Creating Value in Public Services: The Struggle between Private and Public Interests?

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ABSTRACT

This paper focuses on the interaction between public service providers and vulnerable recipients of public welfare services. This work contributes to the discussion on the co-creation and co-destruction of value for service recipients by viewing the provider–recipient interaction as a struggle to realize public and private value simultaneously. Proponents of the co-creation of public services have based their reasoning on service management theory. Drawing on argumentation from another stream of literature – public administration theory – we discuss some limitations in applying service management theory to public services, as the leading proponents of service management theory state that the aim is to create private value for the recipients. The main goal of public services is to create public, not private, value. We illustrate our reasoning with examples from in-depth interviews with recipients of public welfare services.

Key words: value, co-creation, co-destruction, service recipient, public innovation

Introduction

In the early 1980s, the concept of "co-production" attracted interest in public administration thinking. Further elaboration of the idea that people receiving services are, or can be, co-producers then followed (Alford, 2002). Several authors view co-production or co-creation[1] as an approach for improving the situation (adding value) for service recipients. Osborne (2018) argues that service recipients will always be participants in the process and will co-create, while Grönroos (2019) states that service providers cannot deliver value but offer only a value proposition for the recipients[2]. From this viewpoint, service recipients are the primary value creators (Grönroos, 2019). Osborne, Grönroos and other influential authors, such as Vargo and Lusch (2006, 2016), have a common starting point of service management designed for the private sector. The aim of services in the market is to add private value for the customer. However, "Implicit in co-production is the notion that the active involvement of users in service delivery can improve public value" (Williams et al., 2016: 697). The goal of public services is to create public value. This goal can align with the addition of private value, but this is not always the case.

As a starting point, we assume that co-creation can create both private and public value, but the outcome is an empirical factor. We use co-creation to describe a positive

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[1] Co-production and co-creation are both used to describe the interaction process. In a literature review, Voorberg et al. (2015) conclude that these concepts are used to describe the same phenomenon. We follow Osborne (2018), who prefers to use co-creation to denote interactions in services because this approach assumes the existence of a dynamic interactive relationship.
[2] "Recipient" and "user" have the same meaning in this paper.

process in which either public or private value is added. As in the case of innovation, many authors have approached co-creation as a positively loaded concept. This approach seems reasonable in the market, where providers are paid to provide services to improve situations for customers. Even in the market, , however, interactions may be unsuccessful (Plè and Chumpitaz Caceres, 2010; Echeverri and Skålén, 2011); therefore, several scholars have contributed to understanding co-destruction or the negative side of co-creation (e.g. Prior and Marcos-Cuevas, 2016; Williams et al., 2016; Makkonen and Olkkonen, 2017; Cabiddu, Moreno and Sebastiano, 2019).

In public services, an interaction can result in added value for both parties or co-destruction for both, and a positive interaction for one party may result in a loss for the other party. Public providers can directly contribute to co-destruction of value in their interactions with recipients (interactional co-destruction). Providers of public services are also part of a public service system, where multiple actors must participate. These providers may cooperate, but their participation is not mandatory. In this situation, a lack of constructive interaction can result in value co-destruction for the recipient (intraorganizational co-destruction). In this paper, we aim to contribute to the discourse on the co-creation/co- destruction of added value by addressing the following question:

> *Can we evaluate the interaction between public providers and recipients as a struggle between realizing public and private value?*

To empirically address our research question, we conducted and analysed five in-depth interviews with recipients of welfare services. Theoretically, our paper draws on two important streams of literature (Osborne and Strokosch, 2013): public administration (Lipsky, 1990; Alford, 2002, 2016; Zacka, 2017) and service management (Vargo and Lusch, 2006, 2016; Grönroos and Voima, 2013; Osborne, 2018; Grönroos, 2019). These two theoretical traditions have been dominant in studies of public innovation. Both approaches are concerned with the interaction between service recipients and service providers and both focus on the co-creation of public services.

The remainder of this paper is organized as follows. First, we describe these two streams of literature. Next, we present the methods employed to conduct the present research, followed by a presentation and discussion of our findings. We conclude the paper by summarizing the primary differences between being a "public customer" and being a customer in the market, based on the co-creation/co-destruction of value. In addition, we articulate some limitations of this research and the need for research designs that capture the real-life experiences of both recipients and providers in public service interactions.

Theoretical background

The purpose of this section is to describe the two literature streams that constitute the theoretical background of this article. We start with the service management perspective and continue by focusing on the contributions of Michael Lipsky (1980) and Bernard Zacka (2017) to the public service management perspective.

Service management perspective
In the following, we will outline key concepts in the service management perspective and put the main focus on the contributions that have been adapted to public services.

Service-dominant logic

Vargo and Lusch have been central actors in developing a service-dominant logic model, anchored in the interaction between the service provider and the customer.[3] Here, the aim of the service provider is to add value to the customer's situation. Even in this positive context, in which the actors can be seen to have common interests, the following two statements of Vargo and Lusch regarding service-dominant logic can be disputed. First, value is always co-created. This statement is not necessarily true, as value can also be co-destroyed (Plè and Chumpitaz Caceres, 2010; Echeverri and Skålén, 2011; Prior and Marcos-Cuevas, 2016). Co-destruction can be defined as "an interactional process between service systems that results in a decline in the services system's well-being", which can be individual or organizational (Plè and Chumpitaz Caceres, 2010: 431). Second, all social and economic actors are resource integrators (Vargo and Akaka, 2012: 208). Resources are not necessarily integrated in an interaction. They can also be destroyed or unused. It is important both for analytical and theoretical purposes to recognize that interactions do not necessarily result in added value for users or providers.

In the context of public services, two additional statements by Vargo and Lusch on service-dominant logic can also be disputed. The third statement is that service is the basis of exchange and the fourth is that value is always phenomenologically determined by a service beneficiary (Vargo and Akaka, 2012: 208). In the public sector, a service does not need to be the basis of exchange; it can also be a control. Value for society as a whole can overrule the wishes of individual citizens.

Public service logic

Osborne and colleagues (Osborne et al., 2012; Osborne and Strokosch, 2013; Radnor et al., 2014) have tried to adapt service-dominant logic to public services in several publications. Osborne (2018) notes that customer retention is highly positive for service providers in the market; it may indicate insufficient assistance in the public sector. Unwilling or coerced customers (e.g. prisoners) are not familiar to most for-profit actors, though for-profit actors are confident they know their customers. This situation does not necessarily hold for public actors. Public service users may receive assistance from several services, adding another level of complexity. In his latest work, Osborne (2018) clarifies that his development of public service logic is based on Grönroos' understanding and works (Grönroos and Voima, 2013; Grönroos, 2019), thus deviating from Vargo and Lusch's work. Importantly, Grönroos (2019) states that value can only be created by the service recipient; thus, the users' activities realize the value (value-in-use). Grönroos describes this service logic as multi-faceted; it can be viewed from the user's perspective or from an organizational (provider's) perspective. In line with this reasoning, Grönroos notes three spheres in the interaction between user and provider: the user sphere, provider sphere and joint sphere (Grönroos and Voima, 2013). Co-creation is possible in the joint sphere, while actors in the provider sphere only facilitate and organize value-in-use in the other spheres. The user must always lead the creation of value. Grönroos states that the aim of a service (including public services) is to help and support the user, who positions himself within the customer–provider model of thinking. According to Grønroos, only the user knows what creates value for her/ him and can initiate the right actions. The aim of a service is to create private value. Despite this ignorance of public sector`s aim of creating public value, Osborne (2018) applies an adapted version of service-dominant logic to examine public services. By connecting himself to Grönroos, Osborne

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[3] Importantly, service-dominant logic goes beyond the dichotomy of goods and services, where goods are tangible, and services are intangible. In service-dominant logic, goods can be part of a service relationship.
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accepts that only the service recipient can create value. This is an extreme position; when unconscious persons arrive at a hospital with a cerebral haemorrhage, doctors can save their lives without their contribution, thus adding private value in the provider sphere. To state that the aim of public service providers is only to create private value neglects the main purpose of public services.

In summarizing previous efforts to adapt service logic to public services, Alford (2016) presents the following conclusions. First, there is not always a need for co-production, co-production will not happen automatically. Second, public administration can produce both private and public value, but it does not necessarily produce both. Third, customers pay for services, while public recipients may be beneficiaries. Fourth, the demands are not centred on willingness to pay but on unwillingness to co-produce (behaviour). Thus, public service logic is based on a generic concept of service-dominant logic. Despite efforts to adapt the service approach to the public sector, public service logic is still based on the provider–customer model for a market setting. Another limitation of service-dominant logic when applied to public services is the assumption that the actor-to-actor network has the necessary resources to solve a given problem. However, resources are often scarce, which implies that the treatment of cases is standardized and partly predefined; street-level staff are supposed to ask for only a certain amount of information and have a limited amount of time for each case. Prior and Marcos-Cuevas (2016) label this "bounded rationality". When instructions are given for how to handle cases ("stylistic behaviour") (Prior and Marcos-Cuevas, 2016), open co-creational interactions with users are limited even further.

Service ecosystems
Recognizing the limitations of the actor-to-actor model, where many actors may be involved in creating value, Vargo and Lusch (2016) develop the concept of a service ecosystem. They define service ecosystems as "relatively self-contained self-adjusting systems of resource-integrating actors connected by shared institutional logics and mutual creation through service exchange" (Vargo and Lusch, 2016: 11–12). The use of the concept of service ecosystems shifts the focus from transactions or dyadic exchange systems to various forms of interactions and resource integration (Vargo and Akaka, 2012: 211). It is important to note that these resources and processes are nested within larger processes and are influenced by the social context and individual competencies (Vargo and Akaka, 2012). While a "real" ecosystem can only be changed from the bottom, a human-created service system can be changed from the top by people with power. Competition for food can completely change the balance in an ecosystem; however, in other contexts, such competition can foster creation in human systems (Mars et al., 2012). A general weakness of systems theories is the underlying assumption of balance – i.e. an equilibrium state. According to Vargo and Lusch (2016), service ecosystems are self-adjusting. The actors share the same institutional logic, and resource integration is realized through mutual service exchange. Self-adjusting is a vague concept. It is true that the presence of different actors and the tasks they perform – the sharing of duties and the responsibility for each duty – are, to some extent, regulated by law. Nevertheless, we often find conflicts among different actors regarding their roles and how recipients/beneficiaries should be treated. Resource integration does not necessarily occur when several actors must cooperate in providing services. For example, one actor may counteract the efforts of another actor or the interpretation of a rule may prevent the realization of a desired treatment as viewed by another actor. To account for the fact that public services may consist of many providers that are expected to cooperate in assisting recipients, we use the system concept; however, we label our system a service system without necessarily fulfilling the conditions for an ecosystem.

Public administration perspective

There is a vast amount of literature on public administration. This work focuses on the interaction between public service providers and recipients while aiming for comparability with the service management approach. Thus, we concentrate our discussion on two important contributions – namely, the works of Lipsky (1980) and Zacka (2017).

Street-level bureaucrats and their dispositional orientations in interactions with recipients

Lipsky and Zacka denote providers in direct interaction with service users as "street-level bureaucrats" (Lipsky, 1980). According to both authors, the bounded rationality that influences the actual decision-making process is essential. Lipsky (1980) states that the public sector is an abstraction until one meets staff working in the sector; they can be teachers, police assigning speeding tickets or therapists treating psychological problems. In the traditional understanding, bureaucracy is considered strictly hierarchical; rules are made at the top and the job at the bottom is to comply with these rules in particular cases. However, lower-level staff still have a substantial level of discretion because resources may be scarce, potential rule adaptations may be unclear and rules may be conflicting. The task of street-level bureaucrats is to act as two-way translators. They must listen to the recipients and attempt to define them as a case, and they must also explain the rules of the system to the recipients. In this process, providers can exercise discretion in their interpretation of the recipient's story in their choice of which rules to apply and in their role as experts with competence and experience (Zacka, 2017: 40). Street-level bureaucrats are expected to try to meet numerous demands or values: efficiency, fairness, responsiveness and respect (Zacka, 2017). Both the nature and degree of involvement with recipients will vary. In studying a social work agency, Zacka (2017) finds three dispositional orientations among staff in their interactions with recipients: indifference (people processing), caregiver (service provision) and enforcer (regulation). We have used a simplified version in our study (Figure 1):

Figure 1: Three Dispositional Orientations among Public Service Providers in Interaction with Public Service Recipients

Indifference

Enforcer   Caregiver
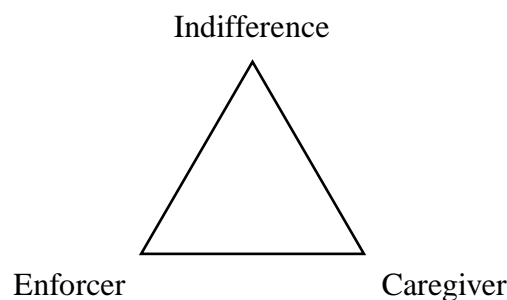
Source: Authors, inspired by Zacka (2017: 88).

Street-level bureaucrats are expected to handle situations with limited resources and conflicting demands from organization heads. Indifferent workers do not engage with the recipient's situation but instead attempt to process cases to manage their workload. Caregivers can engage with their recipients and can even advocate for them within the system, while enforcers keep information from recipients to ensure that they are not manipulating the system. Staff members may have different predispositions, but if they always exhibit the same orientation, the behaviour becomes pathological (Zacka, 2017). Staff should use all of the orientations to meet the given demands, and the appropriate choice of orientation or combination of orientations is not always obvious.

From a co-creation perspective, it is important that only one orientation – caregiver – be engaged to create a positive co-creation process, where the aim is to devise the best solution for the recipient. The other two dispositions will interact in a co-creational manner, even if the outcome is not what the recipient wanted (they might view the results as destructive).

A limitation of Zacka's approach is that it is primarily in-house oriented. Cases are handled within a unit, primarily by a single staff member, as an actor-to-actor relation, although colleagues can be included in peer-reviewing and consulting. Zacka recognizes the influence of peers; however, in the municipal welfare system, many actors are often involved in solving the recipient's problem.

Research design

To obtain an understanding of the recipient's efforts to improve a situation and his/her experience in provider–recipient interactions requires individual data. Users of public services have unique situations, histories, and understandings of their interactions. A given plan may be good for one user but destructive for another. In this work, we use young people with psychiatric health problems as our specific empirical case.

Data collection

Data for this study were collected from December 2018 to February 2019 as part of an ongoing innovation project aimed at improving health promotion and job inclusion [please phrase differently] for young adults ages 18–35 years old. Inspired by ethnographic study designs (Lecomte, 2002; Huot, 2015), we conducted five in-depth interviews to obtain a better understanding of each informant's situation. As our goal was to acquire deep insights into participants' viewpoints on their situations, the interviews took the form of open conversations. One of the authors asked five young people questions about how they perceive their life situation, when they started receiving public services and how they experienced their interactions with service providers in the public health and welfare service system. Therefore, our data are based on the expressed opinions of service recipients, as given retrospectively.

The selection of informants started with a query to the managers of the Norwegian Labour and Welfare Administration and the psychiatric service in a Norwegian municipality. The Norwegian Labour and Welfare Administration is a partnership between the state and the municipalities aimed at creating integrated services for the service recipients. At present local labour and welfare administration offices are located in almost all of Norway`s 365 municipalities. These offices are responsible for employment, sick leave, disability pension, financial social assistance, pension and family benefits. The Norwegian healthcare system is organized in two main sectors – primary health services and hospital/specialist services. The municipalities are responsible for primary health services, hereby the assessment and treatment of both mental and somatic disorders. The state is responsible for specialist and hospital services.

To protect the informants' anonymity, we have given them fictitious names. The interviews lasted approximately 1–1.5 hours and were conducted face-to-face at a location of the informant's choice. The interviews were tape-recorded, listened to many times and transcribed.

Data processing and analysis
  The data processing and analysis were conducted iteratively with constant dialogue among the researchers regarding the empirical data, transcriptions, coding, analytical contemplations and theoretical enquiries. Throughout the process, we wrote descriptive and analytical memos and contemplations focusing on how the young recipients experienced their interactions with public service providers. In the next stage of analysis, we categorized the answers in relation to the following questions:

1. How did the service recipients experience the interaction? Did they feel that their interests were understood and met? Could the interaction be viewed as a co-creation of private value?
2. Can the providers' actions be understood as the realization of public value?
3. Do we find situations that can be viewed as win–win (both public and private) or win–lose (value co-creation or value co-destruction)?
4. In cases of co-destruction, is the co-destruction rooted in the interaction process (provider–recipient) or caused by a lack of cooperation among services?
5. Asking the informants to provide their history as users of public welfare services yielded information covering a long time-span: Do the recipients' opinions of providers' responses change over time?

  We will present our analysis of the recipients' narratives on the basis of these questions. As the questions illustrate, at this stage of the analysis, we lifted the emerging tendencies to a more abstract level by reorganizing and combining them into theoretical themes according to the service management and public administration perspectives.

Results

  Based on an analysis of the informants' reflections on their lives and health situations and through their statements on how they experienced their interactions with actors in the public health and welfare service system, we identified three distinct categories for classifying the challenges encountered in realizing public and private value simultaneously: (1) the struggle to add value, (2) intraorganizational barriers and (3) timing.

The struggle to add value
  Common among the informants was their need for various public health and welfare services over many years (10 years on average) – a need that was ongoing. Our findings indicate that all of the users experienced their interactions with providers as co-destructive but not necessarily all the time. Furthermore, all of the informants clearly expressed that their private interests and resources form the basis for which services they want, and they all described situations in which they did not receive the help they needed.

  To illustrate a situation in which an informant was struggling for added value, we start with *Ann*, a 20-year-old woman diagnosed with a psychotic disorder. At the time of the interview, she was optimistic about her health situation. She thought that because she was well medicated, she would be able to take a job as a support person for her sister:

> *I said yes [to taking the job], but then another person in the system said it was not possible because the routines in the municipality did not allow family members to have that job. After a while, the therapist from the hospital contacted me and said*

that now he had fixed it – so now I think I will get that job. I am so looking forward to that – there is nothing more I want than to have a job I can handle so I can feel a bit useful.[4]

This situation can be seen as the co-creation of both private and public value. For Ann, having a job is important for fulfilling her desire to feel useful. From a public perspective, this solution contributes to the goal of helping people become employed. However, this situation also represents an example of how rules and professional procedures may hamper value co-creation when professionals strictly follow the rules.

Another informant, *Inge*, a man in his late 20s, completed his education in information and communication technology support and has held several jobs. He admitted that throughout his professional career, he has been at the "upper level" of employees who use sick leave. At the time of the interview, he had obtained a disability pension and was struggling to enhance his well-being. From his viewpoint, many professionals had misunderstood his needs over the last 15 years. When he was 18 years old, Inge greatly needed professional help to handle negative thoughts. He contacted a psychologist but felt that the psychologist could not help him:

I had many negative thoughts – not suicidal thoughts but thoughts about suicide. (...) It was not that I was going to do it; I just had many gloomy thoughts that I tried to get help with. (...) When I tried to talk to my psychologist about my thoughts, he said he would send me to a psychiatric clinic and a closed unit, so I quit.

From Inge's perspective, this incident represents value co-destruction because he discontinued his psychological treatment due to his feeling of being misunderstood by the psychologist. Instead, he went to a general practitioner (GP), who wrote him a prescription for antidepressants, which he took for approximately 10 years without any questions from the service system. Inge's experience led him to feel that no one cared about him. The use of antidepressants did not cure the causes of his health problems; rather, as he put it, the "antidepressants just let them sleep". For Inge, this treatment resulted in a co-destruction of private value due to his desire for good health and well-being. Conversely, from a short-term perspective, the GP's prescription of antidepressants indicates the co-creation of added public and private value. Looking back, Inge stated that the antidepressant had likely contributed to his abilities to complete his education and manage to maintain his sick leave within the limits accepted by the public system for nearly 10 years. When viewed from a broader perspective, the situation also indicates a co-destruction of public value, as it is well recognized that the costs of sick leave are substantial for employers, public services and society.

Our third informant, *Tore*, a man in his early 30s, was seeking a disability pension. He had had health problems for as long as he could remember and had been diagnosed with attention deficit disorder (ADD). As a trained car mechanic, for many years, Tore's greatest desire had been to stay in a job permanently. However, he came to realize that this goal was unattainable. He blamed the service system for not listening to him and for not helping him fulfil his service wishes. From his viewpoint, his situation could have been different if he had not been moved back and forth between several job training locations:

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[4] All quotations have been translated by the authors.

I was at one workplace for three weeks and enjoyed it, and at the workplace, they liked me and thought I was doing a great job. But it ended after three weeks. I asked if I could stay longer, and the boss said it was okay for him. However, those at the Norwegian Labour and Welfare administration said I couldn't because, due to the activity schedule, I had to go around trying different things. I still think it is completely stupid, because if you have the opportunity for a permanent job, you'd like to keep it.

Moving from one place to another stressed Tore more than it helped him. The situation he described can be classified as a misuse of both public and private resources, causing a co-destruction of private and public value. The work training at different workplaces did not lead to permanent work; thus, the resources used by Tore, the workplaces and the public service provider were misused.

Stine, a woman in her late 20s, stated that she had been a user of the public welfare service system for approximately 15 years without being listened to, and therefore, she had not received the support she needed. When she was 18 years old, she had a baby. Her desire was to be a good mother. Shortly after the baby was born, the public health nurse suggested that she contact child welfare services. Stine trusted the public health nurse, who argued that the agency could give her good advice and could help her with the baby. She contacted the child welfare agency, but she did not receive the service she expected. The child welfare agency decided to place her child in foster care. Stine felt that no one in the child welfare service listened to her or wanted to help her:

They had decided that I couldn't take care of my daughter. No matter what I said, that's what they had decided. They misunderstood me several times. (…). So, after that [her daughter went into foster care], I have never trusted child welfare and not really the Norwegian Labour and Welfare administration either. I felt that after they took my daughter, there was no focus on me anymore. It was just a focus on all the negative things that were happening around me.

From her viewpoint, this situation can be classified as a co-destruction of private value. To cope with the situation, she started drinking and partying, causing further deterioration in her health and well-being. From a public service perspective, the situation is more complex. The co-creation of public value includes the responsibility to ensure the best possible situation for the baby. Furthermore, we do not know how life would have been for Stine and her baby if the public service system had not tried to help. Regardless, Stine's interaction did not result in the co-creation of value in the sense of preparing Stine to take care of herself with less support from the welfare service.

Morten, our fifth informant, was a man in his early 30s. From his viewpoint, he had resources and had tried to have a "normal life", but similar to Stine, Inge and Tore, he accused the service providers of not listening to him, leading to a co-destruction of private value. Morten had received job training for almost four years, and after a while, he managed to work at 50% time. However, as he said the following:

When I managed 50%, they decided that I should work more. I think this is one reason why a lot of people become sicker again. Because there is so much pressure

from the Norwegian Labour and Welfare administration. (...) I became so sick that I couldn't work at all.

For Morten, the outcome was a disability pension, which can be classified as both private and public value co-destruction. Interestingly, the greatest desire of three of our informants (at the time when the interviews were conducted) was to obtain a disability pension. A disability pension would give them a safer financial situation and better conditions for planning their future. As Tore put it,

With a disability pension, I will have a safe economic income; I can work a bit, renovate my house. I have my own garage, and maybe some time in the future, I will be able to do small jobs. I hope that within two years, I can manage 50% work.

In summary, as our informants indicated, the struggle to add public and private value through interactions can have different outcomes. These outcomes are described briefly in Figure 2, where we have placed one example in each cell.

Figure 2: The Complexity of Value Creation

Private value

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+	1) The users engage the providers in value co-creation, which benefits both parties and society	3) The users are not satisfied, but the providers are satisfied (co-destruction from the user's viewpoint)
_	2) The users have too much influence (co-destruction from the provider's viewpoint)	4) The users do not behave as wanted and/or the processes are mismanaged; value is destroyed or unused

Public value (spans the + and _ rows on the left)

Source: The authors

The example of Ann securing a job as a support person for her younger sister can be understood as dimension 1: co-creation for the individual recipient and the public sector. The example of Tore, who expressed satisfaction with a disability pension, can be understood as dimension 2: co-creation for the individual but co-destruction for the public. The example of Stine, in which the childcare service moved her baby to foster care, can be seen as dimension 3: co-destruction for the recipient and co-creation for the public. The example of Morten going from 50% work to 100% disability pension represents dimension 4: co-destruction for both the individual and the public. This interaction was negative for both Morten, who wanted to work (part-time), and for society, as it is desirable to keep people in the workforce.

Intraorganizational barriers

As described above, all of the cases can be labelled as interactional co-creation or co-destruction depending on the relationship between the provider and recipient. However, the public sector, including welfare services, is a service system with many actors. Different organizational principles can cause divisions in different sub-units, and various units can have different institutional logics and professional perspectives. Many users need services from several units, and these units are supposed to cooperate in delivering those services to the users. However, these goals are not necessarily achieved. The units may not communicate

well, and professional struggles may arise due to disagreements about activities and proposals between service providers and other units (Thornton and Ocasio, 2008; Plè and Chumpitaz Cáceres, 2010; Prior and Marcos-Cuevas, 2016; Engen et al., 2020). We found examples of this phenomenon in our interviews, which we labelled "intraorganizational co-destruction"[5]. Morten stated that when he tried to commit suicide, he was urgently admitted to a regional psychiatric centre, for which he was very grateful. However, he was discharged before he was healthy enough to care for himself, and he was left at home without any support for two weeks owing to a lack of communication between different units in the services. When Inge's interaction with the psychologist failed, he went to a GP, who wrote him a prescription for antidepressants. Inge's experience led him to feel that no one cared about him, and the lack of communication between the GP and the psychiatric unit resulted in 10 years of antidepressant use without any follow-up.

Ann described situations in which she was sent to different services as very confusing. As she related the following:

> *I told my story again and again to many different service providers representing different services. I wish they could communicate bette*r.

The transition between different service units made her even more confused about her health situation:

> *My therapist at X[6] was not as I expected, because she said that the way I felt was just normal. But she referred me to Y, so then I was from X to Y and back and forth, and then my therapist at X said that I was healthy enough to quit. But I still went to Y, so I obviously couldn't be. And a little later, Y would refer me to X again.*

From Ann's viewpoint, the period during which she was sent back and forth between two different public services resulted in decreased private value with respect to her well-being. The examples above can be classified in cell 4 of Figure 2 as co-destruction of value for both parties, due to a lack of cooperation among different organizational units. We label this phenomenon "intraorganizational co-destruction".

Timing

The time dimension can be an important factor in how the actions of service providers are evaluated. The outcome of an interaction can be seen as destructive for the recipients during an ongoing situation, but it may be more positively evaluated later on, and vice versa.

One example is that of Ann, who became angry when she lost her driver`s licence because of her diagnosis as psychotic. Driving was important to her. She argued that she had never had problems with psychosis while driving, and the loss represented a co-destruction of private value. From a public perspective, the situation represents the co-creation of added public value in the sense of traffic safety. However, from a long-term perspective, the driving licence incident, to some extent, represents added private value for Ann. This is because, for many years, she had not been able to control her anger, but after that incident, she received

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[5] We use the term "intraorganizational" because many of the providers belong to the same organization: the municipality. Some providers belong to public agencies at another level. In spite of this division, they are expected to behave as a co-ordinated service system.

[6] The names of the institutions have been omitted to ensure anonymity.

professional help to cope with it. Thus, this situation exemplifies how the co-destruction of private value in one phase can turn to added private value in a later phase. Inge provided another example when he recalled that a combination of alcohol and antidepressant medication had resulted in some episodes of violence and a lack of control. In one case, he got drunk at a party and started to fight with other men. The police came, and Inge was so angry that he also struck the police, which resulted in a jail sentence. Inge's opinion of the police's reaction was twofold. On one hand, he thought the police should have understood that he was drunk and on medication and, thus, treated him less violently. On the other hand, he admitted that without the intervention of the police, he may have killed the person with whom he was fighting. In that case, he would have spent much longer in jail and would have been responsible for taking another person's life. It is obvious that Ann and Inge experienced these situations as co-destructive. However, they both later admitted that these negative experiences helped them to reflect on their respective situations, resulting in a turning point towards improvement. Thus, the time dimension should be considered, because an outcome that is viewed as negative at one time point can be interpreted as positive at a later time.

Discussion

This analysis of the experiences of young service users in their interactions with welfare service providers illustrates a different aspect of ambiguity in the co-creation/co-destruction of added value.

First, the informants' retrospective descriptions given above show that a single episode may have both constructive and destructive elements and that the evaluations may change over time. Changing opinions does not support a rigid categorization of episodes. It is important for service providers to listen to service users and understand their wishes, but we must recognize that professional service providers may have other opinions about what is best for users, which the users may realize at a later time. It is not easy, nor necessary, to define an outcome as one or the other. In addition, as illustrated by the case of Stine, the co-creation of public value includes the responsibility to ensure the best possible outcomes for other persons (the baby in her case), not only the service recipients.

Second, we have found that conflicts of interest due to public versus private value complicate user–provider interactions. While Grönroos (2019: 787) states that public service organizations "can be as user-focused and service-oriented as private service organizations", our study clearly indicates that the main goal for public services is to realize public value. Public employees, who are the decision-makers in interactions with users, are not expected to compromise public interests. Public services should attempt to combine the desires of users with professional judgements and political priorities. Adopting customer-based thinking (as in public service logic) implies taking for granted that the customer is the one to decide what is right. This simplification ignores professional competence; alcoholics should not have more alcohol even if it is their greatest wish. As citizens, we expect public authorities to ensure that their decisions follow rules and laws and to consider relevant professional knowledge. In a democratic society, we accept that politically elected councils can determine how public value is defined. In line with Grönroos, Osborne (2018) views public administration from a service management perspective, where the aim is to help people achieve goals "in a way that is valuable for [them]" (Grönroos, 2019: 778). In this case, the focus lies in realizing the user's private value, as in market situations. Being a "public customer" is different from being a customer in the market because there is a scarcity of public resources; moreover, because

public service users do not usually pay full costs, they must accept public priorities, implying that their wishes may not be met. In addition, the realization of one person's desires can cause harm to other people and may, therefore, be rejected. We should also remember Zacka's (2017) and Lipsky's (1980) analyses of street-level bureaucracy – that is, in addition to a scarcity of resources, providers may meet internal and conflicting demands, and must make decisions, and thus, they must adapt to a bounded rationality. Providers can have rules that limit both the time they can devote to a single user and the criteria they will use in their decision-making process.

Third, our study shows that many agencies, some of which are outside the municipality included in this study and organized at a regional level, were involved in the treatment of our informants. The different components of the system may have different institutional logics, whereas peers more often share the same logic. If street-level bureaucrats in a fragmented public system are to help the people they encounter, they need to know who else should be involved in each case. Thus, distributed competence (Solheim, 2019) will be necessary in many cases. When studying interactions between public service providers and recipients, we need a design that can identify results caused by a single interaction process and those caused by interactions with several providers and a lack of coordination. Co-creation between public providers and service recipients, which concerns the realization of private values, can contribute to adding both private and public value (as in cell 1 of Figure 2). It may also be destructive for both, or for one of the parts. Active co-creation is not a necessary condition for adding value for either the private or public part. Saving a child from an addicted mother or rescuing unconscious persons can occur without any cooperation. The public service logic model in its present version has some obvious limitations as a framework for understanding users' interaction with public services. If we want to understand the interaction more fully, we must have contextual information including information about the providers' situation and limitations.

Conclusion

The present paper has some limitations. This work draws on a study on the co-creation and co-destruction of public and private value, as viewed only by recipients of public services. To gain a deeper understanding of value evaluations as constructive or destructive in a public context, there is a need for more studies in which key actors comprising the public service system are also included. Regardless, the present paper illustrates many nuances in the journey of vulnerable people struggling for positive health and life outcomes. We hope the paper has illustrated that interactions between service recipients and providers can have both positive and negative outcomes due to many different reasons. In line with Alford (2016), we see an interdependence between private and public value; simultaneously, our paper illustrates how the delivery of public services can be understood as a struggle between two different sets of values. More studies with an ethnographic design are needed because studies on value realization centre on individuals. Ethnography-inspired research including public service recipients and providers would likely enhance our understanding of the relation between this system and individuals in co-destruction and co-creation processes. To learn more about the interaction between the public providers and recipients, we need to use an approach where we can observe what happens at the counter and also have the opportunity to interview the actors. We will also need designs that can study the complete provider system and their interaction. To catch the recipients changing understandings, we need people with a user history that has lasted over time, and a longitudinal design would have been very informative.

Models based on customer thinking and a market logic (e.g. public service logic may challenge public service providers in a fruitful way but must be developed further to include the basic premises for public services. In its present version, public service logic is an incomplete guide for understanding what happens at the counter and for innovating public services. The public service logic map overlooks many important elements in the public landscape.

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