



UNIVERSITÀ DEGLI STUDI DI MILANO

DIPARTIMENTO DI ECONOMIA,
MANAGEMENT E METODI QUANTITATIVI

Healthcare Co-production and the Indirect Government Paradigm: Addressing the managerial challenges

ICCP International Conference of Public Policy

T10P10 - Public problem-solving through co-production

Milan, 1-4 July 2015

Marta Marsilio

marta.marsilio@unimi.it

Chiara Gugliemetti

chiara.gugliemetti@unimi.it

Silvia Gilardi

silvia.gilardi@unimi.it

The paper in a nutshell

A literature review on healthcare co-production to explore:

- The importance of management issues in the debate on co-production in healthcare-sector.
- The managerial challenges of implementing co-production practices.
- Knowledge gaps and open issues in extant research.

Outline

- Background
- Research Goal and Design
- Conceptual framework
- Main Findings
- Conclusions
- Limitations and further research

Background/1

- The path-breaking work of Elinor Ostrom and colleagues ([Ostrom, 1996](#); [Parks et al., 1981](#)) has given rise to a rich literature consolidated across different disciplines.
- The *service-oriented approach* to analyze co-production highlights the multiple facets of co-production as an *instrument to deliver public service through the participation of citizens and civil society* and has associated this delivery option with the *networked character* of the current mode of governance ([Haque, 2001](#); [Stephen P. Osborne, 2010](#)).
- Other seminal studies have shown that co-production also can help achieve *more general public goals*, such as improving public health, reducing health and wellbeing inequalities ([Evans, Hills, & Orme, 2012](#)), and increasing social inclusion.



Background/2

- The literature enables to capture two important aspects of co-production.
 1. co-production is a ***tool of public action***, i.e., it is a means to address problems of relevance to the collective, on a par with other policy tools.
 2. co-production has a ***networked character*** because it engages a variety of partners for program delivery and “even goals definition” .
- These features place co-production in the dense mosaic of the ‘***indirect tools of government***’ , in other words, *the set of tools that ‘rely heavily on a wide assortment of “third parties” to deliver publicly financed services and pursue publicly authorized purposes’* ([Salamon, 2002, p. 2](#)).
- The proliferation of indirect government tools sets fresh, sometimes ***unprecedented challenges*** and brings into play new capabilities and options that the public managers must know and manage (Salamon, 2002).
- One of the first valuable contributions to shed significant light on the ***managerial challenges*** of indirect government is that of Kettl (2002).



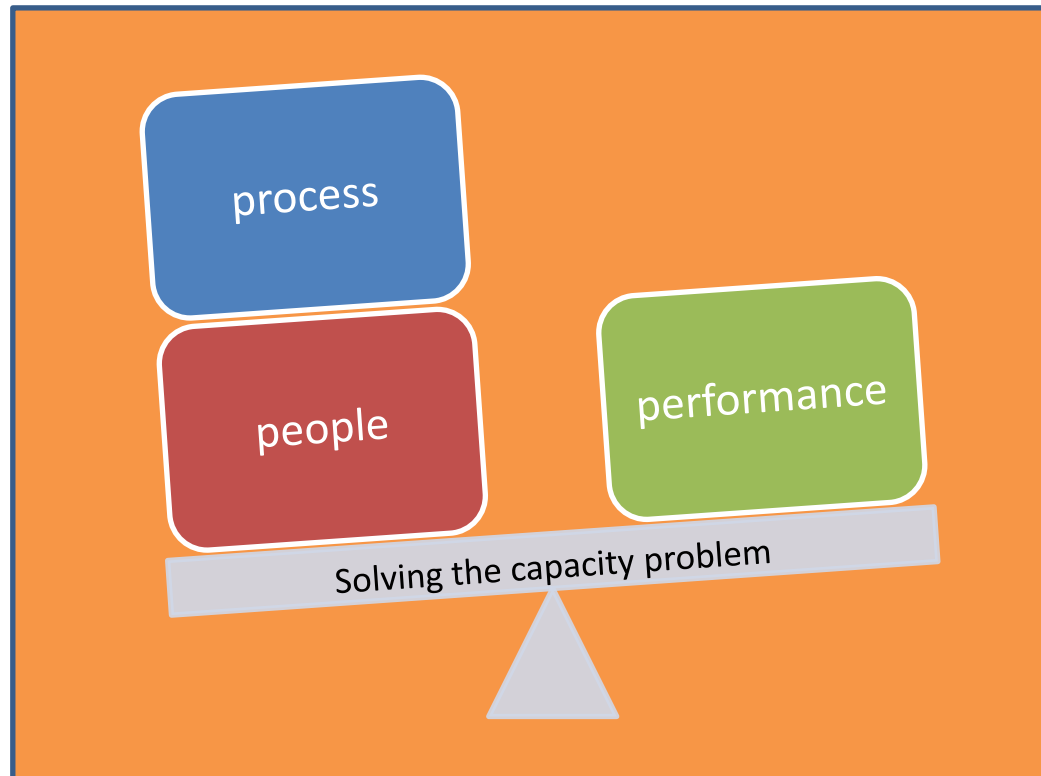
Co-production in healthcare sector

- Co-production can be applied in a wide range of policy fields (Brandsen, Verschuere, & Pestoff, 2010, p. 385), including **healthcare**, which is one of the most elective co-production domains in the public sector (Voorberg et al, 2014 (OECD, 2011; Voorberg et al., 2014)).
- The application of co-production in healthcare poses new challenges for healthcare users and providers alike
 - To *engage the patient*, an ongoing process that calls for this latter to actively participate in their healthcare plan (Coulter, Parsons, Askham, 2008).
 - To ensure that the patient engages with both *their therapy and the hospital organizational system* by managing the interdependency within and between 'organizational production and client co-production' (Alford, O'Flynn, 2012, p. 182), in order to govern the healthcare organization's interactions (Alford, 2009; Brandsen&van Hout, 2008).

Topic, goals and RQs

- Adopting systematic review addressing the relationship between co-production and healthcare and framing the results through Kettl's framework, the research aims are to answer to 3 questions:
 1. Are managerial implications of co-production in public healthcare settings considered important in the current debate?
 2. What are the most frequent managerial dimensions and challenges addressed by the academic research?
 3. What open issues are not tackled by the current co-production literature?

The Kettl's conceptual framework



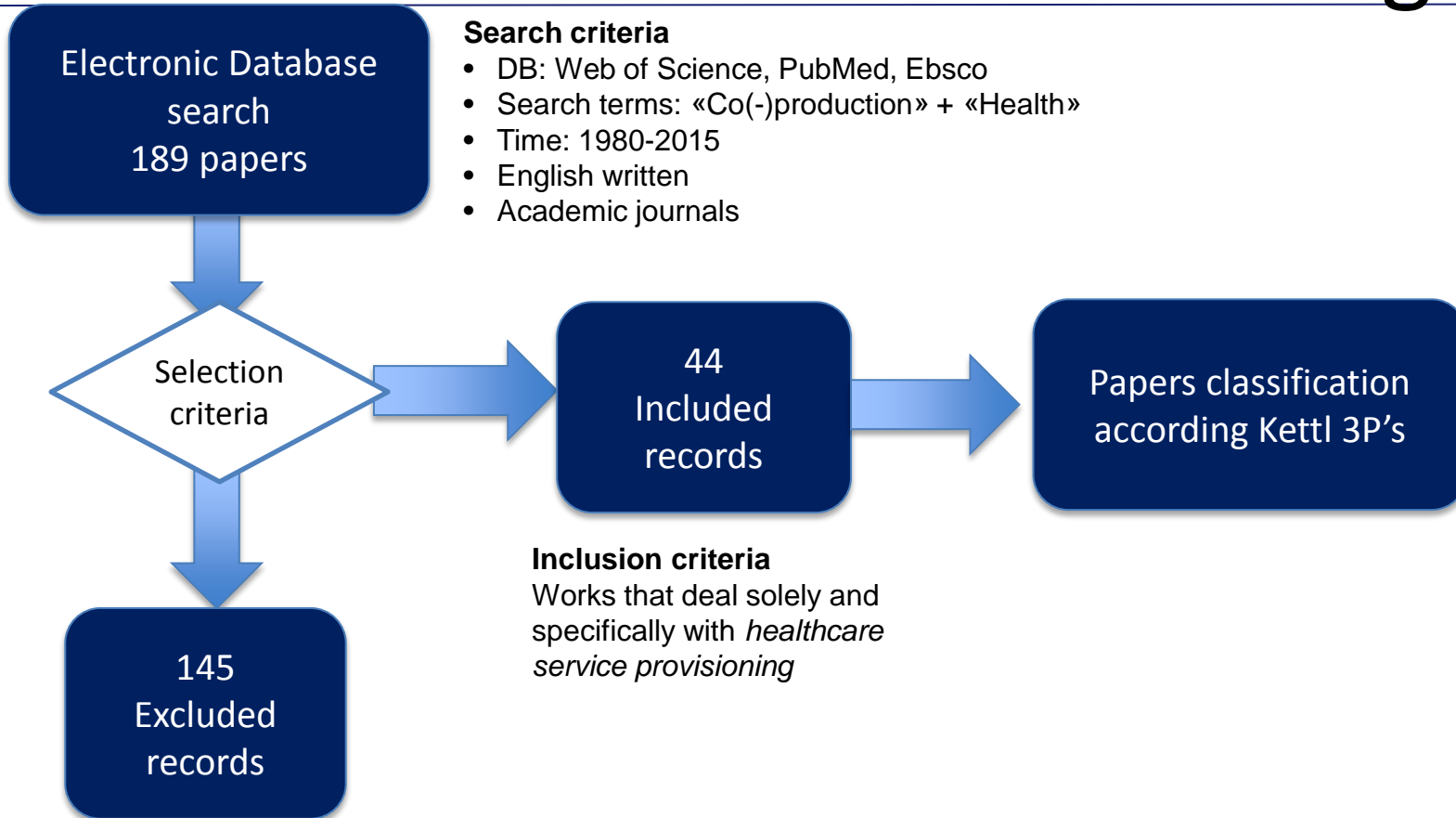
Authors' interpretation, drawing on: D.F. Kettl, 2002, "Managing indirect government", in L.M. Salamon (ed) *The Tools of Government*, Oxford: OUP, pp. 490-510.

Linking Kettl's framework to co-production

- Many other scholars from diverse disciplinary fields (i.e. public management, public administration, service management, etc.), while making no explicit mention of Kettl's framework, have expressed very similar thoughts on the co-production challenges for the decision-making level.
- We believe that the chart developed by Kettl in 2002, as part of a book on the indirect tools of public action, effectively captures the **overall collaborative nature of the public services** and the **inherent complexity and challenges in a simple and clear way**, and that it is appropriate for analyzing the pieces of the co-production jigsaw puzzle in contemporary healthcare settings.



Research method and design



Search criteria

- DB: Web of Science, PubMed, Ebsco
- Search terms: «Co(-)production» + «Health»
- Time: 1980-2015
- English written
- Academic journals

Inclusion criteria

Works that deal solely and specifically with *healthcare service provisioning*

Exclusion criteria

- Co-production of knowledge (academic vs. applied research)
- Co-production not related to service provision
- Co-production of health artefacts (drugs, compounds, devices, etc.)
- Other not relevant, according to the inclusion criteria.

Topic, goals and RQs

- Adopting systematic review addressing the relationship between co-production and healthcare and framing the results through Kettl's framework, the research aims are to answer to 3 questions:
 1. Are managerial implications of co-production in public healthcare settings considered important in the current debate?
 2. What are the most frequent managerial dimensions and challenges addressed by the academic research?
 3. What open issues are not tackled by the current co-production literature?

Findings – RQ1

- The co-production research has moved on in recent years ([Brandsen et al., 2010, p. 386](#)) but our literature review clearly shows that the contributions to the research on co-production in the healthcare sector offer **scant evidence (23%) on the analysis of the managerial challenges** and the potential tools that the managers can use to control healthcare co-production practices.



Topic, goals and RQs

- Adopting systematic review addressing the relationship between co-production and healthcare and framing the results through Kettl's framework, the research aims are to answer to 3 questions:
 1. Are managerial implications of co-production in public healthcare settings considered important in the current debate?
 2. What are the most frequent managerial dimensions and challenges addressed by the academic research?
 3. What open issues are not tackled by the current co-production literature?

PROCESS

Trend toward a system wide vs. occasional approach to CP. CP brings about substantial socio-cultural and org'l change. Synergistic potential D2 25

Tracking money

Structuring contracts

Need for highly connected structures and a participatory organizational culture D15

More process transparency required D6

CP must embrace not only the individual encounter of the single person, but also the integration of different providers/patient-centred services C4, B3

CP as a patient-centred service process can increase the quality of care C4, B3, D2 35

Process fragmentation, expansion of relations D15



Kettl's framework (KF)



Co-production literature (CPL)

Implementing new practices D6
Clinic nurse B18
Heart school B35

ICT structures the ways in which information is produced and shared D12, B18, A10

Technical and administrative quality (service operation) has significant positive relationship with functional value of users C19

Classification of CP activities C20

Redesign the process by treating patients as members of the healthcare team and letting them play an active part in all 4 dimensions (medical, social, cognitive, emotional) of the caring process B35.
The CP of 'informed consent' presumes rational decision-making D20

HC services are carried out with knowledge-intensive agents or components which work together as providers and consumers to create or co-produce value D2 24

Micro, and meso-level of interaction D20

Co-produced training program (co-delivery and partnership working with service users – expert by experience and by occupation) to address people with mental disorders B10, B22

Reward system to promote co-production principles and patient-centred care B18

Organization must provide resources and tools to facilitate CP: "CP needs to be integrated into all aspects of the organizations" A2

PEOPLE

Managers need to develop 5 critical skills:

- Goal-setting
- Negotiation
- Communication
- Financial management
- Bridge-building.

Importance of doctor/patient communication to achieve CP and activate informed, engaged and motivated patients B25, A2, A15, D20, D2 33

Creating boundary-spanning skills D6

MI (motivational interviewing) A15

Importance of the selection criteria used to recruit volunteers D15

Align competencies with existing or new roles to form a local workforce without going over budget D21

Staff need to internalize the philosophical shift D6

Orchestrate formal and informal carers D12; C4, A17 (relational coordination)

Technical competence (staff expertise) is significantly and positively related to the functional value of the users C19. Education dei professionisti importante per il service design D44.

Training and development of HC professionals C4, B18
Revitalized conception of professionalism /front-line staff, responsible autonomy. Good use of judgement and tacit knowledge; not technical monkeys B28

Worker self-awareness vs. resilience in CP support A2



Kettl's framework (KF)



Co-production literature (CPL)

PEOPLE/2

Managers need to develop 5 critical skills:

- Goal-setting
- Negotiation
- Communication
- Financial management
- Bridge-building.

CP difficile nelle policy areas dove service providers are highly specialized. D44

CP is likely to be motivated by the conditions experienced by citizens in a policy area. D44

Self-efficacy dei citizens = the most important predictor of both CP behaviour and willingness to volunteer. D44

Unwilling coproducers sono anche quei cittadini che expect the state to provide the services (es. Danimarca). D44

Practitioners as informants, recipients, endorsers, commissioners, coproducers. D2 10

Practitioners should balance the needs and preferences of primary service users. D2 19

Cultural, identity and practice challenges posed by CP at every level. D2 25

Different location, status and role for health consumers. D2 25

CP = Redesign practice and medical education D2 25

CP = Redefining work roles. D2 19, D2 25

An exclusive focus on either the provider or the consumer needs to be evolved into a range of dialogic and co-productive partnerships. D2 25

Thin forms of engagements (medici che incontrano I pazienti in gruppo), come nel caso UK. D44

Lack of skills on the part of civil servants on how to foster co-production. D44

Kettl's framework (KF)

Co-production literature (CPL)

PERFORMANCE

Design a robust financial accounting system
Outcome measurement

Redefine inter-governmental relationships

User's perception of the quality of care: CP as a tool of actively making quality B3

VALUE IN USE - Definition of customer value co-creation practice styles (role, activities, interactions) linked to QoL measures; service providers must factor in these different approaches and try to influence take-up to raise the QoL - C20

Experiential Value - Value (functional+emotional) creation of model for preventive (avoidance) health service – value as driver for satisfaction/behavioural intentions; importance of customer role in creating emotional value, although organizational factors have greater influence C19

Dangers of malpractice or fraud D15

Influence of volunteers (CHW) on CP sustainability D15

Outcomes are influenced by local contextual factors D21

CP can increase service efficiency (long-term care) but not grant it E20

Increasing role of non-medical aspects (e.g., cost, quality, expected benefits). Patients become cost-sensitive consumers D20

Political self-efficacy influences CP performance D44

Need to integrate CP into regular planning processes D15

Need for a multi-stakeholder governance approach D15

VALUE BASED HEALTH - value co-creation through patient engagement (micro-level) C4

Experience-based co-design as a systematic approach to include patient perspective in quality improvement- A3 research protocol

CP performance is enhanced when governments provide information or engage patients in consultation D44

An unintended consequence in CP practices is that users quite often request expensive HC services for fear of missing out on what is available D20



Kettl's framework (KF)



Co-production literature (CPL)

Findings – RQ2

- The studies that focus prevalently on the analysis *of the single different dimensions* (e.g., engaging the patient and their family, the specific skills of the professional front-line services staff, the relations between the actors, the impact of the co-production practices on the clinical outcomes) provide highly interesting food for thought but *do not enable us to build a full picture of the implications for the organization.*
- The review performed here has produced many insights *into the design and start-up phases of co-production practices in different settings*, but no information on the conditions of implementation and the sustainability of the various solutions.
- Few studies have explored in tandem the three Ps and their interrelations.
- Despite the length of the review period, a good 35 years, we were struck by the fact that we could find no works on performance evaluation.



Topic, goals and RQs

- Adopting systematic review addressing the relationship between co-production and healthcare and framing the results through Kettl's framework, the research aims are to answer to 3 questions:
 1. Are managerial implications of co-production in public healthcare settings considered important in the current debate?
 2. What are the most frequent managerial dimensions and challenges addressed by the academic research?
 3. What open issues are not tackled by the current co-production literature?

Co-production through Kettl's framework – RQ3

	CONVERGENCES	DIVERGENCES: CPL vs. KF	MANAGERIAL IMPLICATIONS (our deductions)
PEOPLE	Recognition of person-centred services. Importance of personal and professional skills.	<ul style="list-style-type: none"> The skills in question are those of the caregivers (not the managers). Highlights the specific and critical role of the skills of the patient and the informal care givers. 	<ul style="list-style-type: none"> Poor focus on managerial skills risks blocking CP development and legitimization. This acts as a drag on ultimate recognition. Need to pay adequate attention to the specific technical/personal skills required for CP practices.
PROCESS	Importance of inter-organizational relations among multiple and diverse actors.	Does not address the problem of the inputs (in terms of economic resources and the organizational effort of coordination and control) needed to sustain the CP process.	When the CP processes are opaque the outcomes are unrelated to the inputs. Becomes hard to obtain the support needed to spread this practice even in cases of success.
PERFORMANCE	Attention to the different dimensions of performance and the role of contextual conditions.	<ul style="list-style-type: none"> Attention mainly on clinical outcomes and the efficacy of the service for the patient (value in use/Experiential Value). Undervalues the importance of economic efficiency. Scant regard for the inter-organizational dimension of performance (with prevalence given to the micro perspective). 	<p>The lack of tools to measure CP performance means it is impossible to evaluate its sustainability. Moreover, this lack impedes:</p> <ul style="list-style-type: none"> - Scaling-up and application in other domains. - Accountability to the stakeholders (user association). - Evidence-based variations/improvements. - Knowledge dissemination.

Source: the authors

Conclusions

- Based on the up-to-date overview of the research on co-production in healthcare services using Kettl's framework, the paper makes three specific contributions to the healthcare co-production debate.
 1. it provides an up-to-date overview of the academic studies on co-production in healthcare sector.
 2. it analyses the managerial challenges of co-production and reports on how these are addressed from the combined conceptual and empirical viewpoint.
 3. it highlights aspects that are either problematic and/or on which the reflection is still limited.
- The findings confirm that there is still a great deal to do in terms of analyzing the managerial aspects of co-production and that both the academic community and the practitioners need to give significant thought to this dimension, which so far has remained fallow ground.



Limitations and further research

- Limitations
 - Ongoing research: first attempt to map the literature on co-production in healthcare; need for more in-depth investigation.
- Further research
 - Need for a more encompassing definition of Kettl's 3P framework, by 'importing knowledge' from studies addressing CP in public services.
 - Apply Kettl's conceptual framework specifically to HCP (i.e. to include patients as co-producers and service recipients).

*Thank you
for your interest!*

