 114 were explicitly focused on the public sector with a further 140 as mixed public and private. The peak of publication for public sector (including mixed) was 2011, whilst during 1980-1991 only a handful of papers were published and in some years none at all. In the past decade there has been consistent publication focusing on public service and mixed public and private, however it may be that the 41% of papers (1980-12014) where no sector is stated did have a public sector element that the authors chose not to explicitly state. The predominant types of papers published were surveys and case studies representing 30% and 31% of the 254 papers. Revealing that most research published is trying to establish the current state of public service OM. Whereas papers that set the agenda are i.e. positional and conceptual, only represent 1.2% and 3.9% of the public
service OM papers. This may be a lack of research in this area, difficulty publishing this type of papers or, a reflection of the need for greater levels of field data and in-depth analysis to develop new concepts and theory in the area.

Of the 254 papers in public and mixed categorising by sector, healthcare was revealed the biggest with 30% of papers. The next largest single sector was education with 8%, but papers that examined multiple sectors represented 24% of the papers. The countries represented across the 254 papers in the journal analysis was dominated by the USA (37%) and UK (17%), China and India are surprisingly low both with only 2% of papers. Of the other BRICS countries only Brazil is represented with a single paper, Russia and South Africa are not specially mentioned at all. How public service is to be shaped for these large and growing countries has not been addressed in the literature.

Due to the GDP percentage spent on public services, the financial situation and, the response by public organisations in using operations management concepts and methodologies (particular managing process improvement) there never has been a more important time for Operations Management (OM) scholars to both research and publish on OM in the public services. This has to go beyond merely reporting case study examples, giving survey results or, focusing on healthcare and developed countries but to use the opportunity to develop new OM thinking and theory which can be applied to public sector organisations and public services in general. In addressing this need I have recently led the publication of a book which proposes a new discipline ‘Public Service Operations Management’ (Radnor et al., 2016). This new discipline needs to adapt the traditional frameworks and concepts, developed through manufacturing and private service organisations, and develop on new frontiers taking into account the digital and information age.

However, the challenge is not just how the OM discipline should adapt to the context/sector but also how the context/sector adapts to the discipline. As the answer to the next question will explore public sector organisations have struggled to recognise that they are a service based organisation but instead considered themselves in terms of policy and product orientation.

RQ3.
As indicated I feel the critical issue that needs to be answered is for public service organisations to recognise that they are a service and need to draw from service research. Over the years, it has been argued that the increasingly fragmented and inter-organizational context of public services delivery (Haveri, 2006) necessitates asking new questions about public services delivery. It is now no longer possible to continue with a focus solely either upon administrative processes or upon intra-organizational management – the central pre-occupations of public administration and (new) public management, respectively. Rather these foci must be integrated with a broader paradigm that emphasises both the governance of inter-organizational (and cross-sectorial) relationships and the efficacy of public service delivery systems rather than discrete public service organisations. This broader framework has subsequently been termed The New Public Governance (Osborne, 2010). This framework does not replace the previous foci of course, but rather embeds them in a new context, an argument similarly made by Thomas (2012).

A second argument that has been presented is that much contemporary public management theory has been derived conceptually from prior ‘generic’ management research conducted in the manufacturing rather than the services sector. This has generated a ‘fatal flaw’ (Osborne and Brown, 2013) in public management theory that has viewed public services as manufacturing rather than as service processes – and that are created by professional design and input and then delivered to the user even though the business of government is, by and large, not about delivering pre-manufactured products but to deliver services. Nor are most relationships between public service users and public service organisations characterised by a transactional or discrete nature, as they are for such products (McLaughlin et al., 2009). On the contrary, the majority of ‘public goods’ (whether provided by government, the non-profit and third sector or the private sector) are in fact not ‘public products’ but rather ‘public services’ that are integrated into people’s lives. Social work, health care, education, economic and business support services, community development and regeneration, for example, are all services provided but service organisations rather than concrete products, in that they are intangible, process driven and based upon a promise of what is to be delivered. Public services can of course include concrete elements (health care or communications technology, for example). But these
are not ‘public goods’ in their own right – rather they are required to support and enable the delivery of intangible and process driven public services.

So, the attitude of uncritically applying manufacturing ideas to public service is flawed although, many of the approaches and ways of thinking that helped evolve these original manufacturing ideas are useful. This approach of adapting operations management to the public service environment whilst, learning can take place from existing thinking, public services should recognise themselves as services, with the distinctive service operations management logic and managerial challenges that this implies, and hence reject the potential flaw contained within current, product-dominant public management theory.

This product-dominant flaw has persisted despite the growth of a substantive body of services management and service operations management theory that challenges many of its fundamental tenets for the management of services (Gronroos, 2007; Johnston and Clark, 2008; Normann, 1991). It is this latter body of service management theory, it is argued here, that should inform our theoretical and conceptual understanding and analysis of the management and delivery of public services (Osborne et al., 2015).

Acknowledgement: Professor Zoe Radnor records her thanks to Dr Nicola Bateman and Professor Stephen Osborne who she has worked with in clarifying and developing the concepts and ideas presented in her commentary.

All references available upon request from the corresponding author.