

# INNOVATING THE PUBLICNESS OF THE PUBLIC SECTOR?

A CRITICAL, PHILOSOPHICAL DISCUSSION OF PUBLIC SECTOR  
INNOVATION

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# 1 Introduction

*How could innovation in the public sector strengthen the 'public dimension' of the public sector and the status of citizens?*

*What are the implications of current ideas of 'innovation' and 'users' to the public sector's capacity to deal with common, political concerns and citizen rights?*

These two research questions will be addressed through a critical analysis and discussion of ideas of and rationales behind 'innovation' as a concept of change and 'users' as recipients of public services.<sup>1</sup> The discussion departs from certain political philosophical concepts of 'public', 'citizenship' and the 'general' in order to specify the public dimension<sup>2</sup>, i.e. what is distinctively *public* about the public sector.

The two questions point to different research approaches. The first question relates to how we could think of innovation in a new way specifically oriented towards the public sector. This calls for answers that go beyond the current state of affairs suggesting new ways to conceptualise innovation. The other question rather calls for a critical analysis of existing ideas of innovation in order to unfold political, democratic underpinnings that may not be explicit or at first hand clear. The thesis thus has a twofold aim, and may be seen as an attempt to introduce categories alternative to the prevalent ones into the study of the public sector in general and to innovation as a concept of change in particular. The hope is that such categories will enable us to clearly see the political, democratic dimensions of the public sector and to distinguish between innovation initiatives that may strengthen the public sector and those that may do the opposite.

## 1.1 Innovation as a key term for developing the public sector

The two research questions indicate a desire to approach a currently influential and hyped phenomenon in a new way. My hope is to elucidate aspects that are not visible from the current approaches to innovation and user-driven innovation. Ideas of 'public sector

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<sup>1</sup> I write 'innovation' and 'users' rather than 'user-driven innovation' because parts of the analysis treat the concepts separately while others deal with the phenomenon of 'user-driven innovation'.

<sup>2</sup> The expression 'the public dimension' is inspired by Erik Oddvar Eriksen's book from 1993 'Den offentlige dimensjon' (revised and published as 'Kommunikativ ledelse' in 1999): Eriksen addresses questions of the normative foundation of the public sector inspired by Habermasian ideas. I am inspired by Eriksen's approach and will refer to some of his arguments. However, I develop my own normative foundation for the discussions of the thesis. Sometimes I shall refer to the public dimension as the 'publicness' of the public sector.

innovation' and 'user-driven innovation'<sup>3</sup> receive extensive attention in research and from political quarters these days. Innovation appears as a key word in strategies and theories of the development of the public sector. Some even claim that innovation should be a *core activity* of the public sector (e.g. Mulgan and Albury, 2003:2; Considine and Lewis, 2007:581). In Danish political strategies it is stated that the public sector should improve its ability to find 'innovative' solutions to problems and to learn from its 'users' in the development and provision of welfare services (Rådet for Teknologi og Innovation, 2008:32). Innovation is a term with exclusively positive connotations and is what we may call a 'hurrah word'. As Albury (2005) puts it: innovation is "*a term redolent with generally positive resonances – modern, new, change, improvement*" (Albury, 2005:51). Currently no one argues against innovation and it is broadly accepted as desirable. This close to unlimited optimism has raised my curiosity and suspicion, encouraging me to explore what innovation more specifically means; and more importantly, what it means for the public sector to adopt such a concept of change.

Innovation has not always been a central term for developing the public sector. The interest in innovation as a concept of change in the public sector goes back only a few decades (Borins, 2001; Borins 2006; Grady, 1992; Becheikh et al, 2007). The concept has previously been connected especially with changes in a private sector context (Koch and Hauknes, 2005:4) and has often been identified with technological innovation (cf. Godin, 2008; Lundvall, 2006). The most prominent theories of user-driven innovation have also been developed within an economic theoretical framework (e.g. von Hippel, 2005).

The appropriateness of such a concept of change in the public sector is thus not obvious at first hand. There are substantial differences between the context of commercial relations and the democratic political context of the public sector. The relationship between citizens and the state is very different from that between buyers and sellers in the market. Public sector organisations are political institutions working with common concerns of citizens and society. Thus, it is not immediately clear how the public sector is affected by the inspiration from ideas of innovation and user-driven innovation. There is, however, reason to believe that the public sector will potentially be affected by adopting ideas of innovation; that it is not merely a question of words. From the use of the term it is clear that innovation is supposed to *do something* with the public sector. User-driven innovation, for example, is seen as a way to create 'truly collaborative services' that empower users to improve their quality of life (Parker and Parker, 2007:11-12). Innovation is further introduced as something that the public cannot do without or as something the public sector *should* engage with (Rådet for Teknologi og Innovation, 2008:4). It is presented as imperative of the public

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<sup>3</sup> User-driven innovation here refers to both *user-centred* and *user-driven* approaches to innovation. User-centred usually means that users do not necessarily *drive* the innovative process, but that the innovation activities are centred on the users by including or studying them. I shall not distinguish between the two and deploy the term 'user-driven innovation' throughout the thesis.

sector to actively engage with innovation. Both innovation and user-driven innovation are part of recent government strategies for the public sector, and more and more organisations explicitly work with initiatives to improve their ability to be innovative.

In current theoretical contributions the concept of innovation is in many senses taken for granted, as I shall also show. The central concern of innovation theory is rather how innovation occurs than what it is (Fagerberg, 2005; Tidd, Bessant and Pavitt, 2001). When transferred to the public sector the concern for the majority of researchers seem to be whether the particular organisation and conditions of the public sector (often represented in terms of bureaucracy and public scrutiny) are conducive or hostile to innovation (e.g. Altshuler and Zegans, 1990:19; Borins, 2006; Koch and Hauknes, 2005:40; Mulgan and Albury, 2003; Ross et al, 2004). The perspective: 'what do the conditions of the public sector mean for its ability to innovate?' is turned upside down in this thesis. My perspective is rather: What does the adoption of the idea of innovation do for the ability of the public sector to be *public*?

My suspicion that the adoption of the idea of innovation is not innocent and unproblematic was awakened by my first encounter with the literature on public sector innovation. Fundamental questions regarding the basic societal role of the public sector seem to be left unaddressed in current theories and discourses on innovation. The interest in conceptual development specific to public sector innovation appears generally weak.

A non-reflexive adoption of terminology and methods from private sector innovation practice and theory is not only a matter of introducing new technical or administrative solutions, or using new terms to describe public sector activities. It has political implications, too. An understanding of innovation in the public sector is inevitably interrelated with the understanding of the role and purpose of the public sector and with the relationship between the public sector and the citizens. When deliberate attempts to encourage innovation are initiated, these ideas of the public sector will determine what kind of public sector is developed. Thus, there is a need to systematically and explicitly consider the democratic implications of ideas of innovation and users. We need to understand what innovation more specifically is and what it could be in order to be desirable in a context of the public sector.

Taking a closer look at why innovation and increasing focus on the citizens as users is considered to be desirable we learn that: in Denmark public sector innovation is presented as imperative for meeting future challenges of obtaining the desired level of welfare in the Danish society with reduced resources due to changing demographics and demands from the population (Moltesen and Dahlerup, 2008: 147; Bason, 2007; Regeringen, 2007:5; Rådet for Teknologi og Innovation, 2008:11). An expected decrease in the work force means that the future public sector will have to perform the same tasks as today with fewer people. Besides,

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the public is considered increasingly heterogeneous and citizens are seen as demanding high quality, individual adjustment and flexibility in the service deliveries (Rådet for Teknologi og Innovation, 2008:11). With these reasons presented, it is clear that innovation is closely linked to a desire to improve cost efficiency of public sector activities. This is undoubtedly an important part of it. However, the way the term is used and the expected gains from innovation reach further than financial gains. There is indication that innovation is to be understood as a more comprehensive concept of improvement of public sector practices and this is how I approach it in the thesis. The widespread belief is that innovation in the public sector is beneficial for society as a whole (Rådet for Teknologi og Innovation, 2008:8). Innovation is presented as something, which can solve a number of problems and create value in different ways.

The Danish Council for Technology and Innovation (for example) expects public sector innovation to create value along four different axes:

- Efficiency in processes and output
- Better quality in services for companies and citizens
- Strengthened democracy, legitimacy and due process/rule of law (Danish: retssikkerhed)
- Employee satisfaction through dynamic and attractive work places that furthers recruitment and retention of employees.

(Rådet for Teknologi og Innovation, 2008: Strategy for innovation in the public sector)

As this list indicates, the aims of innovation in the public sector are quite diverse (and may not be compatible though this is an empirical question). Particularly one of the mentioned aims of innovation relates directly to the public sector as a political democratic institution, namely 'strengthened democracy, due process and legitimacy'. They are in many ways crucial foci for the thesis as they link directly to the 'public' dimension of the public sector. My interest is in determining to what extent these different dynamics' are likely to strengthen the 'publicness' of the public sector and if not, what they will be likely to do to the public sector.

So, does this mean that I am entirely critical and wish to discard of the term innovation in the public sector altogether? The answer is no: As my first research question indicates I suggest a re-thinking of the concept instead. The reason for this is twofold. First, the term 'innovation' does not necessarily restrict itself to neither technological change nor to activities in a market context even though this is by far the most common use of it. Historically and etymologically the concept is broader. It has thus not been used only as an economic category (Godin, 2008:5). The point here is not to present the history of

innovation<sup>4</sup>, but that innovation as a concept of change *in principle* could have other meanings. The core of the concept is *renewal* and attempts to do things better (e.g. Albury, 2005:51; Hannah 1995:216; Mulgan & Albury 2003:3; Paulsen, 2011:1). It is thus not *per se* restricted to specific kinds of changes. Second, by re-thinking the concept an interesting theoretical challenge takes form. It becomes possible to work with a conception of renewal specifically targeted to the public sector and thus to be clearer about what it would mean to develop the ‘publicness’ of the public sector.

Both my research questions thus indicate that there is something specifically public about the public sector, something that differentiates it from private sector organisations. A key focus of the thesis is concerned with clarifying this specifically public dimension.

Public sector organisations as political institutions

I have indicated above that existing conceptions of innovation may be of limited use in the public sector context. The specific idea of a public dimension rests on a normative conception of the public sector, i.e. an idea of how the public sector *should* be understood, and what it *should* do. As I shall discuss certain implications of public sector innovation, then fundamental questions regarding the public sector and its role and function in society become relevant.

In short, public sector organisations are political institutions in the sense that they work with political matters, serve the public or common good, and are collectively funded via taxes. As Habermas expresses it: The state is a ‘public authority’ because its main task is to ensure the public and common weal of all citizens (cf. Habermas, 2009:50). The public sector is concerned with issues of our common life. A core role of the public sector is to attend to ‘general interests’ of the public and the citizens. This renders concepts of the ‘general’, ‘public’ and ‘citizenship’ central to the thesis and I shall engage with political philosophy in my treatment of these and unfold them throughout the thesis.

The public sector can be viewed as the institutionalisation of common concerns and decisions of collectively dealing with them. What concrete concerns are considered public differ between countries. The aim of the thesis is not to debate what specific issues should be public, or whether the public sector should have a certain size. The point is rather explicitly to consider what it implies when matters become public and dealt with by public institutions. I shall argue that it has political and democratic implications when for example the role of citizens are reconceptualised in certain ways. Conceptualisations and categories determine what we pay attention to and what we will be inclined to act upon. Thus, we need to explicitly consider what these implications are, how they affect the public sector and what could be considered desirable developments. A main argument of the thesis is that the

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<sup>4</sup> See Godin (2008) for a genealogical history of the category of innovation.

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democratic and political aspects of the public sector must be directly linked to current conceptualisations and practices of public sector innovation. Otherwise we risk supporting a development that is ignorant of the democratic, political dimensions of the public sector and thus omits to support its core function. With a quote from Drucker the idea can be elucidated: “*the function of management in a church is to make it more church-like, not more business-like*” (Drucker quoted in MacDonald et al., 2006:271). The idea of public sector innovation must in a similar way be to make the public sector more ‘public-like’.

The thesis thus focuses on aspects that are specifically *public* and leaves others aside. In some senses public sector organisations are like other organisations. They have certain tasks they aim to fulfil; they have employees and a division of labour; they have budgetary or financial restrictions to their activities. Public sector organisations need to be efficient in their problem solving and not waste collective financial resources in order to gain support from and be considered legitimate by the public. Thus, viewing public sector organisations as political institutions does not rule out that the public sector also has instrumental, technical and administrative dimensions. Nor does it mean a denial that efficiency is important for the legitimacy of public organisations or that it may be an aim of innovation. However, it necessitates an understanding of efficiency in a rather distinct sense. The thesis delimits itself from such concerns, as it seems that research concerned with such issues is well represented. The main point here is that the public sector cannot be *reduced* to a technical instrument for problem solving. It has democratic, political dimensions without which it would be difficult to explain why it should be public.

Following Rothstein (2003), public administration research should not be concerned merely with questions about how to ensure administrative efficiency and solve organisational problems. Basic questions about the relation between citizens and the state, the extent of democracy, the legitimacy of politics and the ethics of public employees are also important (cf. Rothstein, 2003:17). Particularly questions regarding the normative constitutive conditions of the public sector are seen as central: What should the public sector do (normative), and why should we have a public sector at all (constitutive)? There is a need to explicitly address questions of the normative foundation of the public sector. Such questions are not addressed in the main part of current public sector research. Other theoretical contributions do represent ideas of what the public sector should do, however not in a way encouraging debate on these basic conditions. What has awakened my suspicion with regard to the current dominant ideas about public sector reform is that the ‘public’ seems to be a forgotten category. Recent development within public governance theory has intensified the blurring of this specificity.

## 1.2 Recent development in ideas about the public sector

The introduction of innovation in the public sector is not an isolated event. I rather see it as part of a development in the way the public sector is conceived of more generally. Certain ideas and rationales have opened up a space for terms like 'innovation' to be considered relevant in relation to public sector practice. The thesis understands the idea of innovation as inscribed in the general development of ideas about public sector organisations. Some specific representation of the public sector has had great impact on the way the public sector and its tasks are understood, as well as prominent specific reforms in recent years. My background knowledge of the development of governance ideas has been an important element in the motivation to critically analyse public sector innovation as a contemporary phenomenon.

At the beginning of the 1980s a certain set of ideas gained prominence in political reforms of the public sector and in public governance theory. New Public Management (NPM) introduced an understanding of the public sector that broke with previous ideas of Public Administration, and with categories such as bureaucracy, politics and administration and policy implementation. NPM introduced an understanding of the public sector that emphasised efficiency, innovation and flexibility, and represented an eagerness to implement principles of management from the private sector (Osborne 1998:1134; Veenswijk, 2005:8). These ideas have had implications for the understanding of the core role of the public sector and the relationship to citizens.

The ideas of NPM have later been supplemented by Network Governance; a new paradigm arising since the 1990s (see e.g. Hartley, 2005; Hess and Adams, 2007). The paradigm centres on the rise of networks and partnerships and the development of 'choice' and co-production as service models (Newman and Clarke, 2009:3). Network-enthusiasts emphasise horizontal links and power-sharing between government and society as a substitute for an 'old hierarchical model' where state authorities exert sovereign control over citizens and civil society (Mayntz, 2001:1; Olsen, 2005:18).

These paradigms have gained wide influence in policy and theories of the public sector. There is thus reason to think that innovation in the public sector is also influenced by ideas of these paradigms. These paradigms are important from the perspective of the thesis because they suggest certain understandings of the public sector. With their suggestions for change and reform they challenge certain ideas about the 'publicness' of the public sector. NPM for example represents an understanding of the state and the relationship between the citizens and the public sector that resembles a commercial rather than a political relation (Olsen, 2002:9). With the introduction of NPM not merely ideas of practical problem solving

were promoted; the normative framework of the 'pact with society', i.e. the legitimacy of the mission, moral foundation and ways of thought in a public institution were at stake (Olsen, 2005:18). NPM ideas have had considerable influence on the way we think about the public sector today. And this also makes the development and ideas emerging in the wake of these paradigms of direct relevance for the discussion of the thesis.

These ideas about public governance have had a wide reaching influence on the public sector and the way it is possible to conceive of it and of its societal role today. Some authors note certain changes and developments of public sectors following from the representations and perceptions of the public sector. The literature and debates on this development are vast and diagnoses on the changes are various (see e.g. Hood, 1991:4; Christensen and Lægreid, 2002:269; Sørensen and Torfing, 2005:215). Some of the changes and perceptions following from these ideas are central to the way I have decided to approach the public sector in the discussions of the thesis.

### **1.2.1 Blurring of boundaries between the public and the private**

One of the consequences of NPM and Network Governance is that the *distinction between public and private* has been blurred. Both NPM and Network Governance challenge traditional division between public and private sector institutions and the institutionalisation of the 'public' in the state; either by advocating the privatisation of public services or by placing the production and development of public services and policy in cross-sectoral networks. According to Clarke and Newman (2008) the distinction between public and private institutions becomes increasingly blurred with NPM, when public organisations are expected to become more 'business-like', efficient, innovative and 'close to consumers' when serving the public (Clarke and Newman, 2008:339). With Network Governance, the clear distinction between state and society is blurred as market actors and civil society actors are more intensively integrated in public policy making and in the production of public tasks (Sørensen, 2002:701-2). Governance and its partnerships, negotiation and networking redraw the inherited public-private divide and engender new forms of interpenetration between the political systems and other functional systems (Jessop, 2003:3). The distinction between public and private has thus become increasingly blurred. The thesis counters this tendency by introducing an explicit definition of the 'publicness' of the public sector to the analysis. Besides, it presents arguments for why this specificity of the public sector should be guarded. One reason relate to the status of citizens. When the public and private melt together it also has implications for the conception of citizenship.



### **1.2.2 Particularisation of citizenship**

Citizenship is often defined in terms of justice and community belonging (Kymlicka and Norman 1994:352). Citizenship implies 'generality' in terms of general interests (what citizens have in common rather than how they differ) and in terms of quality (equal rights to participation and equal treatment) (cf. Young, 1989:251). User-driven innovation redefines citizens as users in ways that may challenge such aspects of citizenship. When the relationship between the public sector and the citizens is represented for example in commercial terms, there is a risk that 'general interest' as central to the conduct of the public sector becomes replaced by private interests. In some sense inclusion of users in the public sector challenges the distinction between public and private interests and concerns (Torpe, 1995:1). Further, there may be a risk that citizens are no longer thought of in terms of rights. This dichotomy between the general and the particular, which relates to a distinction between public and private, is central to the research questions framing the thesis.

The main question here is how user-driven innovation and ideas of citizens as users relate to this challenge. If for example the frame of thought in which ideas of user-driven innovation evolve represents public sector services as meeting individual needs, how can conceptions of citizenship and the general aspects of public services be accommodated? In order to study and discuss this, conceptualisations of users will be illuminated. Rationales behind user-driven innovation and conceptualisations of the user may influence the direction of the development of the public sector.

That the concept of citizenship is contested is not a new development. According to Clarke (2009), the substance of citizenship, i.e. the content of rights and entitlements, has historically been the focus of conflict. Here one side has aimed at enlarging the areas of life that are 'de-commodified' and made subject to social or political, rather than economic calculation. A counter reaction is an attempt to 'roll back' such enlargements of citizenship or to reform them in accordance with the flexibilities and freedoms of customers in a marketplace (Clarke, 2009:4-5). This may be characterised as 'commercialisation of citizenship' (Crouch, 2005). Boundaries between the public and the private, between political, common concerns and private ones relate to such struggles for the content of citizenship. Linking new understanding of 'users' to such boundaries and to concepts of citizenship is thus an important research aim.

### **1.2.3 De-politicisation**

The developments described above may be seen as part of a broader de-politicisation of the public sector and the way it is conceived of in theory and practice. The development may be seen as the result of the struggle for power – power to define the character of problems and thus also to have the key to defining solutions. In this sense they provide a political solution

and reflect a political programme (sometimes referred to as a neo-liberalism) (Clarke, 2004; Veenswijk, 2005:8).

Nevertheless, the political foundation and conditions of the public sector are reinterpreted in a more vague and imprecise manner as a result of the new understanding of the public sector. The concrete suggestions represent attempts of de-politicisation by de-emphasising political aspects of citizenship and democracy in relation to the public sector. De-politicisation can in a broad sense mean denying the political character and consequences of some social arrangement. It refers to the many possible strategies that effectively 'take politics out of things' or 'take things out of politics' (Clarke, 2009:20). The first presents political issues as strictly technical matters or introduces economic or managerial discourses as the primary framework for decision making (Clarke, 2009; 2004:34). De-politicisation can also characterise specific changes such as a marketisation of politics that subjects politics to capitalist logics, or shifts political conflicts to cultural, moral, or economic registers, and replaces participation by consumption (cf. Thorup, 2007:12). Commercialisation of citizenship represents just such a form of de-politicisation (Crouch, 2005).

The problem with de-politicisation is that by presenting matters of common concerns for citizens and society as merely technical matters or as matters of commercial logics, they are decoupled from their root in the realm of political decision making. They are represented as matters that citizens should not engage with, even though they have an impact on their lives and society. Understanding certain initiatives or conceptualisations as de-politicising in these more specific senses requires a clarification of what is meant by political, and what would be an alternative political understanding of the issues that are depoliticised. This will be unfolded in the discussions of the thesis. An aim is to reach a *re-politicised* understanding of public sector services and of the citizen in the role of service receiver. Knowing beforehand about the tendencies and theories of the public sector, the thesis is also an argument for introducing certain categories to the theories of the public sector – something essential has been forgotten that we need to relate to ideas about public sector innovation to understand the full implications of the phenomenon. The contribution of the thesis is thus to cast light on these aspects of the public sector and relate them clearly to the conduct of public organisations and to service provision.

### **1.3 Research approach of the thesis**

The thesis critically analyses and discusses 'public sector innovation' and especially 'user-driven innovation' as it is represented in theories and in organisational practices of the Danish Ministry of Taxation. It is not changes or innovations as such that are the object of the study. Instead it is conceptualisations of 'innovation' and 'users' in the public sector and their

implications for politics and representative democracy that are in focus. In theories of innovation and in activities that explicitly work with innovation such ideas have a performative dimension. They *intend* to do something with innovation, something more or less specific that have implications for the public sector and the way it works. With innovation, by prescribing certain methods and conceptualising public sector activities within certain categories, a frame is set that determines and guides what can be done. This allows us to see certain things while occluding others.

The thesis discusses what it implies for public sector innovation that citizens are conceptualised as users. The starting point is thus that recipients of public sector services are first and foremost citizens. The thesis takes a certain approach where normative political aspects of public sector innovation become central. An account of the public sector based on political philosophical concepts thus sets the scene prior to the analyses of ideas and practices of innovation. To understand public sector innovation as a concept in its own right, it is central to be very clear about the public sector context and the way this differs from the market context or private sphere. As a point of departure, it must be sufficient to say that the project takes its approach from the belief that a clear distinction between public and private sector organisations is both possible and important to uphold, and is essential in order to fully comprehend the implications of a concept like innovation being introduced and acted upon in a public sector setting. A more or less un-reflective transfer of terminology and methods from private sector theory and practice, as seems at first glance to be the case with innovation, is potentially highly problematic from a democratic point of view. This is a normative, political question as well as an empirical one. The implication of innovation cannot be discussed without determining how innovation is conceptualised and how it is given life in concrete practices. At the same time normative, political implications are discussed within a normative framework derived from certain traditions of political philosophy.

Thus, rather than taking the idea and concept of innovation for granted it is put under spotlight and discussed specifically in relation to public sector development. The central question is what these ideas and practices of innovation mean for the public sector and its ability to act publicly. This kind of approach is largely absent in existing research on innovation. Innovation in the public sector here appears to be an unproblematic concept that more or less easily translates from a market context to a public sector context. Current conceptions of innovation thus remain unchallenged. My aim is to counter this trend by subjecting 'public sector innovation' to a critical discussion.

The aim is to look deeper into the phenomenon of public sector innovation as it is represented in both theoretical conceptualisations and in the perceptions and practices of public sector organisations, in this case the Danish Ministry of Taxation. The aim is not

## INTRODUCTION

primarily to create an accurate empirical description of processes of public sector innovation or an adequate understanding of processes of optimisation of technical solutions. The aim is through a conceptual and normative discussion to elucidate how it can be distinguished from private sector innovation. Even though public sector organisations solve a variety of tasks and offer very different services to citizens and society, there will be no distinction between different kinds of public organisations in the discussion of the project, since it is their 'public' character that is central here.

To carry out the discussion it is necessary to make sense of and obtain an understanding of the empirical phenomenon of user-driven innovation. Thus, I have conducted empirical research on innovation in the public sector. The concept and idea of innovation appear in a number of different contexts, such as in theories inspired by innovation theory, policy documents, and an increasing number of conferences and consultancy writings on the public sector. These contexts all offer different understandings of innovation. Even in the theoretical literature the concept is highly ambiguous and not strongly rooted in a coherent theoretical paradigm. Thus, comprehending and making sense of the 'object' under study in the first place, has not been a straightforward task. This calls for an approach where the idea is unfolded by approaching it from different angles thereby highlighting different aspects and dynamics of it. This has led me to construct three types of 'material' for comprehending the idea of innovation and its political underpinnings.

My 'material' for the analysis and discussion can be divided into three parts that are analysed separately in different chapters:

- Innovation as a research concept in theories of public sector innovation (including its relation to private sector innovation theory).
- User-driven innovation linked to broader discourses of public governance (by discourse I mean the certain dominant ideas or paradigms found in both public administration research and reflected in policies at certain points in time).
- 'Innovation' and 'users' as they are conceived of and given life in concrete organisational practices in a Danish public sector organisation (The Ministry of Taxation).

I believe that they are all important for discussing the implications of the idea for the public sector. The case study has the role of providing a concrete example of user-driven innovation and opens up for discussion of how innovation could be understood as strengthening the public sector.

## 1.4 Structure of the thesis

The thesis is composed of nine chapters.

### **Chapter 2: Philosophy of science: The meaning of normative critique of public sector innovation**

This chapter presents the philosophy of science and the notion of critique in the thesis inspired by critical theory. The critical analysis and discussion share with critical theory an emancipatory knowledge interest, understand the public sector as political institutions, and discuss the public sector and the relation to citizens as a political relation. The chapter presents basic ideas of social science and philosophical reflection and the relation between the normative and empirical research aims of the project.

### **Chapter 3: Research method**

This chapter explains the selection and treatment of literature and empirical material to elucidate and analyse the research object of the thesis, public sector innovation, including user-driven innovation. This includes an account of how I have searched and selected literature for the analysis of public sector innovation theory. Further, it includes a short account of why I have chosen to approach public sector innovation in the context of public governance paradigms. The main part of the chapter is concerned with describing the case study and interviews at the Ministry of Taxation.

### **Chapter 4: The public sector and citizenship: Setting the scene**

This chapter sets the scene for the coming analyses and discussions in the main body of the thesis. The understanding of the public sector and citizenship informing the thesis is presented. The chapter considers the *public* dimension of the public sector. The political philosophical concepts included in the thesis derive from republican and liberal thinkers, and further draw on Habermas's idea of deliberative democracy. The central concepts presented in the chapter are the 'public' versus the 'private', the idea of the 'general' (in terms of general interest and as generally binding rights) and 'citizenship'.

### **Chapter 5: The missing 'public' of concepts of public sector innovation**

This chapter analyses theory and concepts of public sector innovation. It is argued that across the diverse definitions and statements about innovation it never becomes clear how the 'public' dimension of the public sector could shape the concept of innovation. Even though the 'public' context is sometimes mentioned, it is not incorporated into concepts or theoretical interests. The result is that innovation as a concept of change and development of the public sector occludes political, democratic considerations; despite it being presented as a key term for developing the public sector and as close to unquestionably desirable.

### **Chapter 6: User-driven innovation in a public governance context**

This chapter discusses the implications of ideas of 'user-driven innovation' as they appear in the context of public governance discourses, which have influenced the development and reforms ideas of the public sector over the last two or three decades, namely in New Public Management and Network Governance. In particular, the idea of the citizen-consumer is discussed in relation to democratic ideas of citizen-participation. I argue that there are limitations and dangers in conceptualising the public sector as primarily a service provider. The idea of the citizen as co-producer in the Network Governance paradigm is a discussion in relation to democracy and the common good.

### **Chapter 7: Presentation of the Ministry of Taxation**

This chapter describes the case organisation and the two innovation projects that form the empirical foci of the thesis. I present how the Ministry works with innovation and link this work to the general mission and activities of the organisation. The interest in users and innovation is linked to a recent shift in the organisational strategy that has had considerable influence on the self-perception of the organisation and has encouraged a desire to become more service oriented.

### **Chapter 8: Analysis of user-driven innovation at the Ministry of Taxation**

The analysis and discussion of the Ministry of Taxation centre in particular on the different ways in which the 'user' is perceived of and included in the innovation projects. At the Ministry three different terms appear to describe the user: customer, citizen and human being. The analysis and discussion of these three ideas of the user show that they are not all compatible and that the dual role of the organisation as authority and service organisation may entail certain tensions. The user is represented as a subjective, particular being with feelings and experiences, not easily reconcilable with the general, political and legal aspects of citizenship. The discussion draws on the concepts of citizenship and the public sector presented in chapter 4, and on the critical analysis of consumerism presented in chapter 6.

### **Chapter 9: Conclusion and perspectives**

This concluding chapter restates the main research questions and posits answers to them. It readdresses the premise of the thesis that we need to rethink the concept of innovation for it to be an appropriate concept of change in the public sector context. In particular it focuses on what innovation could mean in the context of the public sector. And finally, it points out political and democratic implications of the current ideas of innovation and users.

## 2 Philosophy of science: The meaning of normative critique of public sector innovation

*"A commodity appears at first sight an extremely obvious, trivial thing. But its analysis brings out that it is a very strange thing, abounding in metaphysical subtleties and theological niceties. So far as it is use-value, there is nothing mysterious about it... [...]... But as soon as it emerges as a commodity, it changes into a thing, which transcends sensuousness. It not only stands with its feet on the ground, but, in relation to all other commodities, it stands on its head, and evolves out of its wooden brain grotesque ideas, far more wonderful than if it were to begin dancing of its own free will."*

(Marx, 1976:163-4)

The quote from Marx's *Capital* illustrates that things can be given a life of their own and thus be represented as reified thereby concealing that they are products of human activity. In Marx's quote it is the commodity that is reified in such a way. The point is here that public sector innovation and the way the public sector is organised are products of human activity. They may therefore be subject to deliberate changes that can be more or less reasonable.

As mentioned in the introduction, the thesis discusses ideas and concepts of public sector 'innovation' and 'users' in the light of the political, normative dimensions of the public sector. The central question is what it implies for the public sector and its relationship to citizens to work with innovation in different ways. The thesis thus engages with the innovation concept and critically analyses it as well as the practices it leads to rather than accepting it as inherently positive and practically innocent. In this sense the analysis is conducted as a critical analysis.

What does such a critical analysis more precisely imply? And how is critique to be understood as a scientific enterprise? These questions are addressed in this chapter. The chapter presents the philosophy of science background of the thesis and its critical theoretical approach. The thesis departs in an understanding of science in accordance with the critical theory of the Frankfurt School.<sup>5</sup> The critical theory of the Frankfurt School tradition is varied and has undergone developments and differentiations since its 'original

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<sup>5</sup> Critical theory here refers to the tradition of the Frankfurt School, represented in the works of thinkers such as Horkheimer and Adorno, Marcuse, Fromm, Benjamin (who was however not 'formally' a member (Böhm, 2007:102)) and later thinkers like Habermas and Honneth, housed at the Institut für Sozialforschung in Frankfurt am Main. This is not to say that critique does not take place in other research traditions (see e.g. Butler (2004) and that one could not define critical theory in a broader sense (see Cooke, 2009:117).

programme' with Horkheimer's attempt to formulate a critical theory in the 1930s (cf. Honneth, 2003:24-25). The presentation here is, however, restricted to the main points relevant for describing the approach of the thesis and the understanding of social science that it represents. Besides, the chapter briefly presents what is understood by political philosophy.

## 2.1 Structure of the chapter

The chapter initially presents Horkheimer's distinction between traditional and critical theory as presented in his essay from 1937. This includes a presentation of his critical theoretical understanding of social science. Further, a brief description of the critique of positivism and scientism found in critical theory and Habermas' idea of knowledge constitutive interests is presented (2.2) Second, the notion of critique is elaborated and explained as a normatively informed critique (2.3) Lastly, political philosophy and in particular the ideas of *praxis* and practical reason are presented (2.4).

## 2.2 Critical theory

Social science is always embedded in the society it studies. Thus, the role as objective 'observer', which has been the ideal of social science, and to some extent still is, is in principle impossible. The researcher is always participant and the categories leading the study are constituted by the researcher and not by the empirical reality. This is a main point in Horkheimer's essay from 1937 "Traditional and critical theory". Critical theory is here presented as a kind of social theory, which differs in certain respects from the so-called 'traditional theory'. Critical theory breaks with the idea of objectivity and non-engagement of the researcher dominating 'traditional theory' and sees a fundamentally different task as central to the social sciences. Inspired by Marx's statement in "Thesis on Feuerbach", critical theory is interested in not merely describing or interpreting the social reality but also aims at contributing to the historical realisation of society as it should be (cf. Sørensen, 2010a:168; West, 1995:45).

In Horkheimer's essay, 'traditional theory' refers to the theories of the positivist and empiricist sciences. These sciences understand theory as facts or statements of a given issue formulated so that they allow for derivation of other statements. Traditional theory works within a causal logic and strives to formulate rules and laws. It sees control of nature and social and economic mechanisms as its task (Horkheimer, 1970:1-3). For Horkheimer, an essential problem with traditional theory is that it does not recognise that the aim of predicting and controlling nature and social mechanisms *also influences* the development of society and its material basis (Horkheimer, 1970:4-7).



This relation between scientific knowledge and the society under study is what critical theory explicitly recognises. When theory is seen as isolated from these effects and is not recognised as a moment<sup>6</sup> in the change and development of society, but instead is seen as grounded in the cognition<sup>7</sup> itself or in any other a-historical way, it becomes a reified, ideological category. Not recognising how the attempt to merely give precise and adequate descriptions contributes to the attainment and reproduction of the existing societal order and thereby becomes *ideological* (Horkheimer, 1970:5-7). This further supports the existing social order and power relations by giving scientific legitimacy to the current conditions as 'objective' reality. Ideas function ideologically, when they represent the institutional context in which they arise as natural or necessary and thereby forestall criticism of relations of domination and oppression. They obscure the possibility of changes to a more emancipatory and just social arrangement (Young, 1990:74; Langergaard et al., 2006).

In the thesis I share the view that social science is part of society itself and thereby influenced by, as well as influencing, this society. Objectivity in a non-engaged sense is not seen as an option. The social reality, as well as the theories about it, are constructed by humans and could in principle be different, as they reflect a specific historical context (cf. Langergaard et al 2006:150-154). Our knowledge as well as society are thus incomplete and can develop towards a more just society (Sørensen, 2010a:177). With Horkheimer one could say that the object of research in social sciences, the economic or social reality, is a result of human activity and is thereby not constituted in a certain way naturally and with necessity. The critical attitude breaks with a taken for granted attitude to life conditions and society. It lacks any confidence in the given norms for social life and is suspicious of categories such as good, useful, productive, goal-oriented, as they are defined within these contingent conditions of society. The divide between the individual and society, which lets the individual see the barriers for its activity as natural are thus relativised (Horkheimer, 1970:16).

The thesis follows critical theory in challenging taken for granted assumptions about reality and in recognising its own role on the development of society and social conditions. In this sense, the project studies humans as producers of their own life forms and does not

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<sup>6</sup> This term 'moment' is a Hegelian term referring to elements in a dialectic process. The negated aspects are retained as 'moments' in the sublation and hence a part of the result (Sørensen, 2010a:183).

<sup>7</sup> About the words cognition and knowledge, as they are used here I lean against the translation used in Jeremy J. Shapiro's translation of Habermas's *Erkenntnis und Interesse*. The texts of Horkheimer, Adorno, Habermas are originally written in German and I have for a large part used Danish and English translations of these texts. As Shapiro notes German (as well as Danish I might add) distinguishes between 'Erkenntnis' and 'Wissen' (in Danish 'erkendelse' and 'viden'), the former emphasising the act, process, form or faculty of knowing, and the latter the passive content of what is known. In English this distinction most accurately translates into 'cognition' and 'knowledge' (Shapiro, translators note, in Habermas, 1972:319) and these are the terms are deployed here.

consider innovation as an 'objective' social reality from which it itself is separated. The thesis is not part of 'traditional' innovation theory, viewing innovation as some entity or set of regularities to study, describe or explain. My aim is not to formulate 'laws' about how innovation takes place by uncovering factors that enhance it, nor is it to predict innovations. Instead public sector innovation is studied as something unfolding in theories and in practices and directing our understanding of the public sector, thereby shaping institutional settings and arrangements. Ideas of innovation are not mere 'constructions' in the ontological sense but have 'real effects' in so far as they guide practices and thereby shape institutions. However, it is also something that we can deliberately shape and work with in order to discuss and decide which understandings or effects of innovation are desirable and which are not. With Skjervheim one can say that the thesis takes a participant rather than spectator role and *engages* with the matter at hand (cf. Skjervheim, 1996:130-3). This means that normative discussions of implications of innovation indicate an engaged position posing suggestions on what innovation, the public sector and citizenship *should be*. This is a different approach from studying citizens and the public sector as facts. Basically, the analysis takes the form of an argumentation that is to be considered an entry in a debate rather than as a final 'truth' about the matter as a 'fact'. The argumentation of the analysis may contribute with knowledge of how to arrange the public sector in more just ways. This implies that the thesis also contributes to shaping ideas of innovation and users. This calls for considerations regarding its scientific enterprise. As mentioned the thesis inscribes itself in a political philosophical tradition, which also has implications as to how *knowledge* is understood.

### **2.2.1 Reliance on facts or critical thinking – methodology and philosophy**

Critique of positivism and scienticism is common for a number of critical theorists (e.g. Adorno 1998; Habermas, 1972; Horkheimer, 1970; Marcuse, 1964). Scienticism is science's belief in itself: the conviction that we can no longer understand science as one form of knowledge among others, but must instead identify knowledge with science (Habermas, 1972:4-5). I wish to frame this critique briefly with some remarks about the relationship between facts and reflection. The positivist obsession with 'facts' can besides the critique of being ideological further be seen as a threat to critical, philosophical thinking. The point is here not to present a 'history of decline' of philosophy or to present the position of the thesis as marginalised in a world of positivist dominance. As Alvesson (2003) remarks, the critique of positivism and neo-positivism is today massive (even though the majority of researchers still conducts normal science as if nothing has happened) (Alvesson, 2003:13). However, some points are worth elaborating on to clarify how the thesis perceives of knowledge and philosophical reflection as central to critical thought as to distinguish between different ideas of scientific knowledge.

As indicated above the critique of positivism is common ground in critical theory. The critique is aimed at positivism's belief in scientific validity relying narrowly on facts and thus marginalising reflection. Central to both Comte's positivism and logical positivism is their scepticism to metaphysics. What cannot be ascribed to the 'positively given' and empirically observable is by positivism considered to belong to the realm of metaphysics (see e.g. Adorno, 1998:8; Langergaard et al, 2006:96).

In "Why still philosophy?" Adorno takes up this problem. He declares that roughly since the death of Kant, philosophy has made itself suspect because of its disparity with the positive sciences, especially the natural sciences (Adorno, 1998:6). These dominant streams of philosophical thought are abandoning critique, which was earlier a prominent practice in the tradition of philosophy going back to the pre-Socratics (Adorno, 1998:8). Thinking becomes a necessary evil and is broadly discredited. Facts and sensory data are seen as independent of the mediations of the subjects, whereby thinking loses its independent status and becomes subordinated facts. With it vanish the conception of freedom and potentially the self-determination of human society (Adorno, 1998:9). Adorno sees more and more areas taken over by science and an increasing integration of philosophy and science. This integration is not in itself a problem. But, where it earlier strove to protect thought from dogmatic tutelage, which is the negation of all freedom, it now has reversed the effect. Philosophy now instead becomes even less capable of free and autonomous thought (Adorno, 1998:12). Thus, Adorno points to certain tendencies, which have incapacitated critical, autonomous thought. The strong prohibition against metaphysics equates thinking with speculation and makes the enterprise of thinking suspect altogether. The heavy reliance on the positively given facts instead entails a focus on how to access this positively given in the most strict, scientific manner in order to gain scientific knowledge. The methodological rules become the epitome of science, and what goes beyond those is sanctioned as not contributing to scientific truth. Critique and reflection are thus not recognised as essential parts of science (cf. Adorno, 1998:10). Philosophy as critique on the other hand is not obliged to consider only to the positively given but may reflect on what is behind the positively given and reveal ideological distortions.

Thus, from a critical approach scientific enterprise may well embrace philosophical reflection. Even if few today would claim that positivism is the only valid approach to social sciences, positivist inspired validity criteria, such as the ideal of value neutrality, unbiased empirical research, reliability and reproducibility, still prevail over parts of social science, as we shall see in the following chapter on research methods. Discussing the political implications of innovation, as I do, requires other conducts and other categories than would empirically studying the 'effects' of public sector innovation. However, such considerations do not relieve cognition of methodology as such. As Habermas states, a critique of a false objectivistic self-understanding of science does not suspend the requirement for

methodological procedures (cf. Habermas, 1988:167). To obtain validity as research the systematic study and engagement with the research matter must be laid out for the reader to assess the process. In chapter 3 the research method of the thesis will be presented.

The scientific value of the research conducted lies mainly in its contribution to reflection on the implications of adopting certain ideas and practices into our public, politically ruled institutions. The reflections are of a normative character and regard democracy, citizenship and political life. The method of this project is philosophical in the sense that what is crucial is argumentation and reflection upon the matter at hand. It is not merely an exploration of empirically given facts that are taken for granted as they appear. Revealing the underpinnings and political implications of these ideas of innovation in order to critically discuss them is what is central. It is assumed that there is something to be revealed which is important to investigate and take into consideration, such as certain taken for granted notions of the user or of the public sector. This requires an approach where not only empirical facts are accepted as a source of scientific knowledge. Also philosophical, normative argumentation and discussion are accepted as enterprises of knowledge creation.

In his inaugural lecture at Frankfurt University in 1965 Habermas presents the knowledge constitutive interest of critical theory as 'emancipatory'.

### **2.2.2 Emancipatory knowledge constitutive interest**

The relation between knowledge and interest presented by Habermas is central for the way scientific enterprise is understood in the thesis. Further Habermas makes it clear what theory can be. This is relevant when I am later to analyse and discuss how and why we may challenge public sector innovation theory.

Habermas re-establishes the link between value and science found in ancient thought. In the original Greek meaning theory, *theoria* meaning 'looking on' from *theoros* the representative sent by Greek cities to public celebrations, was related to human life practices. The relation between theory and life in the Greek philosophical practice is manifested by the philosopher forming himself through *mimesis*, by trying to bring himself into accord with the immortal order of Cosmos (Habermas 1972:302). This traditional ontology is still linked to the self-understanding of sciences, even though according to Habermas they have abandoned the connection of theory and cosmos, of *mimesis* and *bios theoretikos*. What has been sustained is the methodological meaning of the theoretical attitude and the basic ontological assumption about the structure of the world independent of the knower. The connection between theory and life that was supposed to comprise the practical efficacy of the theory is now subject to methodological prohibitions (Habermas, 1972:304). According to Habermas, science is not free of interests even though it claims to be. Knowledge constitutive interests are not separable from scientific activity. Critically oriented sciences share with philosophy an emancipatory cognitive interest. A critical science is concerned with distinguishing between the theoretical statements that grasp

invariant regularities of social action as such, and those that instead express ideologically frozen relations of dependence that can in principle be transformed (Habermas, 1972:310).

According to Habermas, empirical-analytic sciences (including parts of economics, sociology and political science) are led by a technical controlling cognitive interest. Nomothetic knowledge of laws and regularities is to make predictions and control possible (Habermas, 1972:309). Historical-hermeneutic (human) sciences are concerned with human life and history. The understanding of the meaning in these sciences *“is directed in its very structure toward the attainment of possible consensus among actors in the framework of a self-understanding derived from tradition”*. The cognitive interest is here a ‘practical’ one (Habermas, 1972:310). Knowledge constitutive interests, whether towards technical control, understanding or emancipation, establish the specific viewpoints from which we can apprehend reality (Habermas, 1972:311).

I have already in the introduction suggested that we introduce new categories to define public sector innovation, such as ‘citizens’ and ‘common concerns’. The thesis takes its departure in the idea that theorising is not mainly an activity describing the reality but just as much a matter of deciding on ways to see and categorise this reality. The categories of the existing theories may not be the only alternative, and the empirical reality does not in itself offer the categories or concepts of the theory. The categories rather indicate specific interests and emphases of a theory. The thesis follows Habermas in that even the plainest of categories of empirical facts based on observations are led by interests determining which categories are seen as relevant at all. Representations and descriptions are thus never independent of norms. The choice of these norms is based on attitudes that must be critically considered through arguments since they cannot be either logically deduced or empirically demonstrated (Habermas, 1972:312). The concepts of critical thinking thus have their meaning in a different sense than as descriptive concepts. The concepts emerging under the influence of critical thinking, such as Marx’s categories of classes, exploitation, surplus value and profit, do not have their meaning in relation to the reproduction of the current, existing society, but in its changes towards a better society (Horkheimer, 1970:25). Thus a choice of a technical perspective even if it is not explicitly political still suggests a way to understand and deal with the public sector and has implications in so far as it directs practices. By discussing how we may relate ‘citizenship’ and ‘public’ to innovation this is taken explicitly into account. The thesis seeks to critically elucidate and discuss which ideas about public sector innovation and the citizen as user could be desirable, in the sense of leading to potentially more emancipated, democratic conditions, and which could have the opposite consequences. By asking the question in this particular way, categories alternative to the currently prevalent are suggested for understanding public sector innovation. This necessitates an engagement with questions of democracy and citizenship and thus philosophical argumentation. This is discussed in relation to the arguments and rationales for user-driven innovation found in policy strategies, the case and in the literature on public

sector innovation. This normative discussion of the ideas of innovation includes a discussion of the rationales behind innovation that are expressed. The truth is obviously not 'objective' truth validated by its correspondence to an invariant reality, which may be observed from the outside by a researcher. It is neither a subjective truth coloured by the tastes and idiosyncrasies of the author, nor an un-reflective adjustment to the tradition and the currently dominant ideas. The arguments rely on consistency and reason (which is elaborated below) and draw on a philosophical tradition which systematically deals with questions of citizenship and justice of institutions. The hope is that the project can help shed light on phenomena in a new way, which may reveal aspects that would not have been equally clear with another kind of analysis. The hope is thus in particular that the analysis will reveal ways in which a development could lead to a strengthened public sector, in the sense more democratic and just. The project thus shares with the critical theory an emancipatory cognitive interest.

The truth and validity of the research depend on the consistency of the arguments and on the transparency of the research altogether, including the empirical studies. The normative arguments of the discussion cannot be either logically deduced or empirically tested. Whether certain ideas about for example citizenship would in their practical effects be more just or right than others is to be assessed by their realisation and unfolding in actual practices (cf. Sørensen, 2010b:339). In the project, the criteria for assessing the validity of the claims and ideas put forward are then related to a reflectivity which concretely is demonstrated by making the preconditions and approach of the project explicit. This includes the procedure for carrying out the empirical study, the work with various literature on the topic of innovation and public governance, as well as the discussions of these. This is as such not different from the methodological accounts of any other research. What is different from large parts of social science is the explicitly normative approach of the analysis. The specific critical approach of the thesis relies on a normatively informed critique.

## **2.3 A normatively informed critique**

I have mentioned above that social science is never separated from the society that it studies and that objectivity thus is principally impossible. The possibility of a value-free and non-normative scientific practice has been rejected here. Research has implications for how we understand the social world and potentially for our practices in it. Recognising this can lead to different strategies and conduct. One can either admit that these conditions are inescapable but that science nevertheless should restrain from formulating value judgements, or one can step into an explicitly normative position. I deploy the last mentioned of these strategies and bring in normative concepts of political philosophy. Before

presenting ‘political philosophy’ I shall elaborate on what I mean by a normatively informed critique.

Critique is clearly not an unequivocal term and we find a number of suggestions to what critical science may imply. Butler, for example, distinguishes between critique and judgement. She suggests that critique can go beyond both fault finding and evaluation and sees this kind of critical approach by Adorno and Foucault. The distinction extracts critique as something that suspends judgement and additionally offers a new practice of value based on that very suspension. On the other hand: “*Judgment is a way to subsume a particular under an already constituted category, whereas critique asks after the occlusive constitution of the field of categories themselves*” (Butler, 2004:2). The distinction also relates to the different ways critique is practiced amongst the Frankfurt scholars. In relation to the thesis, particularly Habermas’ approach to critique is relevant. As Butler says, his idea of critique does not rely on the mentioned distinction and supports a stronger normative theory making it possible to make strong normative judgements. This further makes it possible for politics to have a clear aim and normative aspiration and also be able to evaluate current practices in terms of their abilities to reach certain goals (Butler, 2004:3).<sup>8</sup> The critical enterprise of this thesis is close to the Habermasian one as it relies on specific normative conceptions, which are brought into the discussion of current ideas and practices. The way I deal with this is by explicitly laying out for the reader the normative point of departure of the discussions.

The normative aspects of critiques may be take different forms. According to Cooke, critical theory has often been negativistic in the sense that it has restrained from explicating utopias and from providing comprehensive conceptions of the just society. Instead it has often restricted itself to pinpointing conditions that restrain human life. Nevertheless, even the negativistic version of critical theory has a utopian component. Implicitly it relies on an idea of the good society – or at least of a society in which the conditions that are criticised are not present. I agree with Cooke on her point that critical theory of society is unthinkable without a more or less specific idea of the good society (or at least of a better society). The analysis of societal anomalies would otherwise be without ethical reason and there would be no normative reason for working towards improving the existing conditions (Cooke, 2009:118). My reasons for taking on the explicitly normative approach, however, also link to the research questions of the thesis.

The research questions indicate that there is something ‘public’ about the public sector that should be guarded. They also indicate that we can and should distinguish between developments of the public sector strengthening and those weakening this public dimension. The public dimension refers to the normative basis for the public sector. If

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<sup>8</sup> Butler is critical towards Habermas’s understanding of critique but I shall not take up the discussion here.

certain understandings of innovation and users are considered problematic and potentially undermining democratic practices, it must be clear that there is an alternative, at least to be imagined. In this case the implications of current concepts and practices of innovation cannot be debated without the possibility of pointing to *why* certain ideas may be problematic. If it is not clear what the public sector should do, and what we wish it to be, how can we argue that something is undermining or supporting it and not merely changing it?

The critique can thus be categorised as an external critique rather than an immanent one. It is external in the sense that it draws on other ideals than those prevalent in the social practices under study. Immanent critiques typically take their point of departure in the values expressed as ideals of society but which are not actualised by the current conditions. In other words it turns *society's own values* against it. Immanent critique thus relies on the values that are expressed in the current situation and does not in itself represent values alternative to the given. Habermas sees the enterprise of immanent critique endangered within contemporary cultures because universalistic bourgeois values have retreated before the prevailing technocratic ideology of value-freedom. Bourgeois consciousness has become cynical, and immanent critique can no longer be expected to lead to transformation (West, 1995:50). When society is cynical or permeated with instrumental rationality, there are no values to turn against it. My aim is not to end up with an overarching societal diagnosis as has sometimes been represented by Frankfurt scholars. According to Honneth, common to the different critiques formulated by Frankfurt scholars is an assumption that the crucial disorder of modern societies is the predominance of instrumental rationality over other forms of action and knowledge. Everything that appears as pathological in the social reality is interpreted as the result of an objectification of social attitudes connected to the aim of controlling nature (Honneth, 2003:40).

Habermas has formulated such a critique in terms of the dominance of a technocratic ideology pushing ethical and political reflection in the background. He sees modern technological-capitalist society as dominated by institutions whose aim is to solve narrowly defined problems and to generate resources without regard to a wider political meaning or context. Technology, science and administration have taken over, and politics has become a matter of administrating the social apparatus within the frames of an instrumental, means-end rationality (Alvesson and Skjöldberg, 2000:114-6). Today this diagnosis could be supplemented by a diagnosis of the predominance of market economic discourses framing the public, political and governmental choices through a universalising logic of calculation (cf. Clarke, 2004:34). Market imperatives have gained prominence in governance of the public sector at the expense of normative ethical and political questions about the administration of the state and public sector. An immanent critique would have to rely on



the currently predominant values which from the point of view of this thesis are in some senses problematic. As mentioned in the introduction a development towards de-politicisation of the public sector and commercialisation of citizenship can be seen as implications of predominant understandings of the public sector. In this sense the thesis inscribes itself in such critiques that stress that the wider political meaning and context of institutions seem to be neglected and that ethical and politically normative considerations are abandoned in favour of market economic or technical logics. The thesis does however not attempt to formulate a grand societal diagnosis. The implications of technocratic or market economic rationales are discussed in so far as they reflect upon the specific phenomena under study, innovation and user-driven innovation in the public sector. What the thesis does share with critical theory is a deliberate attempt to open up for other kinds of knowledge and categories to deal with the public sector. The idea is that we *also* need practical, political knowledge in order to know how to organise and develop the public sector in the best possible way. And this is why political philosophy with its normative questions is considered important.

## 2.4 Political philosophy

Having described my research as a normatively informed critique a brief presentation of the philosophical discipline informing the critique is in place. Political philosophy is conceptual and normative (cf. Held, 1991:888), in variance with political *theory* that on the other hand is concerned with explaining rather than with evaluating. The matters of concern to political philosophy are broadly speaking those regarding political institutions of society, such as legal, economic and cultural institutions and institutions of government (Goodin and Pettit, 1995:1-2). Such matters are concerns of the research here. Political philosophy is part of a practical philosophy that includes for example political philosophy and ethics. They are all concerned with what by Aristotle has been called *praxis*, political ethical action (Aristotle, 1995:402/EN 1140b8). The knowledge of political philosophy differs from what is traditionally considered to be scientific knowledge. It is knowledge in *praxis* that is knowledge about doing right or good actions. The knowledge required here is practical wisdom or practical reason.

### 2.4.1 Practical reason

To illustrate the difference between knowledge in *praxis* and scientific knowledge, Aristotle's distinction between intellectual virtues is helpful. Aristotle distinguishes in the *Nicomachean Ethics* between five types of intellectual virtues (knowledge), *epistémé*, *techné* and *phronesis*, and besides these *sophia* (wisdom) and *nous* (understanding). The three first mentioned are the ones I shall explain here the distinction between these that is relevant in relation to the thesis. *Epistémé* is scientific knowledge; knowledge of the parts of reality that are 'with

necessity'. That is knowledge of the part of reality that is not transitory but which may be studied and described in terms of laws. In other words, it is the kind of knowledge, which is traditionally identified with scientific knowledge and the kind of knowledge that epistemology is concerned with. *Techné* is craft-knowledge and distinct from theoretical science. It has to do with production, *poiésis*, a kind of action that has some end external to the productive action itself (Langergaard et al, 2006:160-1; Aristotle, 1995: 400-10/609). This type of action and knowledge can be generalised to technique also in industrial production (cf. Sørensen, 2010b:335).

The intellectual virtue of political philosophy and ethics is *phronesis*, or practical wisdom. *Phronesis* "is a state grasping the truth, involving reason, concerned with action about what is good or bad for a human being" (Aristotle, 1995:402/EN 1140b5). It is thus about *praxis* which is a kind of action that does not have an end beyond itself but is done for its own sake. Its end is doing well itself (Aristotle, 1995:402/EN 1140b8). What Aristotle names political science is a branch of *phronesis* (Aristotle, 1996:292/Politics 1289a12). The Aristotelian idea of *praxis* includes active participation in community and is a political ethical action that is not merely instrumental. Participation in such actions requires reason and knowledge, namely practical wisdom which according to Aristotle requires both experience and insight from reason (Sørensen, 2010b:335). So for Aristotle there are different ways to the truth, and the idea behind the thesis is that we need other types of knowledge than the one typically identified with scientific knowledge to answer certain questions such as questions about how to organise a just society and its institutions.

The Aristotelian framework relating ethical knowledge closely to action is today not the only philosophical understanding of practical reason. Enlightenment thinking approaches ethics (and political philosophy) in ways that emphasise insight from reason rather than experience. Honneth (2003b) formulates the distinction as one between an Aristotelian position in ethics consideration moral imperatives as by-product of ethical inquiries regarding the good life and a Kantian position basing moral imperatives on the universalisability of action maxims (Honneth, 2003b:73). A Kantian notion of practical reason reaches beyond the empirically given to general universal concepts of moral and political philosophy (Sørensen, 2010b:340). From a Kantian position empirical, contingent circumstances should be left out of moral considerations for them to be generally (universally) valid (cf. Kant, 1999:84).

The different ideas of practical reason also mean that one can deal with normative questions in different ways. Geuss (2008) is critical to what he refers to as 'ideal theories' of Kantian approaches to political philosophy that do not take the specific context of the political theories into account, but instead formulate historically invariant general principles of ethics from which they derive conclusions of how we ought to live. Geuss calls this the 'ethics first' approach. The major virtues of this kind of approach are abstemiousness and

systematicity (Geuss, 2008:7). However, according to Geuss, they also lead attentions away from real power relations (Geuss, 2008:94). He suggests instead that we are clear about the relation between political philosophy and practical interventions (Geuss, 2008:95). Considering political philosophy as a part of practical philosophy this makes good sense. As Sørensen (2010) stresses the distinction between theory and practice is very different from one between theory and the empirical. Theory and the empirical are parts or aspects of scientific knowledge while *praxis* is action. Practical wisdom is not like scientific knowledge. Theory and practice give two different kinds of knowledge and form the basis of two different ways to the truth. Practical knowledge wisdom should be true in the sense that it contributes to practice. It is the knowledge developed and preconditioned to realise a just society (Sørensen, 2010b:336).

The political philosophy included in the thesis is part of a tradition of philosophy striving to develop universal concepts about the good and just society in variance with Aristotelian approaches. The liberal, republican and Habermasian strands of political philosophy suggest general historically invariant concepts of for example justice, rights and citizenship. However, in the thesis the concepts shall be brought into a discussion of practices. Further, I shall engage in arguments for their relevance for these practices. Still, the normative discussions of the thesis depart in certain concepts of citizenship and the public that are presented and defined prior to analyses of practices of innovation. The conclusions that will be drawn are thus based on conceptually normative as well as practical insights. The knowledge of the thesis is practical knowledge about normative questions regarding public institutions. The answers are not considered to be a-historical or infallible and may over time be replaced or revised to better ideas of a good and just public sector. Values and norms are addressed and discussed between people and in philosophy, and in order to get closer to the 'good' or 'just' we argue for and defend ideals. I follow Sørensen's argument that were we once and for all to discover or decide on a principle that could guide us in all moral matters then we would lose our moral responsibility. We could just follow common rules and the moral would no longer be our moral (Sørensen, 2003:13). In this sense reflection, debate and exchange of arguments are what I consider to be important for the development of good political philosophical theories. We can hope to develop better moral and political knowledge by working systematically with questions of how to arrange our institutions in a just and good way.

An explicitly normative approach deployed here leaves me as researcher open to certain forms of critical rejection by other researchers who either plead for value-freedom of research altogether, or who reject the particular normative basis from which I conduct my analysis and critique. The first objection relates to essentially different conceptions of the basic character of science and truth and of the role of science in society. In so far as arguments that social science is principally a participatory activity are not accepted the

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dispute seems irresolvable. By being explicit about the normative basis and making it possible to provide arguments for why perceptions are problematic, it opens up a possibility for rethinking the concept of innovation. It thus elucidates new aspects of the phenomenon as it appears and also allows for imagination to think of it in new ways. With regard to the second type of objection, which could be raised, namely that the presented normative basis is wrong, inadequate or out-dated, this would call for counter-arguments and suggestions about alternative ways of understanding the political concepts. With this type of objections a debate would have been opened up where arguments and considerations about the constitutive conditions of the public sector and the role of innovation in its development would be explicitly debated. The result would thus be to constitute 'innovation' and the development of the public sector as objects of human control and possibly of ethical, political deliberation and to discuss them as such – which is as mentioned exactly the point of the thesis.

As I am both conducting an empirical study and doing normative critique I shall in the following chapter substantiate how I have studied and interpreted the empirical phenomena that I analyse and discuss.

### 3 Research method

In the previous chapter reflections on social science and political philosophy were presented and related to the approach of the thesis. This chapter presents the research method of the thesis in terms of the way in which 'public sector innovation' and 'user-driven innovation' have been studied. The choices made during the research process are presented. As mentioned in the introduction, public sector innovation appears as idea and practice in different contexts, three of which I focus on in the thesis. The first deals with theories on public sector innovation, i.e. theoretical contributions specifically interested in the public sector. Second, as a concept related to public governance discourses; and thirdly as it is given life in concrete organisational practices. The conceptions of 'innovation' and 'users' appearing in these contexts constitute the 'matter' that is to be elucidated and unfolded through an empirical study and a normative, philosophical discussion.

The analyses conducted in the thesis imply a double task reflecting two different research approaches, namely an empirical and a normative task. The challenges of such an approach links with the difference between the disciplines within which these two research activities typically are conducted; namely in social science (in this case) and normative, political philosophy. Political philosophy has no strong traditions for conducting empirical research. To the extent that it uses empirical material it is usually borrowed from other disciplines such as sociology, and often plays a subordinate and merely illustrative role in the arguments (Brown, 1995:108). In this thesis, the argumentation shall unfold through the analysis and discussion of the empirical material. The 'empiri' in the commonly used sense of the word is the case study conducted for the thesis. With the case study I have generated empirical insights on practices of public sector innovation. However, to elucidate the 'phenomena' of innovation and users, the literature and the ideas of public governance discourses have contributed each in their own way. Thus, I will argue that my experience of public sector innovation as a researcher, my *empeiria* (experience (cf. Irwin and Fine, 1995:581)), is constituted by all these sources. The analysis and discussion revolve around all three contexts of innovation. This 'empiri' is unfolded through a discussion and is not to be considered merely a 'fact' to be studied, described and explained. In relation to the ideas presented in the previous chapter, one may say that what I study is how 'innovation' is constituted through practices of academia, policy and organisational activities. And these are practices that I take part in when doing this research. In accordance with Hans Skjervheim's distinction between participant and spectator, the thesis *engages* and discusses the implications of ideas of innovation and users rather than merely represents them. The aim is, as mentioned in chapter 2, to participate in forming ideas of innovation and the public sector and to contribute with knowledge *of* the *political, democratic dimensions* of user-driven innovation, rather than *about* innovation as a *social fact*. Participation differs from objectivism that desires to see everything from the point of view of facts and factuality (cf.

Skjervheim, 1996:130-3). The political philosophical approach differs from most social science approaches with its knowledge *of ethics* rather than *about ethics as a fact* (cf. Skjervheim, 1996:133).

There was no relevant research already conducted on public sector innovation, which could be used to adequately discuss the political, democratic implications. Empirical research thus had to be conducted specifically for the thesis. The empirical study and the normative discussion cannot be viewed as two separate activities. It is not a case of normative discussion following after an 'objective' empirical study. The categories relevant to the empirical study cannot be separated from the normative research interest leading the research questions and understanding of the empirical phenomena. The categories guiding the empirical study are determined by the research question. This is not specific for this thesis. It is a condition for all research, whether this is a conscious well-reflected activity, or an unconscious one, led by disciplinary habits or traditions. As Habermas argues, knowledge constitutive interests that determine which categories are relevant for approaching empirical phenomena are present in all research (cf. Habermas, 1972). The empirical reality does not by itself present the relevant categories to the researcher. In this thesis, the relevant categories are the ones that enable a discussion of the political implications of certain ideas of innovation and users. However, in order to discuss the implications of public sector innovation, it must be clear how the phenomenon 'innovation' is understood. Thus, in order to precisely identify the relevant issues of a normative discussion I have had to make sense of the phenomenon in a way relevant for my perspective. Innovation and user-driven innovation have not previously been approached in this manner as far as I am aware.

This chapter is to help the reader understand the research process behind the text and arguments presented in the thesis. The sequence of the thesis does not follow the progress of cognition of the research process. Creating a text reflecting the progress and sequence of the insights gained through the research process would result in a heavy, extensive and unstructured 'detective story', which would withhold the main points from the reader until a very late point. The thesis is structured in accordance with the arguments on which I shall build my conclusion. That does not mean, however, that the arguments have been decided on from the beginning of the research process. The arguments have been formed through the work with the double perspective of empirical and normative strategies for understanding and discussing user-driven innovation. I have needed some knowledge of innovation to discuss it and have had to empirically unfold it. At the same time specific concepts have led the way in which it has been unfolded. The empirical study is conducted with the aim of uncovering the dimensions relevant for the normative discussion of implications of current understandings of innovation, and of discussing how innovation could be understood in a new way that holds the public dimension central.

## **3.1 Structure of the chapter**

First, my approach to the field of public sector innovation theory is presented. I have conducted a literature search and study in order to make the analysis and discussion in chapter 5. The description here includes the search, selection and analysis of the literature (3.2). Second, I briefly account for why I have chosen to discuss user-driven innovation in the light of public governance discourses. This presentation is restricted to the main choices relevant for the reader in order to understand the framing of innovation and the progression of argumentation of the thesis. This relates to the discussion and analysis in chapter 6 (3.3). Third, my study of innovation in a public sector organisation, The Danish Ministry of Taxation, is described. The presentation, which is the most elaborate in the chapter, includes a description of the role of the case study and the reasons for choosing the particular organisation (3.4). Besides, it is described how I have designed, conducted and analysed the interviews. I shall conclude with reflections about criteria for the validity of the study conducted (3.5).

## **3.2 Public sector innovation theory**

In order to gain knowledge of the concept and theory of public sector innovation I have sought for theoretical accounts that could provide me with an overview of the theoretical field of public sector innovation. I soon discovered that this could not be obtained via general introductions or literature reviews on public sector innovation theory. They turned out to be rare and often not mutually convergent (reviews are made by e.g. Røste, 2008; Becheikh et al, 2007; Osborne and Brown, 2005). Besides, they do not draw on the same literature, making it difficult to systematise the field with the help of these reviews. My first impression was that of a scattered field with very few mutual references. There was a need to systematise the field of public sector innovation theory in order to seek out the relevant issues to be included and discussed in the thesis. I initiated a broader search of literature in order to make sense of the theoretical ideas of public sector innovation and user-driven innovation.

### **3.2.1 Finding and selecting the literature**

My search was aimed at specific journals and search databases, and additionally I searched through references of the articles with what I would call an 'unravelling method'. By looking through references of the relevant literature it became possible to find more literature and thus additional references. I searched only for literature on 'public sector innovation'. Articles on 'innovation' or on the 'public sector' as such were not included. My first broad search did not pay off with regard to finding literature that was connected in a way which would enable me to draw the contours of a field. A few contributions seemed relevant and

## RESEARCH METHOD

worked with a definition of innovation in the public sector. A large part of the search results was case studies from very different areas with no connection between them and no helpful general definitions or insights. The field appeared very scattered and incoherent. Nevertheless, a few relevant articles and book were found through this approach.

Second, I used an 'unravelling method', finding additional literature through references. Through the references in the relevant texts I have identified further literature. With the contributions found through this approach a broader field opened. By systematically using the unravelling approach some common categories in the literature started appearing. I could then identify themes and research interests of a more general character across the articles and books. For example, most contributions have a definition of public sector innovation and most of them were interested in how innovations occur.

Third, once the categories were tentatively in place, a new broad search was conducted in the above-mentioned journals. A number of journals had also been found through the references used in the unravelling method.

I then selected the literature to include in the analysis. I have excluded contributions with case studies specifically about certain areas of the public sector such as schools, health care or elderly care. I also exclude literature using the term 'innovation' but really concerned with something else, such as reforms in general or very specific innovations such as specific technologies. Finally, I have ended up with around 120 contributions in the form of articles, books and research reports, which have been included in the further study. The publications are from the 1980s until today with a majority of articles dated after 1990. I include contributions concerned with *innovation* in the public sector.

I was surprised to find out that very few contributions on user-driven innovation in the public sector came out of my search. So few that I have chosen not to treat user-driven innovation separately in the analysis of the literature. In chapter 5 I have chosen a broader focus on the concept of 'innovation' as a specific kind of change. I found a number of articles on the user of social services, which did not relate to innovation as such. They will be included in chapter 6 where the discussion of the user concept is taken up in the context of public governance ideas.

I have come across a number of contributions on public sector *entrepreneurship*, which I included at first but later left out for reasons of delimitation. Public sector entrepreneurship appears as a separate research field or paradigm parallel to public sector innovation. This field appears more coherent than that of public sector innovation in the sense that the contributions share more of the same references. I could also have chosen to include these contributions, but appearing as a more or less separate paradigm it would require a separate analysis. In relation to the Danish public sector innovation agenda the idea of public sector entrepreneurship does not seem to have had much influence and is not mentioned in any of the documents which I have seen.



### 3.2.2 Analysing the literature

The analysis has been conducted by systematising the literature in different ways. I ended up writing different versions of a presentation of the literature before the final version in chapter 5. The first draft of the description included many sources and details. For the sake of reader-friendliness and to link the presentation more closely to the research questions and issues of the thesis I skipped a number of those details and references in the final version. However, this does not change the overall conclusions drawn from the analysis of the broad range of material. The research questions guide the selection of themes of literature included in the final analysis. Traditional innovation theory was not included in the first systematisation of the literature. Not until the final analysis was traditional innovation theory included in order to see how public sector innovation related to 'traditional' concepts and theories of innovation.

My first approach to the literature was explorative. It sought to identify general themes or ideas going across the various contributions despite the fragmented character of the literature as a field. The way I initially approached the theories of public sector innovation was influenced by my institutional affiliation in the sense that it guided my search in certain directions. Being located in the innovation research group at the business department of a university, I was surrounded by and guided by researchers with a certain approach to innovation research. Even though the research environment was diverse and the approaches differed, some traits and research questions were prevalent and came to influence my approach. In particular two factors stroke me, namely that the non-normative (a-political) understanding of innovation, and the interest in factors, i.e. barriers and incentives, for innovation that were also prevalent in the theories. From this approach, public sector innovation theory was presented to me as a scientific field that was to be separated from 'discourses' of innovation, such as those connected to NPM. The first systematisation resulted in a very broad and extensive text guided by the content of the material studied. The text was mapping the field more generally and presenting a number of different definitions of innovation. However, in the thesis the text has been heavily revised in order to fit more closely with the research purpose and to be part of a discussion of the political and democratic implications of certain understandings of innovation.

My study of the literature on public sector innovation led me to conclude that it is difficult to distinguish a 'scientific', 'theoretical' concept of public sector innovation from a more politically laden 'discursive' idea which is closely linked to e.g. NPM reform ideas. The reasons for this are: 1. The arguments for innovation in the public sector are very close to the 'mantras' of efficiency, effectiveness and responsiveness, found in NPM; 2. Many of the researchers mention NPM as an important factor for encouraging and setting a focus on innovation in the public sector; 3. Some of the most cited authors, e.g. Sandford Borins (2006), and Mulgan and Albury (2003), have been working with consultancy reports for

governments making it sometimes difficult to distinguish between scientific and policy oriented interests. Thus, while analysing the material it became increasingly difficult to understand the idea of public sector innovation as a 'purely' scientific or research concept. Still, this connection between theoretical and policy oriented approaches is not clear in all the theoretical contributions. Some rely more on 'traditional' innovation theory and show little or no common interests or arguments with broader public governance ideas.

It still led me to realise that in order to fully understand and be clear about the political, democratic implications of current understandings of innovation, the rationales found in the public governance context of 'innovation' and 'users' has to be included. However, I have kept the chapter with the innovation concept and theory as a separate chapter and presented the contextualisation in the following chapter. Upholding a perspective on public sector innovation as a theoretical concept and analysing the ideas of innovation theory is still relevant. It is relevant to discuss both the implications of current understandings of innovation and to discuss how we could imagine a different theory of public sector innovation.

The ambiguity and diversity of views related to the concept of public sector innovation meant that it was quite challenging to work with and difficult to grasp the different aspects of it. Not until quite late in the research process did I 'crack the code' and achieve an understanding of the concept of public sector innovation that I myself found satisfactory. That was after I had also analysed the idea of innovation and users in the other contexts.

### **3.3 Innovation and users in the context of public governance discourses**

In chapter 6, public sector innovation and the 'user' of the public sector are related to different discourses of public governance. These discourses are encountered in public administration research and in concrete policy initiatives, where they constitute broader frames for understanding the public sector. The obvious overlaps between arguments and ideas represented in public sector innovation literature and NPM led me to investigate this connection further. Besides, I found inspiration in Hartley's 2005 article "Innovation in Governance and Public Services: Past and Present". In this article Hartley presents three approaches to innovation connected to public governance paradigms and their implications for citizens, policy-makers and managers (Hartley, 2005:27). The rather broad and open concept of innovation is given more specific content through such ideas of governance. During chapter 6 I shall narrow down my scope to user-driven innovation and in particular to ideas of the user. By linking innovation to these governance ideas it also becomes clearer which developments of the public sector the idea of innovation functions to support. As ideas of user-involvement and users are present in this literature my discussion revolves

specifically around these different ideas of users and the public sector. I further draw on debates on the 'citizen-consumer' that particularly relates to the NPM paradigm. The discussion carried out here is not as narrowly and directly on 'innovation' as a specific concept of change as the one that will be represented in chapter 5. However, the perspective elucidates aspects of public sector user-driven innovation crucial for debating the political democratic implications of it.

The literature on public sector reform ideas shaping public sectors of the OECD countries for the past thirty years is vast as is the Public Administration literature concerned with public bureaucracies and implementation of policy. I have included literature presenting NPM and Network Governance as general ideas as well as literature linking these discourses to innovation. I have also included literature concerned with the political implications of NPM and the democratic theory of Network Governance. Further I draw on literature on the 'user' of public sector services and debates about the democratic implications of user-inclusion. In short, the analysis and discussion are based on literature debating issues related to the research interests of the thesis. Issues brought forth in the discussion in chapter 6 are thus not all new. They have, however, not previously been related to innovation and the rationales behind user-driven innovation. The arguments that have been raised in debates on e.g. user-democracy are relevant to revisit in order to elucidate implications of user-driven innovation. To bring the discussions even closer to my particular research interest I shall dig deeper into the arguments and open them up with concepts and distinctions of political philosophy.

I could have chosen other approaches to elucidate public sector innovation. For example, I could have made a systematic analysis of the innovation policies in for example Denmark or across various countries. A number of government strategies and documents exist written by central actors in Danish innovation policy making such as The Danish Council for Technology and Innovation (Rådet for Teknologi og Innovation), The Danish Agency for Science, Technology and Innovation (Forsknings- og Innovationsstyrelsen), The Danish government, The Ministry of Economic and Business Affairs (Økonomi- og Erhvervsministeriet) and the Ministry of Finance (Finansministeriet). I do not present a systematic analysis of such publications but include examples from them to illustrate how ideas of public governance are reflected in the Danish policy strategies.<sup>9</sup> I could also have made a more thorough study of different publications or conceptions of user-driven innovation such as consultancy reports and policy publications of different kinds and the sources of ideas inspiring them. In the 1990s practices of Participatory Design and Design Anthropology gained prominence in corporate contexts rendering the user a creative subject

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<sup>9</sup> A systematic analysis of Danish innovation policy is presented in Moltesen and Dahlerup, 2008 (this is not restricted to public sector innovation).

in design. And in the 2000s user-driven innovation received interest in a Danish policy context in relation to promoting business opportunities through strategic national policy (cf. Halse, 2008:174-6). These ideas and the methods of Participatory Design may have influenced practices in the public sector, which could also have been studied. Taking up such ideas in a discussion would probably point to other issues and ideas of the user than those discussed in the thesis.

Connecting public sector innovation to the broader governance discourses has, however, enabled me to identify rationales, arguments and assumptions also reflected in Danish innovation policy and government strategies. Obviously there is great variety in how these discourses are reflected in concrete initiatives and in different countries.<sup>10</sup> I shall illustrate with examples how the Danish public sector innovation agenda is highly inspired by general trends of public governance. The aim has been rather to point out relevant issues of democratic implications than to give a comprehensive account of the variety of different reforms or policies related to these discourses. This contextualisation of the ideas of 'innovation' and 'users' has allowed discussion at a more general level. The discussion revolves around how the citizen is reinterpreted as a user and how certain rationales found in broader reform movements shape the idea of innovation and give it concrete content beyond the more open and broad definitions found with 'theoretical' innovation concepts. However, the discussion remains at a general level and does not reach the level of more concrete organisational practices. This level, however, is reached via the case study.

### **3.4 Organisational practices of user-driven innovation**

An empirical study of the innovation activities in a public sector organisation, the Danish Ministry of Taxation, has been conducted. This study is important to supplement the theoretical and policy ideas of innovation and users with concrete insights into organisational practices for two reasons. One has to do with learning more precisely what 'user-driven innovation' in the public sector can be. The other has to do with the identification of relevant problematics for the normative discussion of democratic implications from the outset of a more concrete and practice-near understanding of innovation and users. This allows the discussion to move to a more detailed and concrete level, thereby elucidating new issues for discussion. The issues taking their point of departure in the particular case may not all be representative or generally relevant to all areas of the public sector. For example, in the particular case 'due process' (retssikkerhed) is a very central normative claim regulating practices towards citizens. This can be discussed

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<sup>10</sup> See e.g. Pollitt and Bouckaert (2004) for differences in implementation of NPM ideas. See also Ejersbo and Greve (2005) for an account of the modernisation reforms in Denmark since the 1980s where the Schlüter Government initiated the first one.

as a specific claim to 'generality' in the citizen-public sector relation, which may not be interpreted in precisely the same sense in other areas of the public sector such as schools or city planning.

With regard to understanding more precisely how 'innovation' and 'users' in the public sector can be understood, their multifaceted and ambiguous character calls for some clarification. They appear in a number of different ways in theory and policy strategies, and do not appear unequivocally defined and easily comprehensible. One thing is how innovation and users are theoretically conceptualised and defined in policy initiatives, another is how they are perceived and brought to life in an organisational practice. The case study will by studying practice show a concrete example of how innovation is understood and guide practices, and thereby help to get a firmer grasp of the phenomenon in the attempt to understand and discuss it despite its ambiguity. It elucidates an example of what happens in a public sector organisation when working with user-driven innovation. The point is to include a more concrete, complex and full-bodied picture of user-driven innovation in the public sector in the analysis and discussion. The role of the case is thereby to specify what public sector innovation can be and how notions of 'innovation' and the 'users' are perceived and given life through the concrete work in a public sector organisation. The case also elucidates how perceptions of the users are reflected in methods for user-inclusion.

The epistemological status of the case study is not superior to the other contexts in which innovation is unfolded as the research aim of the thesis is not primarily empirical. The case study contributes together with the insights from theory and policy ideas to define the phenomenon and direct the normative discussion. In some senses the use of the case in this thesis thus differs from how the case study is often presented as a method in social science. The use of the term 'case study' can thus seem misleading, given the deviance from most case study uses. However, there seems to be no other appropriate term. I will thus explain more specifically how the case appears in the thesis.

### **3.4.1 Case studies as a method in social science**

The case study is a widely used scientific method of the social sciences. We find case studies in for example sociology, political science (Thatcher, 2006:1631) and management (Gibbert et al 2008:1465). Still, the case study method is sometimes held in low regard or simply ignored as a scientific method (Gerring, 2004:341). According to Yin, most social science textbooks have failed to consider it a formal research method at all (Yin, 2003:12).<sup>11</sup> One

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<sup>11</sup> Yin defines case studies as an empirical enquiry that investigates a contemporary phenomenon within its real-life context, especially when the boundaries between the phenomenon and context are not clearly evident. Case studies are adopted when researchers need to understand complex social phenomena. They allow the researcher to retain the holistic and meaningful characteristics of real-life events (Yin, 2003:2; 13).

concern regards methodological rigor. This is defined for example in terms of validity and reliability and often specified by criteria of: internal validity, construct validity, external validity and reliability, in correspondence with a positivist position (Gibbert et al 2008:1465-6). These criteria are also the ones presented as the quality criteria for case studies by Yin (Yin, 2003:34) who is one of the most cited authors on case study methods. Discussions on the claims for methodological rigor and generalisation of knowledge seem to be rather prevalent in the literature on case studies (Flyvbjerg, 2006).<sup>12</sup> Generally it seems that positivist inspired considerations and concerns are influential in the methodological literature on case studies. Case studies are for example discussed as a tool for generating and testing theory (Gibbert et al, 2008; Eisenhardt, 1989) or for studying correlative relations or proximate causal relationships (Gerring, 2004:347). This reflects a nomothetic view on theory and science (cf. Langergaard et al, 2006:126).

However, as with interview methodology (e.g. Alvesson, 2003:15-16, Kvale, 2007) some distinguish between positivist inspired and interpretive approaches. Thatcher relates this to two overlapping answers to what cases are good for, found in social sciences. One is that cases can help identify causal relations (the causal case study), another that they can help understand the world views of the people they study (the interpretive case study). The first one is in search of laws or mechanisms while the second is associated with the hermeneutic strand of social science (Thatcher, 2006:1631-2). I shall elaborate in the section on interviews how the thesis relies on elements of a (critical) hermeneutic research approach to the interviews.

### **3.4.2 The case study of the thesis**

The role of the case study in the thesis is not fully in line with any of the above definitions. Firstly, the aim is not to generalise across a larger set of units, even though generalisation is often understood as analytic generalisation, referring to generalisation from empirical observation to theory, rather than statistical generalisation referring to generalisation to a population (Gibbert et al, 2008:1468). The case study conducted here could, however, be defined as elucidating features of a larger class of phenomena, public sector organisations and citizens, even though this should not be understood as if generalisations are made on the basis on the empirical material in itself. I am not generalising my findings from the case study to other public sector organisations. Instead I use the case study to discuss concepts of citizenship and the public sector and reflect upon how they may be generally relevant to a concept of public sector innovation. As concepts they already imply a claim to generality. The empirical observations do not in themselves lay the ground for a theory on public sector innovation, but will contribute in combination with the concepts of political philosophy to the discussion of the general characteristics of public sector innovation and of the claims to a

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<sup>12</sup> See e.g. Flyvbjerg (2006) for some of the common critiques of case studies.

theory. The case study may be seen as a way of anchoring the conceptual discussion in practice and to shed light on the philosophical concepts rather than on the empirical ‘class’ from which it is taken. The case study serves to qualify the theoretical discussion and to bring a contemporary and concrete example of an approach to user-driven innovation into the discussion. It is thus not merely illustrative but plays an important role in the directing and opening up the analysis and discussions. The concepts discussed and defined on the basis of this are ‘general’ in the sense that they can apply to public sector organisations in so far as they are public. However, the case also elucidates that the general concepts have different concrete manifestations related to the very different tasks of public sector institutions. The case study is thus part of the discussion aimed at clarifying normative questions.

In this sense the approach shares something with normative (Thatcher, 2006) or ‘phronetic’ approaches to case studies (Flyvbjerg, 2001; 2006).<sup>13</sup> However, there are important differences, too. According to Thatcher, “*normative case studies aim to contribute to our understanding of important values – to ideas, for example, about what a good city neighbourhood should provide*” (Thatcher, 2006:1632). They combine empirical observation with normative assessment and are thus particularly suited for analysing ‘thick’ ethical concepts such as courage that have both descriptive and normative dimensions which cannot be entangled (Thatcher, 2006:1632). They differ from both causal and interpretive case studies because they contribute to a different kind of theory, namely a normative theory about the ideals and obligations we should accept (Thatcher, 2006:1635). Normative case studies are based on the belief that we can make better judgement about values by reflecting on actual cases and that such reflection is important for ethical growth. It thereby contributes to normative theory just like causal and interpretive case studies contribute to explanatory theory (Thatcher, 2006:1637). Thatcher’s idea about the normative case study is partly inspired by Flyvbjerg’s phronetic research. Phronetic research is concerned with analyses of values and interests and with “*things that are good or bad for man*” (Flyvbjerg, 2001:7; 11). Flyvbjerg’s phronetic organisational research conducts its analyses with the aim of organisational change (Flyvbjerg, 2001:11). The focus is on applied ethics, situational ethics rather than on morality (Flyvbjerg, 2001:25).

Where Flyvbjerg’s approach relies on a situational and contextual understanding of ethics and an emphasis on values and thick ethical concepts, the thesis discusses the normative dimensions in a different manner. The focus is not merely in the values expressed in the case but a discussion of these in relation to known normative philosophical concepts. This enables the discussion to have a horizon reaching beyond the given values and to point towards potentially more just arrangements in line with the critical approach described in

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<sup>13</sup> ‘Phronetic’ refers to the intellectual virtue phronesis described first by Aristotle as presented in chapter 2.

chapter 2. So even if the thesis is concerned with values and practical reason, it is not primarily about the concrete organisation, and the knowledge generated is not only based on the study of the organisation. Rather the normative concepts will be qualified, specified and showed relevant in the encounter with the case study. The thesis shares with Flyvbjerg the recognition of the situated character of the researcher as part of the reality being examined. It is not based on any illusions about a 'view from nowhere' (cf. Flyvbjerg, 2001:12). Instead the researcher is influenced by the same social conditions and orders as is the object of study; in this case the organisation. That the researcher in principle is always situated and thus also embedded in the society or social conditions studied is also stressed by critical theory, as mentioned in chapter 2 (cf. Langergaard et al, 2006:150-154).

In the analysis and discussion the case is meant to highlight empirical and normative characteristics of the relationship between public sector organisations and citizens that underpin the practices of user-driven innovation. These characteristics are specific to public sector organisations even though they may not be equally relevant for all public sector organisations. The public sector is characterised by a variety of tasks spanning from infrastructure, health, education, police, military and elderly care. Correspondingly there is a variety of different interfaces with citizens; each with different characteristics in the concrete contact situations. The next question is then why this particular case is considered suitable in relation to the questions of the project.

### **3.4.3 Why this particular case?**

The Danish Ministry of Taxation works explicitly with innovation and has done so for some time now. It was one of three ministries behind the establishment of MindLab in 2007, a cross-ministerial unit working with user-based innovation. During the time of the case study an independent office for 'Innovation and Knowledge Sharing' was established. Thus, it is an organisation actively working with innovation and user-driven innovation (denominated user-centred in the Ministry). Further, the Ministry has experience with a variety of user-involvement methods, spanning from more traditional quantitative surveys over qualitative methods of focus groups and observations to art-related experimental methods and so-called cultural probes (a kind of diary studies) and interviews. This makes the case particularly suited for investigating the relation between different methods of user-involvement and different notions of the citizens and users and their relation to the public sector organisation. The way in which innovation projects are carried out in this particular organisational context is closely related to the perceptions of the users as are the methods chosen for user involvement.

However, the main argument for the relevance of this particular organisation relates to the characteristics of the Ministry of Taxation as a public authority. The Ministry serves a



core function for the state and public sector. With the collection of taxes the Ministry provides the financial conditions for the public sector as a whole. What makes the particular organisation interesting with regard to the discussion in the thesis is its double role of service provider and authority. This double role may help elucidate the conceptual tensions between a 'citizen' approach where e.g. rights and duties are constitutive for the relation to the public sector, and a 'service' approach to the users. As an authority the rights and duties play a central role in the Ministry's relationship with the citizens. These rights and duties give rise to certain rules and procedures in the interactions between citizens and the organisation as well as in handling their cases. These considerations regard e.g. equal and fair treatment, due process and the fact that citizens have certain obligations towards the tax authorities. All citizens have a relation with the organisation, exactly because they are citizens, and such a relation cannot be seen with organisations in a market and their customers. The tax area is highly law regulated and considerations about rule of law/due process are declared part of everything the Ministry does (Skatteministeriet: Samarbejds erklæring til borgerne). Thus, in important respects the Ministry of Taxation differs clearly from a private sector service organisation. It is even an organisation where rights of and duties towards the citizens play a more prominent role in the activities of the organisation than in most public sector organisations. The 'authority features' of the organisation are strong so to say and correspondingly the 'service provider features' apparently weak. One could object that the organisation is then a bad case of a public service provider. The options for individualising services or of introducing competition seem weak. There is even no 'proper' service provision in the most commonly used sense of the word. These characteristics of the relation between the authority and the citizen may not be equally obvious in all parts of the public sector service provision and it may not be an 'exemplary' user relation. Some organisations may on the surface appear to have more characteristics in common with a private service organisation. However, precisely this makes it a good place to study the citizen as user. The citizen characteristics are constitutive in all public sector and citizen/user relations, since the reason why the users are receiving the public services is their capacity as citizens. Nevertheless, this relation shows itself in different ways depending on the particular public service in question. The case selection strategy is thus based on the clear features of the case as an example of a public sector authority.

The case selection method may be characterised by Flyvbjerg's expression as an 'extreme case' (Flyvbjerg, 2001; 2006). The 'extreme case' is well-suited for getting a point across in a dramatic way. It is especially problematic or good in a closely defined sense (Flyvbjerg, 2006:231-2). The case is extreme in the sense that it at first glance seems particularly good as an (ideal) typical example of a 'public' sector organisation with its strong authority features. In this sense it may help highlight general features of the research issues in question, i.e. more general points about implications of user-driven innovation in a public sector context (cf. Flyvbjerg, 2001:80; Flyvbjerg 2006:230). The case represents in a

clear way specific characteristics of the relationship between the citizens and the public sector that are not well understood within for example a commercial, exchange logic.

### **3.4.4 About the case**

The study takes its starting point in two specific projects on user-driven innovation, named project 'Experience of due process' (Projekt oplevet retssikkerhed) and 'BOIS' which is short for 'Betalingsområdet i SKAT' (Payment in SKAT), respectively.<sup>14</sup> These projects function as starting points and are not the issues of analysis as such. The unit of analysis is rather the organisation as a public authority working with user driven innovation. In particular, I study the ideas and rationales linked with innovation and users that guide the user-driven innovation activities.

One of the primary strengths of the case study method is its ability to deal with a full variety of evidence: documents, artefacts, interviews and the like (Yin, 2003:8). This strength is utilised in the project by including written documents from the organisation in general and on the specific projects. Besides, I have interviewed a number of employees of the organisation. These documents and interviews<sup>15</sup> are concerned with the two projects studied; the general work with innovation in the organisation; and with the strategy of the organisation. The document material from the organisation was received during the time of the case study from the employees being interviewed. This included documents about 'Experience of due process', namely the final reports from MindLab, the documents written for the 'following group' internally in the organisation, some documents showing how survey questions had been altered after the project and lastly, a comparison between the results from the focus group and the Taxation Ministry's 'Declaration of Corporation to the Citizens' (Samarbejds erklæring til borgerne). MindLab had written this comparison. The BOIS project did not have any official project description so the written material from this project was more limited. The material included a power point slide show comprised for internal use by the initiator of the project. I also received a publication regarding one of the methods used in the user-inclusion part of the project, the so-called 'Service Journey'. Regarding the organisation more generally, material from a project named 'Good language in SKAT' was included. Besides this, information about the organisation found on its webpage has been used. These documents are used in line with the interviews and I do not distinguish in any particular way between the two types of sources in the presentation and analysis of the case. However, I am aware that the type of insights derived from the two sources differs with regard to being formal or informal accounts and more or less personal accounts. The main insights are derived from the interviews where I also had a chance to ask elaborating questions about the innovation activities.

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<sup>14</sup> The details about the two projects are explicated in chapter 7 that introduces the case.

<sup>15</sup> The details on the interviews are described below in the section on interviews.

### 3.5 Interviews

The interview method was found particularly suitable for this case study for both practical and more principle reasons. Most innovation activities are not fully documented in written material from the organisation and this documentation gives me no chance to dig deeper into the issues specifically important to my research question. An interview study made it possible to structure the study around central issues of the thesis and to ask questions in relation to these issues while at the same time staying open for input and themes brought up by the interviewees themselves. All interviews were conducted as semi-structured interviews.<sup>16</sup> The process has not followed a completely linear progress. The openness of the method leaves room for surprises, changes and reformulation of concepts, and also makes it possible to follow leads in the situation (cf. Kvale, 2007:91). Thus, the method also made it possible to gradually widen the knowledge horizon and use interviews to elaborate on issues that turned up in previous interviews.

The interviews are concerned with rationales and ideas linked to innovation and users reflected in practices of innovation and in choice of user-inclusion methods. Methods of inclusion reflect which features of the user the organisation considers to be relevant to learn about. These perceptions and ideas are studied as presented by the employees of the organisation. The interview statements represent perceptions of users and innovation found in the organisation as they are reflected at an official level, in management discourse and strategies and by the more informal everyday perceptions among employees who are somehow working with user-driven innovation. In variance with Kvale the interviews conducted are not to be considered life-world interviews, in the sense that the experiences and life of the interviewees *as persons* are central (cf. Kvale, 2007:40).<sup>17</sup> In the interview situation the interviewees rather represent *employees* of the organisation giving accounts of the work and activities with innovation and the rationales behind these activities. Some of these accounts may be more personal while others may reflect collective views of the organisation. Again some may be seen as the reflection of the formal strategies and missions of the organisation. I do not give distinctions between these types of accounts any particular role in the analysis and further do not give any particular weight to the positions of the different employees. As Alvesson points out, several kinds of accounts may in principle be present in an interview situation. He sees interviews as existing in a field of tensions

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<sup>16</sup> According to Kvale, semi-structured interviews are apt for getting descriptions of the life-world of the interviewees in order to be able to interpret the meaning of the described phenomena (Kvale, 2007:19). Kvale's approach centres on the so-called 'life-world' interview where central themes in the everyday life-world of the interviewee are studied (Kvale, 2007:40). This life-world approach is not the one taken in this project.

<sup>17</sup> The life-world approach seems similar to what Alvesson calls the romanticist approach. The romantic approach views the interview as a genuine human interaction where establishment of rapport, trust and commitment is crucial for studying the inner world (meanings, feelings, ideas, intentions) of the interviewee. The goal of interview studies is here to accomplish a deeper and fuller understanding of those aspects of subjects' lives that we are interested in (Alvesson, 2003:16-7).

between different logics, such as communication of facts and experiences, political action, script following and impression management (Alvesson, 2003:14). I also recognise that different logics and types of accounts may be present in the interviews but shall not attempt to identify or distinguish between such logics.<sup>18</sup> I accept, however, that the case study may include accounts, which may not at first hand appear coherent and tension-free. Nevertheless, by linking the interviews with my pre-understandings of the organisation and the topic I attempt to get closer to what is at stake. I shall present the steps of the process in order to let the reader follow the way to the analysis.

### 3.5.1 Planning the interviews

Planning the interviews involved thematisation and design. Thematisation involves clarification of concepts and theoretical analysis of the topic in question and the formulation of the research question (cf. Kvale, 2007:99). The research question was from the beginning theoretically informed in the sense that it rested on certain theoretical distinctions and knowledge about the recent developments of the public sector. The thematisation also includes questions about what is the topic under study and the aim of the study, how is it conducted, and with what interviews and analysis techniques (Kvale, 2007:102). The design stage covers planning and preparing the methodological procedures for generating the desired knowledge (Kvale, 2007:105). The interview design was structured around a number of themes based on the overall research question of the Ph.D. project. It was based on knowledge of the topic in question (user-driven public sector innovation) as well as theoretical concepts from political philosophy such as the 'public-private' distinction, 'citizenship' and 'general' versus 'particular interests'. The idea of the design of the interview guide was to leave openness to the interview study in two senses. First, while conducting it, i.e. openness with regard to surprising or unexpected input or events. Second, to leave room for later discussion of how the interviews may be understood in relation to concepts in political philosophy. In this way the interview design becomes structured around certain themes derived from a theoretical pre-understanding of the topic. The interviews conducted were explorative rather than hypothesis testing and followed an open structure. The interviews were centred on certain themes to be examined by following the interviewee and trying to get new angles on the topic (cf. Kvale, 2007:104). The interview guide was not a checklist and the emphasis on different themes varied from interview to interview.

The interview guides were designed around the following themes:

- Factual questions about the specific tasks and position of the person and the innovation projects

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<sup>18</sup> I do not follow Alvesson's reflexive analysis approach. This approach involves working with alternative lines of interpretation and reinterpretation through the systematic involvement of different theoretical approaches (Alvesson, 2003:14).

- Methods for user-inclusion
- Innovation activities
- The idea of innovation
- User
- Citizen
- Customer
- Value of user-inclusion
- Specific challenges of the public sector context/the role of the public sector
- The organisation as service organisation and as authority

These themes were presented to the primary contact person of the case organisation (Head of Department at the innovation office, Helle Vibeke Carstensen) in order to find out whether they did at all concern matters that were relevant to study in the case in question. Since her reaction was positive and it helped her identify the two projects that would be relevant to study in depth, I brought the themes with me to the initial interviews with project leaders of the two projects. These interviews helped me identify further issues, which would be relevant to study more deeply in the following interviews in order to elucidate my research topic. Here the strength of the openness of the semi-structured interview was used to let the interviewees give their own input to the themes of the interview. The interaction of the organisation thus played a role in specifying the themes of the interview and designing the case study.

### **3.5.2 Formal agreement with the organisation**

Before the interview study I made a formal agreement with the Head of Department at the innovation office. Informed consent from the persons participating in the interviews was obtained. All interviewees were informed in advance about the project and its research questions. They received a short description of the project written for the purpose. Besides this, at the beginning of the interviews all interviewees had the chance to ask further questions about the project and the purpose of the interview. Since the semi-structured interview is based on openness to be able to follow unexpected tracks and themes brought up by the interviewees, the more concrete content of the interview could of course not always be planned in advance. The issues discussed in the interviews were neither strongly emotional nor personal issues which would have led to specific ethical considerations. Nevertheless, employees participating in the interviews express their views on certain organisational matters and strategies that with the publication of the thesis will be publicly exposed. As this may have consequences for the employees participating I made an agreement before the interviews started with the contact person at the Ministry. This agreement contained a description of the aim of the study and a list of questions, a short description of how the interview would be used and cited in the thesis, an agreement about

how I would report to the organisation, and lastly a time frame. The agreement also allowed the Head of Department at the innovation office to read the analysis and description of the organisation before publication. The agreement was that she would involve and ask the interviewees in case she found reason for them to see and approve of the representation of the organisation in the thesis. This, however, she found unnecessary after reading the chapter containing the case analysis and description. This was also a way to ensure that my interpretation of rationales and events did not appear completely unrecognisable to the organisation.

### **3.5.3 Conducting and transcribing the interviews**

The case study was conducted in the period between October 2009 and July 2010 and amounted to 14 interviews with 12 persons. The interviews lasted for one hour each. The first interviews were conducted as introductory interviews in October 2009, and the following interviews were conducted during spring 2010. Besides, I attended a conference on digitisation and due process held by the 'Head of due process' (Retssikkerhedschefen) of the Ministry on the 25<sup>th</sup> of March 2010. As part of the case study I did a short presentation of my work at the office for Innovation and Knowledge Sharing. This presentation gave me further insight into the organisation even though I do not systematically include my experiences of this event in the analysis. Besides, I have had regular meetings with the Head of Department at the innovation office where we have talked about my project and the activities of the Ministry. These activities form the background knowledge and are part of my pre-understanding of the organisation and its innovation activities in combination with the interviews and documents.

The full series of interviews was not planned from the beginning. I started out interviewing employees who had participated in the two innovation projects, either as project leaders, consultants, worked directly with the user inclusion processes, or with implementing the results of the user-inclusion activities. Besides, two of the persons were interviewed regarding the work with innovation and the organisation more generally.

The interviewees were:

- Pernille Nygaard, project leader of 'Experience of due process' (Interviewed October 1, 2009 and April 4, 2010).
- Majken Præstbro, project leader and involved in user inclusion in BOIS (Interviewed October 1, 2009 and December 16, 2009).
- Niels Zachariassen, initiator of the original BOIS project (Interviewed January 25, 2010).
- Jacob Schjørring, project leader in 'Experience of due process' from MindLab (Interviewed February 8, 2010).

- Cristina Holgaard Sørensen: Leader of project 'Good language in SKAT' (Interviewed February 10, 2010)
- Tom Axlev, employee responsible for the survey work at the Ministry and for implementing the results of 'Experience of due process' (Interviewed March 2, 2010).
- Peter Kallfoed, employee in the legal office, who followed the work in 'Experience of due process' and had been involved in a project very similar to it (Interviewed April 16, 2010).
- Jane Gyberg Rasmussen, involved in the user involvement process in BOIS (Interviewed April 26, 2010).
- Susanne Hinrichsen, 'project leader' in BOIS and responsible for the reformulation the project (Interviewed May 6, 2010).
- Stine Dahl Børglum, involved in the user involvement process in BOIS (Interviewed May 19, 2010).
- Inge Nydal Jensen, 'process owner' at the motor office and responsible for carrying out the results of the user inclusion work in BOIS (Interviewed May 5, 2010).
- Peter Loft, Permanent Secretary at the Ministry of Taxation (Interviewed June 15, 2010).

The interviewees were chosen as the study went along, opportunities opened and it became clearer who would be relevant persons to interview. I could have interviewed other employees instead, for example front-line staff of tax units or others from the innovation office. However, the people interviewed were those close to the innovation activities of the two projects that the study took its departure in. By interviewing these employees I got insight into the rationales behind and concrete activities of user-centred innovation. Besides, one employee, Christina Holgaard Sørensen, has been with the organisation for 10 years at the time and has a longitudinal perspective on the development of the organisation. The Permanent Secretary, Peter Loft, could provide me with a general perspective and considerations from administrative top-level. I wished to do a couple more interviews, one with a user that had been working with the organisation and one with the Head of Due Process (Retssikkerhedschefen) They were, however, not interested in participating. I shall briefly return to the implications of this in the presentation and analysis of the case in chapters 7 and 8.

The questions asked were not exactly the same in each interview but they always centred around the themes of the interview guide. The guide was not followed minutely and sequentially in each interview since they differed in nature and some interviews were follow-up interviews, mainly focusing on getting deeper into specific issues. The semi-structured nature of the interview left the interviews to some extent open to the input and

the themes which the interviewees found most relevant. If interviewees focused a lot on one issue, such as the methods for user-involvement and gave very elaborate answers, I would leave space for that.

All interviews were recorded and afterwards transcribed in full length. The transcriptions were used as the basic material in the further analysis. The analysis phase of the project was running over a long period of time of which a major part took place months after the interviews were conducted. Having the transcribed data available for re-evaluation and as basis for analysis gave me the chance to see the full interview and evaluate all parts again in the light of new insights. This was an advantage given the way the case study more generally was approached, namely in an open and explorative way. Even though the study was guided by some main themes or topics of interest it was impossible to decide in advance which parts of the interviews were most relevant in the final analysis. By transcribing the interviews in full length the investigation was kept open for the analysis to take different turns and include different themes or topics, which may have turned up in the interviews, even late in the process.

### **3.5.4 Analysing the interviews**

The case study is presented in two chapters of the thesis, chapter 7 and chapter 8. Chapter 7 contains a general presentation of the organisation and its innovation activities. Here the background for the work with user-driven innovation and the rationales behind the increasing interest in the citizens as users are presented. The presentation draws on written formal material and interviews. The interviews and the stories about a strategy shift in the organisation told by several interviewees have guided me to select what I considered relevant background information. Besides, written material on the work with innovation has made it possible to give a broader presentation of the innovation work. This chapter is to introduce the background and organisation to the reader before the analysis and discussion in chapter 8.

In chapter 8 the interviews will be analysed and sometimes supplemented by written material. Here my analysis aims to open a normative discussion on the basis of the case study. The aim is to discuss the implications of the ideas of users and innovation and to consider how to perceive the citizens and the innovation activities in ways that are specifically aimed at strengthening the public dimension of the public sector. Thus, concepts from political philosophy are brought into the analysis to discuss the political democratic implications of the ideas and practices of user-driven innovation. The categories to be presented in chapter 4 that underlie the research questions of the thesis are for example those of 'public', 'general' and 'citizenship'. The analysis of the interviews brings these ideas in relation to the case study by attempting to identify how the interviews express ideas of



these notions. The interviewees do not always explicitly use these terms; however, their statements express ideas of what is considered central of the organisation as a public authority and how the citizens are perceived.

Concretely the analysis has been based on the transcribed interviews and my memory of the interview situation. The interviews were in the first instance analysed on the basis of the themes of the interview guide. The transcripts were thus systematically read through with the aim of categorising (cf. Kvale, 2007:195), i.e. sort out what had been said about the themes from the interview guide. I sought out what was expressed about the organisation and its relation with the citizens, about the citizens, methods for inclusion and general consideration regarding innovation. This made it possible to draw a picture across the different interviews, even though some interviews held statements about things that were not mentioned elsewhere. I saw the interview statements as different representations of the activities of the organisation. I did not expect a non-contradictory picture to come out of comprising the interviews as I soon realised that there was not a streamlined consensus about the issues I took up. There was, however, some issues that most interviewees seemed to agree upon.

Thus, the strategy for analysis did not claim the coherence and internal consistence of the material into a contradiction-free whole which a hermeneutic analysis as presented by Kvale has. In this sense it is closer to a dialectic understanding of the material as containing potential inherent contradictions, for example as expressions of contradictions of the social reality of the interviewees (cf. Kvale, 2007: 64-6). However, the analysis still attempts to make sense of the contradictions to understand how the 'whole' may contain what at first hand seems ambiguous. As indicated with considerations on my 'pre-understanding' with regard to understanding the organisation and its activities my approach to the case study is hermeneutic – and my cognition of it is best described as interpretive. That the analysis takes the form of a discussion also means that the statements about for example the 'users' or 'customers' are considered reflectively and tensions between the different ideas are included. This means that different interpretations and aspects of the implications are presented and discussed.

### **3.5.5 Validity considerations**

The aim of the research project is to debate and elucidate implications of innovation and users in the public sector. The validity considerations for the research regard both the normative argumentation and the approach and construction of the empirical elements included in the discussion. The empirical work conducted for the thesis may be assessed in accordance with criteria for qualitative research. These are formulated in different ways as for example validity, generalisation and reliability. Kvale describes these criteria, which by others are rejected as positivist and restricting qualitative knowledge. Kvale

reconceptualises them instead in a way to make them relevant for interview research (Kvale, 2007:226-7). Others present exclusive criteria for qualitative research such as: credibility, transferability, dependability and confirmability (Heldbjerg, 2006:22-23). I will not go into all these re-conceptualisations as the criteria of validity cannot be separated from the knowledge constitutive interest as described in chapter 2. More relevant is the relation between the hermeneutic approach and the emancipatory.

The empirical elements of the analysis are constituted through a process of interpretation. By exploring the ideas of innovation and users in the three contexts mentioned, I interpret and unfold them. The validity criteria for these interpretations rely to a great extent on transparency in the sense that the reader is able to follow how the interpretation has come about and evaluate the credibility of the study. There is not one finite and single interpretation of how to read the theory on public sector innovation or how to understand innovation in the organisational practices of the Ministry of Taxation. The interpretation can be discussed with other researchers, and other implications of the ideas could be emphasised. This regards confirmability by peers evaluating whether the given conclusions may be drawn from the material (cf. Heldbjerg, 2006:23). By systematically studying the matter, arbitrary interpretations are avoided. By remaining open to learning in the encounter with the material and to test prejudices and let them be replaced by 'better' prejudices, the matter can be understood better (cf. Gadamer, 1999:129-30). Thus, the interpretation is not arbitrary but reflects openness towards the matter and to readjusting prejudices. However, a hermeneutic approach in Gadamer's sense is in some ways at odds with a critical theoretical understanding of science. This is reflected in the Habermas-Gadamer debate. There are several similarities between Habermas and Gadamer; however, such as critique of instrumental reason (Mendelson, 1979:45) and the belief that our cognition is not unconditioned (Højbjerg, 2005:334).<sup>19</sup> One matter of dispute regards the critical potential of a hermeneutic approach aimed at understanding. In short, Habermas accuses Gadamer of failing to recognise the power of reflection that unfolds in *Verstehen* (understanding). The role Gadamer allots tradition binds understanding as historically prestructured through inculcated traditions. Reflection moves within the limits of what has been handed down. According to Habermas it seems impossible to have reflection that breaks with dogmatic forces of tradition and transcends or questions the given facticity from this perspective. Habermas states that reflection requires that the hermeneutic approach delimits itself. It requires as system of reference that transcends the context of tradition as such and becomes able to criticise tradition as well as understanding it (Habermas, 1988:169-70).

I shall not go deeply into this debate here but merely to clarify that a critical hermeneutic approach here means that the analysis of the 'matter', i.e. interviews and

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<sup>19</sup> See e.g. Mendelson (1979) and Højbjerg (2005) for similarities between Habermas and Gadamer.

written material of the case as well as the theoretical literature on innovation, goes beyond 'understanding' of the material at hand. It also critically discusses it by relating it to philosophical ideas that are not part of the agenda of neither the case nor the literature. The aim is as mentioned to elucidate underpinnings of the represented ideas and discuss whether we could think of the public sector and citizens in different ways in relation to innovation. The analysis thus shows that the current ideas and representations of the public sector are not necessary but chosen and thus contingent ones.

## 4 The public sector and citizenship: Setting the scene

This chapter sets the scene for the forthcoming analyses and discussions of the thesis. It introduces the political philosophical concepts and traditions from which the analyses and discussions depart and presents a normative idea about the public sector. Some of the concepts that are presented will be directly brought up in discussions in later chapters and thus further elaborated upon. Other ideas and thinkers are presented mainly for the sake of conceptual definition and clarity. Thus, not all ideas presented here shall be directly taken up in later discussions. The presentation also works as a framework for understanding the point of departure of the analyses. The chapter sets itself the task of presenting a political philosophical understanding of the public sector and its relation to citizens. In the introduction I mentioned the public dimension, or publicness, of the public sector and this is what I shall engage with here.

The research questions of the thesis indicate an interest in understanding what it would mean if 'public sector innovation' were to strengthen the public sector. The idea is to elucidate and discuss what it means for the public sector as *public* to adopt certain rationales and ideas linked with 'innovation'. This requires a clarification of the specifically 'public' that I argue should play a prominent role in theories and initiatives of the public sector. Further, in order to rethink the concept of public sector innovation in light of the public sector an idea of the public sector is necessary. Such an idea is important in order to conceptualise what it is that could be developed by innovation.

This chapter is the first step in an argument clarifying this 'public dimension'. It provides a basis for the discussions of the thesis by addressing questions: What is public about the public sector and why we *ought* to have a *public* sector at all? This further relates to what constitutes the relationship between the citizens and the public sector, as a state authority. There exist various theories and labels for states: administrative state, competition state, service state and supermarket state. Some of them have been discussed in relation to recent developments of the public sector (see e.g. Christensen and Læg Reid, 2002). Here the question is not how contemporary states can be descriptively labelled but rather what the state or public sector should do; in other words, why do we have a public sector and how can we conceive of its authority as legitimate? Such questions about the state and the public have been addressed in political philosophy. However, political philosophy has not had any particular interest in what we today think of as the public sector. In order to address the public sector I take my point of departure in the concept of the public rather than the state. The reason I have chosen the category of public relates to the development described in the introduction of the thesis: The boundaries between the public and the

private have become increasingly blurred and the role of the public sector is no longer clear. My hope is that I with the category of the public can elucidate what is at stake.

The public sector and public administration have traditionally been studied in Public Administration research rather than in political philosophy. But theories concerned with the public sector and state administration, under the names of Public Administration/Management or Governance, are on their side not particularly concerned with discussing the 'public dimensions' of the public sector. Rothstein mentions how normative political concepts like 'justice' 'rights' and 'virtue' do not take a prevalent place in political science today (Rothstein, 1998:2).<sup>20</sup> Even though public administration and governance theory are also to some extent normative and prescriptive, and sometimes explicitly concerned with questions of democracy, the attempt to explicitly address the normative foundation of the public sector is not a central concern. The question of the 'public' of the public sector is a forgotten question that I wish to address: How to *justify* what the role of the public sector should be and how it is constituted in political life?

In the forthcoming chapters I shall bring ideas presented here into discussions of the implications of ideas of 'innovation' for the public sector and citizens. Political philosophy does not, however, represent only one definition of citizenship, democracy or the public but encompasses a range of views and conceptions. I take my point of departure in ideas from what is typically presented as the dominant strands of Western political thought, namely the civic republican tradition and the liberal tradition (cf. Heater, 1999; Mouffe, 1992; Kymlicka, 1995).<sup>21</sup> Besides, we find Habermas's model of deliberative democracy and discursive public sphere bridging between these traditions. For Habermas questions of democratic legitimacy in advanced capitalist societies are a central concern and his perspective is thus relevant for the questions raised in the thesis (Benhabib, 1992:74; Fraser, 1992:109; Habermas, 1996:296).<sup>22</sup> It is impossible here to give comprehensive presentations of these traditions. As the aim of the presentation is to clarify the political, philosophical starting point for the analyses and discussions in the thesis, then distinctive ideas and concepts are more central than the particular thinkers.

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<sup>20</sup> Exceptions are authors like Eriksen (1993;1999); Rothstein (1998) who explicitly link normative political philosophy with public sector institutions.

<sup>21</sup> Forst presents republicanism as a strand of communitarianism (Forst, 2001:353), but most often the term communitarianism refers to a school of thought arisen in political philosophy in the 1980s and 90s, with thinkers such as Alasdair MacIntyre, Michael Sandel, Charles Taylor, who criticise liberal theories for not recognising the importance of community (Kymlicka, 1995:366; Ryan, 1996:292).

<sup>22</sup> Habermas's model of deliberative democracy presented in *Between Facts and Norms* from 1996, integrates elements from the republican and the liberal models in a concept of an ideal procedure for deliberation and decision-making (Habermas, 1996:296). This he does by relating his discourse theory to the category of law and by developing a normative theory of deliberative democracy (Habermas, 1996:7).

The chapter concentrates on three central concepts: The 'public', the 'general' (Danish: *det almene*) and 'citizen'. I shall show how the public refers to political common concerns. This idea helps to elaborate on what it means that the public sector is constituted to serve the 'common weal' of citizens and society as mentioned in the introduction. I argue that the public sector is related to political life and to the freedom connected to the common life of citizens. I shall link the distinction between public and private to a distinction between the general and the particular. The 'general' that is relevant for the public sector may be understood in two senses. In a sense related to universally binding norms or rights, and thus to citizen rights, and as 'general interest': an idea of common good that is irreducibly collective (or intersubjective in a Habermasian sense). I shall argue that we should not give up the idea of the general interest as it is central for understanding what the public sector should do and for the legitimacy of the public sector.

## 4.1 Structure of the chapter

The chapter starts out with a presentation of the distinction between public and private based on Arendt's presentation of how this distinction has developed. Besides, critical points from debates about the distinction will be presented (4.2). Second, I shall look closer at the idea of the 'general' as it appears in liberal and republican traditions, respectively. I derive two dimensions of the general; as general, common interest and as universal norms. I relate these to Habermas's ideas of deliberative democracy and procedures for public opinion and will formation as constitutive for the generality of public opinion (4.3). Lastly, the concept of citizenship will be presented. It is divided into three dimensions corresponding to three types of citizen rights: political, civil and social rights (4.4).

## 4.2 The public and the private – political versus domestic or economic

The thesis builds on a distinction between the public and the private that it claims should be related to an idea of public sector innovation. This distinction has roots back to ancient Greece and has undergone both development and controversy since then. Today, the distinction is encountered in a number of different disciplines such as economic theory (e.g. Brennan, 1995)<sup>23</sup>, Public Administration (Heffron, 1989; Harmon & Mayer, 1986; Henry,

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<sup>23</sup> In economics the public-private distinction appears in a distinction between public and private goods. A 'public good' is one, which "*is equally and totally consumed by all members of a relatively large group in such a way that no single consumer can be excluded from the benefits*", such as for example be ozone layer protection or nuclear deterrence. Private goods, for instance an ice cream or bread, can on the other hand be consumed by one or more individuals. There is a substantial literature in economics on public goods, which is dealing with 'market failure'. 'Market failure' more specifically refers to "*the failure of decentralised action to produce preferred outcomes, or rather the failure of market arrangements to motivate appropriate individual actions and to coordinate those*

1975; Perry & Rainey 1988)<sup>24</sup>, and political philosophy (e.g. Arendt, 2007; Habermas, 1996, 2009; Benhabib, 1992; Fraser, 1985, 1992). In political philosophy the notion of the public is typically conceptualised in terms of ‘public space’, ‘public sphere’, or ‘public interest’. The public sector and public services as such are not central concerns of political philosophy. Nevertheless, I shall argue that concepts of ‘public sphere’ and distinctions between the public and the private that are found in political philosophy can help elucidate the publicness of the public sector.

Public sectors of contemporary societies are formal institutions of the state or municipalities and thus not to be conflated with the ‘public sphere’. Nevertheless, the political character of issues taken up in the public sphere and the opinion and will formation taking place in the public sphere, are central for understanding the relation between citizens and the public sector. The organisations of the public sector are political institutions, which are politically governed. They are public in the sense that they are constituted to serve the public good or general will. Even though the scope and functions of public sectors vary from one country to another, and in different periods, they are all rooted in some understanding of the public, otherwise there would be no justification for their being public. The category of the ‘public’ refers to our common life. Habermas states that the state is a ‘public authority’ because its main task is to ensure the public and common weal of all citizens (cf. Habermas, 2009:50). I believe this expresses a widespread notion. Examples of such statements are even found in reports on public sector innovation, saying that “*there are activities in our societies that are directly controlled by the state and other public authorities, and that are – in one way or another – meant to service the common good of the citizens*” (Koch and Hauknes, 2005:1).<sup>25</sup> The public sector is concerned with public, common matters. What this means more specifically is however not always specified, and thus is worth studying more closely.

In *The Human Condition* Arendt describes how the distinction between public and private has altered from the Antiquity over the Middle Ages (and Roman-Christian thought)

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*individual actions to achieve desirable results. The signals from the market and the incentives created by the market are distorted and in the case of public goods this distortion is considered to be extreme*” (Brennan, 1995:144-146). This argument stays within the rationales of economic theory and thus seems to presume that the public and the private can be understood with the same economic terms, as building on the same logics, and as parallel activities with the public sector as a supplement to the market.

<sup>24</sup> Some might wonder why I have not instead looked to Public Administration for an appropriate distinction. Public Administration scholars have for decades been discussing what distinguishes public from private administration (cf. Heffron, 1989; Harmon & Mayer, 1986; Henry, 1975), but not even within this field have scholars reached any agreement on the distinctiveness of public administration as such. The paradigmatic development from Public Administration theory over New Public Management to Network Governance is often presented as resulting in a conceptual blurring of the distinction between the public and private (see e.g. Clarke, 2004). As mentioned, it is exactly this kind of conceptual blurring that I wish to counter. Besides, as mentioned, these traditions are not particularly concerned with the normative basis for the public sector.

<sup>25</sup> It is worth remarking here that even though it is mentioned by Koch and Hauknes they do not elaborate upon it.

through to modern time. In ancient Greece the public-private distinction corresponded to the distinction between *polis* (the Greek city state) and the household. *Polis* was the place for *bios politikos* (political life) and this was in stark opposition to life within the household. *Bios politikos* was determined by two activities: *praxis* (action) and *lexis* (speech). These activities constituted the field of human concerns that strictly excluded everything that was merely necessary or useful. To be political, to live in *polis*, meant that decisions were made via speech and persuasion and not with violence. *Polis* was the domain of *freedom*, and the only connection between the public and the private sphere was that the freedom of *polis* relied on the provision of necessities of household. The concerns of *bios politikos* that could be called public were not merely common; they were also raised above issues having to do with maintenance of life. The household on the other hand was the realm of necessities, the activities required for the maintenance of life. These sometimes included decisions carried out with use of violence, for example by use of slaves.<sup>26</sup> Necessities were in ancient Greece considered pre-political problems characterising the organisational form of the household (Arendt, 2007:52-57). The household was the place for *oikonomia*, the Aristotelian term for household management (cf. Irwin and Fine, 1995:565). *Oikonomia* is the roots of the contemporary word economy in which the distinction between common life and domestic life is lost. Given the sharp distinction between *oikonomia* concerning the necessities of the household and the political freedom of *polis*, Arendt remarks that the expression 'political economy' from an ancient perspective must have been a contradiction in terms. Instead the freedom of the public sphere meant both freedom from necessities and freedom to enter into a sphere without domination where all men were equals. Freedom primarily meant equality, and entering the public sphere was also something closely related to virtue and the 'good life'. The 'good life' was the life of the citizen who had raised himself above the necessities of life. When man took part in the political life of *polis* it was as a *citizen* (Arendt, 2007:55).

According to Arendt the specific distinction between the public and the private has been lost, and with it the idea of necessities of life as something restricted to the private sphere.<sup>27</sup> In Arendt's thought, freedom is central to the good life and to citizens participating in political life. Arendt's conception of politics may be relevant to understanding something

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<sup>26</sup> The ideal for public life in ancient Greece relied on the sustainment of certain relations making it possible for the few men that had the status as citizens to practice their political life in freedom. Thus, slaves, women, children and their labor in the domestic sphere made this free life of citizens possible (Benhabib, 1992:75).

<sup>27</sup> Arendt introduces a third category alongside public and private, related to the decline of the public realm. Arendt points to the 'rise of the social' beginning with the activities, problems and organisational forms for the household moving out into the public (Arendt, 2007:62). Here it was particularly concerns about necessities that were moved out into the sphere of common concerns. Economic concerns about the maintenance of life could now be understood as public and were not restricted to the private sphere. Benhabib defines the 'social' in reference to the institutional differentiation of modern societies into the narrowly political realm on the one hand and the economic market and the family on the other (Benhabib, 1992:74-5). The category of the 'social' is not central in the forthcoming discussions of the thesis and shall not be elaborated upon here.



about the public sector. We may understand political life as something, which is not reduced to distributive issues but as something also implying that citizens may positively gain freedom by living together and dealing with certain matters collectively.

#### 4.2.1 Political, common concerns

Arendt's distinction between public, political life and the sphere of the household ascribes a certain meaning to *politics*. According to Arendt, politics is not predominantly a matter of distributive justice or distribution of material things. It is about *freedom* in leading the good life, taking part in decisions concerning life in the community and about the equality of citizens. The conceptions of both the private and the political often have other meanings today. Today politics is often conceptualised and understood mainly in distributive terms, and questions of justice are predominantly understood as issues of distribution of benefits and burdens amongst the members of society (Young, 1990:15).

The discussion in the thesis will be carried out from a certain understanding of the 'political'. I consider participation in common decision making a precondition for individuals to actualise their rights and freedom as citizens and as human beings. I wish to argue for a broader conception of politics not restricted to issues of distribution of burdens and goods. Political life should concern questions of citizens' good life together and it constituted by participation and freedom. That we have a public sector indicate that we as society have chosen to collectively decide on and carry out certain tasks. In Denmark the public sector is even responsible for delivering certain welfare services to the citizens. If this is to be understood we need an explicit idea implying that positive freedom (freedom to) and life opportunities may be inherent elements of our common life (and not only in our private life). We also need to understand what common concerns are. As we shall later see, liberal notions of freedom centre on the private sphere as one of freedom; a sphere that should be protected from intervention from the public and the state as far as possible. Freedom is thus understood mainly in negative terms (freedom from). But, if we cannot clarify what we gain from solving certain issues together, the support for our public collective institutions will be difficult both to explain and to uphold.

However, it does not seem convincing to exclude matters about maintenance of life from the public as with Arendt's presentation of the Greek public sphere. Economic and distributive questions are *also* central political issues (which for example form the basis of social welfare benefits). Material conditions have an impact on the opportunities and actual freedom of people (and citizens). Political issues need, however, not be *restricted* to that. The point is that in order to understand the public dimension of the public sector the 'public' must imply something more than distribution of benefits and protection of private freedom.

The public sector in Denmark is constituted of institutions of state, municipalities and regions. The division of labour between them dictates their more concrete functions and

tasks that vary quite a lot in character, both with regard to the extent of direct contact with citizens and the nature of that contact. Some public tasks, for example, have to do with building and maintenance of infrastructure, an irreducibly collective societal task. It may involve some extent of citizen contact in particular with regard to planning. Others have to do with elderly care, or care for people with disabilities, tasks that imply an even closer, sometimes intimate, relation with citizens. The tasks of these institutions cannot, however, be reduced to purely individual services as they have a public dimension, too. The pupil at the school is not receiving a service but can be said to take part in an education, which is a larger societal and democratic matter. Public matters regard the whole of society in the sense that they are basic for the good lives of citizens, individually as well as together. In accordance with Eriksen, I view the concerns dealt with by the public sector as concerns that are important for the lives, freedom and health of citizens (cf. Eriksen, 1999:99). They are public and relate to a shared responsibility and shared gains. They reflect what may be considered central for a just and good society, and may concretely include areas such as education, health, authority regulation and different kinds of welfare support. Further, the responsibilities of the public sector relate closely to citizenship and to ensuring the conditions of citizen for them to actualise their citizen rights. The citizens' claim to respect and participation in society is the foundation for the *raison d'être* of the public sector (cf. Eriksen, 1999:20). Common for the institutions carrying out these tasks is that they are public and thus concerned with common, political matters and concerns and collectively funded via taxes. This is the central dimension here, and in this perspective there is no need to distinguish further between different types of public sector organisations.

Having now addressed the 'public', the other side of the distinction 'the private' remains to be defined.

## 4.2.2 The private

*Private* originally meant to be *deprived* of something, namely the highest and most central of the human faculties to take part in political life. Today the private is connected to a sphere of intimacy and not perceived of as a sphere where one is deprived of something (Arendt, 2007:62).<sup>28</sup> Romantic love, the nuclear family and increased prosperity have changed the view on private life so that it is no longer perceived as impoverished in comparison to political life (Kymlicka and Norman, 1994:362). One could almost claim that today the opposite is the case. With the liberal idea of negative, personal freedom taking a

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<sup>28</sup> According to Benhabib Arendt should not be read as a nostalgic thinker, and the story of the decline of public space in modernity is not to be interpreted as a *Verfallsgeschichte* (a history of decline). Instead Benhabib encourages us to bear in mind Arendt's methodology that conceives of political thought as 'story telling'. Viewed in this light Arendt's story of the transformation of public space is an exercise of thought. It digs under the "*rubble of history to recover those pearls of past experience, with their sedimented and hidden layers of meaning, so as to cull from them a story that can orient the mind to the future*" (Benhabib, 1992:76).

predominant position and marginalising other notions of freedom, the idea of collective freedom seems almost impossible (cf. Thorup, 2009:236).

Two meanings of the 'private' can be extracted from Arendt's presentation, which in the Greek thought are interrelated: the private as *economy*, having to do with necessities of life and the private as that belonging to the *household and family* (domestic) life. The latter is in contemporary thought close to a notion of the private as an intimate sphere and relates to the use of the word 'private life'. The market economic sphere can today be seen as private in the sense that it is part of the private sector. It relates to private preferences and to exchange at the market. This distinction relates to the distinction between state and market.

The thesis understands the private as referring to both of these, which are sometimes interconnected. The private can refer to what is personal, intimate or subjective, as well as to commercial spheres oriented to individual interests. Common for the two understandings of 'private' is that they relate to something individual or 'particular', such as preferences, private interests or personal concerns. The public sector and the public sphere on the other hand are concerned with 'general' interests and issues.

The distinction between public and private is however often not perceived as straightforward as I have presented it here. Questions to both how and why to draw this distinction have been raised.

### **4.2.3 How and why do we distinguish between public and private concerns?**

Feminist scholars have criticised the public-private distinction for supporting institutional arrangements that enforce women's subordination (Fraser, 1985:110). When the public-private distinction is presented as a 'natural' boundary between different spheres of life, some issues and interests can be relegated to the domestic sphere where they remain to be represented as familial or religious matters. They are not interpreted as legitimate political issues, but kept de-politicised as something that the public and the state should not interfere with. The distinction can thus come to serve as an ideological function. Fraser mentions the example of domestic violence before feminists had successfully politicised the matter. By using the term 'battery', a term drawn from criminal law, instead of 'wife-beating', they claimed that battery was not a personal domestic matter but a systemic political one (see Fraser, 1985: 1989:308). Not until then was it considered as common issue. By characterising certain issues as private they become immunised to public scrutiny and debate. This is expressed by the feminist slogan that the 'private is political'. The distinction is thus not an innocent or straightforward one, and I argue that it should be used consciously and cautiously. This leads to another line of critique.

Geuss demonstrates in *Public Goods, Private Goods* (2001) the ambiguity and indeterminacy of the public-private distinction. He shows how the distinction dissolves into a number of issues that are not closely related to one another. It is taken to use in relation to such different things as 'shamelessness and the public world' linked to inappropriate behaviour in the public; public versus private goods; and the idea of a 'right to privacy' advocated by liberalism. In the liberal tradition, the distinction is used in arguments for protecting the private sphere from interference from the state and to ensure the freedom of the individual (Geuss, 2001:92, 106). That one should not interfere with a person's private affairs links to the type of argumentation that has categorised wife-battery as a private domestic concern. Geuss reckons it unlikely that we can find an interesting, general, substantive theory of the public and private. Thus, in justificatory contexts an unreflective appeal to the public-private distinction is not convincing. For the distinction to be useful in a normative argument it is a good idea to clarify what we wish to do with it and why we need it (Geuss, 2001:92,106).

Encouraged by this critique, I wish to make it clearer what the purpose of upholding the distinction is in the thesis. Contrary to the liberal understanding the distinction is not used here to 'protect the private'. On the contrary; the distinction links to arguments for protecting the common, political dimensions of the public sector. What it is to be protected from could be de-politicisation or a predominance of private, managerial or technical rationales and logics. The use of the distinction thus functions in a normative argumentation for granting the public, in the sense common, political, dimensions of the public sector, a central place in theories about public sector innovation – and the administration of the public sector more generally. As mentioned in the introduction, certain reform ideas have influenced public sectors in various countries within the past few decades. These ideas have encouraged a development blurring the boundaries between public and private sectors and their respective services, and have introduced a generic vocabulary of managerial categories to the public sector. This has, some argue, resulted in a commercialisation of citizenship (cf. Crouch, 2005) and commodification of public services (Clarke, 2009:4-5, Crouch, 2005) and thus in developments that increasingly blur the distinctiveness of the public sector. Thus, an analysis and discussion emphasising the political and public dimensions of public sector innovation and user-driven innovation is strongly needed. The argument for emphasising the public dimension of the public sector should however not be seen as a disregard for the private as such. It is a question of upholding a focus on the public sector as societal, political institutions, which have certain tasks and conditions for legitimacy.

Even though a 'natural kinds' division as mentioned is potentially ideological (cf. Fraser, 1985:100) a too formal distinction may make it difficult to see what is distinctive about matters that are public. From a normative perspective the question about which matters are public and which are private is not merely an empirical one about how the line is

actually drawn. In a Habermasian inspired view, deliberation and argumentation in public may itself be a way of determining that some issues should be public, common concerns. We can thus define the ‘public concerns’ in a procedural rather than substantive sense. Feminists have for example succeeded in *making* domestic violence a common concern by arguing convincingly that it is not a private matter regarding a few heterosexual couples but instead a widespread systematic feature of male-dominated societies. Within this view the participants themselves decide what is and what is not a common concern to them (Habermas, 1996: 312; see Fraser, 1992 and Benhabib, 1992). I have gone a bit further here in my definition of the public concerns that the public sector is responsible for by suggesting certain concerns as public. This is in order to clarify that what the character and essential traits of public, general concerns are.

I agree with Eriksen (1999), that when the public sector does become responsible for a matter or a service, this principally relies on political decisions backed by deliberate concerns and arguments. Concerns attended to by the public sector rely on deliberate reflection and decision-making. Such matters or services in principle claim to be *justified* and to rely on a normative and political evaluation. They are granted the status of general concerns (cf. Eriksen, 1999:99). The normative question of which matters *should* be public matters rely on the justification for these matters being concerns of justice or of broader societal concerns. Having a public sector indicates that it has been decided that certain matters and concerns are public concerns that we deal with collectively. The considerations are central for distinguishing between which concerns are public and which are private in relation to an idea about a just society and the conditions supporting citizens in living the good life.

We may think of such common, political concerns in terms of common good or general interest. The public-private distinction is often presented as corresponding to a distinction between general and particular. Here the public is related to an idea of universality, or to general interest, while private needs are referred to as particular (e.g. Torpe, 1995; Young, 1990:119).<sup>29</sup> The ‘general’ is thus a central category for the public sector. However, I wish to distinguish between two senses of ‘general’. One, referring to the ‘general will’ or common good; and another that refers to ‘general’ in the sense of ‘universal’ rights or norms. It is central to elaborate some on this idea of the general, as it explains the normative foundation of the public sector by suggesting how the ‘general will’ is constituted and normatively justified.

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<sup>29</sup> The idea of universality does not here refer to the idea of universal welfare services. With universal welfare service, ‘universal’ refers to the *access* to the services that all citizens are granted. ‘Universal’ is here distinguished from ‘selective’ and refers to the degree of coverage (cf. Rothstein, 1998:19). The universal that for example Young refers to has to do with the ‘generality’ of the interests that are defined as public (Young, 1990:119). I shall return to this in chapter 8.

### 4.3 Two senses of the 'general'

The idea of the 'general' is a central demarcation criterion between the public and the private in both republican and liberal traditions. The republican tradition (which Arendt can be considered a representative of cf. e.g. Habermas and Honneth) views the democratic process as collective deliberation that ideally leads citizens to reach agreement on the common good (Regh, 1996:xxiv-xxv). In this view political life is considered superior to the merely private pleasures of family, neighbourhood and profession (Kymlicka and Norman, 1994:362). Human freedom has its summit not in the pursuit of private preferences but in the self-governance of a community through political participation. Politics implies that people reason together to promote a common good that transcends the mere sum of individual preferences (Fraser, 1992:129). The political decision-making process and deliberation is central for the way common decisions are made by the citizenry.<sup>30</sup> The general interest is said to have a normatively binding force deriving from its irreducibly collective character.

The irreducibly collective character of the common good is expressed in Rousseau's notions of 'general will'. The general will is distinguished from individual and private interests and from an aggregate of individual wills or preferences. In Rousseau's contract theory only the general will looks exclusively to the common interest while the 'will of everybody', because it looks to private interest, is a sum of particular wills (Rousseau, 2009:54). Most central is the idea that our common public concerns cannot be reduced to a sum of individual interests. This also explains why the forces of the market are often considered inappropriate for dealing with common concerns, as the market mechanism is based on coordinating preferences and self-interest. It explains why certain societal tasks should be dealt with collectively in public institutions.

The collective character of the 'general will' is central for explaining the authority of the state and in particular for understanding how authority can be legitimate. According to Rousseau, only the general will can direct the energies of the state in a manner appropriate to the end for which it is founded, namely the common good. Thus, society should be governed exclusively in terms of the common interest and would be impossible without the general will (Rousseau, 2009:47-48). And, only the general and united will of the people can legislate (Habermas, 1996:472). The state is seen primarily as a guarantor of inclusive opinion and will formation in which free and equal citizens reach an understanding on which goals and norms lie in the equal interest of all (Habermas, 1996:270). Habermas presents

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<sup>30</sup> Forst presents the republican democracy as the rule of communal values. The democratic process takes place within the frame of a community with values, traditions and identity that are constitutive for the identity of the individual. The self-determination of the community cannot be separated from the comprehensive self-understanding, identity and values of the community (Forst, 2001:353). In this sense some characterise the common good of the republican tradition as context-dependent.

Kant's elaboration of Rousseau's idea of liberty as the autonomy of the people. Legislative authority can be ascribed only to the united will of the people. And all right and justice are supposed to proceed from this authority. The idea is that when one prescribes for another it is possible to do injustice to the other. But this is not the case in respect to what one prescribes for oneself. When the people prescribe for themselves it can do no injustice. The idea reflects a unification of practical reason and sovereign will. A rational structure is thus inscribed in the autonomy of the legislative practice itself (Habermas, 1996:472-3). This view explains the normative foundation of the democratic principle by which the public sector's legitimacy emerges.

However, few would today formulate the general interest in correspondence with Rousseau. The republican notion of the common good has been subject to much critique. In contemporary Western societies, the idea of a common good based on a background consensus of a community is considered inappropriate for pluralist contemporary societies (Habermas, 1996). Rousseau's ideas have been accused of being totalitarian (cf. Thorup, 2009:239). I wish to argue that we can understand the general interest in a sense not relying on the particular values of a homogenous community without giving up the idea of 'general interest' altogether. This task is taken up by Habermas and will be presented before I move on to the liberal alternative.

#### **4.3.1 Habermas' model of deliberative democracy and public deliberation**

Habermas's (1996) model of deliberative democracy contributes with an understanding of what I interpret as 'general, public will' in pluralist societies. He suggests a conception of discursive and intersubjective public opinion and will formation. This conception bridges between an individualist liberal conception of the public and a republican idea of collective common good based in a value community. The legitimating force is built into the *procedure* of the principles of democracy and universality. From such a perspective we could see the public sector as accountable to the public will that ensures the legitimacy of its authority.

In agreement with the republican model Habermas's discourse theoretical model strongly emphasises the process of political opinion and will formation, but does not connect the success of deliberative politics to a collectively acting citizenry. Neither does he attach it to a substantive common good of a community nor to the prior convergence of settled ethical convictions. For Habermas *argumentation* is central. The communicative presuppositions that allow the better argument to come into play in deliberations and debates are what ensure the legitimacy of decisions reached. Important is also procedures that secure fair bargaining conditions (Habermas, 1996:278-9). Practical reason no longer resides in the universal human rights, or in the ethical substance of a specific community. To Habermas

practical reason resides in the *rules of discourse* and forms of argumentation that borrow their normative contents from the validity basis of action oriented towards reaching understanding (Habermas, 1996:297). As Young states: “*in the absence of a Philosopher King, who reads transcendent normative verities, the only ground for a claim that a policy or decision is just is that it has been arrived at by a public which has truly promoted free expression of all needs and points of view*” (Young, 1989:263).

The results of the democratic procedure may be characterised as normatively binding. Habermas formulates a claim of ‘universalisation’ in relation to the democratic procedure, inspired by a Kantian idea of universality of morality. Habermas reformulates the universalistic claim of the discourse principle to an intersubjective practice. The ideal role of the individual in Kant’s philosophy who autonomously via reason tests the universalisability of moral imperatives is instead interpreted as a public practice, which all persons subject to (Habermas 1996:108-109). Habermas suggests a ‘principle of democracy’ that is to establish a procedure for legitimate law making, saying that only laws which can gain acceptance from all citizens in a discursive process of law-making can claim to be legitimate (Habermas 1996:110). The validity of norms is thus determined through deliberative practices. In this way Habermas explains how law and actions can claim to be justified as they ideally meet the claim of universalisation (Habermas, 1996:107).

Decisions reached through deliberative practices have an *irreducible intersubjective* character. In public opinion and will formation the public sphere plays a central role. The public sphere in Habermas’s theory is a communication structure for information and points of view that takes up problems of common interest. In the public sphere the streams of communication are synthesised and coalesced into bundles of public opinion. In order to be solved the problems must however be treated by the political system (Habermas, 1996:359-60). Public opinions are constituted through democratic deliberative procedures that secure the rationalisation of inputs to the administrative system.

Public opinion is not to be understood as an aggregate of individually gathered, privately expressed opinions, and is not representative in the statistical sense. In order for an opinion to be characterised as *public* it must be preceded by a focused public debate and a corresponding opinion formation in a mobilised public sphere. The rules of shared practices of communication are of great significance to structuring public opinion. The discursive level of opinion formation and the quality of the outcome depends on how ‘rational’ the processing of exhaustive proposals, information and reasons is. The success of public communication is thus not measured by the level of inclusion but rather on the formal criteria governing how a qualified public opinion comes about. The quality of public opinion insofar as it is measured by the procedural properties of its process of generation is thus an empirical variable. This also provides a basis for measuring the legitimacy of the influence that the public opinion has on the political system. Political influence supported by public



opinion is converted into political power: that is into a potential for rendering binding decisions, only when it affects authorised members of the political system and determines the behaviour of voters, legislators, officials and so forth. Just like social power, political influence can be transformed into political power only through institutionalised procedures (Habermas, 1996:362-3).

To Habermas the procedures and communicative presuppositions of democratic opinion and will formation are essential to the rationalisation of the decisions of an administration bound by law. The power available to the administration must be tied to a public opinion and will formation in order to programme the political exercise of power, and not merely monitor its exercise *ex post facto* through aggregated wills. The political system is the only system that can act. It is a subsystem specialised for collectively binding decisions stimulated by public opinions. The public opinion that is worked up via democratic procedures into communicative power can point the use of administrative power in different directions (Habermas, 1996:300). In the later discussions of the thesis I hold these considerations presented by Habermas as background assumptions: more specifically that deliberation and public decision making lead to more qualified decisions about public matters. And that an aggregate of individual wills does not express anything 'public' in that sense.

Further, when I shall refer to the 'general interest', or 'common concerns', this will be in a sense inspired by Habermas. I accordingly see the intersubjective public opinion and will formation as constitutive for a 'general, public interest' and as that which ensures the reasonableness of the public will. We shall see that the 'general' can also refer to universally binding rights. Rather than giving up the idea of a 'general interest' I uphold a distinction between particular, private interest and public, general interest as the distinctions points to what is distinctively *public* about the public sector. The common concerns that it deals with are general in this sense. Such an understanding differs in certain respects from most liberal representations of the common good.

#### **4.3.2 The liberal idea of common good and the 'general'**

The liberal view represented by thinkers who make the problem of a 'just and stable public order' their main concern (Benhabib, 1992:71)<sup>31</sup> is important in order to understand aspects of current Western democracies (often labelled liberal democracies) (Sørensen, 2002; Marshall, 2003) and in particular the significance of citizen rights. The classic liberal view stemming from thinkers like John Locke emphasises the impersonal rule of law and the protection of individual freedom. Democratic process is here constrained by and in the service of personal rights that guarantee the freedom of individuals to pursue their own

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<sup>31</sup> Usually Kant is represented as a thinker in the liberal tradition.

goals and happiness (Regh, 1996:xxiv-xxv). Liberal thinkers are concerned with the frames for a society based on an essentially *non-political common good*, where personal life plans and private expectations of happiness can be realised. Thus, in the liberal view persons coming together in the public sphere are private persons rather than citizens oriented towards a common good. The role of the state is to secure balanced co-existence and preserve the public order, rather than being based on collective will formation among individuals of society. Liberals are sceptical about administrative power hindering or disrupting the spontaneous social commerce of private persons (Habermas, 1996:297-8). The democratic will formation has the exclusive function of legitimating the exercise of political power (Habermas, 1996:299). In such a liberal model the democratic opinion and will formation of self-interested citizens have relatively weak normative connotations and form but one element in a complex constitution (Habermas, 1996: 297). Habermas argues for the shortcomings of the liberal understanding of a non-political common good. The liberal view refers to an anonymous rule of law and view individual actors as dependent variables in power processes. With these assumptions it cannot account for how legitimate democratic decisions can be consciously formed and collectively executed. When individual actors do not deliberate, the processes between them operate blindly and can at the most result in aggregated decisions (Habermas, 1996:298-9). Decisions that are a result of these processes do not rely on conscious and rational political considerations and thus are not reasonable. And such a conception also has shortcomings with regard to accounting for something distinctively public that could legitimate the existence of a public sector. It would be difficult to see the reason that it should have a responsibility pointing beyond the protection of citizens as private persons and that some concerns have a scope regarding also the common life of citizens.

Other less sceptical presentations of the liberal views emphasise that also within the liberal tradition may we find a notion of citizen virtues and of public reasonableness and deliberation (Forst, 2001; Kymlicka and Norman, 1994:366). Forst (2001) connects the liberal view to a deliberative model of democracy, even though it is not obvious that liberalism is internally connected with a model of democracy in the first place. An understanding of freedom in the merely 'negative' sense which is dominant in the liberal tradition is not at any rate logically connected to democracy or self-government. As Forst points out, there is a distinction between the answer to the question: who governs me? And the question: how far does government interfere with me? (Forst, 2001:346-7). The normative core of liberalism is a question of principles that free and equal persons can equally accept and mutually justify to one another as the guiding norms of their basic social structure. This means that also in liberalism the notion of intersubjective justification may be seen as built in from the very beginning. Some liberal theories present a *moral* justification for principles of justice, which have an independent standing and normative priority compared to results of factual democratic decision procedures. There is a priority of moral

over political autonomy, a priority of morally, publicly in a strong sense, over politically, publicly in a weak sense, justified norms (Forst, 2001:346-7) (This is a specific Kantian-Rawlsian notion of liberalism).

Liberal citizens must justify their political demands with public reasons formulated in terms understandable and acceptable to their fellow citizens as consistent with their status as free and equal citizens, and not just state preferences or make threats (Kymlicka and Norman, 1994:366). Liberalism can be described as a form of political culture in which the question of legitimacy is paramount,<sup>32</sup> and this is also reflected in the notion of public dialogue. The most significant constraint in liberalism is *neutrality*. In discourses of legitimation only reasons can be accepted that do not require the power holder to assert his conception of the good as better than his fellow citizens' conceptions of good (Benhabib, 1992:81). The liberal view does not perceive the discourse as leading to a shared perception of the good, but rather as a resolving of problems of mutual coexistence in reasonable ways. Here the distinction between moral questions of justice and ethical questions of the good life is very central, and also a key to understanding the distinction between public and private within liberal thought (cf. Rawls, 2005). In Rawls's theory of justice the primary virtue of the societal institutions is justice, which is understood in a deontological manner. According to Rawls, this means that questions of the 'right' have priority over questions of the 'good' (Rawls, 2005). This is what Rawls means with a deontological theory, and it implies universality of norms and laws. Without going deeper into Rawls's theory of justice<sup>33</sup> I wish to pinpoint certain differences between the liberal and republican versions, with regard to the 'general' that explains legitimate authority of social arrangements and political institutions. On the basis of such a distinction I see another notion of the 'general' that I consider important in relation to the public sector, in particular with regard to citizen rights.

The central distinction between the public and the private in the republican tradition relates to the irreducible collective general will versus the individual will or private interests. The state and the public sector are here to be governed according to the general will in order to be legitimate. The 'general interest' is the collective will of the people. And it has a normatively binding character as it is related to public reason. In the liberal tradition the 'general' may be understood as universal in terms of *justice* and *rights* that are morally obligatory and inviolable. That the state and public sector should deal with questions of the right, of justice, leaves out personal ideas about the good life and thus values which have a particularistic status. It is instead a question of deontologically binding morality versus teleologically binding ethics. This is particularly clear in a Kantian-Rawlsian liberalism with a deontological justification of norms. Justice is normatively binding and citizen rights are

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<sup>32</sup> Benhabib here refers to Bruce Ackerman's liberal theory, even though his theory in some respects differs from Rawls's and Dworkin's who are usually considered the most prominent contemporary thinkers in modern liberal theory.

<sup>33</sup> See for example a discussion of Rawls in Langergaard, 2009.

central. The difference between deontological and teleological (right and goods) views can be further elaborated with Habermas' distinction between validity claims of norms and values, respectively. Norms are either valid or invalid, and the question is between right or not right; there is no place for transitive ordering, or states in between. Values on the other hand express preferability of goods and can be ordered in accordance to preference. Where different norms must not contradict each other, when they claim validity for the same domain, values can compete for priority (Habermas, 1995:114-15). From such a perspective rights are inviolable and thus different from goods that can be graded. I consider the distinction central in relation to citizen rights. The 'general' is from a Kantian deontological position context-transcendent, and could also be described with the term 'universal'. A Kantian idea of universalism holds the universal to be free of empirical contingencies. In both the understandings that I have presented here the 'general' is distinguished from the 'particular' in terms of private wishes or interests. Taking a closer look at the general it thus dissolves into different dimensions, some holding a context-transcendent universality central; another holding the common, collective character of political decisions central.

Dimensions of the 'general' related to the public-private distinction:

	Public (general)	
	Moral, right	
	Deontological	
Public (general)		Private (particular)
Collective/intersubjective		Individual/aggregative
General will/interest		Will of all
	Private (particular)	
	Ethical, good life	
	Teleological	

These philosophically abstract considerations about the 'general' as basis for normative validity of authority may provide criteria for discussing the legitimacy of the public sector, e.g. in terms of rights and democracy. These traditions with their specific normative categories make it possible to discuss the public and political dimensions of the public sector. With such explicit considerations it becomes possible to discuss how to distinguish between legitimate and illegitimate decisions and arrangements of the public sector. In order to understand how initiatives and ideas of innovation strengthen (or weaken) the public sector we need some of these basic concepts brought into play. Even if

public sector research does not always take such categories into use, they are encountered in relation to the public sector, often without being further defined. In the discussions in chapter 6 I shall in particular include the idea of 'general interest' versus particular interest and the idea of the inviolability of rights.

In relation to the concept of citizenship both dimensions of the 'general' are central in defining the relationship between the citizens and the state/public sector. They relate to citizens as belonging to a political community with general interest that is irreducibly intersubjective, as well as to citizens as defined by rights. This is specified just below. To understand the public sector as working with such deliberately formed decisions we need to be able to account for the possibility of collective execution of political decisions. We have seen that rights are central in the liberal tradition and the protection of private liberty of individuals is paramount to the legitimacy of the state. At the same time we have seen that the liberal view concerned with securing public order and balancing private interests has shortcomings with regard to explaining how deliberate, political decisions can be consciously formed and collectively executed. The concept of citizenship can help further elucidate how we are to understand these different elements in the relation between the citizen and the state.

## 4.4 Citizenship

Kymlicka and Norman relate "*an explosion of interest in the concept of citizenship*" with the concept integrating demands of justice and community membership. 'Citizenship' is intimately linked to ideas of individual entitlement on the one hand and attachment to a particular community on the other (Kymlicka and Norman, 1994:352). I see these to be related to the two senses of the 'general' presented above, as general interest and as general/universal rights. Thus, ideas from both liberal and republican traditions inform contemporary notions of citizenship.

According to Eriksen, 'citizen' implies in Germanic languages a duality reflected in the two French words *bourgeois* and *citoyen* (Eriksen, 1999:184). The *citoyen* refers to the political, actively participating citizen defined by an orientation to the common good. This idea of citizenship is prominent in the republican tradition. The *bourgeois* is the liberal 'private' citizen protected by rights. The *bourgeois* has its historical roots in late Middle Ages of Europe where a precondition for the continuing flourishing of new forms of production and commerce was a protection of the rights of the tradesmen and owners of goods from encroachment of authorities (Eriksen, 1999:185)<sup>34</sup>. Marx presents the distinction between a

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<sup>34</sup> Marx elaborately discusses the *citoyen* and the *bourgeois* in his essay "On the Jewish Question" written in 1844 (Marx, 1968).

*citoyen* having political freedom and taking part in community, while the *bourgeois* is the citizen of society/civil society. The *bourgeois* is a private person, and an atomistic one, not part of community or related to other persons. The *bourgeois* is a person and protected by human rights, such as the right to free speech and private property. The man of *bourgeois* society is the *non-political* man and the natural man, with natural rights. *Man* represents the human being in sensuous, individual concrete existence while the political being is abstract and thus the human being as allegoric, moral person (Marx, 1968:42-50).

The roles of *citoyen* and *bourgeois* may be related to Marshall's theory on *Citizenship and Social Class* from 1950 (cf. Eriksen, 1999).<sup>35</sup> Marshall's theory is the most influential representation of citizenship that has gained prominence in the post-war period (Kymlicka and Norman, 1994:354), and is very often mentioned in relation to definitions of citizenship (e.g. Eriksen, 1999, Heater, 1999, Habermas, 1996; Kymlicka and Norman, 1994). Marshall determines the content of citizenship on the basis of three elements, corresponding to three sets of citizen rights: civil, political and social rights which have their time of maturity in the 18<sup>th</sup>, 19<sup>th</sup> and 20<sup>th</sup> centuries, respectively. The civil element is constituted by rights which are necessary for the individual freedom, i.e. personal freedom, freedom of speech, opinion and religion, the right to property and to make contracts and the right to fair trial (Marshall, 2003:53). The right to political influence, either as member of an agency with political authority or by electing members of such an agency, constitutes the political element (Marshall, 2003:54). The social rights give the individual the right to a decent economic welfare and security and to live a civilised life in correspondence with the standards of a given society (Marshall, 2003:53-54).<sup>36</sup> When established, these citizen rights are considered universal in the sense that they are granted all humans because of their membership of society. The national citizenship studied by Marshall is not locally restricted to certain groups of society (Marshall, 2003:55). According to Habermas, Marshall's theory represents a liberal view on citizenship with rights to protect the private legal subject against government infringements of life, liberty and property (Habermas, 1996:77). Citizenship is here viewed primarily in terms of legal status (Kymlicka and Norman, 1994. 353).

The liberal view on citizenship can be seen as defined primarily in terms of negative rights against the state and other citizens. As bearers of these rights citizens enjoy government protection as long as they pursue their private interests within the boundaries set by legal statutes, and this also includes protection against government interventions. According to Habermas that means that political rights are perceived as having the same

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<sup>35</sup> Marshall's theory is by Jørn Loftager in the foreword categorised as a sociological theory on citizenship. It takes an empirical approach to describing citizenship, but can nevertheless contribute to understanding the normative content and meaning of citizenship and the welfare state (Loftager, 2003:8).

<sup>36</sup> The social rights have been contested and challenged from different sides, e.g. from the New Right of the UK and USA (Heater, 1999:1-2).

structure as private rights, which provide a space in which legal subjects are free from external coercion (Habermas, 1996:269-70).

While the liberal tradition emphasises citizen *rights*, the republican tradition emphasises political citizenship defined in terms of *political participation*. The concept of the citizen in the republican tradition can be understood in connection to both the idea of political life as presented by Arendt and to notions of the general will. Republican ideas emphasise positive liberties of citizens and the practices of self-determination on the part of enfranchised citizens who are oriented to the common good and understand themselves as free and equal members of a cooperative, self-governing community. In variance with the liberal tradition it does not emphasise rights or negative liberties to secure the individual from interference from the state (Habermas, 1996:268). Pettit formulates an idea of republican freedom in terms of non-domination from *arbitrary interference* from others (Pettit, 1998:84). Central is the ethical life context of a *polis* in which the virtue of active participation in public affairs can develop and stabilise. It is through this civic practice that human beings are able to realise the *telos* of their species, according to republicans (Habermas, 1996:268), and thus political activity has a prominent status. The *citoyen* can also be defined in terms of *duties* or *virtue*. They are not merely entitlements to take part in political decision making but are also connected with duties to be oriented toward the common good.

When we think about the citizen in relation to the public sector, such characteristics of citizenship may not be the first thing that comes to mind. Citizens of welfare states appear also in the role of 'client' and often this role is the one that gains the most attention. This role of citizenship is increasingly being represented as a customer relationship, as mentioned in the introduction (cf. Eriksen, 1999:185). In the analyses in chapters 6 and 8 the idea of a client of the public sector will be related to citizenship. Habermas presents the political participatory rights as the *core of citizenship*. Only these rights incorporate the active political citizenship that implies the autonomy of citizens: "*In different circumstances negative liberties and social entitlements may well be equally indicative of the privatistic retreat from the citizen's role. In that case, citizenship is reduced to a client's relationships to administration that provide security, services and benefits paternalistically*" (Habermas, 1996:78). I shall further elaborate on the difference between the active citizen and the client in an attempt to rethink the citizen role in relation to the public sector when I discuss user-driven innovation.

#### **4.4.1 Social rights and public sector services**

Now I shall take a closer look at social rights that are attached to the principles of the welfare state. According to Habermas, these rights were formulated in the wake of realised

shortcomings of the negative civil rights of the legalistic, liberal state (Habermas 1996:386). This liberal understanding of law that understood the economic society institutionalised in the form of private law (through property rights and contractual freedom) and as separated from the sphere of the common good, did not live up to its promises. The model did not provide the social justice that it was supposed to. This is shown for example by an increasing inequality of economic power, assets and social situations. It became clear that the negative status of legal subjects could no longer guarantee the universal right to equal liberties. The expectations of this legalistic model tacitly relied on certain social-theoretical assumptions. It depended on economic assumptions about equilibrium in market processes with entrepreneurial freedom and consumer sovereignty. The discovered weaknesses of this model led to a reformist critique from which the idea of the welfare state emerged. With the welfare paradigm a new category of basic rights grounding claims to a more just distribution of social wealth was introduced. The new category of social entitlements was meant to ensure a more equal distribution of *actual freedom* and not merely negative rights. The legal freedom was considered worthless if people were not given the real possibility to choose between given alternatives (Habermas, 1996:402-3).

The social rights express an egalitarian principle of citizenship. The aim of introducing social rights was to decrease the class differences that hindered citizens in making use of their civil and political rights. Class prejudices and a lack of economic means could in various ways reduce citizens' opportunities to actualise their civil rights. For example, a social service like legal aid and advice had the aim of strengthening the civil rights of citizens with regard to bringing their cases to court (Marshall, 2003:102-4). The idea of the welfare state is thus to meet the needs of economic security and social care. According to Rothstein a kind of service democracy, in which citizens collectively organise the benefits and services they desire, has been created by representative and parliamentary means. The system is solidaristic and just and secures equal treatment according to centrally standardised norms (Rothstein, 1998:30). The centralised and standardised aspects of the welfare state have, however, been subject to much critique. The scope of matters that the welfare state deals with is rather extensive, compared for example to the legalistic model of the state that mainly secured legal rights of citizens. As Rothstein mentions, opponents have portrayed the welfare state as a new Leviathan, which severely limits the prospects of individual freedom and self-determination (Rothstein, 1998:30). In chapters 6 and 8 I shall return to critiques related to the welfare state and in particular critiques of clientisation.

In short, the citizen may be divided into two concepts: *citoyen* and *bourgeois*. The *citoyen* role is the political, actively participating, which may be defined by an orientation to the common good. The citizen is concerned with matters of public character and with a horizon going further than the private or individual perspective. The concept of the citizen thus also relates to the idea of the general presented above, as common good and as rights that are inviolable and which all citizens have. The *citoyen* and the *bourgeois* imply two



different perceptions of freedom, namely freedom in community with others, and freedom as a private individual, respectively. Further, these different roles of the citizen imply different understandings of autonomy, i.e. self-legislation, or self-determination that I briefly wish to elaborate on before ending the chapter.

#### 4.4.2 Citizenship and autonomy

The concept of autonomy is central to the idea that people as author of laws regulate their common life. According to Kant, moral autonomy is the faculty to be self-legislating by making laws for oneself. This faculty is attached to human beings, as they are reasonable beings. Because they have reason humans are able to formulate general laws that they themselves are both subjects to and authors of. Thus, humans have the faculty to be self-legislating due to reason, which is also why reasonable people can be subjected to law (Kant, 1993:50). Kant poses the fundamental question of morality in a way that it admits a rational answer: we ought to do what is equally good for all persons (Habermas, 1995:109). For Habermas political or *public autonomy* is what makes it possible for addressees of the law to consider themselves authors of the law (Habermas, 1996:121). And to Forst it means that citizens assume responsibility not only for their own actions but also for the political community (Forst, 2002:267).

The question of autonomy closely relates to the understanding of citizen rights in the republican and liberal traditions, respectively. As mentioned, liberals stress the protections of liberty of belief, life and personal property, i.e. subjective private rights (*bourgeois*). Republicans stress what Habermas calls ‘the liberties of the ancient’, namely political rights to participation and communication that make it possible for citizens to exercise self-determination (*citoyen*). Rousseau and Kant shared the aspiration of deriving both of these from the same root, namely from moral (private) and political (public) autonomy (Habermas, 1995:127). They refer to the public identity of citizens and the private identity of persons, respectively, and thus to self-determination on behalf of oneself as individual (private) and to self-determination in political collectivity (public). When the moral person is split into the public identity of a citizen and a non-public identity of a private person, these identities also constitute the reference points for two domains; one constituted by rights of political participation and communication and one protected by basic liberal rights. The constitutional role of the private sphere in this way enjoys priority while the role of political liberties becomes more or less conceived of instrumentally, i.e. as preserving the other liberties. The idea of a pre-political domain of liberties that are withdrawn from the reach of democratic self-legislation is rejected by Habermas. Such a priori boundary between public and private autonomy contradicts the republican intuition that popular sovereignty and private rights are nourished by the same root. To quote Habermas: “*Citizens are politically autonomous only if they can view themselves jointly as authors of the laws to which they are subject as individual addressees*” (Habermas, 1995:130).

Habermas stresses the co-originality of public and private autonomy. Law is directed to persons who could not even assume the status of legal subjects without subjective private rights. Thus, the public and private autonomy mutually presuppose each other. The two elements are interwoven in the concept of positive and coercive law (the means by which life in political community is legitimately regulated): There can be no law at all without actionable subjective liberties that guarantee the private autonomy of individual legal subjects. And at the same time there can be no legitimate law without democratic law making by citizens in common who as free and equal subjects are entitled to take part in this process. As Habermas says, *“once the concept of law has been clarified in this way, it becomes clear that the normative substance of basic liberties is already contained in the indispensable medium for the legal institutionalisation of the public use of reason of sovereign citizens”* (Habermas, 1996:130).

The point is that individual rights and autonomy are not independent of public autonomy and citizens recognising each other as free and equal, who together take part in the making of laws regarding the conditions for their common life. Later in the thesis I shall return to the question of the relation between freedom and rights and link those to the practices of the public sector. The relation between the citizen and the user (or client) will be discussed in the light of these considerations presented by Habermas. In relation to user-driven innovation and citizenship, a central question that I shall discuss is how the role of ‘citizen’ can be related to a role of ‘user’.

## 4.5 Concluding remarks

The aim of this chapter was to set the scene for the forthcoming discussions and analyses by presenting concepts of ‘public’, ‘general’ and ‘citizens’. On the basis of these a political, philosophical idea of the public sector has been presented. These concepts are to be more closely related to the public sector throughout the thesis and to concrete practices at the Ministry of Taxation. The contribution of including these concepts is an understanding of the public sector that explicitly stresses its relation to political life and citizenship. It is a step in developing an understanding of the public sector that emphasises the *publicness* of the public sector. The research questions of the thesis indicate that ‘common, political concerns’ and ‘citizen rights’ are considered central. This chapter has presented a more elaborate understanding of them. On the basis of the presentations of the chapter a link has been created between the normative ideas of political philosophy and the public sector as a political institution.

As mentioned in the introduction, boundaries between the public and private have become increasingly blurred which also has resulted in some indistinctness regarding the

role of the public sector. By introducing the distinction between public and private I hope for a revival of the category of 'public' in relation to the public sector. I have suggested that we may understand the public sector as dealing with common, political concerns. Such concerns are central for the good life of citizens and important for their freedom as citizens. They regard not only the individual but have a wider societal scope and are related to citizens' understanding of a good and just society. A republican understanding of the public and of citizenship may explain the gain of participating in decisions regarding our common lives; because citizens obtain freedom by taking part in determining the conditions under which they arrange their common life. The liberal tradition makes it clear that citizens as free and equal have rights that are deontologically binding and inviolable. However, in order to explain why common concerns are delegated to the collective execution of the public sector a too narrow focus on negative civil rights has certain shortcomings. Thus, the political dimension of the public sector may also include more positive political visions for the good life that citizens ought to live *together*.

The notion of 'common concerns' has been elaborated with the idea of 'general will' and Habermas's notions of intersubjective, reasonable public opinion and will formation. With this public debate and deliberation is emphasised as constitutive for public opinion. What is central for this idea of 'general interest' is that it cannot be reduced to an aggregate of private interests. The general is understood in contrast to private wills that are particular. The political rights of citizens comprise the principle of popular sovereignty and democracy, and thus the idea that the citizens as a people, or public, are authors of the laws and principles guiding their common life. Thus, the public institutions and their task are based on this democratic principle. The legitimacy of the state depends on its rule according to the common good or general will. This is what is meant when it is said that the public sector should serve the common good of citizens and society, and this is the case for both the state and local government such as municipalities. They are all under political, democratic rule, which raises claims to the publicness of the principles from which to govern. The public will is formed and articulated through deliberative, discursive processes in the public sphere. Political participatory rights thus constitute the core of citizenship.

With the general, or public will, I have presented one understanding of the general. A second understanding relates to rights, and thus also to citizen rights, and relies on a distinction between norms and values as this distinction is presented by Habermas. From this perspective rights are deontologically binding, cannot be graded in scales and thus are inviolable. With this idea of the general, securing the rights of citizens is important for the legitimacy of the public sector. The public sector is responsible for securing also the civil and social rights of citizens. Thus, justice of procedures and how the public sector solves tasks are important. Due process and rule of law, for example with regard to administering citizen cases and as opportunity for fair trial and opportunities to raise complaints constitute a core

responsibility of the public sector. This will be particularly relevant when I shall analyse the case in chapter 8.

A perspective where these rights are considered central opens up for a certain understanding of public sector services. Social entitlements of citizens constitute the social services that the public sector delivers to citizens. When it is democratically decided that a service should be delivered from the public sector to citizens or society more generally, then there are in principle political reasons and deliberate considerations behind. The distribution of public goods and social services are thus an expression of political will formation and is constituted in an idea of justice. Thus, public sector services are political matters. They are not just services that are delivered by the state, but in principle could have been distributed through the market instead. The political decision of collectively delivering these services is not merely one of efficient delivery but also one of justice. They reflect what the citizens, as free and equal members of society, consider important in order to secure basic capabilities of all members of society. In later chapters of the thesis I shall return to Habermas's idea of the co-originality between public and private autonomy in order to relate the citizen as *citoyen* to the citizen in the role of service recipient.

Having now presented a normative political philosophical idea of the public sector I shall in the forthcoming chapters link this idea to representations of 'innovation' and 'users' in the public sector. In the next chapter I shall demonstrate how the 'public' as a category is largely absent in public sector innovation theory. As should be clear after this presentation, the 'publicness' of the public sector is understood in a normative constitutive sense and not as an empirical, contingent category. The category refers to what the public sector should do and is important for accounting for why we should have a public sector.

## 5 The missing 'public' of concepts of public sector innovation

In chapter 4 I defined the public dimension of the public sector with the help of concepts of 'public', the 'general' and 'citizenship' from political philosophy. I shall now move on to the analysis of public sector innovation. This chapter shall conduct a critical analysis of the concept of 'innovation' as it is defined in theories that focus specifically on public sector innovation.

In connection with the overall research question of the thesis, the analysis contributes to uncovering the implications of current ideas of innovation in the public sector. More specifically, it is part of the discussion of how existing concepts of user-driven innovation can support a development that strengthens the public sector as *public*, i.e. in terms of its political, democratic dimensions. In this chapter I shall analyse 'innovation' as a concept of change. Important with regard to the relation between theoretical concepts of public and private sector innovation, respectively, is what will happen when a concept is transferred from the context of economic and management theory to theories of 'political' public sector institutions. This means that the influence from 'traditional' innovation theory also becomes relevant, as does the question of how the concept is adopted in the new context.

The analysis is based on literature on public sector innovation. Besides, a few contributions from 'traditional innovation theory', i.e. the research field usually referred to as 'innovation theory' in general introductions of the field are included (e.g. Lundvall, 2006; Fagerberg, 2005; Sundbo, 1995; 1998). I shall not make a general presentation of innovation theory and do not attempt to present all aspects or branches of this diverse field. The presentation is restricted to some key moments, which can shed light on the concept of innovation and help elucidate the origins of definitions of public sector innovation. One could argue that public sector innovation theory may also be considered part of innovation theory. However, as these are separate objects of interest in this thesis, and as the literature is very explicit about it when the topic is innovation in the *public sector*, I uphold a distinction between the two. The research field of public sector innovation is rather young and leaves an impression of a somehow scattered field with few common references across the different contributions. Nevertheless, by taking a broad look at the literature it is possible to extract some common issues and traits.

The relation between innovation and public governance paradigms which will be treated more elaborately in chapter 6 are hinted here as some contributions on public sector innovation reflect ideas of NPM. This particularly regards some of the positive advantages to be gained from public sector innovation, namely: improved efficiency, effectiveness and responsiveness (Albury, 2005; Damanpour and Schneider, 2008; King and Martinelli 2005:1;

Moore, 2005:44; Mulgan and Albury, 2003). It is difficult to separate sharply the literature on public sector innovation from NPM inspired public governance/administration literature concerned with innovation. The distinction between this chapter and the following is rather the questions addressed than the bodies and character of the literature in which the answers are found.

I will show that researchers in public sector innovation challenge a prevalent notion that the public sector lacks innovative capacity. Still, they rely to a very great extent on 'traditional' innovation theory. Definitions of innovation are more or less directly transferred to public sector innovation theory, as is the dominant research interest in uncovering the factors (incentives and barriers) for innovation. Even if one would expect the politico-administrative and democratic context to encourage a rethinking of the concept, the concept is by and large taken for granted: Innovation is there, the challenge is to uncover the facilitating factors.

Compared to ways changes in the public sector have traditionally been conceptualised, in terms of 'reforms' or 'policy implementation', 'innovation' represents as a broader concept of change, de-emphasising the democratic context of changes in the public sector. Differences between public and private sectors are to a great extent treated as empirical differences rather than as normative or constitutive ones. The 'public' is in other words not a clear category of the theories. Generally, the concept of innovation is understood as a politically neutral and a generic concept, meaning that it is applicable across sectors and context (cf. Harmon and Mayer, 1986). Still, there is a strong positive ring to the term and it seems to imply promises of improvements and desirable development. It appears as a 'hurrah word' that no one argues against. When at the same time abstaining from relating to the normative dimensions of the public sector concept, this leads the currently predominant term for public sector development to present itself as blind to political, democratic concerns. The points support my suggestion in the introduction that there is reason to rethink the concept in the light of public sector setting.

## **5.1 Structure of the chapter**

The chapter starts out with a short introduction of 'traditional' innovation theory and outlines some developments within the field (5.2). Second, the chapter takes a closer look at the concept of public sector innovation. The concept appears broad and ambiguous. It is often defined via typologies, which are broad and include innovation in e.g. products, service delivery and policy. Innovation is represented as a broad concept of change, involving changes at all levels of organisations, which renders questions of democracy irrelevant. Besides, the concept is generic and thought to be mobile across sector and contexts. This also aids an opening up for transferring ideas and principles from private sector to public sector

contexts. At the level of the concept itself the ambiguity relates to the concept being both a scientific and a policy idea (5.3) The last section addresses the normative dimensions of the concept and the relation to improvement. The term has a positive ring to it and analytically it is hard to imagine an idea of innovation without at least implying a striving for improvement. At the same time the authors generally refrain from specifying what this means in a public sector context (5.4)

## 5.2 From 'traditional' innovation theory to public sector innovation

The history of innovation theory dates back to Marx's and Schumpeter's classical economic works (Lundvall, 2006; Fagerberg, 2005). Innovation is here a concept for explaining economic, and sometimes social, development. However, current innovation theory does not work with one unitary definition of innovation and the concept of innovation is generally ambiguous (Sundbo, 1995:17). Schumpeter is traditionally considered the founder of innovation theory and has inspired many current researchers working with the concept of innovation (Lundvall, 2006:7). He extended an earlier Marxian argument and with his explicit interest in innovation developed an economic theory that held technological competition to be the driving force of economic development. The rationale of the theory is that if one firm in a given industry or sector successfully introduces an important innovation it will be rewarded with a higher profit rate. This will lead other firms (so-called imitators) to go into the industry with the hope of getting a share of the benefits. This will cause the growth of the industry to be high for a while, but at some point of time the effects of growth created by this innovation will be depleted and will often slow down (Fagerberg, 2005:14-15). In *Capitalism, Socialism and Democracy* Schumpeter identified the essential fact of capitalism as 'the process of creative destruction'. "*The opening up of new markets, foreign or domestic, and the organisational development from the craft shop and factory to such concerns as U.S. Steel illustrate the same process of industrial mutation – if I may use that biological term – that incessantly revolutionizes the economic structure from within, incessantly destroying the old one, incessantly creating a new one*" (Schumpeter, 2008:83).<sup>37</sup> For Schumpeter as for Marx, innovation<sup>38</sup> was a central feature of capitalist development, and innovation was a term describing discontinuous and revolutionary changes. In these earlier

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<sup>37</sup> According to Fagerberg, the 'Marx-Schumpeter' model of innovation aims at explaining long run economic change, what Schumpeter called 'development', and not industrial dynamics (as later theories, e.g. some of Nelson and Winter's, tended to focus on). In this model, technological competition is seen as the major form of competition under capitalism. This perspective had however little influence on the economics discipline at the time of its publication, perhaps because it was not easily made subject of mathematic modelling, which at that time was very popular (Fagerberg, 2007:17-18). The topic of technological change as a factor for economic growth vanished with the neo-classical models of economic growth that perceived technological change as an exogenous phenomenon (Verspagen, 2007:489).

<sup>38</sup> Understood as technological development or development of capital goods.

theories innovation was also a concept for understanding large-scale, overall changes in society and economic development. At first hand it is not clear how such a concept should become relevant for the public sector. The concept of innovation may however be understood in a broader sense.

### 5.2.1 Not necessarily an economic concept

The concept and theory of innovation have today broadened considerably and the amount of literature is vast, diverse and rapidly growing. Today some researchers see innovation as taking place within broader innovation systems rather than something driven by firms or industries and their internal R&D activities (Lundvall 2006; Miettinen, 2002). Some see them as 'open innovations' where firms draw on both external and internal ideas as well as paths to markets (Chesbrough, 2003:xxiv). Finally, innovations may be user-driven, meaning that users of products or services develop these in accordance with their own needs (Lundvall, 1985; Von Hippel. 2005). Within 'innovation theory' user-driven innovation may be seen as one category of innovation. It builds on a conception of users as economic agents that innovate for themselves even though there is no property right protection of their inventions. With examples from different fields, such as open source and free software development and from sports such as windsurfing, von Hippel (2005) demonstrates how users can drive innovations. I shall return to Von Hippel in chapter 6. Traditional innovation theory has been concerned mainly with private sector business corporations and on innovation as commercialised products or technologies (Halvorson et al, 2005:2). However, as the field has broadened, innovation also includes social innovation, innovations in services and in the public sector (Halvorson et al, 2005:2).

Innovation is not necessarily an economic concept even though it is often associated with technological innovation (Godin, 2008:5). We find the term innovation also outside of traditional innovation theory. It has been used for descriptions of other developments than economic development. For instance, the anthropologist H.G. Barnett sees innovation as the basis of cultural change (Robertson, 1967:14). Others emphasise the effect of innovation in terms of changed behavioural patterns (Robertson, 1967:16). Etymologically and historically the term innovation does not emerge from or restrict itself to technological innovation. Innovation is about *novelty* and not restricted to a certain kind and the term has a history going back centuries before it was adopted by economic theory (Godin, 2008:24). A number of different disciplines have found an interest in studying innovation, such as sociology, organisational science, management and history of technology (Fagerberg, 2005:4). We also find new definitions of innovation such as 'social entrepreneurship' that refers to innovative activity with a 'social objective' or a 'social mission' or 'social objective' (Austin et al, 2006; Dees, 1998; Mort et al; 2003). Such a definition is explicitly different from ideas of innovation with commercial objectives. Thus, innovation could in principle be a variety of new things



and need not be associated with the vocabulary or definitions of 'traditional' innovation theory. The introduction of public sector innovation may be seen as a widening of the field of innovation theory, but as we shall see public sector innovation theory relies to a great extent on 'traditional' innovation theories.

### **5.2.2 Public sector innovation theory as a new area of interest**

The idea of innovation in the public sector has gained prominence only within the latest two or three decades (Borins 2006; Grady, 1992; Becheikh et al, 2007). There is some disagreement about the relation between this new area of interest and 'traditional innovation theory'. Røste (2008), for example, notices that there are remarkably few references to the classic innovation literature such as Schumpeter's theory. She sees public sector innovation literature as a rather separate theoretical tradition in an un-clarified parallel position to the private sector innovation literature (Røste 2008:163). Hartley (2005) on the other hand remarks that the literature on public sector innovation until recently has had an over-reliance on private sector innovation literature (Hartley 2005:33). There is, however, agreement that until recently classic innovation research has ignored the public sector. As Koch and Hauknes (2005) point out, there has been a wide range of studies on private sector innovation, which has contributed with important understanding of some of the main processes underlying social and economic change in modern economies, but the public sector is usually not taken into consideration in these studies. Generally the public sector has been seen as a regulatory framework for innovation activities; public organisations as more or less passive providers of inputs to private sector innovation or as users or recipients for innovative products generated by the private sector (Koch & Hauknes, 2005:4). The literature and research on innovation in the public sector is to this day rather scant (Bason, 2007; Grady, 1992:157; O'Conner et al, 2007:533; Vigoda-Gadot et al., 2008; Windrum, 2008:3). The idea of public sector innovation builds on the introduction of a concept of change that originally was intended to explain something quite different than changes in political institutions of society.

The public sector has traditionally been considered conservative, bureaucratic and reluctant to change (Borins 2002; Earl 2002:9; Fuglsang 2008:234; Mulgan and Albury 2003:5; Vigoda-Gadot et al 2008; Windrum, 2008:5 Wise 1999:150). Often this follows from the perception that the conditions of the market are conducive to innovation, and that the lack of competition in the public sector is a severe barrier (Røste, 2005:22). Authors of public sector innovation are often very concerned with refuting the view of the public sector as rigid and non-innovative. Albury states that in variance with the 'prevailing myth' of the public sector's poor innovative potential the history of the public sector shows a richness of innovation (Albury, 2005:52). Those refuting the 'myth' argue that even though the attention on public sector innovation is new, the phenomenon as such is not. The prevalent notion of

the public sector as rigid and non-innovative is considered poorly founded or simply wrong (Gray, Broadbent and Hartley, 2005:7; Mulgan and Albury, 2003:2; Walker, 2007) and as something which needs to be challenged or investigated further (Vigoda-Gadot et al, 2008; Wise, 1999:150). It is said, for instance, that innovation does and always has taken place in the public sector (Fuglsang, 2008: 234-5). Recognising this opens up for a new branch of innovation theory with an interest in how innovation in the public sector takes place.

When innovation theory is broadened and incorporates new areas of research such as the service sector or the public sector, it seems to be linked to a new recognition of the role of this sector in the overall economy. For example, the interest in service innovation has according to Boden and Miles emerged with a shift in the overall pattern of demand in the economy, away from goods and towards services (cf. Boden and Miles, 2000:3). Koch and Hauknes argue that we need research in public sector innovation to understand the role of public sector activities in socio-economic development and in achieving public welfare objectives. The argument is that we need a framework for understanding this vital element in socio-political and socio-economic change in societies (Koch and Hauknes, 2005:4). From this view the recent focus on public sector innovation may be linked to a new consciousness about the public sector as a factor in the overall economy and perhaps even to a new understanding of the public sector as an economic actor.

At first hand the 'traditional' concept of innovation does not seem relevant for understanding changes in political institutions. The question is how the particular context of the public sector shapes the theory and concept of innovation when adopting the concept. A closer look at the concept of public sector innovation will elucidate this.

### **5.3 The concept of public sector innovation**

There is no authoritative definition of innovation in the public sector. This is not surprising considering the diversity of the field, and not least the fact that there is no broadly accepted definition in 'traditional' innovation theory either (cf. Halvorson et al, 2005:2). Despite the ambiguity of the innovation concept there seems to be a great deal of inheritance of definitions of 'traditional' innovation theory. I will argue that the ambiguity is not only with regard to what innovation is or means (how to define innovation), but also with regard to the *concept* itself. There appears to be disagreement on what it means to conceptualise at the whole, i.e. at the level of concept. These disagreements regard 'function' or role of the concept in a theory. Is a concept of innovation for example meant to describe or explain empirical phenomena, or is it something to guide policy? In order to discuss innovation later in the thesis, and discuss how we may understand a theory of public sector innovation, it is necessary to take a closer look at how public sector innovation is treated and defined.

First of all, with regard to content *novelty* is a central feature of innovation across all definitions. Besides, there is agreement to distinguish between *innovation* as new practices and *invention* as new ideas. Altschuler and Zegans (1990) define innovation as “*novelty in action*” (Altschuler and Zegans 1990:20). Damanpour and Schneider (2008) define it as: “*the development (generation) and/or use (adoption) of new ideas or behaviours*” (Damanpour and Schneider, 2008:2). Implementation or use is thus a necessary feature of innovation. Hannah (1995) uses Kanter’s (1983) definition of innovation as “*the **process** of bringing any new, problem-solving idea into use... Innovation is the generation, acceptance, and implementation of new ideas, processes, products, or services*” (Hannah 1995:216). These elements – new ideas implemented and leading to new practices – constitute the core of all definitions of innovation. However, innovation is often differentiated into different types, and defined via typologies.

### 5.3.1 Typologies of public sector innovation

Typologies serve as broad definitions showing different types of innovations, in terms of what is being innovated, or what the object of renewal is. The following is a synthesis of typologies presented by Bason (2007), Koch and Hauknes (2005), Halvorson et al (2005), Hartley (2005) and Windrum (2008).

- *Product innovation/service innovation*: The introduction of a new service or the improvement in quality of an existing service product (Windrum 2008:8; Koch and Hauknes 2005:8; Hartley 2005:28). This includes development, use and adoption of relevant technologies (Halvorson et al 2005:2).
- *Delivery innovation*: Involving new or altered ways of solving tasks, delivering services or otherwise interacting with clients for the purpose of delivering services (Halvorson et al 2005:2).
- *Administrative and organisational innovation*: Changes the organisational structures and routines by which front office staff produces services in a particular way (Windrum, 2008:8). Involving new or altered ways of organising activities within the supplier organisation (Halvorson et al, 2005).
- *Conceptual innovation*: The development of new *worldviews* that challenge assumptions that underpin existing service products, processes and organisational forms (Windrum 2008). They can be new missions, objectives, strategies or rationales (Halvorson et al 2005). This innovation resembles what Hartley calls rhetorical innovation, which covers new language and concepts (Hartley, 2005).

- *Policy innovation*: Changes the thought or behavioural intentions associated with a policy belief system (Windrum, 2008:10).
- *Systemic innovation/system interaction innovation*: New or improved ways of interaction with other organisations and knowledge bases (Halvorson et al, 2005:3).
- *Strategic innovation*: New goals or purposes of the organisation (Hartley, 2005:28).
- *Democracy innovation*: Changes leading to new democratic agendas for increased user inclusion of increasingly competent citizens. This may require a rethinking of democratic processes and forms of participation (Bason, 2007:57). Hartley calls this governance innovation including new forms of citizen engagement and democratic institutions (Hartley, 2005:28).

Besides, innovation may be categorised according to the following factors:

- Radical innovation – incremental innovation, denoting the degree of novelty
- Top-down innovation – Bottom-up innovation, denoting who has initiated the process leading to changes
- Needs-led innovation – efficiency-led innovation, denoting whether innovation was initiated in order to solve a specific problem or to make existing services more efficient (Kock and Hauknes, 2005:8).

Such typologies appear in political strategies and innovation statistics. They may be seen as broadened versions of Schumpeter's definition, which focused on new products and processes and mainly on their commercial application (Halvorson et al 2005:2). In strategies for strengthened innovation in the public sector in Denmark, innovation is defined in accordance with the OECD and EU definitions of innovation in private companies: "*Innovation is the implementation of a new or considerably improved product (goods or service), process, marketing method or a considerable organisational change. Innovation is the result of deliberate plans and activities aimed at improving the company's product, processes, sales and marketing or organisation. Innovation may be based on new knowledge and technology but can also be a combination of, or new applications of, existing knowledge and technologies*" (Rådet for Teknologi og Innovation, 2008:8, my translation).<sup>39</sup>

The idea of these typologies is that in practice any particular change may have elements of more than one type of innovation. They are not understood as mutually exclusive (Hartley 2005:28). Broad definitions of innovation in the form of such typologies

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<sup>39</sup> A new tool for statistics of public sector innovation has been developed, the so-called 'Copenhagen Manual'. The definition of innovation used as background for the statistics very much resembles the definition of the OSLO Manual (see [www.mepin.eu](http://www.mepin.eu)).

do not indicate any essential difference between innovation in public and private sector contexts. Of course, additions such as policy innovation or democracy innovation are types of innovation particular to the public sector, but in principle only represent a broadening of the same kind of change to new areas. This suggests that they can be understood by means of the same theories and the same basic logics.<sup>40</sup> Broad typologies like these do not encourage any reflection on what the differences could be between creating new forms of citizen engagement and developing new products. Thus, there is reason to assume that ‘innovation’ is meant to be a concept which is above such differences, in other words a generic concept. It remains unclear how a broad concept of innovation relates to governance and to normative, political dimensions of the public sector.

Given the diversity of definitions and their often broad and all-embracing scope, innovation appears a rather fuzzy term. In principle, public sector innovation may be *anything new* introduced to the public sector. It could be any new practice or product, and different actors can initiate it in a number of different ways. It remains unclear from such definitions what distinguish innovation and other types of change in the public sector, and why we need a concept of innovation at all. From a scientific point of view, the fuzziness of the concept means in its most extreme consequence that it is impossible to uphold a distinction between innovation and change and that innovation theory does not have a well-defined research object. This may be a reason why researchers discuss the specific characteristics of innovation in order to determine them more clearly. Thus, there is reason to assume that innovation is meant to be something more specific. After all, there is as mentioned a vast interest in public sector innovation and great expectations attached to it. The question is how innovation can be specified and what kind of change innovation is meant to refer to?

### 5.3.2 What kind of change is innovation?

In classic innovation theory ‘innovation’ was a concept for understanding large-scale, overall changes in society and economic development and a constant revolutionising of capital goods as a driving force of capitalism (cf. Schumpeter, 2008). Such characteristics are not explicitly attached to the concept of public sector innovation. Besides, public sector innovation does not necessarily refer to radical change only. Nevertheless, the scholars of public sector innovation theory are concerned with how distinctions between discontinuity and continuity, or radical and incremental changes, are central for distinguishing between innovation and other types of changes (e.g. Bessant, 2005; Diegel, 2005: 4; Fuglsang, 2008;

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<sup>40</sup> Democracy innovation is, however, only mentioned by Bason and in the Danish strategy for strengthened public sector innovation. This at least shows recognition of political, democratic dimensions of the public sector. But if for example democracy innovation is to be understood as something having to do with justice, citizenship or the common good as normative political categories, it is not evident from the presentation in such a typology. I shall return to this later.

Halvorson et al 2005; Koch and Hauknes 2005:8; Osborne, 1998; Osborne and Brown, 2005; Sanger and Levin 1992). It is discussed whether only planned changes, or also changes evolved out of every-day practices, should be regarded as innovation.

Some challenge the prevalent view that innovation is a planned change (Fuglsang, 2008:2), while others emphasise that innovation is a *planned and deliberate* change. Koch and Hauknes (2005) for example define innovation as “*a social entity's implementation and performance of a new specific form or repertoire of social action that is implemented **deliberately** by the entity in the context of the objectives and functionalities of the entity's activities*” (Koch and Hauknes, 2005:9, my emphasis). Fuglsang explains that such definitions viewing innovation as deliberate, replicable changes serve as tools in statistical studies of innovation in OECD and Eurostat and also that such definitions may be necessary in order to make quantitative studies of innovation. He argues, however, that the weakness of such definitions is that they miss out on important insights on how changes *actually occur* in practice of public sector organisations (Fuglsang, 2008:2). Innovation in the public sector is often said to be incremental changes that are not implemented in a planned and systematic manner. According to Sanger and Levin (1992), for example, innovation in the public sector is typically an “*evolutionary tinkering with existing practices*” developing over time through trial and error (Sanger and Levin 1992:88-89).

Similar insights inform Golden's two models for successful innovation in the public sector. She addresses innovation as an implementation process and suggests two different models of innovation. The first ‘policy planning model’ emphasises the importance of an innovative idea carefully refined into statute and policy. The policy planning process should according to this model include an effort to foresee and avoid implementation problems. The second ‘groping alone’ model de-emphasises the initial policy idea in favour of ‘rapid action modified by experience’. It is based on an idea of ‘implementation as exploration’ by which a public agency's ability to solve a problem in new ways comes from step-by-step adaptation to an environment. In this model successful public innovation stems from a rather messy process of evolution and adaptation, featuring many changes and wrong turns (Golden, 1990:220). According to Golden, the ‘groping alone’ model fits the way successful innovations come about in public agencies best. Innovative ideas develop through the process, and are, over time, changed through action (Golden, 1990:244-45). According to Golden these insights can provide a basis for offering advice to managers that need to innovate (Golden, 1990:219). Thus, innovation can be changes at organisational level that do not necessarily initiate from or follow an original policy idea. I wish to remark that the relevant criterion of this approach is *successful innovation* rather than successful policy implementation.

This distinction between innovation and other types of change is a central issue when defining innovation and for defining a clear concept of innovation. In order to discuss the

implications of public sector innovation and user-driven innovation, it needs to be somehow clearer what innovation is. The question is why we need a concept of innovation if it is not clearly distinguished from 'development' or 'reforms' in the public sector. Changes in the public sector are obviously not something new, neither as changes initiated at political level or as changes evolving out of day-to-day experience at administrative level. In Public Administration research from the post-war period to the early 1980s, changes in the public sector were viewed in terms of large-scale changes, initiated by politicians (Hartley, 2005:29-30). Public Administration and implementation research have been focused to a large degree on *policy* changes or changes *initiated at policy* level. A central question has been how to successfully execute political decisions, and the political context of changes was taken explicitly into consideration. Even though policy innovation is also part of the typologies, words like 'innovation', 'implementation' and 'reform' seem to mean different things in the literature concerned with the respective kinds of changes. 'Reform' typically refers to changes initiated at policy level, while 'innovation' in principle can be initiated at any level of the organisation.

Changes in the public sector have also been dealt with in implementation research that came in prominence in the 1970s. This research asked the question of how to implement policies. In agreement with some of the insights from the innovation research presented above some implementation researchers concluded that a 'traditional' view of implementation is contrasted by empirical evidence. According to a traditional view policies are implemented in accordance with their intention. That this may not always be the case is exemplified in Lipsky's concept of 'street-level-bureaucracy' concerning public sector personnel working with people at 'street-level', e.g. in social services or schools. According to Lipsky these people make the essential decisions due to their wide discretionary and decision-making power. Thus, these are the real policy-makers, as the effects and the actualisation of policies take place at this level. Citizens' experiences of the policies and the effects on citizens' lives depend on these encounters (Sannerstedt, 2003:22-23; Lipsky, 1980).

This elucidates the political character of public administration and challenges the sharp distinction between politics and administration as two completely separate activities. In implementation research there is a certain interest in the so-called 'implementation problem'. This refers to the democratic problem that elected politicians lose decision-making control. On the basis of democratic theory, the citizens or their elected politicians are seen to make the political decisions by majority rule. Democracy presupposes that the administration respects and follows the decisions of the elected politicians (Sannerstedt, 2003:19). Thus, for implementation researchers the democratic implications of breaking with the 'traditional' role of public administration pose a problem. Such issues are not discussed in public sector innovation research. That some decisions and practices carried out in the public sector are based on political, democratic decision-making processes and

thus are encumbered with criteria for democratic legitimacy does not appear as an issue. When Golden states that the challenge is to figure out what it means to improve practice in a world of 'groping along', by putting less emphasis on skilful prediction and more on skilful learning, the retrospective analysis of experience (Golden, 1990:245), changes are detached from policy. The democratic context of the public sector, which is reflected in the idea of 'reform' and 'implementation' regarding changes of the public sector initiated by elected politicians, does not play a central role in 'innovation' as a concept of change.

The introduction of the term innovation indicates that other changes than policy implementation are considered important and desirable. In principle, innovations can however be any kind of change and some of the examples found in the literature concern the implementation of reform elements (e.g. Godø et al, 2005:12). 'Innovation' may also refer to changes that result from implementation of policy. It may also refer to changes initiated at administrative level, which may not be linked with a particular policy. It is not clear how innovation is distinguished from reform or implementation and if innovation is meant to make the other terms redundant. However, with the introduction of 'innovation' certain questions cease to be considered relevant. There is for example no interest in legitimacy or democratic concerns linked with public sector changes. In general there are no explicit considerations regarding the normative claims for making changes in a political, democratic context. The concept of innovation is presented as generic and politically neutral.

### **5.3.3 A generic concept of innovation**

Definitions of innovation such as typologies represent a direct transfer of 'traditional' conceptions of innovation to the public sector. In this sense the concept is constituted as a generic concept – i.e. innovation is meant to refer to the same phenomenon or type of change across different contexts. These contexts may then hold different conditions for innovation to occur, for example bureaucratic organisational structures and fear of public scrutiny (e.g. Altshuler and Zegans, 1990:19; Borins, 2006; Koch and Hauknes, 2005:40; Mulgan and Albury, 2003; Ross et al, 2004). To put it simply, from this perspective the question asked is: What conditions for innovation do the characteristics of the public sector provide? My concern here is as mentioned in the introduction rather the reverse: What does it imply for the public sector characteristics to adopt a concept of innovation?

Some authors point to limitations to directly transferring insights and economic assumptions of traditional theories to the public sector (Røste, 2005:36). The apparently simple structures of drivers for private sector innovation are not applicable in the public sector that is considered too complex to fit a model like this (Koch and Hauknes, 2005). Nevertheless, even though mentioned, such considerations are not further reflected in conceptions of public sector innovation. The concept is not challenged. Challenging the idea



of economic incentives rather seems to encourage studies for new empirical insights on how innovation takes place and what incentives are central in the public sector context.

Generic approaches to organisations have certain implications. In order for categories and concepts to be applicable and relevant across contexts such as the public and private sector, certain traits need to be ignored. Generic approaches thus intentionally blur the boundaries between public and private sector organisations by working with categories and traits that are common across these boundaries. From this perspective service innovation is in principle one type of innovation that can be found in both public and private organisations. The political context is in these attempts ignored or seen merely as a type of organisational context. The political rule is thus represented as a contingent and empirical trait of the public sector rather than a necessary, constitutive one. At a conceptual level, this is a de-politicisation of the more concrete tasks of the public sector and its services, and the particular considerations and responsibilities that are central for the public sector to carry out its tasks. It further represents a theoretical de-politicisation of the whole idea of the public sector, i.e. of the very foundation of the public sector (why should we have a *public* sector?).

Blurring the differences between public and private sectors in principle opens up for uncritical transfer and adoption of rationalities, logics and organisational principles across the various types of organisations. In practice it often means that management principles and ideas are transferred from the private to the public sector (this is also supported by the ideas behind the reform movements NPM and Reinventing Government as I shall show in chapter 6). Generic understanding of innovation makes it possible to argue that in order for the public sector to become innovative it should adopt private sector management principles. The private sector is after all recognised as a place where innovation has traditionally flourished.

A generic concept of innovation does *not necessarily or logically* imply that the public sectors should adopt private sector management principles. Nor does it according to the definitions include only changes of technical or managerial character. However, *in practice* this is the case with current concepts of public sector innovation. One could perhaps say that the concept as it is presented is not truly generic, but an economically inspired one presenting itself as generic. It remains attached to ideas of management and change in technical, instrumental terms. It is thus not generic in the sense that it detaches itself from economic innovation theory and revisits earlier, pre-economic conceptualisation of the innovation concept (cf. Godin, 2008). This attachment to economic theory or managerial rationales is not an analytical necessary trait of the concept of innovation but lies in the particular circumstances related to public sector innovation and the supposed superior innovative capacity of market firms.

According to Windrum (2008) the supposed superior innovative potential of the private sector has resulted in a view that policy should focus on privatisation of public services, and thereby secure growth and productivity. This has resulted in an outsourcing tendency and adoption of private sector management principles in the public sector. Windrum argues that this view seems to have unconsciously spilled over into the innovation literature, resulting in a bias towards private sector service organisations and in views neglecting public sector innovation (Windrum 2008:5). Even though the 'prevailing myth' is challenged, a number of other assumptions of 'traditional' innovation theory are left unchallenged by public sector innovation theory. Thereby the concept of innovation remains attached to the premises of private sector innovation.

The fuzziness and ambiguity regarding whether innovation should refer to incremental changes, planned changes, changes initiated at the top of the organisation or by middle-management, point to a field characterised by a number of conceptions of innovation. What innovation means, seems to be contested. There is further ambiguity at the level of the innovation concept, for example in terms of what a concept does or should do (in theory and in practice). In other words, the discussions seem to reflect an uncertainty about *what it means to conceptualise* on the whole. When discussing implications of public sector innovation it is relevant to elucidate how the concept itself is discussed.

#### **5.3.4 Analytical, descriptive or instrumental concept?**

As we have seen innovation is represented as changes that can be incremental or radical, planned or not. Authors also represent different views of how to understand the *concept of innovation itself*. For example, Koch and Hauknes emphasise that the concept of innovation is an *analytical* concept or tool. It is not meant to be a descriptor of an objective reality or a generic category of behavioural dimensions in an empirical reality. The analyst decides what counts as innovation. They further suggest a critical stand against normative assessments of innovation in general or of types of innovation, in other words to see innovations as normatively positive or negative in themselves (Koch and Hauknes, 2005:7). This contradicts the most common use of the word where often exclusively positive connotations are connected to it. In the broader context a suggestion like Koch and Hauknes' makes it difficult to explain why innovation should be a necessity or desirable at all. Thus it also seems to contradict the assumption of most research and policy use of the concept that innovation is desirable.

A main research interest of 'traditional' innovation theory is taken over by public sector innovation theory, namely the identification of determinants of innovation. In 'traditional' innovation theory this interest is attached to the assumed relation between the economic performance of businesses and their innovative capability. For example, Tidd,

Bessant and Pavitt open their *Managing Innovation* with the statement: “*Management research confirms that innovative firms – these that are able to use innovation to improve their processes or to differentiate their product and services – outperform their competitors, measured in terms of market share, profitability, growth or market capitalization*” (Tidd, Bessant and Pavitt: 2001:xi). Management of innovation is seen as a way to improve the competitiveness of firms and the efficiency of other organisations. Innovation management is seen as an essentially generic process, although specific organisational or technological factors may vary and constrain innovation (Tidd, Bessant and Pavitt, 2001:xi-xii). This link between innovation and financial success also seems to encourage a certain interest in studying how to foster successful innovation by uncovering factors and barriers for innovation. This is the predominant research interest in the innovation research today (see Fagerberg, 2005; Tidd, Bessant and Pavitt, 2001).

This interest is also the predominant one of public sector innovation research. Koch and Hauknes for example state: “*If we take the need for innovation for granted, and also argue – as we do – that innovation is an integral part of public sector activities, it will be interesting to map social factors that stimulate innovation and those that hinder the application of new ways of doing things*” (Koch and Hauknes, 2005:35). The factors for innovation i.e. incentives and barriers, are by far the most frequently addressed issues in the literature (e.g. Altschuler and Zegans, 1990; Borins, 2000, 2001a, 2001b, 2002, 2006; Christopher, 2003; Golden, 1990; Libbey, 1994; Sanger and Levin, 1992). Through a systematic review of 101 articles Becheikh et al have made an account of 323 determinants of innovation in the literature (Becheikh et al, 2007).

The research in public sector innovation is thus concerned with barriers and incentives for innovation. This may be attached to the pragmatic interest in formulating practical guidelines with either recommendations to managers (as we saw with Golden) or policy recommendations (e.g. the Publin research<sup>41</sup>). The concept of innovation is divided between analytical, descriptive, explanatory as well as prescriptive purposes. These considerations point to different dimensions of the innovation concept. In the generic OECD definitions, it works as a tool for making statistics, while Fuglsang’s idea of ‘innovation as bricolage’ seems to aim for high explanatory power or for capturing empirical nuances (how changes actually occur). This may reflect deeper ambiguities or differences between the various contributions to public sector innovation theory. On the one hand, the task of innovation theory seems to be pragmatic in the sense that it should develop insights in how to innovate. Public sector innovation theory may be regarded as a policy science, meaning that it aims to produce knowledge of concrete utility for practitioners (cf. Tsoukas &

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<sup>41</sup> The Publin research has been part of the Programme for research, technological development and demonstration on “Improving the human research potential and the socio-economic knowledge base, 1998-2002” under the EU 5th Framework Programme, and has conducted research and a number of case studies in innovation in the public sector in Europe, particularly within health care and elderly care (Koch and Hauknes, 2005).

Knudsen 2003:2). At the same time it aims at precise descriptions of reality or explanations of societal development. These aims are not contradictory as the research interest may well be to gain empirical insight in order to control innovation processes.

### **5.3.5 Public sector innovation as scientific ideology**

The concept of public sector innovation has dimensions of both a scientific theoretical concept and a concept for policy making. Miettinen's characteristics of the concept of national innovation systems in Finnish policy discourses may elucidate aspects of 'public sector innovation'. 'National innovation system' is a term that evolved in an arena between science and policy making. Miettinen describes how this concept has moved from being an analytical concept to an instrument of governance and a powerful organising metaphor in policy programmes, research projects and public debates. Such concepts transferred from science to other societal areas are often loose and tentative concepts. Due to their fuzziness they can function as boundary concepts that are able to reorganise debates between different disciplines, discourses or fields. They can function as interdisciplinary organisers enabling different groups to articulate roughly shared directions of interest without losing their identity and purpose (Miettinen, 2002:18-9). This description bears similarities with the concept of public sector innovation, which is also broad and ambiguous but nevertheless appears to have power as an organising metaphor. Miettinen describes what may happen to concepts when transferred from science to policy or popular use. He builds on Canguilhem's idea of a scientific ideology. A scientific ideology is a discourse that parallels the development of science but under the pressure of pragmatic needs makes statements that go beyond what has actually been proven by research. Part of this process involves *reification*, meaning that an abstract and tentative term is taken and transformed into a presumably given, self-evident and tangible entity, and presented as something that exists without doubt. By presenting innovation as such a tangible entity it can become an object of planning instead of just a tentative and loose concept (Miettinen, 2002:20-22). Perhaps ambiguities of the 'traditional' innovation concept explain how it can become such a 'scientific ideology'. The openness of the term makes it possible to transfer it between contexts and to use it for supporting certain rationales or strategies. The broad and open concept can thus be transferred across contexts such as between science and policy and can be used in relation to both public and private sector activities.

As Miettinen suggests there are limitations to what in practical terms can be done on the basis of such loose concepts (Miettinen, 2002:132). This reservation seems highly relevant for the concept of public sector innovation. However the concept of innovation may have more specific meanings than indicated here. As I shall show in the next chapter, the concept is often entangled in a broader context of strategies, goals and instruments determining the more precise meaning of the term. For now the point is that the concept of

public sector innovation seems to be a broad and rather fuzzy term. It is influenced on the one hand by innovation theory and attempts to use the concept as an analytic, scientific one and on the other by pragmatic, instrumental concerns that may be either managerial or connected to ideas of governance or policy. Even though the concept is rather ambiguous and unspecific, innovation is represented as a more or less tangible entity that will come to exist in so far as the facilitating conditions are present. In this sense the existing concepts of innovation are taken for granted and remain unchallenged. No attempts are made to adjust the concept to the new context in which it is adopted. This may seem unproblematic if one considers the aim of innovation research to explore how changes occur in organisations. But, as I have argued there seems to be no questioning whether innovation *should* be encouraged in the public sector. 'Innovation' has a clear performative and normative aspect in the sense that those advocating it want to *do something* with it. It is presented as a key term for developing the public sector.

What we can do with innovation in the public sector and what we perhaps should restrain from doing is not presented as a question requiring normative justification or consideration. The concept, however, calls for other concepts and for value assessment criteria if it is not to become nihilist and just promote changes for the sake of changes (cf. Paulsen, 2011). And that other concepts and value criteria influence the content of the innovation concept (and the direction of change it is likely to encourage) is not addressed by the research. The innovation concept may also be seen as 'ideology' in the sense that it represents the institutional context in which they arise (the private sector context) as natural or necessary and thereby not as object of theoretical debate or reconsideration. The 'public' is represented as an empirical category offering certain conditions for innovation whereby its normative democratic dimensions are neglected. That obscures the possibility of a more emancipatory and just social arrangement (cf. Young, 1990:74; Langergaard et al., 2006:153). In line with technocratic ideologies innovation theory extends a model of theory-formation and practical application, which is suited for technological knowledge but excludes other modes of cognition and adopts it into a public sector context (cf. Mendelson, 1979:46). Current concepts of innovation obscure the political and public dimensions of the public sector by reducing these to conditions that may inhibit or facilitate innovation. Political issues are reinterpreted as issues of production or technique. And at the same time innovation is presented as something which the public sector cannot do without. This would lead to a support for development of the public sector, which is blindfolded with regard to political issues such as those of justice or democracy.

In the last sector of the chapter I shall therefore address the normative dimensions of the concept and explore how it is thought to strengthen the public sector. I shall link this to the constitution of the 'public' in the literature on public sector innovation.

## 5.4 The normative dimensions of 'public sector innovation'

The question is how we should understand 'public' in relation to current ideas of public sector innovation. Innovation as a seemingly generic denominator for change and a narrow focus on the organisational level makes it difficult to see what the overall societal effect of public sector innovation is thought to be. What kind of development of political institutions is innovation supposed to support? This leads to questions of how the public sector is represented in the literature. If innovation is something that the public sector should work with systematically there must be an explanation to why this is the case. There seems to be no disagreement about that, and it is therefore relevant to take a look at what innovation is thought to do for the public sector.

### 5.4.1 Innovation and improvement

Hartley (2005) argues for distinguishing between innovation and improvement. According to Hartley innovation can occur without improvement and vice versa, and history shows a range of examples of innovation leading to no improvements giving reason to distinguish between innovation and improvement (Hartley, 2005:31). Others argue that not all innovation is necessarily beneficial to public services (Gray, Broadbent and Hartley, 2005:7), nor normatively good in itself (Koch and Hauknes, 2005:7). Changes can be recognised as innovations their political implications notwithstanding (cf. Koch and Hauknes, 2005:30). Thus, in this view public sector innovation can in principle have consequences of a weakened democracy or status of citizens.

I argue that such a representation of public sector innovation as normatively neutral does not make sense. The innovation concept must imply at least striving for improvement. This shows empirically by the uses of the concept. Even if explicit definitions of innovation do not unequivocally stress improvement or value creation, there is a 'positive' ring to the term. Taking a broader look at how innovation is not merely defined but also introduced more generally as a possible solution to certain problems, it is reasonable to argue that 'innovation' in the current uses of the term implies improvement or positive development. There seems to be no disagreement that innovation in the public sector should be encouraged, and thus the term has almost exclusively positive connotations. It is in every sense a 'hurrah word'. As David Albury (2005) puts it, innovation is in spite of it varying definitions "*a term redolent with generally positive resonances – modern, new, change, improvement*" (Albury, 2005:51). This may explain why no one argues against innovation, or even calls for caution with regard to making it a 'core activity' of the public sector.

But also at a conceptual, analytical level I would argue that innovation implies a striving for improvement. We cannot imagine innovation without implying at least a striving, an *attempt* to make improvements or better practices. It does not make sense to argue that we should have innovation if we do not believe that this would bring forth better conditions than the current. In fact it does not make sense to innovate or renew if not to strive for something better. Thus, it does not make any sense to claim, as Koch and Haukness (2005) do that on the one hand we need innovation in the public sector (Koch and Haukness, 2005:35) while on the other hand claiming that innovation is a purely analytical concept which does not imply improvements or any other normative assessment (2005:7). Innovation pursuits may, however, not always lead to improvement, which is a retrospective assessment, but the question is if we should then call it innovation. The question is how these normative aspects are represented and more importantly how they are linked with the public sector context.

In representations of the public sector some explicitly mention the political setting. Some point to the hierarchical organisation of the public sector based on a democratic principle; it is ruled by a Parliament and a Government constituted through elections. They mention that the politicians and civil servants in the public organisations work to meet the public interest (Halvorson et al, 2005:9). It is mentioned that democracy is the governing principle in public sector organisations (Halvorson et al, 2005:9), which means that the organisational context is normative (Bason, 2007:116). Thus, some differences between the public and private sector are recognised. That this should make a difference with regard to the concept of innovation does however not seem to be the conviction. With regard to the general understanding of the public sector, its role in society and what it should do, different approaches can be traced in the literature. Some of them see innovation as something leading to value creation or improvement of the public sector. Ideas about such improvements may elucidate a perception of the public sector and help us understand which development of the public sector innovation is meant to support.

#### **5.4.2 Innovation and value creation**

Creation of value in the public sector is presented as different from value creation in the private sector (see e.g. Hartley, 2005; Mulgan and Albury, 2003). Hartley suggests that public sector innovation only is justifiable if it *increases public value* in quality, efficiency or fitness for purpose of governance or services (Hartley, 2005:30). As we saw earlier in the debates about the innovation concept some researchers held it to be a purely analytical concept without any normative connotations. From this point of view innovation could also be changes which had effects that were not entirely positive.

Few definitions explicitly stress that innovation should lead to positive outcomes such as improvements. One example is: "*Successful innovation is the creation and implementation*

*of new processes, products, services, and methods of delivery which result in significant improvements in outcomes, efficiency, effectiveness or quality*" (Albury, 2005:51; Mulgan & Albury 2003:3, my emphasis). However, as we have seen from the debates on the innovation concept above, even if not explicitly stated, innovation is generally assumed to lead to improved or better practices. What does that mean then more specifically?

Moore (2005) points to innovations in the public sector as a means for creating 'public value', and offers suggestions for how this should be done. Such a statement indicates that innovation could support the public sector as *public*. He states that for public agencies to remain efficient, effective and responsive, government managers have to innovate (Moore, 2005:43). Innovation should, according to Moore, increase value in public sector organisations in at least three different ways: First, they should generate better methods for performing their core basic function. The interesting question is what this implies. According to Moore, innovation could for example support a general productivity increase. Second, public sector organisations should exploit the performance advantages that could be gained by abandoning their one-size-fits-all approach, and instead favour more customisation. The third way mentioned by Moore, is to explore new uses of their organisational capabilities by introducing new products and services that can be used to deal with different parts of their current mission, or meet a need that is outside their current mission (Moore, 2005:43). They are apparently what are supposed to create *public* value. The suggestions reflect a certain understanding of the role and function of the public sector. Generally, it seems to reflect a view that *service production* is the core function of the public sector. Innovation can thus support optimising the production of individualised services and goods in a more efficient manner. The suggestions resemble those found in New Public Management as a broader discourse for reforming the public sector. Other ways of specifying are in terms of innovation bottom-lines.

### **5.4.3 Innovation bottom-lines**

As mentioned in the introduction, the arguments for the importance of innovation in the public sector in Denmark concern the ability of the public sector to meet current and future challenges (Moltesen and Dahlerup, 2008: 147; Bason, 2007; Regeringen, 2007:5; Rådet for Teknologi og Innovation, 2008:11). Such future challenges include being capable of delivering personalised services to a heterogeneous society of demanding citizens (Albury, 2005:51; Bason, 2007:70), and being more efficient in delivering services. This leads to an elaboration of the innovation concept in the sense that it is differentiated into four bottom lines or parameters, according to which it can create value, as already mentioned in the introduction:

- Efficiency in processes and output
- Better quality in services for companies and citizens
- Strengthened democracy, legitimacy and due process/rule of law (retssikkerhed)



- Employee satisfaction through dynamic and attractive work places that furthers the recruitment and retention of employees.  
(Rådet for Teknologi og Innovation, 2008).

These parameters resemble four innovation bottom-lines described by Bason (2007). According to Bason these bottom-lines are not unproblematic, unambiguous categories to work with and measure. The challenge is that these values are highly complex to measure and that there is no agreement on how to more precisely understand productivity, quality or results of public sector activities. Similarly there is no consensus on how to measure 'increases in democracy' (Bason, 2007:57). And as should be clear now, current public sector innovation theory does not provide any help (or even attempt) to address such challenges. Following this, it is not clear how the bottom-lines differ from typologies. Further, it is not clear what value means and how democracy value differs from production value, which Bason at least recognises. The main parts of public sector innovation theory otherwise ignore it.

It is questionable how existing theories on public sector innovation could deal with these challenges of how to understand public sector quality or democracy, and thus questionable how it could support a development of these. Within the current understanding of public sector innovation the challenge of distinguishing between what is needed in order to pursue value creation on a democratic 'bottom-line' and an 'efficiency' bottom-line, respectively, cannot be addressed. Democracy is not an unproblematic concept that can be equalled with participation or voting. Thus, this calls for other theoretical conceptualisations and different concrete initiatives than those concerned with increased efficiency. What it means to innovate democracy is not a simple question which can be answered within the framework of the theories presented here. With terms from Aristotle, the difference can be conceptualised as one between *poiesis* (production) and *praxis* (political, ethical action). The types of knowledge connected to these different action domains are technical, instrumental knowledge (*techne*) and practical wisdom (*phronesis*), respectively (cf. Aristotle, 1995). Obviously, the public sector is not a domain of pure praxis and practical reason. However, the political, democratic dimensions cannot be captured by a concept restricted to categories of production. Current theories and concepts of innovation remain blind to such concerns, even though the idea of improvement or value creation seems a more or less integral part of the innovation idea. With the concept of public sector innovation not detached from 'traditional' innovation theory and an apolitical understanding of organisations, it seems unlikely that a focus on innovation will support a development strengthening the public dimension of the public sector. Thus it delimits the appropriateness of innovation as a comprehensive concept of public sector development. Even though it is mentioned that the

context is normative and the public sector is under a political democratic rule, it does not have any influence on the theory or concept of innovation.

## 5.5 Concluding remarks

The analysis of the innovation concept has elucidated ambiguities and inconsistency within current conceptions of public sector innovation. It has pointed to the lack of theoretical development connected with the deployment of the concept of innovation in the context of the public sector. The results from the analysis support my suggestion that there are reasons to rethink the concept by taking the public sector explicitly into consideration.

The analysis showed that the concept of innovation is ambiguous and that there is no agreement to a definition on innovation. There is a variety of different suggestions stressing different aspects even though *novelty* is the central element in all of these. Besides, the concept is often defined very broadly. It seems that innovation can mean anything new in the public sector and it remains unclear how innovation is to be distinguished from 'change' more generally. The tendency is however that innovation is considered apolitical, and the result is a concept of change that is not attached to considerations of legitimacy, democracy and politics. In this sense innovation is different from change in the public in terms of 'reforms' or 'implementation of policy'.

Further, there is ambiguity with regard to the type of concept, or more specifically its role in a theory. The concept is divided between science and policy, which causes some ambiguity with regard to the function of the concept in a theory. The fuzziness of the concept makes it open for different interpretations and also makes it mobile between different contexts. As a broad and ambiguous concept it can be adopted into policy discourses where it can be given more concrete content, as we shall see in the following chapter.

Public sector innovation theory relies heavily on conceptions of 'traditional' innovation theory concerned with new products and technologies in private sector organisations. The public sector context is a politico-administrative working under other conditions than organisations operating in a market do. Thus, one could expect that the concept would need changes and reinterpretations to be appropriate in this new context. However, definitions are often directly transferred and the concept is taken for granted as is the main research interest in uncovering factors for innovation. Still, the premise seems to be that innovation is desirable. Assumptions about barriers for innovation inherent in the public sector, such as lack of competition and public scrutiny, are mentioned. In fact, the public sector seems to be defined from the outset of innovation factors. What 'public' means more precisely apart from being a different sector of the economy with different operational logics or empirical conditions for innovation remains unclear. Still, innovation is a concept

with a progressive and dynamic ring. No one argues against innovation. It is reasonable to require more precision with regard to what innovation is supposed to do for the public sector. The concept of innovation cannot be understood without implying at least a striving for improvements – otherwise there would be no reasons to renew or innovate. And, to understand what it means to improve the public sector we need conceptions of democracy and citizenship.

The result of this is a theoretical field assuming and sometimes explicitly arguing that innovation is desirable but at the same time occluding the democratic and political conditions of the public sector. This possibly relates to the idea that innovation should be a generic concept. Generic approaches to organisations blur the boundaries between public and private sector and organisations, and thus between a political and an economic logic. This opens up for the possibility of an uncritical transfer and adoption of rationalities, logics and organisational principles across the different types of organisations. In practice it often means that private sector management principles and ideas are adopted into the public sector. This is not a logical necessity of the concept being generic. However, in this case the seemingly generic innovation concept is never detached from its origin in economic and management theory. And this frames the concept. The political aspects of the public sector are represented as contingent and empirical traits of the public sector rather than necessary, constitutive ones. This is a de-politicisation of the whole idea of the public sector, i.e. of the constitutive foundation (why should we have a public sector?) and a de-politicisation of the more concrete tasks of the public sector and its services. De-politicisation may here be understood in the widest possible sense, namely as it takes ‘politics out of things or things out of politics’ (cf. Clarke, 2009:21).

We thus end up with a concept of development and even of improvement, which is blindfolded with regard to political questions, and questions of justice and democracy.

After analysing the idea of innovation in the public sector it becomes clear that it is not unproblematic to assert that innovation should be a core activity of the public sector. We cannot have a concept of public sector innovation without such political, normative considerations unless we accept that one can argue for the necessity of development without accounting for the political direction and implications of the development. That the concept is represented as apolitical does not mean that innovation does not have political implications. There is reason to believe that innovation will support certain developments of the public sector rather than others. In the following chapter the concept is linked to discourses of public governance. We have already seen how some ideas of NPM have influenced public sector innovation theory. Such discourses influence the more specific content of the idea of innovation and indicates a direction of development. In the following chapters I shall focus more directly on ideas of user-involvement in connection to innovation.

## 6 User-driven innovation in a public governance context

In the previous chapter I analysed public sector innovation as a concept of change. The concept turned out to be both broad and ambiguous making it difficult to derive too many clear conclusions about the implications of such a concept of change, apart from a general de-politicisation of categories and theories of the public sector. In this chapter ideas of 'users' will be framed within public governance ideas in order to elucidate political underpinnings of prevalent ideas of user-driven innovation. The broad and open concept of innovation is given specific content from these public governance discourses, as is the concept of the 'user'. Thus, they reflect ideas of the public sector central to understanding rationales behind innovation and user-inclusion in the public sector. By influencing political strategies and innovation practices in the public sector, ideas of such discourses specify what public sector innovation can be.

In relation to the research questions of the thesis these presentations and discussions aim at clarifying the democratic implications of current understanding of user-driven innovation. This makes it possible to understand how innovation can support or undermine the public dimensions of the public sector. By relating ideas of the user and public services to citizenship it becomes possible to identify central principles of democratic legitimacy that are relevant to relate directly to user-driven innovation. The discussion further outlines normative ideas of citizens and public services that could inform an alternative concept of user-driven innovation.

The development of public governance discourses is usually described in terms of three different paradigms emerging sequentially.<sup>42</sup> The first, the 'traditional' Public Administration paradigm, developed from the post-war period until the 1980s where the New Public Management (NPM) paradigm gained influence, and the Network Governance<sup>43</sup> paradigm arose in the 1990s (see e.g. Hartley, 2005; Hess and Adams, 2007). As the idea of public sector innovation was introduced with the emergence of NPM, the presentation and

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<sup>42</sup> The phrase paradigm is here used in a rather broad sense of the word and not a strict 'Kuhnian' sense. A phrase like discourse or model could also be used. They can be traced in both academic theorising on the public sector, and in reform initiatives of the respective time, where the paradigms dominate. These paradigms are sometimes labelled differently and correspond to the different governance modes, state, market and networks, which are described for instance by Jessop (2003). Sometimes the Public Administration paradigm goes under the label 'bureaucracy' (see for example Hess and Adams, 2007). They also represent a development in theorising about the public sector, and are often described as having emerged sequentially in time. That does not mean, however, that the newer paradigms have completely replaced later ones (not in research, nor in public sector reform policy, or political discourses), and the picture today may rather be described as elements, such as governance mechanisms, from these paradigms existing side by side.

<sup>43</sup> This is known under different names, such as 'community governance' (Hess and Adams, 2007), 'modern governance' (Clarke and Newman, 2008), which all refer to the same tendencies.

discussion will centre on ideas attached to user-driven innovation in NPM and Network Governance. The ideas of NPM are central for understanding public sector innovation for two reasons in particular. With its emphasis on flexibility and transference of management principles from the private sector, NPM opens up for the introduction of 'innovation' in the public sector. Besides, arguments about responsiveness and 'closeness to customers' (cf. Rhodes, 1996:655) central to NPM may be seen as a way of opening up for input from users to the public sector.

The chapter centres on discourses of public governance and link these with innovation and ideas of the user. The discussions are thus more directly on the paradigms and idea of governance than on innovation as such. However, to clarify how we could conceptually distinguish between public and private sector innovation such discussions are important. User-involvement has been debated in a number of writings in the 1990s, in particular in relation to the citizen-consumer. The history and literature on citizen involvement can be divided into a democratic and a consumerist tradition. I revisit arguments from debates of these traditions in order to discuss the implications of user-driven innovation. This represents a new contribution in the sense that by linking arguments from such debates directly to user-driven innovation I can elucidate democratic issues regarding the political role of the public sector, which have not previously been directly discussed in relation to innovation. And more importantly, points from these debates relate directly to the limits and dangers of transferring concepts of 'users' and 'services' from economic or service science theories to the public sector. The literature and policy documents studied are characterised by a cacophony of different voices and terms used: user, client, consumer, citizen, stakeholder, co-producer and partner. The discussion here includes ideas of the citizen as 'consumer' and as 'co-producer', as they are most prominent with regard to current ideas of user-driven innovation.

I argue that the idea of public sector innovation is introduced with NPM, which introduces an at the time new idea of the public sector. Innovation is linked with a separation of the political and administrative levels of public sector organisations, rendering the public service providing and administration an apolitical role. This reserves democratic considerations for the direct relation between citizens and politicians. This combined with the success of rhetorically contrasting bureaucratic, repressive paternalist public organisations with flexible, customer oriented efficient private companies have led to gaining ground for ideas of innovation and managerial freedom. The citizens are seen as customers and the service providing role of the public sector is emphasised at the expense of the role as authority and political institution. Network Governance challenges some of these ideas and conceptualises the users in terms of co-production rather than consumption.

I argue that the redefinitions of citizens are not unproblematic. By a strict emphasis on service provision and responsiveness to individual citizens, in terms of users or consumers, the political role of the public sector becomes increasingly blurred. The public

sector becomes linked to particular interests and preferences rather than general interest. Making it increasingly unclear why we should have a public sector and how it is distinguished from market organisations the public sector is left vulnerable as a political institution. It further weakens the status of citizens as rights and entitlements become substituted with interests and services. Even when not directly privatised, citizens may be encouraged to respond to these services from a self-interested perspective, as personal services that are to meet their own idiosyncratic wishes. The implications of this view may be wide reaching and lead to a weakening of the ability of the public sector to deal with public, common concerns.

## 6.1 Structure of the chapter

The chapter starts out with linking the idea of public sector innovation to the emergence of NPM and the American equivalent 'Reinventing Government'. The strong focus on generic management principles and a business vocabulary opens up for the introduction of categories like innovation in the public sector (6.2). Second, a very brief introduction to a democratic and a consumerist perspective of user inclusion is made.<sup>44</sup> Common for these traditions is that they argue that the hierarchical, bureaucratic organisation of the public sector must be either replaced or supplemented with 'input from below' (6.3). Third, I discuss the citizen-consumer and the problematic aspects of the representation of the public sector as first and foremost a service provider (6.4). Lastly, the Network Governance paradigm and the idea of the citizen as a co-producer are presented. Newer conceptualisations of citizens as innovation partners shift from a language of consumption to one of production (6.5).

## 6.2 'Innovation' introduced with NPM and Reinventing Government

Public Administration is interested in large-scale changes and improvements initiated by politicians who develop new policy frameworks and build support among citizens and their parties for changes in legislation. It represents the public sector as based on a legislative, bureaucratic and rule-based order (Hartley 2005:29-30).<sup>45</sup> Thus, innovation does not appear as a concept of public sector change in Public Administration writings. Not until the emergence of the NPM paradigm at the beginning of the 1980s did innovation gain ground as

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<sup>44</sup> I shall not distinguish between customer and consumer here, as the terms are used interchangeably in the NPM literature. There are distinctions between customers and consumers in other contexts but I will not go into them here.

<sup>45</sup> Hartley (2005) uses the term innovation to describe this, but this is misleading, since the terminology of innovation is not used within the Public Administration paradigm.

something essential to improving the public sector and public services.<sup>46</sup> Innovation has a central place in NPM, which is especially clear in the US equivalent, Reinventing Government, called so after Osborne and Gaebler's bestselling book from 1992 (*Reinventing Government – How the Entrepreneurial Spirit is Transforming the Public Sector*). Ideas presented in this book have had major influence on the modernisation reforms of the OECD countries (du Gay, 2000:83) and on initiatives taken by the Clinton government in the National Performance Review (du Gay, 2003:672; Moe, 1994). Introduction of market mechanisms, customer responsiveness, entrepreneurialism and innovation are all terms associated with both NPM (Paulsen, 2005:16) and with 'Reinventing Government'.

The interest in innovation encountered in the modernisation and reform trends of the public sector also has a political dimension. The increasing interest in public sector innovation appeared side by side with arguments for changing the public sector in certain ways. Moore (2005) tells how in the US in mid 1980s, the political Right had successfully set an agenda where government agencies were portrayed as inefficient and unresponsive by contrasting them with highly efficient, and responsive, customer oriented private sector organisations. In relation to this, innovation was seen as a key to efficiency and effectiveness in public agencies (Moore 2005:44).<sup>47</sup> A new trend in social policy formulation and implementation appeared which held innovation as a core component. Innovation was seen as normatively good in social policy implementation and as part of a reaction against the standardised, universal services of the post-war welfare state. It has its roots in the growth of managerialism and NPM as a dominant paradigm for managing public services. NPM praises learning from the private sector and links innovation to responsiveness to market change and cost efficiency (Osborne 1998:1134). It stresses explicit standards and measures of performance, value for money, and 'closeness to the customer' (Rhodes, 1996:655). The agenda set by NPM in which innovation is a key component reflects a political programme and not merely ideas of administration. Underpinned by neo-liberal ideas, market steering has been suggested as a way to replace 'monopoly providers' by efficient suppliers disciplined by the competitive realities of markets (Clarke, 2004:31). It has been argued that the public sector will benefit substantially from the implementation of private sector management principles and by imitation of the private sector.

The NPM modernisation agendas make up the broader background for the emergence of the idea of public sector innovation. In public sector innovation theory analysed in chapter 5, this relation between NPM and innovation is recognised. For example, Veenswijk (2005) describes NPM as the dominant paradigm of public sector innovation and states that "*the*

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<sup>46</sup> One exception is Mohr (1969).

<sup>47</sup> NPM is often classified as a representation of neo-liberal ideas. I shall not take up the overarching diagnosis or phenomenon of neo-liberalism here (see e.g. Clarke, 2004 for a discussion of the influence of neo-liberalism on the public realm). Instead I discuss the implications of market economic understandings of the public sector more generally.

*most comprehensive programmes of change have been initiated in the public sector of many European countries under the (neo-liberal) flag of New Public Management with the objective of effecting – across the board – innovations via a major improvement of management, a more efficient, effective and especially customer-focused orientation”* (Veenswijk, 2005:8). Exactly efficiency, effectiveness and responsiveness are often presented as the potential gains of innovation in the public sector (see e.g. Albury, 2005; Damanpour and Schneider, 2008; King and Martinelli 2005:1; Moore, 2005:44; Mulgan and Albury, 2003). These ‘key words’ of NPM appear in public sector innovation theory confirming the close relation between science and political programmes with regard to ideas of innovation. The different aims of innovation relate to different strategies of change, and I suggest a distinction between them. In this chapter the focus will be on ‘responsiveness’ as this links directly to user-inclusion.

The ‘NPM story’ may be criticised for being misleading in its simplicity with its claim that one single administrative regime exists, when in fact several regimes exist (Pollitt and Bouckaert, 2004:62).<sup>48</sup> The implementation and effects of NPM ideas have varied between different countries and have not resulted in a number of homogenous reforms across different local contexts. Nevertheless, NPM has generally promoted certain ideas about the public sector, citizens and the state that have gained wide acceptance. These ideas encourage certain ways of organising the public sector, namely in a ‘lean’ and ‘flat’ way – decentralised, with street-level staff who is empowered to be flexible and innovative (Pollitt, 2000:183), or ‘free to manage’ (Hood, 1991:4; Christensen and Lægreid, 2002:269). Critique of standardised services and a bureaucratic organisation is directed at the state from different quarters. Osborne and Gaebler consider top-down bureaucratic monopolies delivering standardised services as inherently inefficient. The ‘one-size-fits-all’ services are not up to the challenges of a rapidly changing society (Osborne and Gaebler, 1992: xviii). They argue that in order to cope with the environment’s demands, public sector institutions need to be extremely flexible and adaptable. One way of meeting these claims is to *redefine clients as customers* (Osborne and Gaebler, 1992:10-20) and giving them an opportunity to *choose between services*. What distinguishes NPM/Reinventing Government from critiques of the welfare state raised in political philosophy (by e.g. Habermas, 1996; and Young, 1990) is the way problems are diagnosed and the strategies suggested for dealing with these perceived problems. I shall return to this in chapter 8.

By successfully portraying the public sector as inferior to the private sector with regard to both efficiency and service provision, it has been possible to suggest an adoption of private sector principles to solve the perceived problems of the public sector. This is often referred to as ‘managerialism’. Innovation may be seen as such a term adopted from the

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<sup>48</sup> See also Pollitt and Bouckaert (2004) for a comparative study of public management reforms in different countries.



private sector, which as mentioned has obtained a prominent status in dealing with the perceived problems and challenges of the public sector.

### **6.2.1 Management and politics in NPM: A generic view on service provision**

'Managerialism' has suggested making government bureaus function more like business corporations operating in a market with competition by using private sector management principles (du Gay, 2000:125). Greater freedom and responsibility to the individual manager is a central imperative of managerialism. It is underpinned by the supposition that politicians and officials have separate and distinct tasks. A division between policy and strategy on the one hand and implementation/management on the other implies that politicians should not be involved in the day-to-day decisions of government bureau. They should instead leave it to the managers to manage freely and to focus on adding value through delivering the required results (du Gay, 2000:126). The focus is explicitly on efficient and effective operation of the organisation or the agency, and correspondingly less on the political level or the political character of the tasks of government agencies. This can be linked to the move away from seeing changes in terms of 'implementation' of political decisions as described in chapter 5. Democratic challenges of implementation are issues related to a completely different conception of the public sector than the one represented by NPM, which explicitly separates the policy development role from the role of service delivery and production. This is sometimes presented as a distinction between 'steering' and 'rowing', that is, between the formulation of overall policy objectives, which is the task of politicians, and governing through interaction with stakeholders, which is the task of administration (cf. Sørensen and Torfing, 2005:215). As production is considered a non-political activity this expanded freedom of managers is not assumed to pose any democratic problems (Sørensen, 2002:709).

In practice this has resulted in changes of the organisation of the public sector. Examples from the UK have moved departments traditionally working hierarchically under ministers to semi-autonomous agencies having their specific tasks formulated in a contract-like framework document (du Gay, 2000:126). Besides, market pressures in relation to the service delivery function have been introduced (Parker and Bradley, 2000:131). This has been undertaken by introducing contract regulation (Greve, 2002) and a disaggregation of units to be independent systems with own performance goals and accounting systems. Separating the activities of politicians and of those executing the political decisions, i.e. managers and the administrative and production level, opens up for strictly generic views on management, service production and change. Besides, questions of democratic legitimacy become reserved to the relation between citizens and politicians. The administrative and service providing levels of public sector organisations are considered as non-political. It is

important here to remark that also in large parts of Public Administration research the administrative bureaucracy are separated from the realm of politics. Often bureaucracy is seen as an instrument for carrying out laws and policies and thus confined to implementation in an instrumental sense. In this sense the 'bureau' is not thought of as engaged in governance. Traditional public administration work with the dichotomies of politics versus administration and policy making versus implementation (Goodsell, 2005:17; Sørensen, 2002:699). Thus, it is not only with the introduction of NPM that public administration is represented as non-political. However, with NPM the realm of politics is narrowed down as it is reduced to decisions regarding the overall governing of society in terms of goals and frameworks while concrete decision making is redefined as administration (Sørensen, 2002:710). As we shall see below, bureaucracy may also be seen as having certain characteristics, which are important and valuable for the conduct of the public sector. The strict separation of the political and service producing level has implications, as I shall argue below. A generic view on services seems to be widespread today and seems to be closely connected to innovation as a concept of change.

In Denmark ideas of NPM influence for example the government's modernisation programme for the public sector from 2002, "With the citizen at the helm" (Danish: "Med borgeren ved roret"). This programme introduces goals for the future public sector. The citizen is not renamed a customer but 'free choice' is a central part of the programme. In short, the modernisation is to ensure that the public sector: 1. Is based on the free choice of citizens; 2. Is open, simple and responsive; 3. Provides quality for money (Regeringen, 2002:5). This idea of free choice has further implications for the service provision: "*The idea of free choice only makes sense if there is something to choose between – solutions as well as providers. There will be created competition for the provision of the best solutions. The government will ensure the conditions for providers to offer innovative solutions and create a diversity of offers to the users*". Besides, the government wishes to open up for providers from private and voluntary sectors (Regeringen, 2002: 8). Thus, the idea of a responsive public sector has gained ground in Denmark where it is also practiced, for example via free choice of hospitals. Resonance of consumerism is seen with the promise to provide 'quality for money', indicating a relationship of commodity or service exchange, rather than a political, democratic relationship. Innovation is here linked to such ideas of the public sector as a service provider and with ideas of delivering differentiated services.

Responsiveness links to a customer service orientation and to meeting individualised needs of citizens, here seen as customers. Closeness to the 'customer' challenges the supposed top-down approach of traditional Public Administration and opens up for user-inputs. This can be either in terms of market analyses or direct user inclusion, for example as user-driven innovation activities. In terms of the innovation typologies presented in chapter 5, this could be linked to e.g. innovation in services, democracy innovation or with user-

driven innovation (in terms of how to renew services or procedures). In the following I shall elaborate on the idea of the citizen as a user of public sector services.

## 6.3 The citizen as user of public sector service

'User inclusion' and 'citizen participation' have not always been framed in the language of innovation. Prior to the idea of 'user-driven innovation' there is a long history of citizen participation and user inclusion, including user movements struggling to gain influence. As a specific policy development user-inclusion can be traced back to community development initiatives and the legal requirement for public participation embodied in land use planning from the late 1960s (Beresford, 2002:95). In Denmark we have a tradition for user-inclusion in governance of municipalities, which extends back to the 1970s, and inclusion of parents in school boards since the 1930s (Torpe, 1995:2).

The history and literature on user involvement are often divided into a 'consumerist' and a 'democratic' approach (Beresford, 2002:96) (sometimes the democratic is called the collectivist approach (Dibben and Bartlett, 2001:45)). The drive for a user mandate comes from both of these traditions (McLaughlin, 2009:1106). These approaches express very different and distinct philosophical and ideological assumptions (Beresford, 2002:96). The consumerist approach reflected in NPM and Reinventing Government has been most clearly identified with the political Right and with an emphasis on managerialism and choice in the social services provision. The democratic approach, on the other hand, emphasises a clearer role in decision making and perceives the public as citizens (Bartlett and Dibben, 2001:45-46). The democratic approach has been particularly linked to organisations and movements of disabled people and social care service users. It is concerned with people having more to say in the agencies, institutions and organisations that have an impact on their lives (Beresford, 2002:97). This has, for example, been expressed through critiques of the 'client' term within social work. The concern was that the term represented an objectification of the social work relationship, where the client was someone in need of help, and the professional social worker was to identify the needs of the passive client (McLaughlin, 2009:1003). Both traditions attempt in different ways to break with the role of public sector clients as passive service recipients. An answer has been to represent the recipients of services as *active users* (Eriksen, 1993:141). Both approaches suggest a break with a hierarchical model of public sector organisation in order to open up for more input 'from below'. But the way they represent the relationship between the public sector and citizen differs fundamentally.

### 6.3.1 Breaking with the hierarchical, bureaucratic model

A hierarchical view on the public sector and popular sovereignty may be linked to a so-called 'traditional' model of implementation. This model presumes that decisions made by elected

politicians are executed by the administration as they were intended. Anchored in democratic theory this implies that citizens, or their elected representatives, make the basic decisions under free opinion and will formation (Sannerstedt, 1991:19). A hierarchical view on the public sector as bureaucracy further implies that the administration is an instrument for decision makers to execute decisions (Sannerstedt, 1991:21). 'Bureaucracy' is represented as a legal-bureaucratic model where precise and uniform rules regulate the way the administration deal with citizens. The rules are considered legitimate because citizens can, on account of their knowledge of the rules, predict the outcome of their dealing with the state (Rothstein, 1998:108). The role of bureaucracy is to embody the values of formal equality and proceduralism as against more arbitrary and personalised forms of authority and more coercive forms of inducing cooperation. It is based on the principle of operating in accordance with impersonal rules that apply in the same way to all cases. In this way they hinder that people within them make use of power, privilege or personal preference in virtue of their position (Young, 1992:69). Du Gay (1994, 2000), for example, argues that bureaucracy implies a certain ethical conduct, namely strict adherence to procedure, acceptance of hierarchical sub- and superordination, abnegation of personal moral enthusiasms and commitment to the purposes of office – these attributes are what characterise the 'bureaucratic ethos' (du Gay, 1994:667). This bureaucratic conduct is supposed to set aside pre-bureaucratic forms of patronage, to hinder corruption (du Gay, 1994:667-8), and is connected to a desire to guard fairness, equality and justice in the treatment of citizens (du Gay, 2000:2). However, the model has been criticised and put under pressure.<sup>49</sup>

Besides, the quest for user-inclusion represents a break with a hierarchical model and a wish to get more input 'from below' (cf. Eriksen, 1999:197). Rothstein says that centralised and standardised decisions on public services become problematic when citizens have no choice between them and cannot make decisions about them. Especially problematic are cases where services are of critical importance for the life situation of citizens, which is often the case since the welfare state is based on the idea that services of just this type should be publicly produced. If for instance persons with disabilities cannot select or reject personal assistants, Rothstein concludes that the result is to expose them to an unchecked exercise of power (Rothstein, 1998:196). Torpe argues that in so far as one is convinced that the state should guarantee equal positive rights, user inclusion is inescapable. The regulation necessary in a market economic society to guarantee equal positive rights will be so extensive that it is an illusion to believe that parliamentary governance is sufficient. Refusing

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<sup>49</sup> Du Gay (2000) divides the most common critiques of bureaucracy into three strands: the so-called popular conception associating bureaucracy with the defects of large organizations applying rules to cases; a second critique conceiving bureaucracy as one-sided expression of instrumental rationality and as inherently unethical; and lastly a third strand of critique which is the one raised by NPM and Osborne and Gaebler in their programme for an 'Entrepreneurial Public Sector' (du Gay, 2000: 3-5). Bureaucracy is further considered antithetical to innovation (Aucoin, 2008:293; Burns and Stalker, 1994; Thompson, 1965:1).

user inclusion equals, according to Torpe, an acceptance that citizen rights are filled by professionals and bureaucrats (Torpe, 1995:10).

If we accept such arguments, involvement of citizens in public service development can potentially strengthen the public sector in its relation to the citizens. However, an increasing inclusion of user needs may stand in tension with norms of equality, justice and fairness in the treatment of citizens that bureaucratic procedures are to ensure. User-inclusion may be at the expense of these central obligations of the public sector if not approached with a consciousness about the public sector context. Further, Peters (2000) argues that the ideal of responsiveness threatens to replace ideals of responsibility and accountability in the public sector. Accountability refers to having to render an account for ones actions, usually to parliament, emphasising the importance of democratic control over bureaucracy. Responsibility implies commitment of civil servants to ethical and legal standards (Peters, 2000:128-9).

These tensions appear to be inescapable conditions of public sector user-inclusion but will not be the main focus of the discussions of the chapter. I shall, however, return to them in chapter 8. For the moment I wish to focus on the differences between conceptualising the 'user' in terms of citizenship and in terms of customers. As argued in chapter 4, democracy is about public political decisions made by a citizenry. User influence cannot immediately be paralleled with citizen democracy and user influence on development of services is not democratic *per se*. The inclusion of user input poses other challenges in the context of the public sector.

According to Torpe (1995) the forms of organisation including users in governance of public services pose challenges from a democracy theoretical point of view. Such forms of governance emerge on the borders between public and private. The idea of democracy is attached to the distinction between public and private, i.e. that some concerns are common and dealt with by citizens through public debate and collective decision making while other concerns are private and dealt with individually (Torpe, 1995:1). This relates to the distinction between general and particular interests presented in chapter 4. Input from users may be individual and particularistic reflecting the private perspectives of people involved. If such particularistic input is incorporated into service development to personalised services, the public sector may fail to live up to the claim of taking care of the general interest. However, this may depend on the approach to involving citizens as users. Thus, there is a need to discuss more elaborately what it means to redefine the citizen in certain ways.

## 6.4 The citizen as consumer: An economic idea of citizenship

The economic invention of the citizen-consumer is the most radical reinterpretation of citizenship among current ideas influencing our perception of public sector services and of citizens as service recipients. It represents an introduction of economic categories to the public sector, just as the introduction of 'innovation' does. "*Consumers know their own wants, can make rational choices and expect producers to serve them*" (cf. Clarke, 2004:39). By introducing market-like-mechanisms the service recipient becomes free to decide between services like a customer in a market.

According to Clarke and Newman (2008), viewing citizens as consumers has been considered an effective instrument for the development of public services. It is accompanied by a rhetorical contrast between the boring, suppressive and non-responsive style of monopolies and the vivid, innovative and liberating experiences of the consumer culture. The citizen-consumers are conceptualised as active and with a greater responsibility for their own well-being than the passive, dependent welfare subjects (Clarke and Newman, 2008:335). In Denmark, such ideas are represented in the Government programme "Knowledge, growth, prosperity, welfare" (Viden, vækst, velstand, velfærd) from February 2010, which says that: "*we have broken with the clientisation in the public sector. We consider the citizen a competent (myndig) person who's individual needs should be considered. We have created a flexible public sector where we can choose for ourselves – schools, hospitals, and homecare. And most everyone of the users is satisfied*" (Regeringen, 2010:7, my translation). The user portrayed in the Danish Government strategy resembles consumerist and neo-liberal ideas of freedom through individual consumption and choice between services (cf. Clarke, 2004 for a presentation of neo-liberalism). User-centred approaches from this perspective emphasise *choice* and link to attempts to *personalise services*. Citizens conceptualised as 'customers' are given a chance to 'vote with their feet' by changing providers if they are not satisfied. As mentioned in the introduction, one of the arguments for the necessity for public sector innovation was the increasingly heterogeneous population, expecting more individual adjustment and flexibility in service delivery. Thus, the idea of a public sector that should accommodate individualised needs appear closely connected to the idea of public sector innovation also in a Danish policy context. The representation of the disempowered client is part of a political programme representing consumer satisfaction as attractive and empowering. However, the redefinition is not as innocent as it may seem.

### 6.4.1 From client to consumer: Loss in citizenship capacity

NPM advocates represent the customer as a replacement of the client. I wish to take a closer look at what happens to citizenship with this redefinition of '*clients* to customers'. Considering the repressive and stigmatising connotations of the 'client', redefining it into a

more active role with possibilities of choice may sound like an empowering move. However, critics stress the dangers of this redefinition. For example Suleiman (2003) and Koch and Hauknes (2005) point out that as a customer you have no commitment and responsibility to others while being a citizen requires a commitment and responsibility that go beyond oneself (Koch and Hauknes, 2005:28-30; Suleiman, 2003:53). When citizens see themselves as customers they may lose the sense of solidarity or communality central to traditional social democratic, social liberal and conservative ideologies. One danger might be that social cohesion is undermined and the sense of responsibility for the community is weakened when relabeling the concept of citizenship. According to Koch and Hauknes (2005) the shift towards a practice of treating the citizen as a customer may lead to real changes in the relationship between the citizen and the public sector (Koch and Hauknes, 2005:28-30). Those opposing the re-conceptualisation and the practical consequences of it stress that *citizenship* entails democratic considerations regarding the organisation of the state. Treating the citizen as a customer and the state as a provider of goods obscures the political character of the state administration on the whole. Citizen rights and community belonging are replaced when the citizen is redefined as a consumer.

Introduction of consumer choice between services does not strengthen the position of the citizen. The state becomes accountable to the individual rather than to the public, and even to an individual with *needs or wants*, rather than an individual with *rights*. Instead of social rights the citizen-consumer gets to choose between commodities. As we were reminded by Habermas in chapter 4, rights are normatively binding in a deontological sense, as norms, meaning that they cannot be defined in grades or scales. Rights are inviolable (cf. Habermas, 1995:114-15). Goods cannot replace such rights without also introducing a very different normative logic. Citizen rights of due process and equal treatment are neglected if the focus on personalising services to meet difference becomes overarching. Citizens enjoy such rights as citizens because they recognise each other as free and equal members of society, and this is reflected in public institutions as mentioned in chapter 4. This collective aspect is also obscured by consumerism.

The consumerist argument portrays the redefinition of client to consumer as an unproblematic shift from the passive recipient with a deficit of power to the active choice maker. It is ignored that the person is only client because he/she is a citizen and therefore entitled to public services. Ideally the benefits of the client role are supposed to strengthen the capacity to take actively part in society as a *citizen*. Thus the connection between actively participating citizenship and reception of politically legitimated social benefits are obscured by the consumerist construction of the client. Clarke (2008) points to a 'double movement of de-politicisation' in consumerism. First, the political dimensions in the relationship between the public and public services are disconnected, and the relationships are re-imagined as both individualised (contained in the interaction of consumer and provider) and

particularised (as located in the specific service or need at stake). Secondly, the deployment of consumerism seeks to turn collective and potentially political decisions regarding public services into technical matters (Clarke, 2008:21). Consumerism represents the relation between citizens and the state as one of exchange of commodities rather than one regarding freedom of citizens. This also implies an understanding of public services and thus touches on the core role and function of the public sector.

#### **6.4.2 Generic view on services: Market analogy**

The service providing role of the state is accentuated as the core function when NPM and Reinventing Government promote ideas of assessing public sectors in terms of customer orientation and commitment to continuous quality improvement (Christensen and Lægheid, 2002:269; Eriksen, 1999:197; Pollitt, 2000:183). It also introduces a new logic to public service provision, which becomes represented as analogous to market provision of services. The logic is that the state like the private sector provides services, and in this sense is a producer. The citizen on the other hand pays for the purchase of these services via taxes, and as with any other purchase the buyer gets the best deal under non-monopolistic, competitive conditions (Suleiman, 2003:51). Such a representation of the public sector entails other problems, too.

Focusing on the specific service implies as mentioned a de-coupling from the political context. Services are represented as a means of meeting personal preferences. When citizens are involved in service design they may be encouraged to take a particularistic approach to public services as something that should be further developed in accordance with their personal satisfaction. The idea of general, common concerns is de-emphasised in favour of particular, individual preferences. If we can extract an idea of the common good related to this view, then it will be analogous to market demand, i.e. constituted as an aggregate of individual interests. The neo-liberal idea behind consumerism constructs the public interest as a series of specific and individualised encounters and interactions: each consumer consuming particular bits of service. Collective consumption of public services is invisible (cf. Clarke, 2004:39). This differs from a democratic perspective where citizens' entitlements represent decisions of a political community about what is required for a certain level of welfare. Here entitlements reflect what is considered important for citizens in order to be able to actualise rights they share equally with other citizens (in other words as part of a just political arrangement). With consumerism such entitlements are instead interpreted as instruments of individual need fulfilment (cf. Eriksen, 1999:20).

Other views may call for a better balance between the hierarchically institutionalised 'general will' and the 'personal needs' of a heterogeneous citizenry. The answer from the consumerist approach is to discard of any idea of common concerns. This is weakening and not strengthening the public sector as public sector. When only particular interests are



recognised it becomes rather difficult to account for why we should have a public sector at all and what its role should be. With it, its main function and constitutive conditions are obscured. In chapter 4, the idea of the general will was presented as *public* in the sense that it was if not irreducibly collective, then irreducibly inter-subjective (cf. Habermas, 1996). Political, common concerns dealt with by the public sector are not concerns regarding the preferences of individuals but concerns of justice, rights and the good life of citizens and thus concerns of a broader societal scope.

What conceptualising public sector organisations as service providers further obscures is that not all public sector organisations work with providing social entitlements or services. Some public sector organisations are *authorities*. Their dealing with citizens is regulated by rules and procedures to ensure impartial, lawfully correct treatment and due process. The legitimacy of these organisations depends on correct and just procedures that cannot be reduced to consumer satisfaction. This shall be taken up in the discussion of the Ministry of Taxation in chapter 8.

Crouch (2005) raises an important argument regarding privatisation and marketisation of public services. This argument has relevance for a de-politicised perception of the public service provision more generally. According to Crouch, when a privatised supplier takes over, the citizen has link neither of market nor of citizenship to the supplier. The citizen can no longer raise questions of service delivery with government because it has contracted such delivery away. When service and political level are considered more or less independent of each other, the same result occurs. With Crouch's words: "*As a result the public service has become a post-democratic one: henceforth government is responsible to the demos only for broad policy, not for detailed implementation*" (Crouch, 2005:101-2). Thus, it is not without consequences to neglect the political aspects of the public sector.

### **6.4.3 Implications of a de-politicised representation of the public sector**

These critical arguments illuminate something important with regard to the ability of the public sector to be *public*. Advocates of consumerism argues that a focus on individualised needs of the heterogeneous population will strengthen the legitimacy of the public sector as it becomes more directly responsive to the individual. However, the result is that *as a political institution* it becomes more vulnerable. The criteria for assessing the legitimacy of the public sector shifts from political/general to commercial/ particular categories (the assessment becomes one of satisfaction rather than justice/rights), and it becomes increasingly difficult to account for its reason of existence. As Eriksen points out: if institutions are not granted any value in themselves but perceived as instruments for fulfilling individual needs, we are left with only pragmatic arguments for why their task should be publicly or privately solved (Eriksen, 1999:20). Thus, a representation of the

public sector as mainly a service provider weakens the legitimacy and status of public sector institutions by de-politicising their role in society. Further, it creates a democratic deficit by conflating social citizen rights with goods or perhaps even commodities and by arranging service provision in a way, which takes citizen control away. And even more problematic, a consumerist view on the public sector and political issues conceals that our political life is about political freedom (autonomy and respect) and not about freedom in terms of consumption as argued in chapter 4.

Citizen rights are weakened and the relationship between state and citizens may be changed more radically when citizens are encouraged to perceive public services in such de-politicised ways. Even when not directly privatised, citizens may be encouraged to respond to these services from a self-interested perspective, as personal services that are to meet their own idiosyncratic wishes. For example, it may encourage parents to see the task of schools to service their children in developing skills for personal use for instance in future work life, rather than as a broader educational institution for future citizens of society and as a place where children take part in a community. Some would no doubt argue that such a view on the school is unproblematic and even desirable: the question is an ethico-political one, regarding what is a good society and what is the responsibility of societal institutions. Thus, such issues cannot be reduced to technical, organisational matters or matters of consumption without political consequences. A consequence of the reconceptualisation of public services as individual goods and the citizens as consumers may be that they are discouraged from participating in political life. According to Young, a client-consumer orientation privatises the citizen, rendering goals of popular control or participation difficult or meaningless. Political issues become restricted to issues of distribution, and people are by corporate advertising as well as popular media culture and government policy encouraged to focus on which goods they want and to evaluate government activities according to how well they provide services. This leads to a *de-politicised society where citizens' active participation in political life is discouraged* (Young, 1990:66-72). This further reduces legitimacy to a narrow value-for-money assessment, and further obscures issues of justice and injustice. Consumerism is thus not a convincing solution to the perceived problems of the welfare state construction of client-consumers for encouraging a passive and uncommitted attitude to public institutions. Reducing social entitlements to services in line with private sector services thus has potentially wide-ranging implications.

Network Governance reacts to the consumerist approach to user-involvement and instead points to an alternative emphasising more interaction between citizens and public service institutions (Jessop, 2003:3; Hartley). I now move on to the idea of the citizen as a co-producer of public services found in for example Network Governance, but also in economic ideas of user-driven innovation. I shall show that the language shifts from one of

consumption to one of production but that Network Governance nevertheless seems to recognise the 'citizen' in terms that are not merely individualised.

## 6.5 The citizen as co-producer: From consumption to production

User-driven innovation can be understood in different ways dependent on the paradigmatic frame and is not linked to consumerism *per se*. Network Governance conceptualises users as partners, stakeholders or co-producers (Jessop, 2003; Hartley, 2005). Here innovation and user-driven innovation is seen as located in networks and partnerships between public, private and voluntary sector actors. This suggests a move toward more collaborative services and ideas of co-production. For example, in the publication *Unlocking Innovation* by Parker and Parker (2007), they call for a shift away from "*notions of delivery chains that start with policy and end with a one-dimensional 'customer'*" (Parker and Parker, 2007:16). They say that the public sector needs a new narrative and a new approach to improvement "*that moves beyond the prescriptive systems of targets, inspections and market, and reconnects to people – who they are, what motivates them and how they really tend to behave*" (Parker and Parker, 2007:16). Such changes in the ideas about user-driven innovation in the public sector are attached to a more general shift in paradigm toward Network Governance.

'Governance' is a polyvalent term, which has come to prominence over the last decade, most frequently at the expense of the concept of *government* (du Gay, 2002:11). It signifies a shift from "*hierarchically organised, unitary systems of government that govern by means of law, rule and order, to more horizontally organised and relatively fragmented systems of governance that govern through the regulation of self-regulating networks*" (Sørensen, 2002:693). British government for example, is now said to be working through networks characterised by trust and mutual adjustment, for example in the provision of welfare services (Rhodes, 1996:653). Service delivery is characterised by inter-organisational linkages made up of organisations, which need to exchange resources in order to reach their objectives (Rhodes, 1996:658). According to Jessop one of the most general explanations for the rise of network forms of governance is related to the possible evolutionary advantages it offers for learning and innovation in a changing environment (Jessop, 2003:8).

This development also shifts the locus of innovation. It is presented as a shift from the organisation, which is in a bi-polar relation to the citizen (the view of NPM) to networks between various actors. This emphasis on cooperation between public, private and voluntary partners is for example in Denmark reflected in The Danish Enterprise and Construction Authority's analysis of innovation in public-private innovation partnerships. In the report it is emphasised that innovation partners are not involved in a purchaser-supplier relation but are instead 'development partners' exploring new innovative solutions to problems that they

define together (Erhvervs- og Byggestyrelsen, 2009:6). Such cooperation is believed to create value for corporations as well as in terms of better welfare solutions and to an increase in the 'innovation cultures' in the organisations involved (Erhvervs- og Byggestyrelsen, 2009:26). This idea of collaboration has implications for the role of the public sector, too. A prime responsibility for governments and public administration is to define strategic goals that can enhance partnerships with citizens and empower them (Vigoda, 2002:535).

In Network Governance citizens are conceptualised as development partners, and the idea of the citizen as a mere consumer seems to be supplemented with a number of ideas of participation and inclusion. A simple division between consumerism and market on the one hand, and participation and networks on the other, would not do justice to the complexity of the different ways citizens are engaged in different projects (Clarke and Newman, 2008:344). Nor would it reflect the various ways they are conceptualised in relation to user-driven innovation. A number of different terms occur in the literature on these interactive forms we associate with Network Governance, such as stakeholder, co-producer, people, partner and sometimes even citizen.

The central idea is that collaboration replaces the idea of responsiveness so central in NPM. Vigoda argues that the idea of 'responsiveness' to citizens as customers reflects a passive, unidirectional reaction to people's demands and needs. Collaboration in contrast, represents a more active, bidirectional act of participation of citizens as partners (Vigoda, 2002:527). This kind of direct participation is often described with the term 'co-production'. King and Martinelli (2005) introduce the term citizen 'engagement' as alternative to the terms 'involvement' or 'participation'. They link it to a so-called 'co-production model' of governance in contrast to a 'traditional production model'. In a co-production model of governance citizens are an essential part of the production process. 'Involvement' on the other hand is connected to a traditional production model of governance where citizens are actors or stakeholders acting in a consultation role with established institutions. They say that in the co-production model engaged citizens are in theory committed to some larger sense of the 'common good' beyond their individual and independent selves. 'Engagement' is thus linked with a notion of citizenship that extends beyond what individuals get or own, to some larger notions of the roles and responsibilities of individuals as part of a collective (King and Martinelli, 2005:2). There seems to be some ambiguity with regard to the juxtaposition of the 'citizen committed to the common good' and the idea of the public sector as a 'producer'. As mentioned in chapter 4, the role of the citizen as *citoyen* is a role oriented to *praxis* (action). It is a role taking part in political life deliberating about questions of the good life. Production, *poiesis*, has a more instrumental character and requires a different kind of knowledge (cf. Langergaard et al, 2006:160-1; Aristotle, 1995: 400-10/609). The idea of a political orientation to the collective is thus at odds with the idea of the citizen as a 'producer'. Nevertheless, despite the conceptual haziness such representations indicate that

citizenship implies more than just consumption or service orientation and that it also has aspects beyond individualism.

Ideas of the user as a producer are found outside ideas of public governance, for example in service research and economic theories of user-driven innovation. Thus like NPM, parts of Network Governance seem to be inspired by 'user' concepts found in economic, management or technical production literature, rather than from e.g. democratic user movement ideas. It appears that the democratic tradition and the ideas about citizen participation as a means to strengthening citizenship have had little influence on conceptualisations of user-driven innovation in the public sector.

### **6.5.1 The user as producer of services or products**

The idea of co-production is found in service research where the notion of 'co-production' is said to replace a previous bi-polar (producer and user) view on services and innovation. Service researchers state that the notion provides a conceptual centre ground that has moved away from simple supplier- or user dominated view on services and service innovation and instead emphasises genuine cooperation and development (Howells, 2007). Service research considers services to demand a direct contact between the supplier and the consumer. Even though there is no authoritative or definitive definition of services in the service literature, services are generally said to be produced individually in a direct relation between the producer and the consumer (Sundbo, 1998:8-10). This emphasises the inseparability of service production and consumption and the co-production with the customer (Gustafsson & Johnson, 2003:4-5).

In economic theories on user-driven-innovation, the user is defined as a consumer, who plays an active role in product or service development. Von Hippel defines users as "*firms or individual consumers that expect to benefit from using a product or service*". Unlike the traditional model where manufacturers develop products and the consumer's only role is to have needs, the users that von Hippel is interested in, innovate for themselves (von Hippel, 2005:2-3). Users benefit directly from innovations and are thought to have incentives to innovate due to utility gains from developing products that fulfil their needs. Manufacturers can profit from a systematic search for innovations developed by so-called lead users (Von Hippel, 2005:133). The user is thus conceptualised as a specific kind of economic actor, driven by incentives to maximise his/her satisfaction by developing products or services. In the article "Welfare Implications of User Innovation" (2005) Henkel and von Hippel's 'lead users' are defined by two distinguishing characteristics: "*First, they are at the leading edge of important trends, and so are currently experiencing needs that will later be experienced by many users in that marketplace. Second, they anticipate obtaining relatively high benefits from obtaining a solution to their needs, and so may innovate*" (Henkel and von Hippel, 2005:75). Welfare implications of user inclusion, as described by Henkel and

Von Hippel, are conceived in terms of product variety in the market and are not about welfare provision by the state.

What can be extracted from these definitions is that the users are characterised by having needs, and second, that the user in contrast to the 'traditional' more passive consumer is also a *producer*. Lundvall also attaches productive activities to the user. In his distinction, the more passive consumers whose goals can only be defined in very general terms, as satisfaction, happiness, utility maximisation, differ from the professional users, who have a more restricted goal for their activities, and are expected to be active in their search for new ways to solve their problems, adapting behaviour and qualifications when new technical opportunities come forward (Lundvall, 1985:5).<sup>50</sup>

If we are to identify general characteristics of the user going across different conceptualisations, then it must be that the user is in different ways an active agent in contrast to a *passive recipient*. Users are represented as capable of actively finding ways to fulfil their needs; either by choosing between alternatives, producing for themselves or by co-producing services. However, the consumer and the co-producer stay to a large extent within a consumption/production frame of thought. As long as the political and general aspects of the interaction between citizens and public institutions are not clear such representations of the user have limited relevance to the public sector. They will not in any deliberate or targeted way support a development of the ability of the public sector to be *public*. However, as indicated with King and Martinelli above, there seems to be a simultaneous reconceptualisation of the user as citizen, i.e. in political rather than economic terms. The collective dimensions of citizenship are also regaining attention at least in some ideas about co-production and partnerships in public services.

### 6.5.2 Co-production and partnerships in public services

Ideas of co-production of services seem to have influenced the idea of service in the public sector. Milliband presents in the foreword to *Unlocking Innovation* the challenge of creating "*truly collaborative public services, which allow users and communities to work with professionals and institutions to shape and contribute to them*" (Milliband, 2007:11). At the same time public services are distinguished from private services, as they are *inherently collective*; from youth services to schools to the local environment. A way to bring a higher quality of service, a stronger public realm and the flow of innovative ideas is thought to be supporting the involvement of users and communities (Milliband, 2007:11). It is worth

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<sup>50</sup> Also in media studies, this idea of the user as a producer is encountered. In the article, "Users like you? Theorising agency in user-generated content", van Dijck points to terms like 'producer' and 'co-creator' that emphasise the users' increased production prowess. In cultural theory, user agency is according to van Dijck cast as participatory engagement, *in contrast to passive recipients* of earlier stages of media culture. Economists and business managers phrase user agency in the rhetoric of *production rather than consumption* (van Dijck, 2009:42).

remarking here, that the terms used in the articles of this publication, stretch from 'people-centred' innovation (Parker and Parker, 2007:19), 'customer-driven' service design (Naylor, 2007:81) and that the idea of collective services is not broadly represented. There is not one clear conceptual model running through the publication, which seems to reflect the general picture of innovation and user publications well: there seems to be a cacophony of different voices using different terms. However, the idea that users and communities are to be involved in production and development of services indicates some recognition of the public context and distances itself from the consumerist ideas. Still, the political, 'general' dimensions of the service development and production remain unclear in most conceptions of governance networks. That the public sector has a specific responsibility to citizens and the public becomes unclear with the representation of the parties as collaboration partners.

The movement from *government* to *governance* has according to the Danish 'Strategy for strengthened innovation in the public sector' led to an increased focus on 'open innovation'. Open innovation means that the process of innovation is open to a number of different actors and do not take place inside the walls of a single organisation. Open innovation is said to be particularly relevant for the public sector, as it has a tradition for cooperation with external stakeholders. It takes place in networks of self-organising teams and across the boundaries between public and private actors. It is considered important for the optimal solution of the tasks of the public sector to promote 'innovation alliances' between public authorities, their employees, business life, knowledge institutions and users (as individuals or groups) (Rådet for Teknologi og Innovation, 2008:18).

The citizen is in such arrangements but one of a number of stakeholders included in service development and the solution of the tasks of the public sector. When citizens are aligned with other stakeholders such as private companies, the political dimensions of both citizenship and public service provision again become unclear. The idea of citizen participation leading to general, political solutions is concealed, as is the status of citizens as holders of rights. Thus, a too narrow production focus can potentially de-politicise the setting of the public services in new ways. Reducing the citizen to a stakeholder does, even if this role is an active, producing one, not make it clear how we are to understand neither the status of citizen rights, nor the services of the public sector as politically motivated. Partnerships involving private businesses, civil society actors and citizens may not be fit arenas for political deliberation and decision making, which seems to be the idea with policy making in networks. Thus, the general aspects and the common concerns may be de-emphasised or obscured in such partnerships and the result may be a compromise between interests around matters, which then lose their general character. How the common and general aspects of the political dimensions of the tasks of the public sector are to be ensured is not directly accounted for in such conceptualisations.

Both NPM and Network Governance challenge the traditional division between public and private sector institutions, and the institutionalisation of the 'public' in the state, either by advocating for privatisation and market steering of public services or by placing the production and development of not only public services but also policy in cross-sectoral networks. According to du Gay, Network Governance is not far from the ideas of the self-governing community, which has been a central feature of anti-statist discourse for as long as the state under the rule of law has existed (du Gay, 2002:13). Hence, both the public-private divide and the divide between state and civil society are changed with the emergence of Network Governance structures.

Democracy is not a dominant theme in writings on Network Governance and only few have considered the effects on e.g. liberal democracy (Sørensen, 2002:694).<sup>51</sup> Governance theorists and political decision makers have primarily focused on the ability of governance networks to enhance governance efficiency, and have shown little interest in the democratic implications of such networks (Sørensen and Torfing, 2005:199). Thus, the democratic considerations related to Network Governance are primarily taken up in certain academic writings (e.g. Sørensen and Torfing, 2005; Sørensen, 2002) and do not seem to have had great influence on the general governance discourses or on ideas represented in policy documents.

To briefly point to relevant aspects of user driven innovation and democracy, Network Governance does not support the idea of a pre-political universal common good (cf. Sørensen, 2002:710). In governance structures decision making and political action are understood in relation to particular fields of politics, taking place between formal and informal organisations and within a given locality. The idea of a sovereign will of the people carried by political parties is erased and replaced by a network based negotiation politics. Kristensen (1999) mentions the risk of democracy becoming parted between 'little democracy' concerned with local problem solution and 'large democracy' concerned with the general political and economic frameworks for concrete problem solving procedures. The access and motivation of the people are first and foremost aimed at local participation in the 'little democracy' (Kristensen, 1999:4). This resembles the disengagement problem of consumerism as citizens may lose interest in general political issues. Even if citizens may not be entirely privatistic in their orientation, a too narrow focus on local issues may take their interest away from societal issues of a broader scope. Recalling the arguments in chapter 4 that preconditions for personal freedom is an influence on the societal conditions setting the frame for persons' lives; this is potentially a problem from a perspective of citizen rights.

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<sup>51</sup> See Sørensen and Torfing (2005) and Sørensen (2002) as examples of presentations of the democratic theory linked to Network Governance.



A general point regarding involvement of users is that when user democracy is based on private interests, it can be criticised for encouraging narrowly instrumental motivation for participation and for taking the focus away from more common, societal concerns (Kristensen, 1999:10). Particularism rather than general concerns thus comes to control the public sector. On the other hand, some argue that citizen-involvement expands democracy as the participation is spread out to more members of society (Kristensen, 1999:1). The involvement of users in service design cannot be conflated with citizen democracy concerned with general overall political questions. However, a-depoliticised and particularistic understanding of the public services and service recipients may lead to attitudes undermining the core function of the public sector as a political institution and making it unclear why we should have a public sector in the first place. Public services are not merely services for individual needs; they are politically motivated and justified and they serve purposes of society and of citizens as free and equal members of a political community. Thus, introducing new forms of participation in the public sector has democratic implications; it may even lead to undermining the role of the state and public sector as well as the political life more fundamentally.

## **6.6 Concluding remarks**

By analysing the rationales of public governance ideas it has been possible to clarify implications of current ideas of 'innovation' and 'users'. Innovation is given more specific content through the frameworks of these discourses and their conceptualisations of the public sector and citizens. These ideas give a direction to the development of the public sector that 'innovation' supports. Already in chapter 5 it became visible how some of the ideas of NPM shape and influence the idea of public sector innovation. Today the Network Governance discourse has gained influence and shapes ideas of collaboration and innovation partnerships in the public sector. 'Innovation' and 'users' are both diverse concepts, and as we have seen that the 'user' is represented by various co-existing terms (people, user, customer, stakeholder, co-producer/stakeholder). The terms that were taken up and discussed in this chapter (customer and co-producer) are not representative for all existing ideas of users and user-driven innovation. However, the aim has not been to present an exhaustive picture of the empirical phenomenon. The discussion rather contributes with conceptual distinctions and elucidates implications of certain understanding of the users that were not immediately obvious before the discussion. Arguments for the dangers and limitations of transferring ideas of services and users from the private to the public sector have been presented. These limitations are of general range as they regard the differences between public and private sector contexts and thus help outline what could be central when rethinking the concept of public sector innovation (as in assessing existing concepts). It has thus become possible to identify some of the implications of ideas of innovation for the

ability of the public sector to deal with common concerns and citizens rights, as asked by the research questions.

The analysis pinpointed that innovation has emerged in close connection to the rationales of NPM and ideas of generic, a-political services and management. The dichotomy between flexible, efficient, customer oriented private business organisations and rigid, unresponsive public bureaucracies has gained wide prominence. This 'NPM narrative' has made it possible to suggest a number of changes in the public sector with the aim of making it more like private businesses. These ideas and the conception of the public sector that they imply have wide reaching implications. Even though Network Governance and 'traditional' innovation theory also shape public sector innovation, some of the conceptions about services and users introduced with NPM still appear to stand strong. The examples from the Danish government strategies show how the ideas have influenced the Danish innovation agenda.

NPM conceptualises public sector organisations first and foremost as service providers rather than as political institutions or authorities. A rationale behind user-involvement (and innovation generally as seen in the introduction) is that the public sector should be better at handling *differences* between individuals and thus particular needs. The population is as mentioned considered to be increasingly heterogeneous and a hierarchical decision making structure is considered too inflexible resulting in outputs too standardised to meet such heterogeneous needs. This poses some principle challenges to the public sector. First, it is not clear how focus on heterogeneous needs is compatible with norms of equal treatment, justice and due process that are important for the legitimacy of the public sector. Second, it is not clear how particular input from individual users is compatible with the core task of looking after general/common concerns. Distinctions between public and private and between general and particular interests are challenged when the public sector is supposed to react to individual needs.

Defining the citizen as a user, however, indicates an *active role*. Consumerism and the democratic user-involvement tradition portray the user as a contract to the disempowered client. Network Governance portrays the users as a co-producer in contracts to the passive consumer. Still, the redefinition of the citizen in these different ways is not politically innocent and does not in all cases lead to a more privileged position of the citizen. With consumerism, displacements of the citizen concept occur. First, the citizen is represented as an individual with interests or preferences, rather than as an individual with rights. Rights imply a certain normative obligation – they are inviolable – which cannot be replaced by goods without also displacing the normative obligation. The redefinition thus introduces a very different normative logic where the aim of the public is to *satisfy* citizens. Consumerism further dismisses collective interest and constructs public interest as a series of service

encounters. The idea of citizens as part of the political community is thus occluded, as is the relation between the entitlements of citizens and the will of the public community. Network Governance breaks with consumerism and recognises interests beyond pure individualist and private ones. There are also indications that the term 'citizen' partly has a revival with Network Governance even though the ideas of co-producer or stakeholder appear just as prevalent. When conceptualising citizens as stakeholders or co-producers, the political and general dimensions of the relation between the public sector and citizens remains unclear. The citizen becomes but one of a number of stakeholders. The idea of a societal common good is with Network Governance replaced by local interests or 'common goods'.

These perceptions risk introducing different kinds of particularism to the public sector. When user inclusion is based on private interests, it may be criticised for encouraging narrowly privatistic, particularistic motivation for participation and for taking the focus away from more common, societal concerns. Further, focusing on local issues only may take the interest of citizens away from more general political issues, thus creating a division between the 'little democracy' and the 'large democracy'. From a democratic perspective the problems that may result from these developments are the democratic disengagement of citizens. These implications are not 'real effects' that I have studied empirically but conceptual underpinnings of these paradigms. However, such concepts may also have real effects as they guide practices in organisations and in policy. These paradigms are influential and the way they give content to innovation also shapes the direction of the development of the public sector. The conceptual implications are de-politicisation of the public services and of citizenship. When public services are represented as goods aligned with private sector services their political character is obscured. It is not clear that these services are entitlements to citizens and that the purposes of the services are 'general' in the sense that they regard the status of citizens in society. If the public sector is merely a service provider that is to satisfy individual consumers *it is not clear why we should have a public sector at all*. This does not support the ability of the public sector to fulfil its obligations to citizens and society and to attend to common, public concerns. Rather the contrary as the public sector is assessed on its ability to satisfy individuals (with NPM) or coordinate local negotiations (with Network Governance).

If inclusion of citizens is to strengthen the public sector as *public* and in concerning for common, public matters, the political dimensions of activities of user-driven innovation and of public sector services must be stressed. This may be done with a shift from thinking in *goods and services* to a terminology of *rights and autonomy*, as I shall further elaborate in chapter 8. Participation in political life is not merely a matter of private interests. Thus, there are limitations to a direct transfer of conceptions of users between the public and the private sector. The arguments presented in this chapter have shown how user-inclusion in the public sector is a very different matter than it is in the private sector. When conceptualising

the citizen as a user, i.e. as recipient of public services, the idea must be that the citizen is not *only a citizen*, who is politically participating, but *also a service recipient*. The crux of the matter must be how these roles relate to one another, i.e. how the citizen should be understood in the role of receiving *public* services. Such questions will be discussed in chapter 8 when the analysis of the case study takes the discussion to a more concrete level. As we shall see, consumerist ideas have been very influential in the Ministry of Taxation. Thus, I leave Network Governance aside from now on and focus on the idea linked to consumerism. In the next chapter I shall introduce the organisation and its work with innovation before the analysis.

## 7 Presentation of the Ministry of Taxation

In the previous chapters I have discussed the concept of ‘innovation’ in public sector innovation theory and connected ‘user-driven innovation’ to ideas of consumerism and co-production in NPM and Network Governance. The discussions carried out in chapters 5 and 6 have revolved around conceptual issues and been concerned with theoretical representations of innovation and users of public sector services. This has led me to raise some principled concerns about the limitations and dangers of transferring ideas and management principles from the private to the public sector.

In the following two chapters I shall engage with specific practices of user-driven innovation as they unfold at The Danish Ministry of Taxation. Philosophical concepts of citizenship will be brought into discussions of the innovation activities of this organisation in chapter 8. Ideas of governance and of citizens as consumers that have been debated in the previous chapter are reflected in the activities of this organisation that is inspired by ideas about a more responsive public sector. Ideas about responsive public organisations have also had an influence on political strategies and public sector policy in Denmark as we have seen exemplified in chapter 6. The political context of the organisation thus reflects the broader discourses discussed in chapter 6, even though the organisational context and mission lead these to be interpreted in certain ways.

This chapter describes the work with user-driven innovation<sup>52</sup> at the Ministry of Taxation before I go into a more detailed analysis in chapter 8. The description includes the two innovation projects, which have been the focus of the empirical case study, namely: ‘Experience of due process’ (Projekt Oplevet retssikkerhed)<sup>53</sup> and ‘BOIS’ (Betalingsområdet i SKAT) (‘The payment area in SKAT’<sup>54</sup>). The presentation will not be centred on these two projects as such, but takes up themes considered relevant background for the analysis and discussion in the following chapter. The point of this introductory description is to make the reader familiar with the headlines and background of the work with innovation in the Ministry of Taxation prior to the analysis in chapter 8. This chapter contains only a description and no analytical points as such. I attempt to present a story of the organisation and its innovation work as I have come to understand it through the interviews and written material.

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<sup>52</sup> I use the term ‘user-driven’ innovation as this is a generally used term and as I have used it in previous chapters to also include types of innovation not *driven* by users. It refers to what MindLab and the Ministry of Taxation refer to as ‘user-centred’ innovation, a term indicating that the users and their needs may be involved in a number of ways in innovation processes, and not necessarily only as ‘drivers’ of innovation as such.

<sup>53</sup> The Danish term ‘retssikkerhed’ does not have a complete equivalent in English, and the best translation would in many cases be ‘rule of law’ (Aubert, 2009). The term ‘due process’ is however considered to be a more appropriate term in this case, where ‘retssikkerhed’ has to do with assuring that citizens basically pay the correct amount of tax, no more and no less, as is indicated in survey questions about the issue, produced by the Taxation Ministry.

<sup>54</sup> SKAT, the name of the organisation, is the Danish word for tax.

## 7.1 Structure of the chapter

The presentation will include: first, a description of the general innovation work of the organisation. This includes a short description of recent organisational changes specifically aiming at creating an organisation with less distance between the administrative and legislative levels (7.2). Second, a so-called shift in the strategy of the organisation carried out in 2005, is described. This shift has been accompanied by a changed focus towards citizens, sometimes called customers, and thus is an important background for the organisations' user-driven innovation activities. The generally increased interest in how citizens perceive the organisation forms the background of the two innovation projects studied for the thesis (7.3). The Ministry's definition of innovation and the two projects are briefly described. This includes a description of some of the methods for user-driven innovation deployed in the organisation (7.4).

## 7.2 The Danish Ministry of Taxation's work with user-driven innovation

The Danish Ministry of Taxation works with innovation and user-driven innovation in different ways. The great awareness of innovation in the organisation is for example reflected in a speech about public sector innovation given by the minister at the time, Kristian Jensen, in Landstingssalen in 2007. The minister mentioned three reasons for the need for innovation in the public sector: Firstly, the demographic development which goes towards a relatively smaller workforce and more elderly people. Second, the citizens expect more from the public services, and third, challenges following from increasing globalisation (Minister's speech, 2007). These challenges correspond to the ones mentioned in political strategies on public sector innovation, mentioned in the introduction to the thesis, and reflect some of the general reasons for an increasing interest in public sector innovation (see e.g. Osborne and Gaebler, 1992).

The Ministry is one of the public organisations in Denmark that has a history of innovation. It has focused on increased innovative capacity for the past 15 years, where it has conducted a number of changes in order to be more efficient, service minded, deliver accurate solutions to politicians and strengthen due process (Carstensen, 2010). These changes have, however, not always been called innovation. One of the strong incentives to find new solutions is the financial pressure on the organisation and a need to be more efficient and provide better services. As the Permanent Secretary, Peter Loft, states: "*Some of the best innovative breakthroughs we have made are the ones that have been driven by a potential to save money*" (Interview 14). The Ministry runs with scarce resources and wishes to improve efficiency, while at the same time being a service oriented organisation (Interview 14).

Before the Ministry started working explicitly and officially with innovation they developed what is today considered one of the most radical innovations in the history of the Ministry. The 'tast-selv system', a self-service system for tax reporting, that has changed the procedures for tax-reporting. The introduction of the new electronic system has taken years, but the change to the digital system has made it possible to change reporting procedures quite radically. Previously citizens had to fill in their annual tax return and send it to the tax authorities that would then handle them. Today SKAT receives most information from employers and other relevant sources and the role of the citizen is to confirm that the information is correct. The work which the citizens have to do with their tax return is thus minimal. Besides, the Ministry was one of the founding ministries behind MindLab, a trans-organisational unit, working on user-driven innovation. The Ministry of Economic and Business Affairs, the Ministry of Taxation and the Ministry of Employment established MindLab in 2007 ([mind-lab.dk](http://mind-lab.dk); Carstensen, 2010). MindLab is occasionally involved in innovation activities of the Ministry and has for instance played a role in one of the innovation projects studied for this project, namely 'Experience of due process'.

Today the Ministry works systematically with a number of user-driven innovation projects and is generally interested in including users in finding new service solutions.

A large part of the innovation work is since 2010 conducted by the innovation office, called 'Innovation and knowledge sharing' (Innovation of vidensdeling). The office is specialised in supporting and facilitating implementation of innovation in the whole organisation and in the relations between the Ministry of Taxation and other ministries. The office was established in relation to a new organisational structure introduced at the beginning of 2010 (Carstensen, 2010).

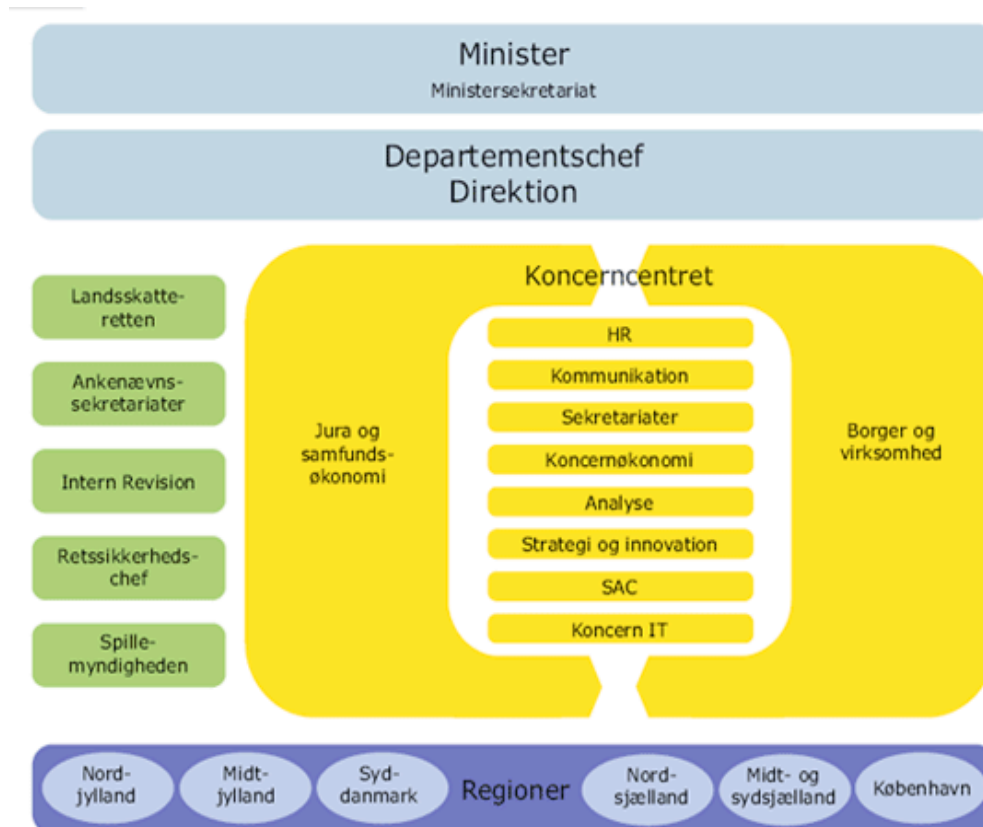
The new organisational structure has the aim of creating an organisation with the legislative level adaptable to input from the administrative level and from citizens. The change has involved merging 'SKAT's Koncerncenter' (The centre of the SKAT concern) and the department of the Ministry, so that The Ministry of Taxation and SKAT is now one organisation, even though there is still a division of tasks stemming from the old organisation.<sup>55</sup> The idea of the merger has been to create the best possible frames for solving tasks efficiently and with high quality. The organisation has a common direction and legislation, whereby activities of instruction, interpretation and guidance in regard to laws are collected as one area of activity. The overall aim has been to create a more coherent organisation in terms of more coherence in legislation, strategy and organisational development, communication and economic priorities (SKAT: Ny Struktur i

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<sup>55</sup> This is the reason I sometimes refer to the organisation as SKAT and sometimes as the Ministry of Taxation.

Skatteministeriet). Previously legislation and administration of laws have been separate activities without much contact. The point has been to include the specified knowledge of the administrative personnel in the formulation of new laws, in order to avoid the development of laws that are very hard to administer (Interview 13). Thus, the new structure supports input from the administrative level in policy making.

The organisational diagram (found on the webpage) looks like this:



In the formal presentation of the organisation its mission is described as:

*“We secure a just and efficient financing of the public sector of the future. That means that we construct and administrate laws and rules, which make it easy for the many who want to pay the taxes they should. We focus on a high level of digitalisation so that citizens and companies experience that their taxes to the extent possible are paid automatically. This we combine with a high degree of service and guidance. We work against the few attempting to cheat on their taxes, with laws, rules and control. All should pay the taxes they have to. No more no less.”* (SKAT: Ny struktur i Skatteministeriet, my translation).

On the Ministry’s webpage the goals of innovation are described as providing better services to citizens and companies, to increase accuracy of services and to increase efficiency. The Ministry has within recent years increased its focus on better service



provision. The ‘customer’ has become a common denominator for citizens and companies. The increased focus on the ‘customer’ is best understood within the broader frame of a shift in strategy for the organisation as a whole back in 2005. This strategy shift, and the ideas that followed from it, are central to understanding the rationales and background of the user-driven innovation activities of the organisation.

### 7.3 Strategy shift at the Ministry of Taxation

The Ministry of Taxation has within recent years been increasingly concerned with improving services to citizens. The general focus has shifted from talking about the organisation mainly as an authority to a stronger emphasis on its role as service organisation (Interviews 1, 2 and 6). This shift is connected to a previous merger in 2005, between the tax administration of the municipalities and ‘Told og Skat’, which was the name of the tax-authorities driven by the state at the time (Interviews 3, 6 and 7). In connection with that merger there was a change in strategy and new performance goals were formulated for the organisation in relation to the Finance Act (Finansloven). The financing of SKAT and The Ministry of Taxation is determined by the fulfilment of certain goals described in the Finance Act. Where the performance was earlier measured in terms of for example conducted controls, it now concerns three areas: First, the so-called ‘taxation-gap’ (referring to the estimated difference between the actual taxes claimed and the taxes that should be claimed, if there was no fraud and moonlighting work); second, goals for arrears (Danish: restancer), a goal also concerned with the success of the organisation in collecting taxes; and third, customer satisfaction (Interviews 7, 8). Customer-satisfaction surveys are conducted once a year: every second year with the citizens and every second year with companies (Interviews 6, 7, 8 and 9). The change from measuring the success of the tax authorities regarding the amount of conducted *controls* of the citizens, to the *satisfaction* of the ‘customers’ has also meant a change in the general view of the citizens (and companies), as well as in the communication with them (Interview 6). These changes in the strategy of the organisation are mentioned by many of the interviewees as an important factor when they talk about the activities of the organisation in general and about its innovation activities specifically. There seems by and large to be a consensus on the story about these changes in the organisation. The increased focus on ‘customer satisfaction’ has generally led to a wish to appear with a ‘customer friendly’ approach towards the citizens and companies, rather than as a ‘traditional authority’ (Interviews 4, 6, 7 and 8). The image of authority is described as old-fashioned (Interview 13) and SKAT wishes instead to be perceived as a modern service oriented corporation (Interviews 3, 14). Some describe this as a change in perspective from an ‘inside-out-perspective’, to an ‘outside-in-perspective’ and as involving an attempt to see the organisation from the point of view of the citizens and companies (Interviews 2, 4). The work with user-driven innovation and with studying and including ‘users’ is intimately

related to this change in perspective. More generally the inclusion of the user in the projects studied is described as an activity aimed at learning about how the users perceive the organisation. At the conference 'Digitisation and due process' an employee described some initiatives and tendencies in the Ministry regarding the inclusion of citizens and companies. The tendencies were described as:

- Inclusion of citizens and companies in the development of policies and services
- Inclusion of citizens and companies in the control of their own information
- A proactive, situational service to citizens

(My notes from the conference).

These changes and the renewed focus on customers have also affected how SKAT communicates with citizens and companies more generally. For example, an initiative called 'Good language in SKAT' (Godt sprog i SKAT) has rewritten the standard letters of the organisation to better fit a more modern, direct and friendly approach to citizens and companies. The letters are also supposed to reflect the changed view of citizens related to the strategy shift. Where the citizens and companies were earlier approached as if they did not want to pay their taxes (and thus should be controlled), the new approach is about treating people with the presumption that they *would like* to pay their taxes correctly. The emphasis is now on guidance and information rather than control, which is reflected when the organisation communicates with the citizens (Interview 6). Defining citizens and companies as 'customers' links with representing of SKAT as a modern organisation, rather than a bureaucratic, old-fashioned authority that treats citizens as if the organisation does not really care about them (Interviews 4, 14).

This increased interest in the citizens' perception of the organisation is background for the two innovation projects studied in this thesis. In one of the projects, the aim of including users was to better understand how the citizens experience 'due process' (Project 'Experience of due process'), while the other project 'BOIS' (The payment area in SKAT) focused on how users experienced encounters with SKAT. Before describing these, I shall first describe how the Ministry defines innovation.

## **7.4 What is innovation at the Ministry of Taxation?**

Having described the background and frame for the work of the Ministry, I now move on to present the way the Ministry defines innovation and to the specific issues about innovation that appeared in my interviews.

The Ministry of Taxation has an official definition of innovation: "*In the Ministry of Taxation innovation is understood as an idea that creates value when it is implemented*"

(Carstensen, 2010, my translation) (it is here implicit that the idea is also new). New ideas do not in themselves lead to innovative capacity; only when value has been added to the operations, is it considered an innovation (Carstensen, 2010). Just as the definitions of innovation presented in chapter 5 this definition distinguishes between invention and innovation. The Ministry further has four innovation 'bottom-lines' corresponding to four types of innovation. The Ministry has chosen those four bottom-lines because they are all important for running an efficient, friendly accurate and 'due process-ensuring' tax authority.

The four bottom-lines are:

- Administrative innovation, ensuring increased productivity by ensuring the efficiency of internal work processes.
- Service innovation, increasing the quality of the citizens' encounters with the organisation by improved or new services.
- Policy innovation, ensuring that the services become even more accurate so that the Ministry reaches the effects that the politicians demand.<sup>56</sup>
- Democracy innovation, increasing the legitimacy of the taxation system and due process for citizens, and actively involving the citizens.

All these bottom-lines are considered important when working with innovation (Carstensen, 2010).

When asking questions about innovation in the interviews the responses did not reflect a common understanding of 'innovation'. Some interviewees responded with the question, "what do you mean by innovation?", when I asked what they understood by the term. Some said that they did not use the word 'innovation' (Interviews 3, 13 and 14). Some did, however, have a definition on innovation, but not necessarily the same one. Some emphasised that innovation was a specific kind of learning, double-loop learning, while others emphasised that innovation should create effects or value, for the organisation and for society more generally. Innovation was not considered to necessarily be radical but was considered to also include improvements in everyday practices. It was considered to include doing new things and doing things better. Some did not think of the two projects I studied as innovation projects, but rather as improvement or development projects. Thus, the introduction of a vocabulary of innovation is rather new for the organisation and does not seem to have taken root yet.

What is characteristic of the activities that can be called innovation activities, including the two projects studied for this thesis, is that they are connected to improving the

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<sup>56</sup> Policy innovation as defined here differs most broad uses of the word innovation as it indicates that political decisions have a certain weight and that changes in the public sector setting could attempt to carry out political decision in a more accurate manner. As mentioned public sector innovation theory does not think of changes as related to democratic processes.

activities of the organisation and are tied to the general strategy and mission of the organisation.

#### **7.4.1 Innovation project: 'Experience of due process'**

The project 'Experience of due process' was a collaboration of the Ministry of Taxation and MindLab during the period August 2008 to March 2009. The project was connected to goals in the strategy of the Head of Due Process (Retssikkerhedschefen) and was not initiated as a reaction to a current crisis or problem or on a so-called 'burning platform' (Interview 1). According to SKAT's strategy plan the goal is that 95% of the citizens should feel that they are fairly treated by the Ministry, and this must be documented (Skatteministeriet og MindLab, 2009a:3; Interview 8). The project was related to the annual surveys on customer satisfaction, as one of the aspects measured in these surveys is how the 'customers' experience 'due process' in relation to the tax authorities. In the first place, the idea was to develop the survey questions in order to get more precise answers from the respondents. The perception was that the 'experienced due process' was a difficult thing to measure and that the respondents did not really understand what due process meant (Interviews 1, 9). The experiences were that the results from the annual surveys did not provide clear and usable answers (Interviews 1, 3). In a summary of survey results from the year 2008 it appears that to the question whether SKAT "*ensures due process for citizens and companies*": 16% answered that they 'disagree'; 45% 'agree'; 6% answered 'don't know'; and 32% answered 'neither agree or disagree' (SKAT: *Danskerne opfatter i stigende grad SKAT som fair og retfærdig*, page 11). On other occasions when conducting interviews with citizens it had appeared that there was no clear understanding of what due process means (Interviews 1, 3).

In order to learn more about how to ask questions about due process a study of what an 'experience of due process' would mean for citizens and which elements they considered important was designed. Further, there was a wish to test whether the Ministry fulfilled its promises to the citizens formulated in the leaflet 'Declaration of Cooperation to the Citizens' (Samarbejds erklæring til borgerne) (Interviews 1, 5 and 7). The leaflet is a Danish counterpart to so-called 'Tax Payers Charters', or 'citizens' charters' that have been formulated in e.g. Australia. In short, the leaflet lists what the citizens may expect from the tax authorities, such as 'fair and equal treatment', 'service minded employees', 'fast procedure and response on tax cases', and an 'attempt to administer the tax rules in a way making it as easy as possible for the citizens'. In the leaflet it furthermore says that everyone must pay the amount of tax required by law, no more and no less. Lastly, it says that the Ministry of Taxation makes sure that everybody contributes to the community and that it ensures due process. The Ministry has considerations of due process present in everything the organisation does and treats everybody equally and fairly (Skatteministeriet:

Samarbejdserklæring til borgerne). These promises to citizens cover what the Ministry means by due process.

The study of 'experienced due process' was undertaken by including three pieces of contemporary art in a workshop. 11 citizens were then invited to express their thoughts on due process in relation to these pieces of art. Previously traditional focus group interviews had been conducted in connection with the leaflet, and now was a chance to try a new and different method (Interviews 1, 5). I shall return to the methods deployed later.

The project thus aimed at improving certain activities relating to the strategy of the organisation as described above. As mentioned the project 'experience of due process' was connected to the annual 'customer satisfaction' surveys, and thus linked with the increased focus on being a service-oriented organisation. The specific focus on the *experience* of due process also indicated this. The formal goals of the project were formulated as:

- To qualify the Ministry of Taxation's understanding of what an experience of due process is to the citizens.
- To inspire the Ministry to use alternative methods of studying users, in this case art-related experiments.
- To communicate the results of the project in such a way that the employees in the Ministry are motivated to reflect upon, and talk with each other, about what 'experienced due process' is (Skatteministeriet og MindLab, 2009a:4).

The outcome of the project is not clearly described anywhere. The 'end-product' was the identification of 25 aspects of what 'experienced due process' is to the citizens. These aspects were to be used as inputs for designing further measurements on the experiences of the citizens. The impression of the interviewees whom I spoke to was that the results of the project have not been used much or had wider effects in the organisation (Interviews 2, 9). I have not had a chance to interview the Head of Due Process who was responsible for the use and implementation of the results of the project. The actual effects of this project are thus not easily described, and there has been no follow up to communicate the results to employees of the Ministry more broadly (Interview 5). I shall return to this in the analysis in chapter 8.

## **7.4.2 Innovation project: BOIS**

The project BOIS was concerned with how to optimise internal processes related to incoming payments from citizens and companies in SKAT. The background of the BOIS project was that no one had previously created an overview of the payment part of SKAT's activities. Since this is one of SKAT's core areas it was considered important to know more about it. The main challenge in the payment area was that the process from payment to correct registration involved a number of part-processes and steps. This could mean that the

process, called end-to-end process, did not always flow smoothly. For instance, payments were not always correctly registered due to citizens paying in other ways than by using the original paying-in slip. This meant that the money would often not be correctly registered, as the system could not identify the payment (Interview 4). The aim of the project was to gain deeper insight into those processes, including how the users experienced the procedures around payments, in order to optimise those processes. The user-involving part of the project, the so-called 'customer-track' (kundesporet) consisted of a study conducted by a team from the innovation office. The innovation team that conducted these studies focused on covering the 'service experience' of the users in order to learn how this experience could be improved. This involved for example a study of citizens conducted in a local tax unit, which was followed up by interviews. The results from this study were presented at an analysis workshop where the results from the 'customer-track' studies were presented to front-line employees in the form of video clips and service journey maps (Interview 3). Interviews conducted were also presented to front-line employees to elucidate how citizens experienced the payment and registration processes. The study of citizen experiences has in combination with experiences of frontline employees made it possible to identify problematic steps in the registration processes. They could for example be registration forms that were complicated to fill in (Interview 13).

The project was initially an extensive project, which covered a very large part of the organisation's activities. It was later reformulated into a more limited 'light' version with less far reaching ambitions. More specifically, building on some of the analysis points from the beginning of the project, namely the description of the current state of affairs (as-is-description), five improvement points were selected for further work. These were selected on the basis of an estimation of how to make changes that had the greatest instant effect, with the least investments of resources. Thus, the focus is now on carrying out smaller improvements that can show immediate effects (Interview 11). As this is what later happened to the project, it will not be central in the analysis in chapter 8. Instead my particular interest will be on the 'customer-track' of the project.

In the two innovation projects a variety of different methods for user-driven innovation was used.

### **7.4.3 Methods for user-driven innovation**

The methods for learning from citizens are diverse, and will only be briefly presented here, as they will be elaborated upon in the analysis and discussion. As mentioned, a rather prevalent method for studying 'customers' in the Ministry is by conducting annual surveys of 'customer satisfaction'. However, these surveys are not considered part of the innovation work as such but are rather used as a means to measure performance. In its innovation work, the Ministry involves citizens in various ways and to various degrees. They range from

citizen-centred innovation where the needs and the situation of the citizen constitute the starting point, but where citizens are not involved actively, to citizen-involving methods where citizens are actively involved in the innovation process. Citizen-centred approaches can be anthropological observational methods when citizens use 'tast-selv' (Carstensen, 2010) and usability tests to develop more user-friendly web-solutions. The projects that I have studied represent a variety of user inclusion methods.

In project 'Experience of due process' the approach was to include contemporary art and use this as a tool for inspiration and association in a workshop. The primary reason for this was the perception that due process was a rather abstract concept for most citizens and that their motivation to concern themselves with the concept would therefore be low. It thus called for different methods that could help surface something, which may be difficult for citizens to express (Interview 5).

'Art related' methods of user-involvements had not previously been deployed by MindLab. So the choice of this method also meant that the project was experimental with regard to methods for user-driven innovation. The inspiration came from other projects where 'art' intervention had been used to involve citizens and users. For example in relation to an experiment at Copenhagen Harbour where a group of artists had created a kind of raft with different activities which involved citizens who could come up with suggestions of how to use the harbour (Interview 5). For 'Experience of due process' three pieces of art were created: a series of photos of a MR scanner supplied with a text; and a series of brochures (and a telephone line for visually impaired) with variations of typing errors in the word 'SKAT'; and a short video. The short video explored what due process means to a group of people living far from the capital city and who often feel forgotten by the system. It portrayed a farmer and his experience of due process in relation to a personal tax case. The idea was that the abstract concept of 'due process' was concretised in the artworks as visual comments that could function as anchoring points and wake motivation through associative and emotional trains of thought of the citizens (Skatteministeriet og MindLab, 2009a:3).

The following activities were conducted as part of the project:

- A start-up workshop with the participation of approximately 10 employees from different parts of the Ministry of Taxation. The purpose was to focus on the concept of 'experienced due process' and to discuss how art-related methods could be used to clarify what this experience might be for citizens.
- A process where four artists (two solo-artists and one couple) had a free hand to produce three art-works focusing on how to measure citizens' 'experience of due process'.
- A two-hour workshop with citizens, where the three art-works were introduced to 11 citizens with different demographic and professional backgrounds. The citizens

chosen to participate were found via notes put up in supermarkets and via personal networks (Interview 5). The idea was to get the citizens to tell which thoughts the art triggered, and what experienced due process is, or is not, to them.

- An analysis workshop, where seven employees from the Ministry discussed the report of the project and gave input on how to measure citizens' experience of due process.

At the workshop citizens were shown one piece of art at a time and asked what thoughts the artwork had triggered for them. Group discussions were facilitated to make sure everybody had a chance to be heard. Further, each citizen received a logbook in which to make notes of their thoughts about due process. On the basis of the written and spoken statements 25 aspects of experience of due process were formulated. For example that "*SKAT sees it as equally important to pay money back to the citizens as it is to collect them*" and that "*the citizens can get a clear answer to what taxes they have to pay*" (Skatteministeriet og MindLab, 2009b:12).

In the customer-track of project BOIS, the user-innovation-team brought different methods for studying the experiences of the users into play. Their study was conducted in a tax unit (tax service centre), where citizens and companies show up to handle their tax matters. It included observations of people coming into the service unit. The observations were inspired by an anthropological method and had the aim of better understanding how the citizens felt about the encounter with the organisation. The idea was to interfere as little as possible and attempt to reach an understanding of how citizens experienced a visit to the tax unit (Interviews 3 and 12).

The innovation team conducted interviews with citizens about their experience with SKAT. The 'service journey' was seen as an inspirational device to map the steps on the way in the process of for example registering a licence plate (Interview 3). The service journey method is described in the British Government publication 'Customer Journey mapping'. It is described as "*the process of tracking and describing all the experiences that customers have as they encounter a service or a set of services, taking into account not only what happens to them, but also their responses to their experience*" (HM Government, pg.1). In short, a service journey, or customer experience map, can include the steps a process of receiving a service includes, and how the customer experienced these different steps. Further it can help identifying 'moments-of-truth', i.e. the pivotal points where customers are highly emotionally engaged or challenged. This is supposed to aid governmental agencies delivering the services that 'truly satisfy the customer'. Customer journey mapping can be used in 'enabling and delivering true customer focus and insight' and 'in understanding the differences between people' (HM Government). In the interviews conducted, the innovation team aimed at identifying such steps in the process of licence plate registration.



The innovation team also used a method called 'cultural probes' where a camera and a notebook were provided to the users, to take pictures and notes to aid them in illustrating and describing 'payment-situations'. Ten citizens received this with a stamped envelope in which they could return their results to the innovation team. The team did however not get a good response to that request, and only one out of ten actually did fulfil the task and sent something back to the innovation team (Interviews 3, 10 and 12).

Having now presented the headlines of the organisation and background for the innovation work, I shall move on to analyse and discuss selected aspects of this in chapter 8. In particular I shall focus on the different ideas of the users that have appeared in the interviews and the double role of the organisation as authority and service provider.

## 8 Analysis of user-driven innovation at the Ministry of Taxation

In previous chapters I have described how innovation and user-driven innovation are treated and conceptualised in public sector innovation theory and in connection to public governance paradigms. In chapter 7 I described the innovation work in the Ministry of Taxation. In this chapter I shall analyse the ideas of the public sector and citizens that underpin the innovation work and approaches to the user in the Ministry. The political and democratic implications of these ideas of user-driven innovation are further discussed. The case study offers an opportunity to discuss these implications in greater detail and to bring the abstract philosophical concepts of the thesis into play in a concrete context. The role of the case study is to open up for considerations on how user-driven innovation can strengthen the publicness of the public sector and the status of citizens. Thus, the discussion is not restricted to the case study. I take the liberty also to include arguments or aspects inspired by the case but not directly derived from it. The discussion analyses the implications of current understandings of users and at the same time outlines a normative argument that suggests a new understanding. The hope is to formulate a basis for an idea of public sector innovation that explicitly considers the public dimensions of the public sector. The Ministry of Taxation does not directly engage with all questions raised in the discussion here; questions of the how the citizen as holder of rights relates to the 'user', and how the 'general' can be interpreted in relation to the activities of the Ministry. These questions rely on categories external to the way user-driven innovation is most often conceptualised in existing theories and discourses of the public sector.

Citizen rights and due process are particularly central to the work of the organisation as a public authority. The Ministry of Taxation stresses that due process is a central concern present in all activities of the organisation. As the thesis has a broader scope and interest the discussion of the citizen in the case is not restricted to questions of due process, even though I recognise it as perhaps *the most central* norm in the specific relation between the Ministry and the citizens. As mentioned in chapter 7, following a strategic shift in the Ministry of Taxation in 2005 the organisation now perceives itself in a dual role of authority and service organisation. In relation to this the organisation has introduced the term 'customer' and now works actively with user-driven innovation. In the interviews this is often contrasted with the way a traditional 'control authority' would think. I am especially interested in two of the official 'innovation bottom-lines' in which I see the dual role reflected. One is service innovation that should increase the quality of citizens' encounters with the organisation by improved or new services. The other is democracy innovation that should increase legitimacy of the taxation system and due process for citizens, and actively involve the citizens (cf. Carstensen, 2010). The analysis centres on this dual role and accordingly on the

relation between the two types of innovation. In the interviews the service approach and the idea of the organisation as an authority appear side by side but their relation is not quite clear. Democracy innovation did not come up in any of the interviews so my suggestions to what this means are based on my inclusion of normative concepts. In the analysis I draw sharp analytic distinctions between users and citizens and between service organisation and authority, in order to elucidate issues of user-driven innovation specific to the public sector.

Concretely I divide the user into three roles that appear in the interviews: the 'customer', the 'citizen' and the 'human being'. These are the three ways that the user (i.e. the person receiving services from SKAT and involved in user-driven innovation) is conceptualised in the Ministry. I analyse and discuss what these three different roles imply and link them to the concept of citizenship. In the text the 'user' is deployed as an umbrella term for the persons involved in the innovation projects.

I shall demonstrate that specific conceptualisations of users and user-driven innovation in the Ministry are inspired by consumerist ideas. This means that the Ministry has adopted some of the ideas presented in chapter 6. An example is the idea that the 'customer' indicates a privileged role compared to the passive 'client' receiving services. In this sense user-driven innovation may be linked to a rationale of 'empowerment' of citizens as the state is meant to become more responsive, flexible and less paternalistic. The 'user' is predominantly represented in terms of experience and sometimes feelings. I see this as a prevalently apolitical and particularistic representation of the citizen. I argue that such conceptualisation in certain respects is at odds with ideas of the democratic citizen participation tradition and with concepts of citizenship. Discrepancies may for example regard the emphasis on citizen voice and rights to due process. Such considerations are not addressed when the focus is on concrete, subjective aspects of users. There are, however, also arguments pointing to potentials for increased autonomy of citizens and a strengthening of citizenship by involving citizens. The input from users that comes out of activities of user-driven innovation also includes insights about citizens' relation to the Ministry as an authority. Thus, there is a potential for learning by involving citizens that is awakened by the new focus on the citizens; however, I shall argue that conditions differ from a private sector context (from which the methods of inclusion seem to be inspired). The interviews show considerations regarding the societal and political role of the organisation and indicate the importance of due process. But the methods of inclusion and the conceptions of users in connection with the inclusion do not reflect this context in any clear sense. They do not reflect 'citizen-aspects' of users or the political aspects of services and their relation to due process. I see this as an indication of the shortcomings of current conceptions of users and of the consumerist framework when adopted into a political democratic context with claims to due process and 'general' services.

## 8.1 Structure of the chapter

Initially, I shall briefly show that there is no explicit definition of the user in the Ministry. I briefly present the two innovation projects that both have an emphasis on ‘experience’ of users. The citizen incorporates the dual role as it is presented as one with both rights and experience. The emphasis on experiences indicates that user-driven innovation is linked to a view on the organisation as a service provider (8.2). Second, the conceptualisation of the customer is addressed. Consumerist ideas and understandings of public authorities inspired by NPM ideas have had an influence on the Ministry. I shall briefly revisit democratic approaches to welfare state clientisation in order to point to an alternative to consumerism (8.3). Third, I shall discuss the idea of the citizen as a ‘human being’ and the idea of user-driven innovation as uncovering ‘un-acknowledged needs’ found in a Danish ‘Programme for user-driven innovation’ (8.3). I argue that the user is conceptualised in predominantly concrete, subjective and individualist terms that conceptually collide with the general aspects of citizenship (8.5). Activities of innovation and notions of users are shall be linked to considerations on the roles of authority and service organisation of the Ministry of Taxation (8.6). Lastly, general reflections about taxpaying and the feasibility of an individualised approach to the citizens will be presented (8.7).

## 8.2 User-driven innovation and service orientation

It has not been possible to identify a unitary, clear definition of the ‘user’ in the Ministry of Taxation. In the interviews and written material the term ‘user’ appears interchangeably with ‘customer’, ‘citizen’, and sometimes ‘human being’. There seems to be no specific meaning connected to the ‘user’ term.

Asking one of the interviewees to define the user, the answer is *“the user, that is because they all use us for...I am not sure exactly how one can say that they use us, but they have to use ‘tast-selv’ and there are a number of other things that one has to use, right. And in this way they are users, users of our services. So, it is also because of that. It is not something that I have thought about before, but now that I sit here, I think, it is also a user of our website and a user of the directions we send out. So there, one can perhaps use it in this way and say that the user, it has to be useful to them [...] But I do not necessarily think that it is implied in the term or what you call them. It is rather implied in how you perceive that relation. So for me it is not so important whether you call them one thing or another”* (Interview 12). As this quote suggests, the key to understanding the ‘user’ in the Ministry is not found solely in the explicit definitions. The ‘user’ appears in three different ways: as customer, citizen and human being and the way the organisation works with innovation does not rely on explicit, coherent distinctions between them. The interviews indicate no common terminology denominating these different roles. I shall attempt to separate them in the analyses and

identify whether particular meanings can be connected to them. To understand perceptions of the user that frame the user-driven innovation activities of the organisation a feasible approach is rather to look into the stories about the projects, the methods deployed, and the expressed rationales. The 'customer' seems to be the most frequently used of these terms, which also relates to the annual surveys. The 'user' in the analysis thus becomes an umbrella concept that covers the three others and that may be elucidated by analysing these. In the following I shall demonstrate that the user-driven innovation activities are closely connected to an identity of the organisation as a service organisation.

### **8.2.1 User experience in the projects 'Experience of due process' and 'BOIS'**

The two innovation projects studied share a common aim of learning about the *experiences* of the users. This is most explicit in the project 'Experience of due process'. In the BOIS project the *service experience* appears as a central idea.

The term most frequently used in relation to 'Experience of due process' is the 'citizen' (Interviews 5, 7 and 9). This relates to the 'Declaration of Cooperation to Citizens', since an aim of the project was to see whether the Ministry fulfilled its promises in this leaflet.

As mentioned, the study of experience of due process was conducted by deploying a method involving contemporary art. The background for studying experience of due process was that responses from the annual customer surveys reflected that respondents did not have a clear sense of what 'due process' means (Interviews 1, 5, 7 and 9). "*The citizens do not understand the word due process*" (Interview 7). "*You can define due process in a clear legal sense. And when you call people and ask them, they don't experience it in a clear legal sense. They have their own interpretations of what due process is. And you cannot sit down and interview them and lecture them in legal axioms*" (Interview 8). Thus, there was a need for learning more about how citizens understood the term. 'Experience' was central for two reasons. The first had to do with the official action plan for the Head of Due Process (Retssikkerhedschefen), namely that there was to be established "*one or more tools for how the users perceive the development in due process within the area of the Ministry of Taxation*" (Skatteministeriet, 2009). The other had to do with experience of due process measured in the annual customer satisfaction surveys in order to assess the performance of the Ministry.

This is the background to the Ministry's interest in how due process is *experienced*, rather than measured only according to some legal definition. MindLab had suggested a widening of the scope of the project from focusing only on the survey questions to learning more generally about the citizens' experience of SKAT. As one of the interviewees states: "*...we found out that it could be really exciting for SKAT to know more about, not so much how to formulate the questions for the survey, but rather how to obtain a more general*

*understanding of what is really important to the citizens or what constitutes an experience of due process to the citizens"* (Interview 5). Due process was considered an abstract concept for citizens to relate to. A workshop was conducted and the citizens' statements were analysed. These statements were then used to make a list of elements expressing the citizens' perception of what it would mean to experience due process in relation to the tax authorities. For example: *"SKAT is open about errors they make, and proactively does something to discover errors and inform about them"*; that *"the 'big system' does not use its relatively stronger resources to hold steady against the 'little man'"*; but that *"cases are settled lawfully correct"*; or that you *"do not feel an irrational fear of the system"* (Skatteministeriet, 2009). The statements were compared to the 'Declaration of Corporation to the Citizens'. For example the promise made by the Ministry that *"We give you a fair and equal treatment"* was paired with statements from the citizens: *"SKAT and I have an equal opportunity to make ourselves heard"* and *"SKAT makes an effort to understand the situation of the single citizen (and not merely as a 'number')"* (Mindlab, 2009).

With regard to the concept of 'due process' citizens are perceived as in need of help to articulate themselves. This was the reason for deploying contemporary art. MindLab had no previous experience with making user studies of a concept (Interview 5). Three art works were used in a workshop in order to aid the invited citizens in expressing what an experience of due process was for them. As one of the interviewees says *"...the task at the workshop was not that the citizens who were there should try to figure out what the artists meant to tell with the work. It was rather an opportunity to start reflecting on the concept of experienced due process yourself"* (Interview 5). An idea was that *"one could perhaps use this intervention art (interventionskunst) as a way to put words on something that you do not think about in your everyday life"* (Interview 5). Where the survey method is based on the assumption that respondents hold a pre-given set of opinions that can be expressed and summed up in a survey, this was not thought to be the case with the rather abstract concept of due process. It thus called for other approaches than those capturing pre-established, explicable opinions. The 'user' studied in this project is thus perceived as someone who has a subjective experience with SKAT that may not easily be expressed. The art could help citizens reflect and was used as a tool to make them associate, similar to association cards sometimes used in focus groups (Interview 5).

In the BOIS project different methods for user-inclusion were deployed. The aim of studying users in this project was to learn how payment processes were experienced from a 'customer' perspective. There are a number of processes in SKAT connected to payments from citizens and companies. The idea was that customers might experience these procedures very differently than the members of the organisation do. *"This gap, which was so interesting, was exactly that which was between their experience and our experience"* (Interview 4). The conviction is that there is a lot to gain from including the perspective of

the 'customer'. This is expressed in one of the interviews as: *"...there is a need for us to do some things, and not only out of concern for the customers. But we can actually win a lot by doing what the customers want us to. And it is exactly about combining these two things in the end. So one (we) has worked a lot with this 'moment-of-truth'. The moment of truth where one attempts to say: ok what is it that really matters to the customer? And we have worked with the same in the internal processes. And this is one of the tasks that remain to be solved, that is to get the two things connected"* (Interview 4). The aim of the user-centred activities of the BOIS project was to learn how internal processes and 'service experience' could be improved (Interview 10).

One way that the innovation team approached the users was by observing them as they came to a local tax unit to be serviced at the counter. The idea was that some of the employees of the user-innovation team should be in the waiting room observing and *"to melt into the wallpaper, so to say, and blend in with those who were there and act like users and try to experience it on their own body "* (Interview 12). An interviewee says that inspired by anthropological observational studies: *"we should sit out there (in the waiting room) and should not interrupt the field at all [...] we tried not to disturb their experience before they went in"* (Interview 10). They observed what people did when they got into the service centre, where they went and how they reacted during the waiting time, if for instance they showed signs of impatience (Interview 12).

After observing the users for a while, the team recruited people for interviews. The people interviewed were invited to get a so-called cultural probe, a package containing a camera, a notepad and a pen. The idea was to *"make them take photographs of everyday payment situations. And it didn't necessarily have to have anything to do with SKAT. And write down what they thought about these payments. It was because the project BOIS was the whole payment area in SKAT so we would also like to know what people thought about payments generally. So it was to 'test the water': when do they experience that they pay something and how do they feel about making these payments?"* (Interview 12).

The answers from these interviews were presented with the help of the service journey method (Interview 3). This method is about mapping the steps of service provision that the 'customer' goes through in order to get a service. When I asked what they more precisely had asked the users in relation to the service journey, the reply was: *"Yes, we did this by keeping on (asking), we asked: well what happened then? Like all the time: like what happened then? But then this happened, then I called there. Then we asked how did that feel, how did you experience that, can you put some feelings on, how was that conversation, how did that conversation feel? Well, it was a little unpleasant because she said so and so. Then how did the conversation go, and how did you leave the place, how did you feel?"* (Interview 10). Thus, this quote suggests that knowing the *feelings* of costumers can be part of the 'outside-in' perspective that the organisation strives for. I shall return to this later.

Common to the two innovation projects is the interest in how the users experience encounters with the organisation. It is described as the *service experience*, or the *experience of due process*. I argue that in both cases it reflects an understanding of the relationship between SKAT and the citizen as one of service exchange. A 'service relationship' may be seen as constituted by a series of encounters. As mentioned in chapter 6, consumerism constructs the public interest as a series of specific and individualised encounters and interactions where each consumer consumes particular bits of service (Clarke, 2004:39). The organisation is interested in learning how citizens experience these encounters. In SKAT it is, however, recognised that the citizens do not have to personally meet the organisation in order to have an experience. They can also have an experience based on the image of SKAT and on what they have heard about the organisation in the media (Interview 8). The emphasis on experience reflects an idea of the citizen as an individual with a subjective experience that the organisation is interested in learning about. The interest in experiences thus links with the organisation identifying itself as a service provider. At the same time the 'citizen' in 'experience of due process' reflects the double role of the organisation in a quite distinct way that I wish to elaborate on.

### 8.2.2 Citizens' experience of service

The question is whether the emphasis on the service role is predominant in both these two projects? One of them is after all concerned with the concept of 'due process', a core norm of the *Reectstaat* (constitutional state) (Aubert, 2009). Nevertheless, I argue that to the extent a legal standard of due process is reinterpreted into something expressing a subjective experience, it represents a re-conceptualisation of the concept into a service-context. As one interviewee says: "*The subjective feeling, then we are into a service concept, right*" (Interview 8). This point also came up at the 'Conference on Digitalisation and Due Process' held by the Ministry. The meaning of the concept changes when reformulated into '*experience of due process*'. This may have implications for the underlying understanding of the role of the public authority and its obligations to the citizens.

There are further aspects of 'Experience of due process' that are closely related to the role of service organisation, namely the connection to the customer satisfaction surveys. In fact, the specific formulation of 'experienced due process' stems from the work with the survey questions. This relates to the strategic turn in SKAT where the service aspects of the organisation are more strongly emphasised and a consumerist terminology is introduced. My clear impression is that the specific activities of user-driven innovation in the two projects are best understood in context of 'service orientation' and the focus on the *customer* that becomes dominant after the strategy shift, even if the organisation now presents its role as a dual one: as service organisation and as authority. The collocation of 'experience' and 'due process' very clearly reflects the duality. In particular the duality is reflected in the way



in which the citizen is conceptualised. The citizen is on the one hand someone with rights and due process, as specified for example in the 'Declaration of Corporation to the Citizens'; on the other hand the citizen is someone with an experience, and with satisfaction measurable in the annual surveys. Thus, two very distinct rationales are incorporated in the 'citizen' as presented by the Ministry: a 'traditional' authority related to citizens and a service organisation interested in the satisfaction of its customers. That the organisation is not a private service provider making market analyses is reflected in the questions asked in the surveys. As mentioned, some of these questions regard whether SKAT is perceived as *just and fair* and also whether citizens rely on SKAT make correct tax calculations (SKAT: Danskerne opfatter i stigende grad SKAT som fair og retfærdig). The dual role is also reflected in the innovation bottom-lines of the organisation. As mentioned in chapter 7, service innovation should increase the quality of the citizens' encounters with the organisation by improved or new services. Democracy innovation should increase the legitimacy of the taxation system and due process for citizens and actively involve the citizens (cf. Carstensen, 2010). I wish to make it clearer how these aims relate to one another by taking a closer look at the innovation activities in the two projects.

The idea of 'experience of due process' can thus be seen as a reinterpretation of due process into a service concept, which also turns an objective legal standard into a subjective category. The notion was that 'due process' is a very abstract term, which seems a highly plausible assumption. Thus, if the organisation wishes to enter a dialogue with citizens about due process, this redefinition is a way to make it more comprehensible and formulated as something that citizens can personally relate to. It is a way to make it more tangible. The responses from citizens did not necessarily reflect a 'service understanding' of the relationship with SKAT. The responses pointed to aspects central to the organisation as authority, namely that the organisation did not abuse power or hide it if making procedural errors. The citizens in 'Experience of due process' relate closely to the 'customers' of the annual satisfaction surveys. I shall now elaborate on the notion of the customer as it is represented in the interviews.

### **8.3 The customer of the Ministry of Taxation**

The use of the term 'customer' is relatively new in SKAT (Interview 6). It is linked to the new practice of measuring performance in terms of customer satisfaction introduced in 2005. This practice of measuring performance and the notion of the customer are reflected in interviewees' descriptions of the organisation and its main tasks. The 'customer' is said to be someone that the organisation is dependent on and someone in a privileged position: *"It is someone to be nurtured more and someone to whom you have to find new products all the time, new solutions"* (Interview 13). This has encouraged an interest of the organisation to know

more about what goes on outside from the perspective of 'customers'. It is also connected to an idea of offering services that are attractive to the citizens and companies; ideally, services as attractive as ones that customers would buy (Interview 6).

The idea of the organisation showing itself as an 'efficient service organisation' rather than an 'old-fashioned, bureaucratic' one appears to be central to the self-understanding of the organisation (cf. SKAT: Notat om projekt Godt Sprog i SKAT). This specific dichotomy inspires the definition of customers as well as the type of organisation that SKAT aims to be. When asked whether the organisation would do anything different if the relation was instead one to citizens, one response was: *"...when we talk about customers, well, then we have a relationship of mutual dependence, so I don't think... it would definitely be going back to the old bureaucratic petty officials if you will, who can sit there with some kind of power than can quickly turn out to be unpleasant"* (Interview 4). Asking further whether the customer is in a better position than the citizen, the response is *"In my terminology, absolutely. It has to do with the basic values that lie underneath"* (Interview 4). In this particular interview the citizen is represented as someone that the organisation in retrospect did not really care about. For example, when asking what it means to be a citizen, one of the interviewees responded: *"...from my own perspective as an ordinary citizen, supposedly the public (sector) has thought that the citizen was there for the organisation. This is probably an ordinary way of thinking in the public (sector)"* (interview 4). However, the citizen term is not generally used in this way in the organisation and I believe the statement says more about the conception of the 'customer'. Showing the contrast to 'traditional' bureaucracy, one of the interviewees says: *"The whole user aspect means that this is a relatively new way. 20 years ago a proper bureaucrat didn't give a shit. Back then one had proper petty officials. They didn't give a damn about what those on the other side of the counter thought"* (Interview 14). The interest in taking an 'outside-in perspective' and understanding the experiences of users can be understood as a break with being such an old-fashioned, bureaucratic organisation.

The shift from citizen to customer is understood as indicating a more *equal relationship* between the citizens and the tax authorities. The shift from caring only about the 'objective' legal definition of due process to an interest in 'experiences' is described as a shift away from thinking like a traditional authority: *"That would be the typical 'authority way' of thinking. Fulfilling five criteria, and if we fulfil these five criteria, then we are world champions, right. Yes, but I think that it is actually really well thought of SKAT back then that now we turn it around and say: to hell with the objective criteria. Now we attempt to see it from the subjective point of view, their experience"* (Interview 5).

The customer is also presented in terms of exchange and mutual dependence: *"Customers, when one denominates them as customers, then for me this implies that someone is coming to buy something from us and that we have to be service minded towards them"*

(Interview 12). The consumerist tendencies also inspire the introduction of a business vocabulary to the organisation with terms like ‘moment-of-truth’, ‘customer’, ‘commodities’, and ‘service experience’.

In this sense calling the citizens customers is within the organisation seen as a signal of equality, mutual dependence and of a willingness to be service minded. Such rationales also frame the user-centred innovation initiatives of the organisation. This description, and the link to the former ‘bureaucratic’, ‘oldfashioned’ organisation, can be associated with NPM’s representation of the public sector presented in chapter 6. The ‘client’ is here seen as a passive recipient subjected to paternalist state authorities. It appears that the idea about active, empowered customers replacing passive clients found in consumerist representations of the public sector has had some influence on the thoughts and terms deployed at the Ministry. As we saw in chapter 6, consumerist ideas were also present in strategies from the Danish government. The focus on the customer also implies a certain notion of the public authorities and a notion of how to create value for society and citizens. In the consumerist model, the active consumer is someone who requires modern public services to be adaptive, responsive, flexible and diverse, rather than paternalist, monolithic and standardised (Clarke, 2004:39). This dichotomy is reflected in stories about the recent changes of the organisation. Two aspects are interesting here: One: an idea of a less paternalist public authority, and correspondingly a more equal relationship between the organisation and the citizens<sup>57</sup>. Two: an idea of the citizen as a customer receiving service and as someone who should have a good experience. Even though they may seem to be two sides of one and the same idea, the differences between the two will be further unfolded throughout the chapter. I shall discuss whether they are in all senses compatible. In the interviews these two aspects appear closely interconnected, even though the idea of a change in power relations between the citizens and authority is not explicitly formulated in the innovation strategies deployed by the Ministry.

Before looking even more closely at the perceptions of users I briefly revisit critiques of clientisation in order to elucidate different strategies adopted for dealing with it. As I argued in chapter 6, consumerism is but one way of dealing with the ‘disempowerment’ of the client.

### **8.3.1 Overcoming clientisation**

The implications of conceptualising the citizen as a customer are, as we have seen, widely debated. The Ministry’s use of the customer term reflects a rhetorical contrast to the citizen

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<sup>57</sup> The point is here not to say anything about whether citizens feel or have felt alienated or disempowered when encountering authorities. That is an empirical question that I shall not engage with here. The point is rather to discuss what it would mean to strengthen the status of citizens, which is a relevant question in any case in particular in relation to user-driven innovation in the public sector.

as someone that encounters a rigid and powerful bureaucracy and petty officials. The 'customer' thus does not in this case indicate a freedom of *choice* as suggested by NPM and Reinventing Government that further connected it to the belief in the *market* as governance mechanism. As mentioned in chapter 6, those advocating a redefinition of the 'client as a customer' describe the main problem of bureaucracy and state as one of providing inappropriate services and goods. In this case a perceived problem is that recipients of public services do not get the services that they want or need due to the monopolistic provision of standardised services planned by the state (cf. Osborne and Gaebler, 1992). Implied in this critique is thus already a specific idea of the public sector as first and foremost a service provider; only a rather unsuccessful one. This is also implicit in the representation of the state as a *monopoly*, indicating that the central issue is the provision of goods, i.e. the state as complementing the market, but working within the same logic from which it may be criticised. The criteria for evaluating the state are market economic criteria and models that are deployed to learn about users are often some that have been created for the purpose of assessing the success of private companies, such as market research methods (which is also seen with the customer satisfaction surveys).

There are however different ways to carry out critiques of clientisation. Political philosophical critiques of clientisation point to fundamentally different strategies for dealing with and understanding the disempowerment of welfare state clients than does the consumerist approach. The status of citizenship and the interpretation of rights are the most striking differences here, as the consumerist approach de-emphasises the political dimensions of the client and suggests market steering and consumer choice as solutions. As we saw in chapter 6, both democratic and consumerist user-inclusion traditions pointed towards more direct participation. The democratic tradition was mostly concerned with a democratic deficit while the consumerist tradition was concerned with the public sector being an unsuccessful service provider. When the public sector is conceptualised as a service provider, the critique is aimed at the success of providing services that satisfy the citizens and of dealing with differences in preferences. When the public sector is conceptualised as a political institution, the critique is aimed at its capacity to deal with not only the private aspects of citizenship but also the public, political aspects.

Habermas argues that the problem with the client role is that it is indicative of a privatistic retreat from a citizen role. *Citizenship is reduced* to a client's relationship to administrations that provide security, service and benefits paternalistically (Habermas, 1996:78). According to Habermas, the unintended effects of welfare state clientisation can only be countered by a politics of *qualification of citizenship* (Habermas, 1996:396) which I shall return to later in the chapter. The problem is not seen as a deficit in the provision of goods or services, but rather as a deficit in the freedom of citizens, in terms of citizens' autonomy. That it is a 'privatistic' role means that the citizen role is reduced to something only concerning the citizen's private world, for example the reception of goods. Here the

active political participation of citizens concerning the overall societal conditions that have an influence on their lives is occluded. It is obscured that citizens are not only subject to the laws of society but also authors of these, as citizens. What makes the citizen capable of and interested in actively influencing conditions concerning his/her role in society is neglected, when the citizen is represented as primarily a service recipient. According to Habermas, both the liberal and the social welfare paradigm lose sight of this internal relation between private and public autonomy (Habermas, 1996:408). Public sector services and social entitlements are decoupled from their overall political context. One may say that the client is decoupled from the *citoyen*. When the client is reinterpreted into a user or customer he/she may be encouraged to focus on the single service or encounter with the organisation rather than on the 'general' aspects of the relationship. From a perspective of strengthening citizenship the consumerist framework is not a convincing solution to the perceived problem of disempowerment as I have also argued in chapter 6.

The consumerist critiques of the state seem to have had some influence in the Ministry. The organisation wishes to appear both less paternalistic and to signal that it is service oriented towards the citizens. In some of the interviews the organisation is referred to as a *monopoly* (Interviews 12, 13 and 14). One consideration coming through in the interviews regards the attempt to minimise the 'authoritarian' approach to the citizens. This attempt may be seen as a way of creating a new balance between the individual and the 'system' by taking the citizen seriously as a *person*. The employees of the Ministry do not use the terminology of empowerment, but nevertheless indicate that by perceiving the citizen as a customer the organisation is aiming at a more equal relationship. The communication strategy behind the rewritten standard letters includes a conscious and deliberate attempt to rephrase the letters in a less threatening style. Where a letter previously could include a description of all steps of process that would be initiated if the citizen did not pay, including the potential sanction at the end, the focus is now instead on informing the citizens what they need to do immediately (Interview 6).

The representation of the citizen as a customer and the interests in feelings and experiences of the customer may be seen as a way of relating to the citizen as a concrete person. The abstract characteristics of the citizen with rights to due process are replaced by an idea of 'a person' with concrete experiences and feelings. This is also the case with the citizen as a 'human being'.

## **8.4 The user as a human being**

Leaving the customer and citizen terms aside for a moment, a third understanding of users included in the innovation projects are 'human beings' or 'persons'. In relation to the user-

inclusion activities of the BOIS project one interviewee said: *“it is more an anthropological approach with the whole person, neither citizen – we do not use the citizen term – it is more the person that we find out, what are you drinking in the cup and what did you think...”* (Interview 3). One way to view users is as persons with everyday lives. The services of SKAT then become something that should fit into the everyday lives of these people. As we shall see, this also relates to an attempt of making it easy for the citizens to pay their taxes and to use SKAT’s services.

#### **8.4.1 Observing the users**

In the interviews the notion of users as human beings is closely connected to a specific method described as an ‘anthropological approach’. The ‘anthropological approach’ is represented as a way to *“...put yourself in the other person’s place. Go out to experience the reality and everyday life of the other person”* (Interview 12). It is not meant to refer to *the* ‘anthropological method’, but is meant as a way of thinking inspired by anthropology and what can be achieved by attempting to understand others in a specific way. In the BOIS project the innovation team looked at concrete experiences of the persons they met in the tax unit. By themselves acting like users they could experience how it was for instance to wait to get to the counter (Interview 12).

The team approached the research field openly with a method based on ‘non-interference’. They were conscious that the more visible they would appear with dictaphones and cameras the less uprightness they could expect from the people they approached (Interview 12). When I asked what they were observing, the answer was: *“how people came in, where they went. There is a screen with information. Where did they go? Did they go to the screen, did they go to where you take a number [...] and as they were waiting, when they were sitting and waiting, those who sat there for five hours, did they become impatient, did they look impatient...”* (Interview 12). As mentioned one of the aims of the innovation team was to feel themselves how it was to be a ‘customer’.

Observational methods are here presented as underpinned by an idea that observing people’s behaviours gives insights that one will not get by talking to them: *“...If you ask someone what do you focus on when you shop food and so. Then someone might say that it should be organic and that it’s important that it’s organic because it’s healthy and everything [...] and if you follow them then you may notice, hey you just took a chicken that was not organic. Yes, but have you seen the prices of the organic ones (they reply)...”* (Interview 12). The method appears to presuppose discrepancies between what people say and what they do: *“People do many things that they do not know they do, they behave in incongruence with what they say they do. And if we relate to what they say they do, then they can be frustrated because they don’t get the service they want to. It is not that they are dishonest; it’s more that they are not conscious about what they really need. And that one can discover by going deeper*

*and experience their everyday*" (Interview 12). This focus on what people actually do is considered one of the strengths of this method and perhaps even a source of more 'truthful' answers about people's needs. We also find this idea of using observational methods to uncover user needs outside the organisation of SKAT. In a Danish 'Programme for user-driven innovation' an aim was to develop products and services based on knowledge of so-called 'unacknowledged needs' of the users. I shall leave the Ministry aside and engage with these for a moment in order to elucidate aspects relevant in relation to methods for *citizen involvement*.

#### **8.4.2 Unacknowledged user needs or citizen voice**

In the 'Programme for user-driven innovation' initiated by the Danish Enterprise and Construction Authority, which was also about public sector innovation, 'user-driven innovation' is described as especially focused on uncovering "*un-acknowledged and future needs*" (Danish: Ikke-erkendte og fremtidige behov). It is defined as the development of products and services on the basis of systematic inclusion of user needs for example by letting anthropologists, psychologists and engineers observe users (Sekretariatet for ministerudvalget, 2007:1). Halse (2008) describes the notion of un-acknowledged needs as indicating a kind of authenticity: "*That they are held to be "out there" independent of all efforts that are mobilized to uncover them*" (Halse, 2008:183). Halse links the notion of having a social scientist uncover 'real needs' to an extension of the critical and competent consumer role. He further links this to a neo-liberal idea of emancipation as freedom of the individual customer to choose and of self-realisation through participation in the value-added commodities (Halse, 2008:183-4). User-inclusion in this case becomes an instrument for developing products or services and needs to be fulfilled are represented as something 'really existing' in an almost static sense.

The perception of the roles of the user and the observer, respectively, is in several ways at odds with both the rationales framing user-inclusion as described in chapter 6, and with conceptions of citizenship. In the democratic tradition of user-involvement the wish was to break with an objectification of the social work relationship with a client in need of help and a professional social worker that was to identify the needs of the passive client. In this case introducing the 'user' was an accommodation of a demand for a *voice* (McLaughlin, 2009:1103-7). When a more equal relation between the citizens and the public organisations has been the aim of inclusion, a traditional strategy has been to give voice to users by letting them have a say in matters concerning their everyday lives instead of letting experts decide for them. In this sense, an approach where unarticulated needs are observed and interpreted by consultants or members of an organisation does not give *voice* to users – at least not if this method is to be used alone. It was, however, not used alone in the Ministry of Taxation. As mentioned, the innovation team also interviewed users and deployed a method called

'cultural probe'. It was thus supplemented with methods that in different ways aided citizens in articulating themselves. Also in the project 'Experience of due process' the methods were chosen particularly to aid citizens articulate something that was considered to be difficult to express.<sup>58</sup>

The distinction between methods aiming at involving users by letting them define their own needs, thereby giving voice, and non-participatory methods can be viewed in two ways. First, it reflects levels of user-involvement. It corresponds to distinctions between user-centred and user-driven approaches. But it also relates to another issue, namely an issue of *power relations*. That the social worker should not be the one to interpret the needs of the client has to do with the power relation between them. Thus, giving voice links to an idea of empowerment. We see here a distinction where the method for involvement makes a difference in itself. If the aim of involving users is development of products or services without regard to what kind of service, then there may not be considerations about the roles of the involved parties. If the aim is a more equal relation, then it becomes important how roles and power relations are constituted in the process.

From a perspective that citizens should have influence on services that structure their everyday lives, a notion of user-driven innovation as uncovering *unacknowledged and future needs* can hardly be considered participatory. From the perspective of citizenship a conceptual displacement takes place when such ideas replace ideas of democratic participation: from rights or political concerns to needs (that seem to be thought of in a rather static sense). Services provided by the public sector are represented as goods to accommodate needs and not as regarding political solutions constituted through political deliberative processes. But, needs might not be 'out there' and may need interpretation to be understood, which could or perhaps even should involve the users themselves (from a democratic user-involvement perspective). Further, the way to accommodate needs in the best (and most just) way may be an issue that requires reflections and considerations. Citizens' claims to political institutions are de-politicised by being de-coupled from their political context and further by being represented as something *beyond* political deliberation and debate. The notion of observational methods may, with their emphasis on behaviour and on what people are not able to express, objectify the citizens and thus undermine their role as citizens.<sup>59</sup>

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<sup>58</sup> The usefulness of the different method depends on what the user-input is to be used for. If for example the task is to develop a user-friendly surface on a webpage and to find out how to place the buttons, there is not in all cases a need for citizen deliberation, and correspondingly no problem in observing how users approach the screen.

<sup>59</sup> It is important to stress that ethnographic methods as such do not aim at objectifying the people to be studied, perhaps rather the contrary. As mentioned, the idea was for the employee to 'feel on his/her own body' how it was to be as customer. The idea can be described as the researcher becoming part of the reality studied and thus as participating rather than merely observing. Thus, the method is aimed at reaching an empathic understanding of the feelings of the people who encounter the organisation.



Also in relation to the concept of citizenship *voice* plays an important role in the democratic process. This elucidates a difference between involving citizens and involving consumers. As we saw with Arendt, the republican tradition links citizens to the public sphere, the place for *lexis* (speech) and *praxis* (action) where they concern themselves with matters about their common life (cf. Arendt, 2007:52). Citizens can here only assert themselves as citizens by articulating themselves. Letting someone else articulate the needs of the users de-emphasises these citizen characteristics. The idea of the *citoyen* engaged in political life may not be directly transferable to a citizen-involvement context where the aim is to design public services and not to decide on general laws. In this sense the *citoyen* engaged in what I previously referred to as the 'large' democracy differs from the citizen taking part in the 'little' democracy (cf. Kristensen, 1999:4) and in service development. However, both roles have political dimensions in the sense that they can be concerned with questions regarding common, political institutions. Thus, another thing is at stake, namely what is to be developed or changed on the basis of user input. This is reflected in the issues that users are asked to express their opinion about: is it the individual service as such and how is it coupled to the broader context of the political institution? According to Young, participatory democratic institutions imply that "*citizens develop and exercise capacities for reasoning, discussion, socializing that otherwise lie dormant, and they move out of their private existence to address others and face them with respect and concern for justice*". Democratic participation and engagement in common, political institutions aim in this ideal to reach collective decisions about institutions and the common life of citizens (Young, 1989:252). In Young's idea of participatory institutions the questions that citizens engage with are not concerning services in any narrow sense but also regard questions about what they wish from the institutions.

The objections raised are principled ones and the point is to illustrate the difference between two points of view: One is the idea of public services as matters of political, common concerns (even if local) that can be addressed and deliberated upon as activities of political institutions. Such a view may not exclude that perspectives of people's everyday lives are included. These are services to the citizens and the public. The other is an idea of public services to meet needs of persons without any regard for the articulation, interpretation of these needs and the power relations of the process of interpretation. The difference is also one regarding the questions asked about services when citizens are involved. I see the difference as one between democratic involvement of citizens and consumerist involvement of the customer. As part of a political community, citizens can deliberate about the needs and public matters dealt with by political institutions. Such aspects of citizenship may be abstract in character, but are nevertheless important to keep in mind regarding the publicness of the public sector. At least I find it important to remember the possibility of other methods, and remembering how methods relate closely to broader

frameworks underpinned by ideas about services and citizens. The idea is not to suggest that deliberative methods should be used in all cases, even though they seem to most clearly link to democratic forms of involvement. It further relates to a distinction which I wish to draw between the citizen and the user. When the user is conceptualised as a 'human being', it represents a concrete, particular person with experiences and feelings. This is also the case with the customer, and in a sense the citizens with experiences of due process (even though the citizen as mentioned incorporates a dual role and in principle could be seen as reflecting both a service and an authority perspective). Predominantly the questions which the users are encouraged to concern themselves with regard their experiences or feelings. Such concerns may be considered to be of a private, personal character. In this sense the user is conceptualised as a private person. These aspects differ from concepts of citizenship that instead emphasises general abstract aspects of the individual encountering the public authority. *There is a difference between asking users to engage in questions about how services could make them feel satisfied and asking citizens what claims they would find it reasonable to make to their public institutions.* In the following I shall continue to elaborate considerations on this meeting between the abstract, general aspects of the citizen and the concrete, particular aspects of customers with experiences/human beings with everyday lives.

## 8.5 Citizenship and the particular user

How does the abstract citizen relate to the particular user with feelings, experiences and needs? As mentioned in chapter 4, Marx distinguished the *citoyen*, the citizen as an abstract moral person, from *man* or *bourgeois* the concrete, non-political and atomistic person (Marx, 1968:42). Young refers to the general character of the citizen as the 'universality of citizenship' and points to two meanings of universality: 1. Universality defined as general in opposition to particular; what citizens have in common as opposed to how they differ (general interest); 2. Universality in terms of laws and rules that apply to all in the same way (rights) (cf. Young, 1989:250).<sup>60</sup> In the case of the Ministry laws and rules regulating the relationship between the authority and the citizens are general, and the citizens have rights and duties. Initiatives of user-driven innovation and of handling tax cases have an influence on how the administration of those laws concretely supports the actualisation of citizen rights. If we are interested in how rights are actually manifested (for example in ways that support the enablement or autonomy of citizens) we need to look further than to current conceptualisations of user-driven innovation. But we also need to look further than to formal, legal rights. Ideas of citizen participation may make such aspects clearer. It may be possible in the final analysis to clarify the relation between the politically participating citizen (*citoyen*) and the citizen as service user included in innovation activities.

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<sup>60</sup> Remark here that Young's presentation of universality resembles my division of the 'general' into general interest and general rights.

Some suggest softening up the sharp distinction between general and individual interest, in an attempt to find solutions aiming at integrating those. For example, Mouffe (1992) argues that every situation is an encounter between public and private. Every enterprise is private while never immune from the public conditions prescribed by the principles of citizenship. Wants, choices and decisions are private because they are the responsibility of every individual, but performances are public because they have to subscribe to the conditions specified by citizenship. The identities of the individual and the citizen coexist in a permanent tension (Mouffe, 1992:32). Such considerations may be coupled to the citizen in the role of user. Involved in user-driven innovation one can act only as an individual and one's perspectives may always be rooted in a private world of experiences. However, a public organisation may encourage perspectives that make users reflect as citizens, take on perspectives beyond their private world and thus perform as if in a public context. In this way one can attempt to reach beyond mere private world perspectives, for example methods encouraging deliberation on the role and services of public institutions. This will force out arguments and thus public performance, thereby giving the results a more public character. When users are involved they are not merely abstract rights holders or persons. Thus, as we have seen with project 'Experience of due process', asking about experiences may be a way to make questions regarding public institutions more tangible. The citizen as a user is in one sense on the border between public and private, as input from citizens also relate to their concrete experiences and points of view. But the organisation can choose to encourage one side or the other.

It seems, however, that current ideas of the user predominantly stress the private role of persons and their opinion on the services of the organisation rather than the public role and the relation between citizens and the authority. This may be due to an overreliance on conceptualisations inspired by innovation in the private sector.

As mentioned, some activities of user-driven innovation sought to uncover 'feelings of customers' with regard to for example paying taxes. Feelings would often be characterised as something belonging to the private rather than the public. Could feelings or experiences be of any relevance to a public authority?

### **8.5.1 The feelings of the customers**

A central theme expressed by the innovation team in the BOIS project regarded citizens' feelings of frustration in encounters with SKAT. For instance, the team had noticed the very long waiting hours in some tax units. Some of the people they interviewed had taken half a day off work in order to register a car. Besides, a person that they interviewed told that it had required several visits to the tax unit before everything was in order for the tax case to be settled. This surprised the team and one remarked: "*We have no idea how it feels to be a customer*" (Interview 10).

The team also learned that citizens do not necessarily think of themselves as customers of SKAT. This appeared particularly in one incident experienced by the user-innovation team. The team wanted to look at what they called the different 'commodities' offered by SKAT (such as A-skat, B-skat, moms/VAT etc.): When they went to speak to citizens about 'buying' a licence plate, one response was: *"buying a licence plate, I am not going to buy a licence plate, I am going to register a car or a motorcycle, and I do not care about buying a licence plate, it just goes with it"* (Interview 10). In this situation the interviewee remarks, *"here we perhaps lack an understanding of what really happens to the customers"* (Interview 12). This incident seems to have made quite an impression on the innovation team.

The innovation team also pointed to another surprising reaction from the citizens that they interviewed. When user studies were conducted some people refused to give up their name and personal information because the team came from the tax authorities (Interview 10). Others explicitly replied when asked to participate in an interview: *"I don't mind attending. I am not scared"* (Interviews 10 and 12). But still one of the interviewees says that the person did actually seem scared (Interview 12). One also rejected filling in his name and address in order to receive a gift voucher for the attendance. A member of the innovation team expresses in relation to that: *"He simply didn't dare. That shows something very clearly; that most people perceive us as a control authority that may appear nice and friendly just now, but that in a moment will come back and hit us on the head"* (Interview 10).

This shows that citizens may not see themselves as customers and that some of the citizens encountered by the innovation team felt somehow alienated by the authority. The team asked in ways that were to uncover personal experiences and feelings about the encounter with the organisation and the vocabulary used by the innovation team seems to indicate that the encounter from their perspective was a service encounter. Thus, they were somehow surprised that the customers did not see it like that. One of the interviewees expressed awareness that the consumerist vocabulary was not always appropriate (Interview 3). Citizens' reactions indicated that they thought of the encounter as one with an authority rather than with a service organisation. The responses from citizens thus somehow fell within another framework than the questions asked. Still, the responses reflected personal, private experiences with the authority. It is worth mentioning here that this is not how the citizens generally meet the organisation. On other occasions I have been told that citizens are very open, interested and eager to participate. The question is, however, how responses from the citizens can be translated into something important for an organisation such as the Ministry of Taxation?

As mentioned, the idea of the customer was in the organisation connected to both a service experience and to a more equal relation to the authorities. The latter could imply that citizens should feel less alienated from the authorities. Making citizens feel less alienated towards public authorities may be desirable from the perspective of both a service provider

and of an authority. From a service oriented perspective, such a feeling of alienation collides with the good experience of the service organisation and with 'customer satisfaction'. From a democratic perspective the alienated citizens may seem incompatible with the idea of the public sector as working for the public interest of citizens. Alienation does not comply well with the idea of a 'harmonious' relationship between the public sector and the public (as institutionalisation of general interest). Even though the general interest is not reducible to the satisfaction of each citizen's particular desire, a public sector should generally avoid making citizens feel alienated or scared for that sake. Such feelings may discourage political engagement and interest in public institutions. Considered from the perspective of a relationship between citizens and public authorities where rights of due process are central, such alienation may inhibit citizens in actualising their to due process. The formal, legal position of citizens may be weakened. This can be the case if citizens lack insight in case handling procedures or because of fear or feelings of alienation become less inclined to engage in their own cases and raise claims if they suspect that errors have been made.

Such insights from users are important and highly relevant for a service organisation but perhaps even more so for an authority as it has to do with the core task and mission of the Ministry: To collect the correct taxes in order to ensure a just financing of the public sector (cf. SKAT: Ny struktur i skatteministeriet). I shall argue that there is a potential for learning from citizens by including them and from the interest in an 'outside-in-perspective'.

The question is how the responses from users could be interpreted within a consumerist framework. If one is convinced that being an authority means that the employees act like 'petty officials' and that the organisation does not care about citizens then it must be a problem *as such* to have citizens think of the organisation as an authority. The rhetoric of NPM and reinventing government that stigmatise public bureaucracies for not being flexible and business-like do not encourage public organisations to present themselves as authorities when they go out to meet the users. This may also influence the questions they ask the citizens. Central aspects of the relation to citizens that relate to the authority role become blurred from this perspective and in this sense occluded from innovation activities. In the following I shall elaborate on the idea of a more equal relation and link it to Habermas' term 'qualification of citizenship' that I for this purpose interpret as strengthening the status of *citizens*.

### **8.5.2 Strengthened citizenship: Due process and citizen competence**

The Ministry of Taxation aims to strengthen due process of citizens. In the definition of democracy innovation 'increased legitimacy and due process' is central. Besides, some of the questions in the annual survey regard the experience of the organisation as just and fair (and

'Experience of due process' was about just that). This indicates that the organisation is concerned with its obligation to citizens and not only with satisfied customers. To address the question of strengthening citizenship, revisiting Habermas may help clarifying how to understand this. Even without considerations about disempowered or alienated clients the question of how to improve the status of citizens is relevant to public organisations and to the thesis. If user-driven innovation is to strengthen the publicness of the public sector, then this may well imply that citizen capacity becomes strengthened. What would it mean in the case of the Ministry of Taxation to strengthen citizenship? I shall link this to citizens as tax-payers and their *competence* in dealing with their tax cases and with the authorities.

Habermas (1996) takes up the question of how citizen rights can become socially effective in escaping welfare state paternalism. It requires that the affected parties are informed and capable of *actualising* the legal rights guaranteed by the basic right to due process. To actually mobilise the law requires certain competences of the clients. In order for the vulnerable welfare client to be able to perceive and articulate problems and to assert themselves more generally, Habermas states that it is reasonable to require a compensatory approach to legal protection in order to strengthen clients' legal knowledge. Habermas points to participatory activities to strengthen citizens as *citizens*. Ombudspersons and arbitration boards are authorities established to aid citizens in exercising their legal rights. The disempowerment of clients can be counteracted if citizens are involved in the organised perception, articulation and assertion of their own interests. People must, if they are not to lose further voice, experience the organisation of legal protection as a political process in which they can participate. Participation in legal procedures could then be interpreted as collaboration in the process of realising rights, thus linking positive legal status to active citizenship (Habermas, 1996:411). Democracy innovation that strengthens due process of citizens and actively involves citizens may be understood in terms of such ideas. The questions are: Could improved quality in services by the Ministry be understood without considering due process? Could service innovation and improvement of quality of the services of the Ministry be thought of in other terms and perhaps even in ways where a weakening of due process is acceptable? I would say no. And, the Ministry also suggests that they should not be understood independently of each other either, as service changes should never compromise due process. As mentioned, considerations about due process are present in all activities of the organisation.

Competence and insight into tax rules can be a way of strengthening citizens' capacities to actualise their rights and due process. The question is how a service conception of the organisation and the citizens accommodates such concerns. The Ministry of Taxation has experienced a decrease in the population's competence with regard to tax matters. In particular young people do not understand their annual tax return (Interviews 13 and 14). *"...we had interviewed some young people, who should look at their annual tax return, and it*

*turned out that many of them did not know what the word tax arrears meant. They thought that they would get money back from SKAT”* (Interview 13). At the conference about digitalisation and due process, that issue was raised as a problem for citizens’ ability to actualise the right of due process, due to lack of competence. Their capability to make sure that their taxes are correctly handled and to detect errors is weakened, and so is their capacity to make objections or raise complaints. It is important to mention that the Ministry also has initiatives aimed at helping people understand the tax system and rules better via e.g. Twitter (see <http://www.skat.dk/SKAT.aspx?oId=4650&vId=203928>).

Lack of competence may not be considered a problem from a consumerist perspective or if ease and satisfaction were the main factors for success. One could imagine an aim would be to leave customers out of the complicated matters and let the organisation do the work without regard for the transparency of procedures. In such a view, it may be desirable to reach a state of ‘non-experience’, i.e. that the customers did not even experience that they have made a payment. Such ideas are expressed in one of the interviews: *“One could say that maybe maybe the goal really was that one could define the goal as that the customers should not experience at all. That it happens so automatically and instinctively that they do not even experience that they pay. One could well imagine that this was what one (SKAT) discovered that one wished to obtain”* (Interview 12). It is as mentioned in chapter 7 presupposed that citizens are willing to pay and that good service (among other things) means making it easy for people and preventing them from spending excessive amounts of time waiting to get their cases solved. One interviewee mentioned the value of getting things done at one meeting (Interview 13). There is, however, some discussion in the organisation of whether it really should be easier for people to pay their taxes or whether the organisation instead should make it clear to people that tax matters are not easy and never have been (Interview 10). The reflections above show that it may not strengthen citizens to make them too disengaged in their tax matters. Perhaps we could distinguish between time and effort required for engagement, education and gaining knowledge in tax-matters, and time spent waiting or collecting the right documents. The first mentioned may not in all situations be desirable to decrease while the second may be desirable to reduce in any case.

There are other arguments about what authorities should demand of the citizens appearing in the interviews, which also link to the broader societal context in which the organisation is situated. Some interviewees express general considerations regarding the relation between citizens and the public sector. For example in relation to making tax-paying as easy as possible for citizens and companies: *“As public authority here in Denmark we require quite a lot from the citizens. We expect them to spend time on education, that they spend time working more, that they should have some children, that they eat healthily and spend time on cooking a healthy dinner, we would like them to spend time in association life and we would like them to... in general we demand a lot of the citizens of this country. And as a*

*percentage of this time, how important do we think that it is that when they need to register a car and get a new licence plate and these things, how much time do we then think... people only have 100% and the more time we take for this... how much time do we think it should take up of people's available time? Because as it is now you need to take half a day off work in order to register a car"* (Interview 10). This statement reflects considerations regarding the value for citizens that the organisation could aim to achieve (even though these considerations are not bound up in the official strategy of the organisation), and explicitly takes the broader societal context for working with users into consideration. This reflects awareness that the organisation is embedded in a societal and broader public context from which it cannot be separated, and that services to citizens reach beyond the specific encounter. Making it easier for people to deal with their tax matters and saving time is in this quote linked up to more general considerations on how citizens in a society should prioritise and spend their time.

The quotes above suggest that there is a need for balance in order not to overburden citizens or spend excessive amounts of time on tax registration while at the same time keeping considerations of due process in mind in the sense that citizens do not lose capacity to actualise their rights in the encounter with authorities. A 'pure' service approach would centre on making it easier and less time consuming for citizens to pay their taxes.

Learning about the citizen as a human being is also supposed to assist the organisation in arranging the encounters so that these human beings do not become frustrated and payments can be processed more smoothly. Such aims to improve services to citizens are uncontroversial. Claiming that the public sector should ignore feelings of distress would seem absurd as would the insistence that reducing waiting hours would not be desirable from the point of view of citizens (as well as of the organisation). A service oriented approach, however, tends to focus on experiences and satisfaction of customers rather than on power relations or rights. When ease and comfort of dealing with tax-matters are stressed there seems to be some discrepancy between the citizen and the customer. Competence in tax-matters requires the engagement of and time spent by citizens and may thus conflict with a consumerist perspective of 'service experience' which does not involve any such considerations. By placing certain demands on the citizens, due process may be strengthened even if the effort does not bring any immediate pleasure. To link this to Young's emphasis on *rights as enabling* it may also be possible to elucidate aspects of democracy innovation. Young points out that, "*rights are relationships, not things; they are institutionally defined rules specifying what people can do to one another. Rights refer to doing more than having, to social relationships that enable or constrain action*" (Young, 1990:25). Such a view on rights also emphasises the active role of the citizen, or holder of rights, and not merely rights as something to be passively enjoyed. Democracy innovation as well as service innovation may be seen as something that aims to enable people that make them better capable of actualising their rights. This aim may also be seen as a feature of public services that distinguishes them from private sector services.



The above considerations suggest that the idea of users as customers sometimes conflicts with ideas of citizenship, but not always or necessarily. The question is: Can and should the public sector relate to citizens as human beings? Even if this seems to be one way to take the citizens seriously it may be difficult for a public authority to deal with human beings and the particular inputs from customers.

## **8.6 SKAT as public authority and as service organisation**

Distinctions between citizens and customers or human beings reflect distinctions between the public, political dimensions of the authority role and the private sector inspired service provider role. The wish to be a customer friendly service organisation reflects ideas very similar to those presented by NPM advocates (e.g. Osborne and Gaebler, 1992). As mentioned, it is reflected in a perceived contradiction between 'bureaucracy' with 'petty officials' and the service-oriented public organisation, which cares about the customers.

However, citizens are not merely individualised customers, but also legal subjects, in an abstract and more general sense (for example in the sense that particular differences are not relevant as the same rules and laws apply to all). This aspect of citizenship is reflected in the 'Declaration of Corporation to the Citizens' that for example promises that similar types of cases are treated in the same way (Skatteministeriet: Samarbejdserklæring til borgerne).

The aim of user-involvement in both projects was as mentioned to learn about the perspective of the user of SKAT; an 'outside-in perspective'. In the project 'Experience of due process' it was: *"to obtain a more general understanding of what is really important to the citizens or what constitutes an experience of due process for the citizens"* (Interview 5). In the BOIS project the aim of studying the users was to learn about how payment processes were experienced from a 'customer' perspective. There were no clear change perspectives of the user-driven innovation activities in the sense that they did not aim to change anything specific. They were formulated with the goal of learning about the perspectives of the users. The responsibility for the further work reformulating the survey questions on the basis of user-input lay in other parts of the organisation than those conducting the user studies. Still, the idea of user-driven innovation is that learning from users can at some point become a useful basis for changes.

There are, however, limits to how overarching the 'service view' can be at the Ministry. The authority role is primary and thus constitutive for what good service means. In an interview I asked persistently one of the interviewees regarding the balance between service and authority. The answer was that the organisation followed the objective definition of due process, the Public Administration Act and the directions of the Ombudsman. The

subjective experience of due process is an imprecise dimension and secondary to the legal requirements. And as the interviewee said: *“Yes, imagine that the grotesque situation appeared that it doesn’t matter how we treat people as long as we make sure that they get good coffee. Imagine that that was the conclusion. That we could cheat and defraud them, and refuse access to records and not.... as long as we provide them with good coffee when they come visit, right. We couldn’t do that and we wouldn’t do that. But, imagine that was the conclusion”* and asking what if it was the conclusion: *“But, we would have to put it away and say, we are a public authority and some rules apply to appropriate behaviour”* (Interview 8).

Impartial and impersonal treatment excludes the particular traits of the person, and the concreteness and feelings of the human being. The citizen protected by rights and due process is in important senses antithetical to the ‘customer’ and the ‘human being’. It appears that this also poses some challenges with regard to user-driven innovation. In this section I briefly discuss how user-inputs can be seen in relation to the authority role of the Ministry. The claim for ‘generality’ (in terms of general services and equal rights) affects how inputs from users can be included as a basis for changes.

### 8.6.1 Learning from users

The input from users in the projects has not resulted in specific changes. In issue that came up in the interview is that as an authority, decisions on changes in procedures or services need a specific basis of justification. Changed services or procedures will have to apply to all citizens. As one of the interviewees expressed it in relation to the project ‘Experience of due process’: *“One simply has to learn how to use this as something that can be a basis for decisions. And another reason why statistics are so important, is of course because we create solutions for the whole of society and not just for six citizens”* (Interview 5).

The legitimacy of authorities depends on just procedures, in terms of impartiality and formality in case handling; as due process. This is also the reason that the Ministry includes considerations regarding due process in all its activities (cf. Interview 3; Skatteministeriet: Samarbejds erklæring til borgerne). Such a relationship regulated by formal law and regulations in order to ensure equality and predictability in the processing of citizens’ cases is only possible if particularistic characteristics of real human beings are left out of consideration. Thus, the idea of a human being with personal experiences is in this sense not compatible with the main tasks and obligations of the Ministry as presented in the mission: to *“construct and regulate laws and rules”* (SKAT: Ny struktur i Skatteministeriet). The user *included* in user-driven innovation is thus when constituted as *particular*, conceptually different from the *citizen* in his or her relation to the *general* objectives of the Ministry. The input to service design is thus particularistic and subjective while the services developed are to be general and delivered to citizens in ways that ensure impartial treatment. A ‘one-size-fits-all’ approach will in some respects ensure the highest quality of services as all citizens

are treated impartially and know what to expect. In this case the term legitimacy may be more appropriate than quality.<sup>61</sup>

In daily encounters between citizens and public sector organisations, citizen rights are manifested. When citizens meet a public sector organisation and experience the results of the way it solves its task, the public sector's performance as a political institution is manifested. At the Ministry of Taxation general laws and regulations are actualised in encounters with citizens. These concrete situations thus have a general dimension and are constitutive for the actualisation of citizen rights. The success of such encounters cannot be measured merely in terms of 'satisfaction' or 'demand'. However, approaching citizens as legal subjects will not elucidate the *concrete experiences* of being treated justly and fairly by public authorities. We need to understand the mediation between the citizen and the user for as I have argued, the experience is not in all cases irrelevant. The question is how SKAT can use input from users in this respect.

### **8.6.2 What can authorities gain from including concrete individuals?**

In the interviews some employees express that user-inclusion has brought valuable insights to the organisation. Some say that the study of experiences or feelings of 'customers' can provide valuable insights to the organisation, which may lead the way for small gradual changes to make procedures easier. Even though employees behind the counter in the tax units have told that citizens sometimes have to turn up several times, getting the personal accounts from citizens themselves make a strong impression: *"I think that one of the good things about having the direct contact with the citizens is that it can have a very strong effect to hear it directly from their own mouths"* (Interview 13). It seems that this more personal contact with citizens has a motivational effect in the organisation for working to make things easier for citizens, and perhaps also to more precisely diagnose specific problems. *"One of the things that make an impression is that citizens can feel very alienated from SKAT. That one is sometimes nervous about turning up"* (Interview 13).

An understanding of the citizen as legal subject or in abstract terms would not have elucidated such aspects of the relationship between citizens and the tax authorities. Even though ensuring citizen rights and lawfully correct treatment of tax matters is important to the organisation it is as argued problematic as a public authority to make citizens feel

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<sup>61</sup> There are some differences in the approach to citizens having to do with the so-called 'effort strategy' (Danish: Indsatsstrategi). The differentiation regards the different approaches to citizens in terms of control and information. The organisation works with a segmentation of tax-payers according to willingness and capability to pay and only uses control in the situations where it is considered necessary. In most cases the prevalent strategy is to rely on informing rather than controlling the citizens (Interviews 2, 7 and 14).

alienated. Methods approaching the citizens in more concrete terms as for example ‘human beings’ rather than as legal subjects made it possible to elucidate these aspects. In this case inspiration from the service oriented, customer centred perspective has awakened an interest in identifying experiences of citizens. This has elucidated, for example, that citizens do not think of the relation as one of exchange. Thus, even though the customer centred perspective does not focus on citizen rights the increased interest in the citizens have opened up for potentially valuable insights to come out of the involvement of users. If citizen rights are interpreted more broadly than formal legal rights, then such experiences are valuable and important for the organisation. If rights imply that citizens should be able to actualise them, then the *experience* of a fair system is important for the citizens to make use of it as such. To raise complaints and take responsibility for one’s own tax matters will strengthen the actualisation of the legal rights and citizens may be discouraged to do that if they feel alienated from the authority.

It appears that input from are not easy to incorporate into decisions about change, as they comprise a very different basis for decision making than what is traditionally considered valid at the Ministry. My impression is that the results from the project ‘Experience of due process’ have not been used directly in the further work as intended (Interview 8). As I have not had the opportunity to interview all parties involved in the implementation of the results, I cannot say anything conclusive about what has been the real obstacle. The impression is that there has been some scepticism with regard to the usefulness of the inputs from users. In some of the interviews, suggestions about the challenges using the results came through. Some suggested that the responses from citizens were banal and not precise enough to be really informative or useful: *“It was not precise enough, it was generalities. Well, excuse me for saying, if you take in ordinary people and ask them and what comes out if their mouths are generalities, and it is. And that is because they are ordinary people. So we ask ordinary people then it is not strange that it is generalities. It doesn’t differ from the answers you would get from asking your old mother. And they do not get any more valid than when asking your old mother.”* The argument was that one could instead have asked people in the streets and get equally usable answers (Interview 8).

Others suggested that the results of the project did not provide a basis for justified decisions and that may have to do with the methods deployed (Interview 5). *“As decision maker in a ministry you have to relate to many, many things in your everyday work. And therefore you also have to refer to ‘that which we usually do’. What is a good basis for decisions? And a good basis for decisions has typically been filled with quite a lot of statistics”* (Interview 5). Some suggest that one of the problems of the methods used might be that they have not lead to statistically valid results. The Ministry of Taxation is described as relying very much on statistical validity and generalisability of data that are to guide decisions (Interviews 1 and 9). *“It is such a number-ministry. We always want to work with facts and work a lot on the basis of what is objective and correct one can say, on the basis of the data we*

have” (Interview 9). Another point regarding the lack of objectivity of the user-input regarded the lack of possibilities to repeat the user study: “... *what one could criticise about this process was that it could not be repeated. We simply did not have the time. But it is rare when you are in such a process that it becomes optimal*” (Interview 9). This wish for objective results as a basis for decision making has to do with the role of public authority: “*That is what it means that most public authorities emphasise that it has a certain weight when you change things*” (Interview 9). Decisions should be justifiable to the public and politicians: “*Well, today I think one needs to support and document in case external parties ask questions, that could be anyone from politicians to interest groups or others, or what do I know, the association for better due process or something. Anyone that you could imagine would ask questions about what we do as a public authority, then one has to be able to document why we do this*” (Interview 9).

There may have been a clash in perceptions about what a good method to gain knowledge is, which may have hindered implementation of the results (Interview 5). There is another way to interpret the claim for generality in the work of the Ministry; as representativeness. “*We have the problem that the input from outside is often not very representative. If you ask a family that has just been through an adoption process: what is the most difficult you can think of? Then they will say that adopting children is most difficult. Ok then we simplify those rules. Well, then we have done something for 48 families in Denmark*” (Interview 14).

As these quotes suggest it is challenging to change services and procedures on the basis of user-input due to requirements to justification of decisions and to services being general and for all citizens. Due to the highly law regulated character of activities, the realisation that for example certain types of registration do not flow smoothly does not mean that procedures can be changed instantaneously. As one interviewee says: “*Well, there are often many challenges. That is how it is with SKAT. We are under the obligation of all kinds of legislation, which sometimes means that the good idea cannot be realised here and now*” (Interview 13). This means that when conducting changes in the organisation, the core function, to regulate laws, is prioritised over other considerations. For example forms must fulfil a number of requirements and cannot be immediately changed, even though experience shows that it is challenging for citizens to fill them in correctly (Interview 13). It does not mean that it is impossible to make changes on the basis of insights from users or daily experiences of front-line employees.

The Permanent Secretary explained that there is a great deal of willingness from the political system when it comes to legislative changes in order to make administration easier: “*If it can be made more simple, then it also means that sometimes a compromise is reached. It does not always have to be that, but that we definitely change legislation for a purely administrative reason, for that is what it is*” (Interview 14). So, there are a number of examples where input from the administrative level has resulted in new rules. Staff with direct contact to citizens is

also included in order for the organisation to learn how to make administrative procedures better (Interview 9). There seems to be agreement that learning from users is important to improve the practices of the organisation. And as we have seen, input from users resulting from the projects also captured aspects of the relationship between citizens and the authority that could be valuable to learn from. In 'Experience of due process' this was also the aim even if the legal concept of due process was somehow reformulated into as 'service concept'. Even though the outcomes of specific user-involvement activities may not be very clear at the moment there is learning potential in having citizens participate in activities to improve the practices of the organisation, also in ways strengthening the public dimension of it.

As I have argued, providing better services to citizens with rights and to human beings or customers may not always mean the same thing. However, they may not in all instances collide, either. In the case where one attempts to reduce waiting time or make registration and payment procedures easier in order to save time and trouble for citizens there is no contradiction between making better services for the citizens and for human beings or customers. In the BOIS project citizens had sometimes not brought the correct documents and had to visit the tax unit several times. That was considered unsatisfactory for both citizens and the organisation. Making procedures easier for citizens to understand may strengthen due process and satisfaction at the same time, if for example case work procedures become more transparent. The influence from consumerism is reflected in the new requirement for 'customer satisfaction' that has led the organisation to take up practices that may lead citizens to perceive of the organisation as less 'authoritative' and make citizens feel less alienated. The increased focus on citizens, in terms of clearer and less threatening communication, information rather than control, is a result of this change in focus. The focus on citizens and their experiences which the consumerist perspective has encouraged may help the organisation develop as a 'better' authority in this sense. Even though citizens are not customers the 'outside-in' perspective may in all instances bring valuable insights to the organisation. I would claim, however, that a democratic citizen participation perspective also would have encouraged this. However, methods for inclusion and insights gained might have been different. The involvement could for example have been arranged within a more deliberative framework and the questions could have regarded the organisation as a public authority or political institution more generally. It is, however, not surprising that a consumerist inspired framework to a great extent has been adopted instead. The democratic tradition of citizen participation seems to have had no significant influence on ideas and practices of user-driven innovation. And this seems to be generally the case for the conceptualisations of user-driven innovation treated in the thesis. Most of them tend to see the user in apolitical, more or less privatised terms: as a customer, a co-producer, stakeholder or a concrete human being with feelings or needs. They thus seem to stay within a particularistic and private idea of the users (even though Network Governance

perspectives recognise collaboration and some idea of community belonging). In relation to user-driven innovation there is an emphasis on the public organisation as a *service provider*. The public, political context of the encounter between citizens and the public sector is correspondingly de-emphasised. There seems to be limited reflection on the limitations to drawing analogies to the private sector. Thus, there are limitations to these conceptions. Even though a lot has been won by the increased focus on the customer, I see a potential for even more targeted innovation activities that may strengthen organisations as public if democratic, political categories were to be included when conceptualising and involving citizens. As I have illustrated here we become able to conceptualise and focus on other things by shifting to categories such as: citizen capacity, competence and actualisation of rights. Thus to return to the ideas presented in the introduction, I have now illustrated that we need new categories to link to public sector innovation and user-driven innovation in the public sector. This makes it possible to more clearly lead (and debate) the direction of changes of public institutions. Then they can possibly support the ability of the public sector to deal with (and hold focus on) common concerns and citizen rights. Thus, the presented concepts from political philosophy may inform a new understanding of public sector innovation.

Before ending the chapter I wish to present some brief reflections linked to the particular case, regarding citizenship and taxpaying. These reflections relate to the particular role that the tax authorities have, namely to collect money to finance the public sector as a whole. Without the tax authorities, there is no public sector or state. The question is what that means to the relation to citizens.

## **8.7 Reflections on the practice of taxpaying: The feasibility of an individualist approach to citizens**

One could argue that taxpaying is not a specific aspect of the welfare state, but rather of any state, and that services from the Ministry cannot be compared to social entitlements that have the aim of strengthening private freedom, or the equal life chances of citizens. Some may even claim that the tax authorities do not deliver public *services* at all. Some claim that taxes inevitably violates the rights of the individual. Collection of taxes by the welfare state has been juxtaposed to 'state kleptocracy', or 'socialist expropriation' by for example the philosopher Sloterdijk in a public debate in the German newspaper 'Frankfurter Allgemeine' (Sloterdijk, 2009).

One could also argue that the relationship between the citizen and the state with regard to tax-collection is best understood as a purely individual-to-state relationship, since it is the *individual* paying the taxes under circumstances of legal rights protection and due process, and that these are individual rights. When negative rights of the individual are emphasised, this can in its basic form be interpreted as an individualised as well as a to some

extent privatised citizen role (cf. Habermas, 1996). Thus, the emphasis on the individual experience of the 'customer' is from this perspective not necessarily a further individualisation or privatisation. On the other hand, other arguments could stress the underlying collective circumstances constituting the practices of paying taxes. First, the legal rights protection can be interpreted as something *general*, rather than particular or individual. Rights are granted to all persons as free and equal members of society, and this frame constitutes something that reaches beyond the individual, even if this is not interpreted as a community with collective substantial values (as in the republican tradition). The laws of the state and the legitimate exercise of authority that the Ministry practices may be seen as mandated by the citizenry as a whole represented by a democratically elected government. Individuals' claim to due process and legal rights can thus be interpreted as inter-subjectively constituted and as a claim directly related to the status of the individual as a free and equal member of society. Second, one could argue that being part of a society or collective that everyone must contribute to (by sharing the burdens and enjoying the benefits) is constitutive for the practice of taxpaying. These arguments are normative rather than historical and may not represent what have historically been essential characteristics of tax claiming and payment.

One of the problems of privatisation of citizenship is a certain form of particularism, in the sense that private interests, rather than general interest are directing the actions of the state. This can of course be understood in different ways according to the different conceptions of citizenship and 'general interest'. As argued in chapter 4, the notion of the general will or common good anchored in a more or less homogeneous community is today not a convincing conception. But belonging to a political community is nevertheless still often seen as connected to citizenship (e.g. Kymlicka and Norman, 1994). The practices of the Danish Ministry of Taxation are linked to a shift in the perception of the citizens' willingness to pay taxes. It is now assumed that the majority is willing to pay their taxes correctly, while only few are interested in cheating. This is also part of a strategy for being more efficient, understood as collecting taxes in the most cost effective way. And since informing citizens is cheaper than controlling them, the effort is directed at information and guidance (Interview 14). However, one could argue that understanding and further encouraging this willingness to pay taxes requires that the tax payer is understood as part of a collective or society that he or she is willing to contribute to. A certain sense of solidarity may explain such willingness. This is also the idea behind the welfare state, where a considerable range of tasks are considered public matters. The question is thus, whether an individualised approach to the citizen as tax payer in initiatives of user-driven innovation is feasible in the long run? A consumerist understanding of the citizen in separation from the wider context can only explain a willingness to pay taxes in a more narrow 'value-for-money' logic. The question is how this corresponds with the declared mission of the Ministry, to secure a just and fair financing of the public sector of the future, as they seem to collide.



These considerations elucidate that the activities of our public institutions cannot be adequately understood when separated from their political and public context. Certain understandings of the user collide with citizenship as they represent individualised, de-politicised and privatised persons. The public context and relation to both state and political community become blurred in these representations of the citizen.

## 8.8 Concluding remarks

With this case analysis the discussion of ‘users’ and ‘innovation’ has moved to a more concrete level. It has made it possible to study practices of innovation and elucidate how ideas from innovation theory and governance discourses (in particular NPM) have inspired these organisational practices. It has been possible with concrete examples to see where a consumerist understanding of the user and public services and an understanding that stresses citizen rights and the political character of public services may collide. This further elucidates differences between public and private sector innovation and user-driven innovation. Most importantly it has become possible to specify the publicness of a certain public sector organisation and to link it to innovation. This also shows what is in risk of being occluded when adopting a private sector (or generic) framework for user-driven innovation. In other words, the discussion shows limitations of currently prevalent approaches to user-driven innovation that do not have a clear conception of citizenship and the public dimension of the public sector.

In relation to the research questions of the thesis the analysis of the chapter show the implications of current ideas of user-driven innovation and of individualised and particularistic understandings of citizens as users. The discussion has further introduced normative ideas of how to understand innovation and users in a way specifically relevant to the public sector, in other words how the relation between the public sector and citizens could be understood in a new way. From this view service quality and innovation cannot be defined independently of democracy innovation and for example claims to due process. Further, the user of public services cannot from this view be defined independently of the citizen role. Such perspectives are not clear in the present idea of users and innovation.

In the analysis I divided the ‘user’ in the Ministry of Taxation into three roles: the customer, the citizen (in experience due process) and the human being. These terms appear in different situations and do not rely on a clear and deliberate division. The customer is inspired by NPM and consumerism and the use of the term relates to a perceived distinction between a modern, service oriented organisation and an old-fashioned, bureaucratic control authority. The ‘customer’ is said to indicate an empowered and privileged position – as a

contrast to a citizen encountering petty officials and a paternalist attitude from the authorities. The organisation is, however, not represented as merely a service organisation but rather as an organisation with a *dual role*: As authority and as service organisation. This dual role has given rise to my identification of various tensions which the analysis has centred on, such as: the general citizen and the concrete/particular user, democracy/authority and service, rights and feelings. Not all of these are identified as tensions or contradictory by the organisation itself.

The representation of the citizen incorporates the duality: as one with rights on one side (in the Declaration of Corporation to the Citizens) and with subjective experience and satisfaction on the other. The citizen in this sense differs from the other terms; the customer and the human being who predominantly are conceptualised in privatised and particularistic terms. The customer and the human being are persons with *experiences or feelings* that the organisation wishes to learn about by including them in innovation activities. These representations of the users found in the Ministry are in different ways at odds with concepts of citizenship. Concrete, particular persons differ from citizens that are characterised by universality or generality in two respects: 1. the general interest referring to what citizens have in common as opposed to how they differ; 2. Generality in terms of laws and rules (and rights) that apply to all in the same way. When the Ministry of Taxation handle tax matters and work with citizen cases due process means for example that the same types of cases are handled in the same way. Thus some degree of standardisation and procedures are to ensure equality and impartiality in the treatment of citizens. This risks being (conceptually) replaced by a particularistic focus on good experience and satisfaction. Further, the representations of the user decouple the role of service recipient from the role of politically participating citizens that are part of a political community and that gain freedom by collectively having influence on the societal conditions influencing their lives.

An individualised idea of the user also influences the methods that are chosen for involvement as well as the questions asked to the users. In particular this is clear with the observational methods aiming at uncovering 'unacknowledged needs' which is, however, not an idea found in the Ministry. This idea of user-driven innovation is at odds with democratic user-involvement that stresses the *voice* of users – that citizens get a chance to express themselves and have a say regarding issues that influence their lives. This further relates to citizenship, namely the deliberative aspects when citizens engage in political life and issues via speech (*lexis*). Methods having experts or researchers uncovering unacknowledged user needs as we see it described by the 'Programme for user-driven innovation' occludes this opportunity and further represents public services as something beyond deliberate and reasonable decision-making and as essentially apolitical. Whether this is problematic depends on whether the methods are used alone (which is not the case in the Ministry of Taxation) and what they are used for. Considerations in regard to that which more clearly

relate to the activities of the Ministry is a distinction between ways of involving citizens that encourage private perspectives (how does this service make me feel?) and ways encouraging more general ones (What do I as a citizen find it reasonable to claim from a public authority?). I have argued, however, that experiences of citizens are not irrelevant *per se* to the organisation, as they relate to the capacity and engagement of citizens to actualise their rights.

A concrete example shows how a consumerist view stressing satisfaction collides with a due process, rights perspective. Some level of engagement and competence strengthens the citizens' rights to due process and will aid citizens *actualise* their rights. By including ideas of Habermas and Young it has been possible to elucidate how a strengthened citizen role could mean that citizens become better able to actualise their rights. Thus, ease and satisfaction may not be the primary goal of the encounter with citizens. On the other hand, in case the citizens feel alienated they may be discouraged to engage in their tax matters and take it up in case they suspect errors have been made. This may give an understanding of what democracy innovation could mean and show how service quality cannot be understood independently from the status of citizens and considerations of due process.

In this respect services of SKAT are linked to a manifestation of citizen rights. As an authority it is has turned out to be difficult to deal with input from users. There may be several reasons for this: for example that the services developed are for all citizens and not only a few. This means that the services to be developed are for all citizens. Further, there are claims to generality in the sense of just and equal treatment for all related to the authority role (it is thus not merely a practical concern but also a normative one). Another reason may relate to claims to information to be basis for decisions. Despite these difficulties regarding user-driven innovation (and despite the tensions described above), the Ministry can still benefit and improve practices by involving users. Even if input from users cannot immediately be turned into new solutions, there is great learning potential in involving users that may lead to gradual changes.

Based on the analysis of the case I wish to raise the claim once more that there is a need for new categories related to public sector innovation that specifically take the context of the public sector into consideration. The organisation is conscious about the claim to due process, about the rights and duties of citizens and about the larger political and societal context. However, representation of users and methods deployed do not incorporate these considerations in any clear or systematic manner. The existing frameworks for user-driven innovation tend to draw on a private sector framework with services that are to meet individual, particular interests. This elucidates a point which I made already in chapter 5, that the currently prevalent understandings of innovation do not work with or link to categories supporting the *public dimension* of the public sector.

The main conclusion of this analysis is that the existing understandings of innovation and users relate to understandings of users and organisational activities that to a considerable extent draw analogies between public and private sector activities. Thus the specific democratic and political dimensions of the public sector, citizens and services are occluded from these understandings. However, at the Ministry of Taxation there appears to be a wish for and possibly a potential for strengthening the public dimension of the public sector (in the case of the Ministry to strengthen it in being a just and fair authority) through innovation and user-involvement. The conditions for user-involvement are different from conditions in a market context as norms of due process, equal treatment and procedural justice are important. The current understandings have blind angles and risk leading to the opposite result by strengthening a privatised and particularistic understanding of the core role of the public sector and by encouraging methods relying too strongly on particularistic forms of engagement. To repeat: there is an essential difference between asking people to engage in questions about their own personal satisfaction and to ask them about what they as citizens find reasonable to claim from a public authority. In the conclusion coming up next the suggestions for a new understanding of public sector innovation shall be presented.

## 9 Conclusion and perspectives

The thesis was set out to answer two questions:

*How could innovation in the public sector strengthen the 'public dimension' of the public sector and the status of citizens?*

*What are the implications of current ideas of 'innovation' and 'users' to the public sector's capacity to deal with common, political concerns and citizen rights?*

From this two main aims have been derived: To clarify implications of existing understandings of 'innovation' and 'users' and to suggest ideas to inform a new concept of public sector innovation. The discussions departed from a normative framework of political philosophy, in particular the concepts of 'public', the 'general' and 'citizenship'. Ideas of innovation and user-driven innovation have been unfolded as they appear in public sector innovation theory, in policy discourses and in organisational practices of the Danish Ministry of Taxation. The analysis has pinpointed the implications of current ideas of innovation and gradually as the thesis has proceeded also elaborated on the normative concepts of the public sector and citizenship.

The thesis has challenged existing theories and conceptualisations by turning their main research interest upside down. Rather than asking how the conditions of the public sector furthers or inhibits innovation, the thesis has focused on what the idea of innovation (and particularly user-driven innovation) implies for the public sector; in other words, does innovation improve the publicness of the public sector? Similarly the question was aimed at the 'user' and the relation to citizenship. My point of departure was a suspicion that the public, general aspects of the public sector have been neglected and that particularistic and managerial rationales have come to dominate theories and discourses of the public sector. In the introduction I mentioned that the public dimension of the public sector stands weak as boundaries between public and private sectors have been blurred in different ways: conceptually as well as in practice with initiatives of contract regulation, privatisation and network governance, de-politicisation and commercialisation of citizenship.

My analysis has shown that ideas of 'innovation' and 'user-driven innovation' to a large extent emerge from and support rationales that de-politicise the public sector and citizens as service recipients. The extent of this influence has however surprised me. Thus, I have argued that a change in vocabulary to categories of citizenship and general interest is strongly needed in order to develop a concept of innovation targeted the public sector. This is the precondition for strengthening the public sector with 'innovative' activities. It has been argued that without such categories we are unable to distinguish the user from the citizen and public from private services, and thus unable to conceptualise for example how citizen capacity and due process are strengthened and the quality of public services improved.

The contribution of the research is a strengthened focus on the public dimension of the public sector resulting in a deeper understanding of the implications of and rationales behind current ideas of innovation and users. And just as importantly, concrete suggestions have been made for a re-politicised understanding of the public sector in general and of public sector change and development. A result of the analysis and discussion of the thesis has been a better understanding of differences between public and private sector service provision and of the citizen in the role of public service recipient. These results will be elaborated in this concluding chapter.

### **9.1 Structure of the chapter**

The chapter is divided into three sections. The first elaborates on the premise for the thesis: That there are reasons to challenge and rethink the concept of innovation in light of the public sector setting. This includes some brief reflections on the exercise of theorising (9.2). Second, I shall present my suggestion for a new way of thinking about public sector innovation. This includes an alternative conception of the public sector, citizens and public services to the currently prevalent views connected to innovation and user-driven innovation (9.3). Lastly, I shall present the implications of the current understandings of innovation and users and my arguments for why these implications are problematic (9.4).

### **9.2 Rethinking the concept of public sector innovation**

A premise for the thesis was that we could rethink the concept of public sector innovation in light of the public sector setting. Having analysed the concept and theories of public sector innovation I can now elaborate on the arguments for this premise and show the shortcomings of current understandings of public sector innovation.

My analysis of the concept of public sector innovation demonstrated that the category of the 'public' is not integrated into the concept. In so far as the authors take the 'public' into account, it is as an empirical and contingent category rather than as a normative and constitutive one. The interest in the public context seems to be related primarily to the conditions for innovation that are found in this context (such as the impact of bureaucracy, lack of competition and fear of public scrutiny). Concepts of innovation are more or less directly adopted from 'traditional' innovation theory, which is concerned primarily with commercial innovation in the private sector. Just like traditional innovation theory public sector innovation theory is interested in uncovering barriers to and facilitators of innovation. 'Innovation' is thus taken for granted: it is assumed that 'innovation' can exist as something specific and that we can empirically study the factors encouraging or inhibiting it.

The concept of innovation as such is thus not discussed in relation to the political, democratic, context to which it is transferred. The *concept of innovation remains unchallenged* and I have encountered no arguments for redefining it on the basis of the differences between the public and private sector. This was suggested already in the introduction and has been elaborated throughout my analysis.

Central to the analysis is that the concept of innovation is represented as a generic concept that is considered to be applicable across sectors and contexts. Innovation is thereby represented as a politically neutral concept and connected to generic views on organisations, change and services. However, one may argue that the current definitions of innovation are not really generic as they are never detached from their particular origin in traditional innovation theory. The concept thus has a clear theoretical inheritance, which defines what innovation becomes. This means that public sector innovation theory represents innovation as a politically neutral concept, and at the same time uncritically transfers ideas, definitions and insights from 'traditional' innovation theory. The result is that the theories occlude political implications of transferring concepts from the private to the public sector context. Development of political institutions is represented as a technical or managerial issue rather than as an issue of *political choice*, deliberation and justification. This further obscures that the public sector can be developed in a direction which makes it more just and legitimate and is thus ideological in the sense presented in chapter 2 (cf. Young, 1990; Langergaard, 2006).

The result is that the context for innovation is de-politicised in a broad sense and effectively 'politics is taken out of' public sector innovation and change (cf. Clarke, 2009). Compared to other denominators for change such as 'reform' or 'implementation' innovation indicates a broader concept. In principle innovation could mean any change. Public sector innovation theory does not think of public sector change in terms of implementation of policy or democratic legitimacy. The openness and broadness of the concept may relate to attempts to keep the concept generic and thus as a broad descriptor of change across contexts. However, this is in one sense problematic as it in this case becomes impossible to distinguish between changes supporting the core function of the public sector and changes that do not support it. This is because the existing theoretical contributions cannot explicate what democracy and legitimacy mean. In principle it is not a problem to open up for a broader concept of change that also includes other changes than those initiated by politicians. The problem occurs when the concept of change is decoupled from the conditions of the democratic context that it concerns. The point is not to suggest that we should narrow down innovation but rather that we should link it more closely to the context that it concerns and specify it in accordance with that. Conceptions of innovation have implications and have set the scene in a certain way allowing some questions to be asked while others will remain

unaddressed. We need to be much more specific about what innovation is and what it should be in order for it to be a suitable comprehensive concept of change in a public sector context.

Innovation is not merely a matter of words or theoretical categories. The concept is not merely used as a descriptor but also informs policy recommendations and thus potentially can have real effects on the development of the public sector and on concrete practices. There is, nevertheless, some ambiguity regarding the normative aspects of the concept. Even if innovation is represented in broad, generic and politically neutral terms there is implicit agreement that innovation is desirable to the public sector. The term is redolent with connotations of progression, novelty and modernisation. This gives the term a certain rhetorical force and when things are done in the name of innovation it seems that no one argues against them. There are, however, no clear arguments for how specifically innovation is supposed to make the public sector better as a *public sector*.

Thus, I have argued that innovation should be defined in a way explicitly referring to practices supporting the public *as public*. In so far as innovation should play any role in the development of the public sector, the context and normative foundation of the public sector must shape the concept. The critical analysis has not been restricted to definitions of innovation but has also identified ambiguities regarding the way public sector innovation theory theorises. I thus suggest a different approach to theorising public sector innovation altogether.

### **9.2.1 Reflections on theorising on public sector innovation**

I have suggested that public sector innovation theory is indecisive regarding the 'functions' of the concept. Is the purpose of public sector innovation theory description, prescription or analysis, and how do they differ or support one another? No matter what, all existing concepts of public sector innovation seem to rely on a technical-controlling knowledge constitutive interest (as mentioned in chapter 2 cf. Habermas, 1972). The aim of public sector innovation theory is to study how innovation occurs, the facilitators and barriers, in order to be able to control innovation. In this sense 'traditional' innovation theory as well as public sector innovation theory may be characterised as 'traditional theory' (cf. Horkheimer, 1970). How is my suggestion different then? To put it briefly: Informed by the normative concepts of political (practical) philosophy, a concept of public sector innovation could be a concept with a *praxis*-element, thus related to practical reason (as presented in chapter 2). In other words, 'innovation' in the public sector would link to knowledge about what a good and just public sector is and which changes could support the development of justice and legitimacy of the public sector. Thus, public sector innovation theory could have other aims than describing empirically how innovation occurs or than uncovering the factors for innovative changes (in some specific sense of innovative). It could be a theory that engages



with normative questions about why certain changes of the public sector could strengthen it while others would perhaps do the opposite (such discussions are already taking place but rarely in relation to innovation). And such considerations could inform reflections on the concept of innovation that could be shaped in accordance with that. This would open up a space for normative reflections about what improving the public sector means. Innovation as a concept of change calls for other concepts to lead a direction of the change. Otherwise it becomes nihilist and changes for the sake of changes lead in no deliberate direction (cf. Paulsen, 2011). And it is such concepts leading the direction of change that I suggest we reconsider.

Approaching public sector innovation this way could possibly build a bridge between normative concepts of political philosophy and ideas about public administration and service provision derived from both theory and practice. The further development of such a theory could be interdisciplinary and draw on normative as well as empirical insights. The contribution of this thesis lies in the unfolding of an argument for why it is important to think in new ways and in the suggestion of categories for understanding the public sector as a political institution dealing with common concerns.

### **9.3 Innovation as development of the public dimension of the public sector**

I have established that those advocating an innovative public sector apparently wish *to do something* with innovation. Accepting that, my claim is that we need to be more specific about *what* we wish to do. I have suggested that we should understand public sector innovation as changes and development that strengthen the publicness of the public sector. This, however, calls for further clarification of what is specifically *public*. Before presenting my suggestion to this I shall briefly return to what innovation is said to do for the public sector.

Innovation in the public sector is often represented as something that can create value along different axes. The Danish Council for Technology and Innovation mentions four different dimensions: 1. Efficiency; 2. strengthened 'democracy, legitimacy and due process'; 3. better workplaces; and 4. improvement of quality of services (cf. Rådet for Teknologi og Innovation, 2008). The Ministry of Taxation also works with four different 'innovation bottom-lines' referring to what can be improved by innovation: administrative innovation, service innovation, policy innovation, and democracy innovation (Carstensen, 2010).

I have engaged especially with one of these dimensions for value creation, namely 'democracy, due process and legitimacy'. The reason is that I consider these obligations constitutive for the public sector and thus linked to its core functions and normative foundation. They relate to what is *specifically public*. And the current theoretical approaches

say *nothing whatsoever* about how to create value in relation to these categories (often they are not even mentioned). Existing approaches to innovation do not include normative, political categories and instead link innovation to the production of services or cost efficiency relying on an apolitical understanding of these activities. However, if the public sector were not to deal with concerns regarding our common life and with citizen rights it would be difficult to explain why we should have a public sector in the first place. Thus, the other axes, such as service quality and efficiency, cannot be seen independently of these considerations. What 'service quality' and 'efficiency' means thus cannot be specified independently of the public sector's core role in society and its normative foundation. A more fully developed theory could possibly specify each of these more elaborately in relation to the public sector, but for now that shall remain a task for future research.

I have argued that we cannot understand public sector innovation in any other way than changes strengthening the publicness of the public sector. A development implying progression or striving for improvements (as I have argued 'innovation' does) must indicate that changes are supposed to make the object of change *better* in some sense. Why would we wish to renew something if not to bring forth better conditions than the current? What better means depends on the object of change (either the pragmatic function it should fulfil or the normative claims it should live up to). I have argued that the public sector is a political institution under a democratic rule – its legitimacy relies on its ability to work for the general interest and to ensure citizen rights. Making a political institution better is not merely a question of technical or instrumental optimisation or efficiency but also a question of justice or rights. This means that even the service providing activities of the public sector *fundamentally differ* from that of private sector companies and that we need to understand the character and foundation of public sector services. To link such considerations to 'innovation' and to citizens as 'users' I have included normative categories from political philosophy.

### **9.3.1 Innovation as strengthening the public dimension of the public sector – a public sector definition**

Central categories of a political, philosophical theory of the public sector have already been suggested in chapter 4 prior to the main discussion of the thesis. The public dimension of the public sector was addressed with political philosophical concepts: 'public', the 'general' and 'citizenship'. These concepts may also be included in a theory of public sector innovation. What would it mean that innovation should be a concept of change implying a strengthening of the public sector? Indicated already in the introduction an overall definition may be:

*"Public sector innovation refers to new practices of public sector organisations that strengthen their capacity to deal with common, political concerns and citizen rights."*

Having conducted the analysis and discussion, I can now elaborate on the different terms and conceptions of this definition. The new understanding that is tentatively presented here is a normative idea developed on the basis of concepts of political philosophy and the practices analysed in the case study.

### **9.3.2 The public sector and common, political concerns**

In short, what constitutes the publicness of the public sector is that it deals with public, political concerns. The public sector is a core institution of political life and for the realisation of collective goals of citizens. I have linked the public sector to a republican notion of freedom through participation in political life and suggested that certain common concerns that have a wider societal scope and relate to ideas of a just society, which can explain why we should have a public sector.

I have further remarked that public and common concerns need not be restricted to the distribution of burdens and benefits among members of society. The public sector also has other obligations than the distribution of welfare goods or services.

That the public sector should deal with common concerns or the 'general interest' rather than with particular or merely private interests means something in relation to innovation and in particular to user-driven innovation. We need not think of the general interest as a specific 'common good' constituted in certain values of a homogenous community. With inspiration from Habermas we may understand it as inter-subjectively constituted through processes of public opinion and will-formation. The points that I have wished to make are: First, general interest cannot be reduced to private or particular interests; and second, that when something has been granted the status of public interest, it raises certain claims to the public sector when dealing with it. Political, common concerns that the public sector deals with are matters of broader societal scope that regards the citizens' life and freedom in society. Thus, they relate to notions of a just society and the possibility of citizens to live the good life. This has implications for an understanding of public services, too. Linking the public sector to political life and common concerns makes it possible to view public sector services in a way that clearly distinguishes them from private services (as argued in chapter 4).

### **9.3.3 Public sector services**

Public sector services differ from private sector services in the sense that there ideally are political arguments and reasoning behind them. They are constituted as entitlements for citizens. These services are collectively provided and financed because they are considered common, public concerns. Public services cannot be understood in separation from this

political context. Thus, they cannot be assessed merely according to their ability to create pleasure or satisfaction for individuals. They also intimately relate to citizens as defined by rights (political, civil and social). In the analysis citizen rights were linked to the enablement of citizens to actualise their rights – rights that were understood as effective rights and not merely legal rights.

An example from the case study may illustrate a difference between services that are supposed to make the recipients feel good and services that also should strengthen citizen rights – in this case with regard to due process. From an apolitical consumerist perspective in which ease and satisfaction are considered important for the quality of services, taxpaying could be organised in a way that citizens did not even experience paying their taxes. Not to require anything from citizens may be considered desirable, if they should merely obtain the best possible experience and feeling. Such a perspective occludes considerations regarding rights and due process. If instead we consider public services in relation to the citizens' capability of actualising their rights, this would also have an impact on how we understand the quality of such services. Strengthening due process could mean making citizens as competent as possible with regard to tax matters. For example, this could be done with education aiming to enable citizens in understanding how and why they should pay taxes and to make use of their right to make claims if they suspect that an error has been made. This shows that considerations regarding service development in the public sector are fundamentally different from considerations regarding private sector services. The quality of services related to taxpaying would then relate to this aim of enabling citizens rather than to merely give them satisfaction or to fulfil individual preferences as a consumerist perspective would suggest. In this way service innovation and democracy innovation, in terms of strengthening due process, may be closely interrelated. From this perspective services are not improved if they do not strengthen rights and due process.

In Habermas' presentation of the rationales behind the welfare state (chapter 4), social rights were also presented as means to make citizens actualise their rights and thereby effectively be equal (in reality and not merely formally). Also in relation to the case analysis I have suggested that rights should be understood as *enabling* and only effective when *actualised*. Actualising rights of due process was here central and clearly distinguished from satisfaction or a 'good experience'. In other parts of the public sector other considerations regarding the public character of services may be relevant. For example in the case of a school, quality of education could not be assessed on whether the pupil has a good 'service experience' as education as mentioned is a general societal matter. The examples are supposed to show that 'general' dimensions manifest themselves in different ways according to the specific public service and task. In all situations however, the recipients and users of public sector services are *citizens with rights*.

### 9.3.4 Citizenship and rights

Given the diversity of the relationship between the public sector and citizens we need a rather all-embracing conception that broadly covers different aspects of the citizen-state relation. The considerations here are rather general and do not, for example, distinguish between relations to citizens with regard to exercising authority, doing care work, education or city planning. As mentioned, the pivotal point is how the citizen as *citoyen* relates to the citizen as a service recipient that encounters public organisation. It is this role of service recipient that is the object of struggle and redefinition into terms like user, client, customer and co-producer (and not the role of *citoyen* even though this role is potentially influenced, too). As mentioned the user indicates an attempt to grant the service recipient a somehow active role in contrast to the disempowered and passive 'client' (chapter 6). What is largely occluded is that also the role of a service recipient has political dimensions as it is as *citizens* that they are entitled to public services. This is what differentiates the citizen as user and service recipient from the customer of private sector services. User involvement in the public sector requires an understanding of how these roles relate to one another.

One way to understand the relation is by stressing that for citizens to be 'empowered' or enabled, they should be strengthened as citizens. In other words, they should be better able to actualise their citizen rights. This means that we need to move beyond perspectives, only focusing on the private happiness and views of persons. The conditions for freedom of private persons cannot be separated from their role as citizens. In the role of citizens they have the right to participate in political life and have a say in questions regarding the overall, societal frames for their lives. Besides, as citizens they have civil rights protecting them from arbitrary domination. The citizen may not only be enabled as citizen but also as a private person, as *man/woman* or *bourgeois*, when the citizen position is strengthened. In this sense the citizen as service recipient is somehow on the border between public and private and relates also to individual and private freedom. This does not mean that we should understand public service recipients in particularistic terms. The general societal frames enabling people to pursue goals alone and together and to leading the good life also condition their private freedom. Also in another sense is the citizen as user on the border between public and private: even when taking a general perspective the arguments and deliberations about public institutions that citizens put forth also relate to their personal experience with these institutions. A purely particularistic focus or a focus strictly on the private world of the user misses out on the relation between public and private autonomy (self-determination) and freedom. Further this may lead to power given to particular, private interests. These considerations may be relevant when citizens are encouraged to participate in user-driven innovation activities and the development of services.

User-involvement in the development of public services cannot be conflated with and is not democratic in the same sense as citizens taking part in the formal political opinion and will formation oriented towards general laws. Engagement in broader political issues and frames for citizens' common lives differs from engagement in local issues or issues regarding services. Involvement of users is not democratic *per se*. It may even challenge the division between general and private interests – as a public sector forming itself on the basis of subjective input from individuals may lead to particularism. This is especially so if user-involvement methods encourage privatised perspectives from users. Thus, the premises for user-involvement are different in a public sector setting. User-inclusion is not suitable or useful in all instances and cannot substitute accountability and responsibility in public administration. Still, the inclusion of citizens in public service development can take place in ways encouraging more general perspectives, rather than particularistic and privatistic ones. There is a difference between asking: how could this service satisfy your needs? And: What do you as a citizen find reasonable to claim from this public institution? And as the case indicated, there is also potential for learning from users and to get input relevant also for organisations as authorities to improve their practices. Thus, we need not reject the possibility of involving citizens in order to strengthen the public dimension of the public sector and we need not reject the idea of a general interest either. Practical challenges of administering general laws in societies with distance between the political level and the level at which the citizens are met, result in problems that can be interpreted as democratic problems. Policy is manifested in encounters between citizens and public organisations, and these encounters may determine how citizen rights are actualised. Public sector organisations may learn something valuable from citizens about improving their practices, even if the premises for inclusion differ from a private sector context.

One important difference between public and private sector organisations is that some public organisations are also authorities regulating activities of citizens in various ways. As argued in relation to the case study, with regard to innovation this means that strengthening the public sector may also mean that its role as authority is strengthened in the sense of becoming more just or legitimate. A bureaucratic ethos and formal procedures protect and guard precisely some of the important factors for the success and legitimacy of some public sector organisations, such as due process, fairness, predictability and equal treatment. In order for innovation also to strengthen the role of authorities such norms cannot be neglected.

This means that we may have to reconsider the idea that we have to choose between innovation and bureaucracy. It seems to be a well-established truth that innovation is not compatible with bureaucratic organisation, but it is also a 'truth' that relies on a certain definition of innovation. And the point is here to reconsider existing definitions of innovation. If innovation should be something that the public sector deliberately works with, the dichotomy between innovation and bureaucracy is not very helpful and seems to

decouple the idea of innovation from the role and function of the public sector. The very positive ring to the term innovation and the correspondingly negative ring to the term bureaucracy make it too easy to forget what bureaucracy does for public administration. In principle, innovation as development improving public sector practices may be understood as improvements of bureaucratic practices that support the obligations the organisations have towards citizens. This argument has not been elaborately developed in the thesis, but could possibly be dealt with in future theoretical work with public sector innovation. It would require some conceptual clarification, as current ideas of public sector innovation seem to relate closely to certain dichotomies between bureaucracy and flexibility and between public and private sector. In relation to these dichotomies, the 'flexibility' and 'private' are seen as superior with regard to innovation and are thought to be preconditions for innovativeness.

## **9.4 Implications of current understandings of innovation and users in the public sector**

The specific implications of current understandings of 'innovation' and 'users' that I have elucidated in the thesis relate to the rationales and discourses that shape contemporary ideas of 'innovation'. Innovation as a concept adopted from 'traditional' innovation theory is, as mentioned, represented as broad, politically neutral and generic thus depoliticising the public sector as a context for innovation. But, when adopted into the public sector context, 'innovation' becomes part of a broader development that emphasises the need for a more flexible, responsive and customer oriented public sector. Initially, 'public sector innovation' emerged with the ideas of NPM (and Reinventing Government) and some of the ideas introduced with NPM still have considerable influence on the rationales for innovation. We have seen this in public sector innovation theory, and in strategies adopted by the Danish Government and by the Ministry of Taxation.

The deployment of the term 'innovation' has, however, developed and is currently also influenced by ideas concerning Network Governance, for example. Further, as we have seen, user-driven innovation also sometimes relies on inspiration from ethnographic and anthropological methods. Thus, innovation is not synonymous with NPM or consumerism. Still, by discussing consumerism and ideas of NPM in relation to innovation it has been possible to pinpoint general limitations and dangers of adopting principles and ideas from a private sector context. These reservations also regard ideas of economic user-driven innovation theory, such as von Hippel's prominent 'lead user' concept and ideas of service science theory. This is important, because even within parts of Network Governance there is no clear and explicit distinction between the public and the private, between the citizen and the user that may be related to public sector innovation (even if Network Governance challenges consumerism). The contribution of the analysis and the discussion of the thesis

are mainly at the conceptual level. The aim has not been to make an exhaustive empirical study of all ideas of users and innovation. The study does, however, indicate something about the prevalence of ideas, practices and theories that draw parallels between the public and private sectors, rather than attempt to distinguish between them. It appears that democratic ideas of citizen participation have had little influence on ideas of user-driven innovation, even though there are indications of an increasing interest in citizenship for example with terms like 'citizen engagement'.

The prevalent ideas of 'innovation' and 'user' accompany a specific representation of the public sector, public administration and service provision. Innovation is inscribed in certain logics of thinking of the public sector that de-emphasise political aspects of administration and service delivery. Furthermore, a part of them deliberately introduces private sector vocabularies and principles to the public sector. This is not a necessary or logical implication of the innovation concept *per se*; however, in practice this is the case. The specific conceptions of innovation also support a development enforcing such tendencies as innovation theory, and practices are accompanied by apolitical categories and ideas about organisational activities.

NPM has had great influence on the idea of public sector innovation. It portrays the public sector as rigid, bureaucratic, paternalist and unresponsive in contrast to flexible, customer oriented and innovative private business organisations. The public sector is seen to benefit from imitating the private sector by introducing managerial principles, customer orientation and market steering. This is thought to result in a more efficient, effective and responsive public sector and innovation is often linked to exactly these goals (also in public sector innovation theory). These ideas are reflected in publications from the Danish Government, and we have also seen how they influence the perceptions in the Ministry of Taxation. In the Ministry the dichotomy between the oldfashioned bureaucracy (with petty officials) and the modern service organisation (serving customers) has great influence on the conduct and user-driven innovation activities that were studied for the thesis. This influence is what encourages the Ministry to strive for an 'outside-in' perspective on the activities of the organisation by including users.

These are the background rationales for the introduction of innovation. As mentioned, they have implications when shaping 'innovation' and thereby encouraging a certain development and ideas about the public sector. The research question of the thesis asked what the implications of current understandings are for the ability of the public sector to deal with common concerns and citizen rights. The implications presented are mainly the result of a normative, conceptual analysis and should not be mistaken for empirical 'effects'. The critiques reveal the downsides and possible implications of the ideals promoted by the frameworks of thought that give content and direction to 'innovation'. From the case study I



see empirical indications of shortcomings of current understandings of innovation and users, too.

#### **9.4.1 The public sector's ability to deal with common concerns and citizen rights**

The ability of the public sector to deal with common concerns first of all depends on whether its activities are oriented towards matters of general interest. This is not the case if the public sector is conceptualised as a provider of services to meet particular needs as we have seen for example with consumerism. Then public services become detached from their political motivation and justification. The general will, or common good, is either represented as constituted as a series of service encounters or as an aggregate of individual customers' satisfaction. When this is turned into a parameter for the success of the public sector, collective or intersubjective aspects of the 'general interest' are occluded. These aspects are the deliberate (and reasonable) political motivation behind decisions and tasks to be carried out by the public sector. Further, such a representation obscures that citizens are defined by rights and not by preferences or personal satisfaction. In other words, that the public sector has responsibilities to *the public* and *citizens* is no longer clear.

Conceptualising the relation between citizens and the public sector in terms of exchange of services to meet particular interests or to increase satisfaction is problematic in two senses. The first I have already touched upon, namely the reduction of public interest to particular interests or service encounters. In a situation where citizens are involved in user-driven innovation such an approach will encourage an attitude of citizens focusing on satisfaction, good feelings or value for money from the perspective of their own private interests. Thus, such input will be of limited value to the public sector as political institution or in serving the general interest. The worst case scenario is that it may overturn the focus of the public sector from public, general interest to private interests.

The second sense in which it is problematic regards the reconceptualisations of the citizen as a 'user', 'customer' or 'human being' with private needs, feelings or preferences. Such conceptualisations miss out on two central aspects of citizenship: rights and community belonging. Rights are as mentioned inviolable, raising a binary validity claim and thus cannot be interpreted into preferences without introducing a very different normative logic. When the citizen is redefined into a customer, citizen capacity is lost and the result is a weakened position towards the public organisation. Rights raise other claims to the organisation than do preferences or wishes. Further, the link between having influence on the public sector as a citizen determining the societal frame for one's life with others and being entitled to services is obscured. Effectively, this is a de-democratisation as it de-politicises the relation between the citizen and the public sector. This regards not only consumerist representations of citizens but also conceptions like human being, co-producer

or stakeholder. Further, as the case study has showed us input from users conceptualised in these ways they may be difficult to use as a basis of changes. They may be considered too particular to become a basis for changes in more general services. Thus, user-driven innovation does not in all cases lead to a more democratic arrangement or to strengthened citizen capacity.

That citizens consider themselves part of a political community and have an interest in issues regarding the just and good arrangement of society may explain support for the public sector. Such a sense of belonging to a political community may also explain why citizens are willing to collectively finance the public sector via taxes. The support may rely on a sense of solidarity and agreement to solve certain problems collectively. An alternative way is to represent the relation between the citizens and the public sector as a value-for-money exchange where citizens assess the public sector in accordance with their own private satisfaction. This view is closely interlinked with the user conceptualised in apolitical and individualist terms. The user is one that is to be satisfied with the services that they have paid via taxes. From such a perspective it is harder to explain the support for the public sector and the willingness to support it via taxes. It is not clear why the public sector should then be responsible for these specific concerns.

Network Governance representations of the citizen as a co-producer or a stakeholder do not rely on a bi-polar understanding of the relation between the citizens and the public sector as does NPM. Still, most representations somehow de-politicise the idea of the citizen. The issues stakeholders are encouraged to engage with may not be individual as such, but may be common for a number of stakeholders or a local community. Still, the specific relation between the citizen and the state/municipality is blurred when the citizen is represented as but one of a number of stakeholders.

If citizens are only concerned with the performance of the public sector from a privatistic perspective, it endangers the legitimacy of the public sector. It may further lead to citizens' disengagement with concerns regarding political institutions more generally, as the purpose of these institutions becomes unclear. As mentioned a risk is that a division between 'little' and 'large' democracy occurs and that citizens are engaged only in matters of local character and become disengaged with larger political questions. In the end the public sector may lose support in carrying out its core societal functions of realising general concerns and contributing to just societal frames for citizens. In short, the implications may be an undermining of the publicness of the sector.

Another aspect of current understandings of innovation that may potentially have implications for the public sector is the presentation of the dichotomy between the flexible, customer friendly organisation versus the rigid, unresponsive bureaucratic organisation. The dichotomy itself frames what can be innovated by dictating the focus of attention. When innovative, modern, service orientation is linked to a new profile of public sector

organisations (in governance discourses and in the case) being an authority becomes to be almost ashamed of. At least it is not clear how innovation should be compatible with an organisation having such a role.

The language and terms dominating the representations of the Ministry of Taxation, for example in relation to innovation activities very much relied on a 'service language'. For example did words like customers, service experience, commodity, moment-of-truth and feelings recurrently appear in the interviews. These terms were deployed to suggest what the organisation desired to be (in contrast to old-fashioned, bureaucratic, petty officials). Related to these was also an idea of due process, which conceptually was presented as 'the experience of due process' and in this way interpreted into a service language. The case study did not give rise to worries about the effects of the innovation activities with regard to undermining the authority role, however. The organisation is not prone to changes on the basis of input that has not been somehow validated as a good basis for decisions. Further, the consciousness about the dual role and the prime responsibility as authority appears to have considerable influence when decisions are made. This results in some tensions and sometimes makes it difficult to deploy input from users as a basis of change. It is difficult to see how the rationales framing the innovation activities should support a targeted and deliberate strengthening of the authority role. In order for this to happen, some of the business inspired terms connected to innovation could have to be replaced by terms that specify the publicness of the activities and with methods that specifically support this, such as: citizens, rights, due process and public institutions.

Business language may not be necessary even if it is predominant in public sector innovation discourses and theories. The current framings of public sector innovation that seems to rely heavily on analogies with the private sector instead blur the political and general aspects of public sector services and the relation between the public sector and citizens. When these framings are predominant there seems to be no current alternatives for those that wish to work with innovation. It is thus understandable that these ideas influence the understandings of innovation in the Ministry.

The idea of the user is not in all instances a deliberate introduction of particularism in the public sector. In relation to the case study my clear impression is that there was a wish for alternative conceptions of users in relation to innovation. The case study illustrates how consumerist ideas are altered and supplemented by other ideas when adopted into the practices of the Ministry. When converted into practices of a public authority the idea of the customer changes character in the sense that for example choice is not considered a central feature. But other aspects of the 'citizen-consumer' are maintained in the innovation practices of the organisation. There is a tendency towards highlighting particular, subjective aspects such as experiences or feelings of the users rather than general aspects of citizenship (such as rights to equal treatment and due process). Reflections that have appeared in the

interviews indicate that there is a desire to bridge service oriented approaches and 'public authority' approaches to citizens. The interviews show considerations regarding the societal, political role of the Ministry. And just as important, reactions from the employees at the Ministry of Taxation indicate that the idea of the customer buying commodities has been shown to be inappropriate in light of the experience of citizens. These are empirical indications of the shortcomings of existing understandings of users involved in innovation and of the need for new ways to conceptualise public sector innovation and users. My impression is that there is a strong desire to understand and actively work with innovation as a way to strengthen the organisation also as an authority, but that current methods and conceptions of users and innovation do not give any directions or support with regard to that. As we have seen with the Ministry's definition of innovation it reflects that the political context is considered and in this sense it differs from most of the generic typologies. For example is policy innovation about accurate execution of political decision and democracy innovation is also mentioned which are aspects that rarely appear in the theories on public sector innovation. It is important here to remark that even though the Ministry has a clear idea about what due process means and how citizen rights are to be ensured, such considerations are not systematically and consistently incorporated into the innovation work.

The general conclusion regarding the implications for the public dimension of the public sector is that the way innovation is currently conceptualised the core role of the public sector as political institution is neglected and undermined. Initiatives labelled as 'innovation' may support developments towards further de-politicisation and privatisation of citizenship. The narrative about and vocabulary supporting ideas of 'rigid bureaucracy', 'petty officials' 'one-size-fits-all' encourages public authorities to see themselves as providers of services to accommodate different personal wishes of recipients in the name of flexibility and responsiveness. Linking this to innovation and the connotations of progression and responsiveness, it is unlikely that innovative activities will be defined as to support the public sector in being more democratic, follow procedures and focus on general interests.

I have claimed that in order to understand how the public sector is strengthened we must address the *public* dimensions of it. Current understandings of innovation and users rely on frameworks of thought that encourage a development where these public dimensions are replaced by something else, and thus risk undermining the publicness of the public sector. By introducing concepts of public, citizenship and the general I have specified what is specifically public about the public sector. Ignoring these conditions have shown to make it increasingly unclear why we should have a public sector and why certain services should be delivered collectively and not as commodities provided by the private sector. The result is a vulnerable public sector with an unclear societal role that may potentially lose support and legitimacy as political institution. The wider implications of these

conceptualisations that we see linked to public sector innovation are associated with the loss of citizen capacity following from the de-politicisation of the citizen role of the public sector. The de-politicised understandings of the public sector may lead to loss of democratic control and to impoverishment of political life. As mentioned, political institutions are central for the life of citizens in society; for their common lives and for providing the conditions for their private lives. When these are represented as something not subject to political choice the result is a loss of citizenship capacity. The question is: What are the public institutions to be in order for them to be public? Following particular consumer interests hardly ensure an institutional frame for carrying out collective decision and ensuring the conditions for freedom for citizens. The democratic process that ensures the rationalisation of public opinion as input to the political institutions is then replaced by private interest with no integration, reasoning or deliberation behind. The question is whether we can at all call the public sector *public* if this was to become the case.

## 10 English Summary

The thesis analyses and discusses innovation and user-driven innovation in the public sector on the basis of a political, philosophical understanding of the public sector. The research questions that are raised in the thesis concern how we may understand public sector innovation in a way that supports the public sector as *public* sector. Further, the question about the implications of current ideas of public sector innovation for the public sector's ability to be public – that is to deal with common concerns and the status of citizens – is taken up. The thesis builds on the premise that if a concept of 'innovation' should be an appropriate concept of change for the public sector, then it must be understood in a way that takes this particular context into consideration. Thus, this opens up for a possible rethinking of the concept of innovation in light of the public sector. Further, the focus narrows down during the thesis to concentrate particularly on user-driven innovation and different understandings of the citizen as user related to that.

Ideas of 'innovation' and 'users' are studied and analysed as they appear in three different contexts: in public sector innovation theory; in public governance discourses; and lastly through as case study of user-driven innovation practices at the Danish Ministry of Taxation. Analyses and discussions of innovation and users in these three contexts are unfolded each in different chapters.

The specifically public about the public sector is determined by included concepts of political philosophy, in particular the concepts: 'public', 'the general' and 'citizenship'. The inspiration to define these concepts in relation to the public sector comes from republican, liberal and Habermasian normative political thought. Based on these concepts the public sector is presented as constituted in political life and as an important institution for citizens' realization of collective goals. What makes it particularly public is that it is concerned with common, political concerns: it regards the common life of citizens. The 'general' is interpreted as on the one side connected to the general interest and on the other to (deontological) universality (general laws) connected to rights and norms. The citizen is understood in relation to three types of rights: political, civil and social, which are linked to three different roles. It is exactly these that are put into play in order to attempt to understand the citizen as user of public services in the analyses of the thesis.

The first analysis that addresses 'innovation in the public sector' studies how the concept of innovation is treated in public sector innovation theory and asks how the category of the public appears here. The analysis shows that concepts and research interests in theoretical contributions on public sector innovation relies closely on 'traditional' innovation theory, which is typically interested primarily in private sector innovation. The category of the public is largely absent and to the extent that the public context is taken into consideration it is typically from the perspective of which conditions it offers for innovation.

The concept of innovation is presented as generic and apolitical. This means that with innovation a concept of change is introduced to the public sector that is blind to democratic, political considerations and questions of legitimacy. The implications are a general de-politicisation of the public context and a concept of change in this context. The analysis confirms the assumption of the thesis that there is a need to rethink the concept of innovation if we are to understand how innovation may strengthen the public sector's work as public sector.

By the review of public sector innovation theory it further becomes clear that the idea of public sector innovation is closely connected to certain public governance discourses, in particular New Public Management (NPM). The second analyses of innovation places the concept in the context of the governance discourses NPM and Network Governance and especially focuses on conceptualisations of users in relation to these. Innovation in the public sector appears originally to have emerged with NPM and the emphasis on learning from and transferring ideas and principles from the private to the public sector. Accordingly an ideal that organisations should be flexible, innovative and responsive is introduced. The discussion of the chapter centres especially on the citizen as consumer. It is argued that the citizen is placed in a weakened position in relation to public organisations by being defined as a consumer. The political, democratic aspects of citizens and of public services are de-politicised as rights are replaced by goods and general interest by particular interests. Similarly, we find within Network Governance tendencies to de-politicised understandings of citizens, however in other ways. A problem with the presented understandings is that they see the public sector first and foremost as a service provider, perhaps even one that is supposed to satisfy particular wishes. Thereby it loses its distinguishing feature and its legitimacy. It simply becomes difficult to see why we should have a public sector in the first place. Further, there is a risk that citizens lose political engagement and are encouraged to take on a privatistic perspective on public services and institutions.

After these more theoretically founded analyses the thesis moves on to analyse and discuss concrete practices of user-driven innovation at the Danish Ministry of Taxation. The focus is especially on the understandings of the user that appear in relation to the Ministry's activities of user-driven innovation. The analysis shows that the Ministry is inspired by consumerism in its understanding of the citizen as customer. Further, ideas of the user in terms of citizen and human beings appear. The organisation is presented as in a dual role: as authority and as service organisation, and it is this duality that is unfolded through the analysis. It is argued that the current frameworks for user-driven innovation scantily take the specifically public of the public sector and the user as citizen explicitly into consideration. There is a tendency to particularistic and privatistic representations of the citizens. It is argued that there nevertheless is a potential for learning from the citizens, which can be valuable for public authorities. Through the analysis it is further pointed out how we could

understand the users and the public services in ways that to a greater extent emphasises their public character.

The thesis suggests a rethinking of the innovation concept in a way so that is characterised by more explicit political normative considerations about what it means to improve the public sector. It is, among other things, suggested that we think of public services as something that should strengthen the capability of citizen to actualise their rights. Further, it is suggested that public sector innovation is defined as new practices that make the public sector better capable of dealing with political, general concerns and citizen rights.



# 11 Dansk resumé

Afhandlingen analyserer og diskuterer innovation og brugerdreven innovation i den offentlige sektor ud fra en politisk filosofisk forståelse af den offentlige sektor. Forskningsspørgsmålene, som rejses i afhandlingen, handler om, hvordan vi kan forstå innovation i den offentlige sektor på en måde, som understøtter den offentlige sektor som netop *offentlig*. Desuden rejses spørgsmålet om, hvilke implikationer de gældende ideer om innovation i den offentlige sektor har for den offentlige sektors evne til at være offentlig – dvs. til at varetage almene formål og sikre borgernes status. Præmissen for afhandlingen er, at hvis et begreb om 'innovation' skal kunne være passende som forandringsbegreb for den offentlige sektor, må det forstås på en måde, som tager hensyn til denne særlige kontekst. Der åbnes således for en mulig gentænkning af innovationsbegrebet i lyset af den offentlige sektor. Endvidere snævres fokuset ind i løbet af afhandlingen til at koncentrere sig særligt om brugerdreven innovation og forskellige forståelser af borgeren som bruger, der knytter sig hertil.

Idéer om 'innovation' og 'brugere' studeres og analyseres som de optræder i tre forskellige kontekster: I innovationsteori om den offentlige sektor; i styringsdiskurser om den offentlige sektor; og sidst gennem et casestudie af praksisser for brugerdreven innovation i det danske skatteministerium. Analyser og diskussioner af innovation og brugere i disse tre kontekster udfoldes i hver deres kapitler.

Det særligt offentlige ved den offentlige sektor bestemmes ved at inddrage begreber fra den politiske filosofi, nærmere bestemt begreberne: 'Offentlig', det 'almene' og 'borgerskab'. Inspirationen til at definere disse begreber i forhold til den offentlige sektor hentes i republikansk, liberal og Habermasiansk normativ politisk tænkning. Ud fra disse begreber fremstilles den offentlige sektor som konstitueret i politisk liv og som en væsentlig institution for borgernes realisering af kollektive mål. Det, der gør den særligt offentlig, er at den beskæftiger sig med fælles, politiske anliggender: det handler om borgernes fælles liv. Det almene fortolkes som knyttet til dels almeninteressen, dels til en (deontologisk) universalitet (almene love) knyttet til rettigheder og normer. Borgeren forstås i forhold til tre typer af rettigheder: politiske, civile og sociale som knyttes til tre forskellige roller. Det er netop disse, som skal sættes i spil for at forøge at forstå borgeren som bruger af offentlige service i afhandlingens analyser.

Den første analyse, der adresserer 'innovation i den offentlige sektor', ser på hvordan begrebet behandles inden for offentlig sektor innovationsteori og spørger til, hvordan kategorien om det offentlige optræder her. Analysen viser at begreber og forskningsinteresser inden for teoretiske bidrag om innovation i den offentlige sektor læner sig tæt op ad 'traditionel' innovationsteori, som typisk interesserer sig primært for innovation i den private sektor. Kategorien om det offentlige er stort set fraværende, og for

så vidt at den offentlige kontekst overhovedet tages i betragtning, er det typisk ud fra et perspektiv om, hvilke betingelser den giver for innovation. Begrebet om innovation præsenteres som generisk og apolitisk. Det betyder, at der med innovation introduceres et forandringsbegreb i den offentlige sektor, som er blindt for demokratiske, politiske hensyn og spørgsmål om legitimitet. Implikationerne er en generel afpolitisering af den offentlige sektor som politisk institution og af et begreb om forandringer i denne kontekst. Analysen bekræfter afhandlingens antagelse om, at der er behov for at gentænke innovationsbegrebet, hvis vi skal forstå, hvordan innovation skal kunne styrke den offentlige sektors virke som offentlig.

Ved gennemgangen af offentlig sektor innovationsteori bliver det desuden tydeligt, at idéen om innovation i den offentlige hænger snævert sammen med bestemte offentlige styringsdiskurser, særlig med New Public Management (NPM). Den anden analyse af innovation sætter begrebet i kontekst af styringsdiskurserne NPM og Network Governance og sætter især fokus på begrebsliggørelsen af brugeren i forbindelse med disse. Innovation i den offentlige sektor synes i første omgang at være opstået med NPM og betoningen af at lære fra og overføre idéer og principper fra den private til den offentlige sektor. Hermed introduceres et ideal om at organisationer skal være fleksible, innovative og lydhøre. Diskussionen i kapitlet drejer sig især om ideen om borgeren som forbruger. Der argumenteres for, at borgeren stilles i en svagere position overfor til de offentlige organisationer ved at blive defineret som forbruger. De politiske demokratiske aspekter ved borgerskabet og ved offentlige services afpolitiseres, idet rettigheder erstattes af goder og almeninteressen af særinteresser. Ligeledes inden for Network Governance finder vi tendenser til afpolitiserede forståelser af borgerens om end på andre måder. Et problem ved de præsenterede forståelser er, at de forstår den offentlige sektor først og fremmest som en serviceudbyder, der måske endda skal tilfredsstille partikulære ønsker. Derved mister den sit særkende og sin legitimitet. Det bliver simpelthen vanskeligt at se, hvorfor vi overhovedet skal have en offentlig sektor. Desuden risikeres det at borgerne mister politisk engagement og opfordres til at antage et privatistisk perspektiv på offentlige services og institutioner.

Efter disse mere teoretisk funderede analyser går afhandlingen til analysen og diskussionen af konkrete praksisser for bruger-dreven innovation i det danske skatteministerium. Her sættes fokus på især forståelser af brugeren, som optræder i forbindelse med ministeriets aktiviteter for bruger-driven innovation. Analysen viser, at ministeriet er inspireret af forbrugerisme i sin forståelse af borgeren som kunde. Ligeledes optræder idéer om brugeren i termer af borgere og mennesker. Organisationen præsenteres som i en dobbeltrolle: som myndighed og serviceorganisation, og det er denne dobbelthed, som udfoldes i analysen. Der argumenteres for, at de gældende rammeforståelser omkring bruger-dreven innovation i ringe grad tager eksplicit hensyn til det særligt offentlige ved den offentlige sektor og til brugeren som borger. Der er en tendens til partikularistiske og

privatiserede repræsentationer af brugerne. Der argumenteres for, at der alligevel er et potentiale for at lære af borgerne, som kan være værdifuldt for offentlige myndigheder. Gennem analysen peges desuden på, hvordan vi kunne forstå brugeren og de offentlige services på måder, som betoner deres offentlige karakter i højere grad.

Afhandlingen foreslår en gentænkning af innovationsbegrebet på en måde så det præges af mere eksplicit politisk normative overvejelser af, hvad det vil sige at forbedre den offentlige sektor. Det foreslås blandt andet, at vi tænker på offentlige services som nogle, der skal styrke borgernes mulighed for at aktualisere deres rettigheder. Desuden foreslås det, at offentlig sektor innovation defineres som nye praksisser, der gør den offentlige sektor bedre til at varetage politiske, almene hensyn og borgernes rettigheder.

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[www.skm.dk/ministeren/taler/innovationidenoffentligesektor.html](http://www.skm.dk/ministeren/taler/innovationidenoffentligesektor.html)

SKAT: Notat om Projekt Godt Sprog i SKAT (internal document)

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About SKAT on Twitter:

<http://www.skat.dk/SKAT.aspx?oId=4650&vId=203928>

Webpage of the Ministry of Taxation:

[http://www.skm.dk/om\\_ministeriet/8188.html](http://www.skm.dk/om_ministeriet/8188.html)

Webpage of MindLab: <http://www.mind-lab.dk>

About the Copenhagen Manual for measuring public sector innovation:

<http://www.mepin.eu>

## **Interviews and field notes**

- Interview 1: October 1, 2009 (Pernille Nygaard)
- Interview 2: October 1, 2009 (Majken Præstbro)
- Interview 3: December 16, 2009 (Majken Præstbro)
- Interview 4: January 25, 2010 (Niels Zachariassen)
- Interview 5: February 8, 2010 (Jakob Schjørring)
- Interview 6: February 10, 2010 (Christina Holgaard Sørensen)
- Interview 7: March 2, 2010 (Tom Axlev)
- Interview 8: April 10, 2010 (Peter Kallfoed)
- Interview 9: April 21, 2010 (Pernille Nygaard)
- Interview 10: April 26, 2010 (Jane Gyberg Rasmussen)
- Interview 11: May 6, 2010 (Susanne Hinrichsen)
- Interview 12: May 19, 2010 (Stine Dahl Børglum)
- Interview 13: May 25, 2010 (Inge Nydal Jensen)
- Interview 14: June 15, 2010 (Peter Loft)

Notes from 'Conference on Digitalisation and Due Process' arranged by the Ministry of Taxation, University of Southern Denmark, 25<sup>th</sup> of March 2010.