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New development: Value destruction in public service delivery—a process model and its implications

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IMPACT

Public services do not necessarily lead to value creation. Instead, they can destroy value and make service users' lives worse. In this article, we reflect on the growing discourse on 'value destruction' and make two contributions. First, we distinguish three characteristics of value destruction perspective. Second, we offer a parsimonious process model of value destruction. We suggest to policy-makers and public managers that value destruction can occur at any stage of public service design/delivery, damaging individual citizens and/or the whole society. There is no one-size-fits-all countermeasure, but contingency planning and a whole picture, dynamic thinking, are important.

ABSTRACT

This article explores the nature of individual and public value creation/destruction through public service design and delivery and offers a process model of value destruction within such delivery. It articulates key lessons for public service managers in responding to and mitigating such value destruction.

Despite the commitment to effective public service delivery, the processes of such delivery can, and do, go wrong. However, these failures and dysfunctions have received relatively little attention in public administration and management (PAM) literature (Van de Walle, 2016), though limited studies are now emerging. Here, we introduce an emergent strand of PAM research on 'value destruction' that has evolved both in the public value (PV) and the public service logic (PSL) literature (Cluley et al., 2021; Engen et al., 2021). While such work is growing, extant PAM theory lacks an understanding of value destruction conceptually and practically. The intent of this article is twofold:

- We unpack three characteristics of the value destruction perspective that distinguish it from other 'failure-related' PAM theories.
- We offer an integrated process model of value destruction that has both empirical and theoretical significance.

Value in PAM

As the prevailing paradigm of PAM since the 1980s, New Public Management (NPM) suggested a market-based approach to manage public services. It introduced 'value' as a central concept but narrowly defined it as an economic term. This definition has become subject to increasing critiques. The first of these was brought together as PV theory (Moore, 1995). Subsequently, three PV conceptualizations have emerged, defining it as 'what the public values', 'what adds to the public sphere', and 'what meets pre-established public values criteria' (Bryson et al., 2017).

Despite its popularity, PV theory is preoccupied with the impacts of public services on the societal level alone and privileges collective over individual value creation (Benington, 2011). In contrast, PSL proponents have articulated an alternative understanding of public services as 'service': the action of helping someone (Osborne, 2021). On this basis, PSL scholars have argued for understanding value creation at the individual level as the foundation of public service delivery, while also recognizing its relationship/tension with public value (Eriksson & Hellstrom, 2021; Osborne et al., 2021; Powell et al., 2019). Latterly, Osborne et al. (2022) have also positioned such value creation within public service ecosystems (PSEs).

The value destruction perspective

The research on value destruction is still only embryonic. Commencing from Bozeman (2002), a small number of studies has explored the dynamics of public value destruction (for example Alford & Yates, 2014; Cluley et al., 2021; Williams et al., 2016). Similarly, a limited number of studies of individual value destruction has also emerged, drawing on the work of Plé and Chumpitaz-Cáceres (2010) (for example Järvi et al., 2018; Espersson & Westrup, 2020; Engen et al., 2021). The power asymmetry between public service providers and users and its detrimental effects have been stressed (Flemig & Osborne, 2019).

Taken together, these two strands on value and value destruction have advanced the PAM discourse in three ways. First, in contrast to the market driven theories of the NPM, they appreciate that public services should be judged upon their potential to facilitate value creation. They replace the 'product-dominant' preoccupations of the NPM

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with a 'service-dominant' perspective adapted from contemporary service theory (for example Grönroos & Voima, 2013; Vargo & Lusch, 2016). This re-positioning has allowed for the literature on value destruction to emerge (Hodgkinson et al., 2017).

Second, this value creation approach advocates a process-based understanding of public service delivery, with a particular focus on service use/consumption. This has allowed it to identify and explore value destruction within these processes. It can occur in any phase of public service delivery (Van de Walle, 2016), predicated on how service users integrate public service resources with their needs, prior experiences and expectations (Eriksson et al., 2020).

Third, the latest development of PSL has argued that value creation/destruction occurs within complex and interactive PSEs (for example Kinder et al., 2022; Petrescu, 2019; Strokosch & Osborne, 2020). Most recently, Osborne et al. (2022) constructed a four-level nested PSE model to take account of the varying discourses on value within post-NPM theories. Here, we argue for the import of the PSE framework for understanding value destruction. It conceptualizes value creation/destruction within a broader societal and relational context rather than solely within the dyadic relationship of public service providers and users. This context comprises not only actors but also a multi-layered architecture of processes, institutions, institutional norms and values. Value destruction can be triggered at any point in this architecture (Rossi & Tuurnas, 2021).

A process model of value destruction

Our recent research on carbon reduction projects in local communities offers a process model of value destruction (Cui & Osborne, 2022). This model is summarized in Table 1. Building on Grönroos and Voima (2013), it positions value destruction at three service stages of public service delivery and offers a heuristic to support the role of public managers at each stage (Figure 1).

Design/preparation

The first stage of service production concerns the design/preparation of public service resources. Citizens can create individual value through being involved in service co-design/co-production, primarily as the development of personal skills and confidence (Osborne et al., 2021). Here, value destruction can occur in two ways: citizens can refuse to participate in co-design because they undervalue certain public services/projects, while some citizens can also be rejected from, or misrepresented, in the public service design process by the prevailing professional/political interests (Cluley et al., 2021). *Public managers and policy-makers thus need to appreciate the diversity of value creation perspectives, and work to improve inclusiveness at this stage* (Sancino et al., 2022).

Service encounters

Second, value destruction can occur in the direct and real-time interactions of public service providers and users. Value can be destructed at this stage simply because of mistakes and/or providers' skill deficiencies or through personal conflicts between providers and users (Engen et al., 2021). Power asymmetries can be especially influential here. When public service providers dominate service encounters, users can become dissatisfied, resentful and/or even behave disruptively (Flemig & Osborne, 2019). This can be further amplified where users have implicit disadvantages, such as cognitive impairments or a lack of choice (as in the case of mandated services) (Skarli, 2021; Straussman, 2022). *Public managers need to be aware of the potential impact on value destruction of such mistakes and power asymmetries and work to ameliorate their impact.*

Needs and expectations of users

Third, PSL understands value creation/destruction from public services as occurring within the individual context of the needs and expectations of public service users. Such

Table 1. An illustrative process framework of value destruction.

|	Service production/design	Service encounters	Service consumption/ contextualization
Description	Public service preparation and design through the creation of public services as resources.	Direct interaction between public service providers and users.	Service users utilize the resources offered by public services in the context of their own needs and expectations.
Value destruction	*Citizens refuse/ignore to participate in public service design, or are rejected/ misrepresented.*	*Mistakes and an inability to interact by either party can lead to value destruction as can power asymmetries.*	*Service users can misuse public services or use them maladaptively, leading to value destruction.*
Role of public managers	*Inclusiveness:* Appreciate the diversity of values and needs; enhance discussion and deliberation.	*Responsiveness:* Proactively engage with users and be aware of the impact of the experiential dimension.	*Empowering:* Practitioners cannot intervene at this stage but they can support and educate service users.
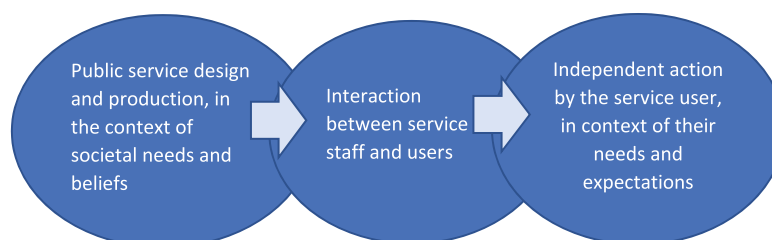
Figure 1. Value destruction in the context of the public service delivery process.

individual users can destroy value in their own lives. This can be through the intentional or unintentional misuse of resources or through customer misbehaviour (Järvi et al., 2018). Furthermore, frustrations derived from prior interactions in the public service delivery process can also lead to maladaptive behaviour by public service users. This can ultimately limit or destroy their own value and/or exacerbate pre-existing individual and societal problems (Yates & Dickinson, 2021). In this stage, public managers cannot directly intervene, as it involves value creation/ destruction by the service user alone. However, they can empower service users to resolve conflicts and maladaptive behaviour by offering knowledge/resources as well as necessary education. *The impact of such input, though, is dependent solely upon the response of the service user. The public manager cannot control this.*

Conclusion

This brief article has reflected on the growing PAM discourse on value destruction. Our central argument is that the premise that public services will always lead to value creation is flawed. Rather, value destruction is an inherent and unavoidable component of public service delivery. Public service managers avoid it at their peril. Our article subsequently situates this argument within the broader literature on both individual and public value and offers a parsimonious process model of value destruction. This allows a more nuanced understanding of the 'dark side' (Williams et al., 2016) of public services, and appreciates how it is situated within the PSE. Furthermore, our process model maps value destruction throughout the entire public service delivery process (see Figure 1) and suggests lessons for policy and practice from this approach. Prior research concentrated on one service stage independently, while we argue for the importance of whole-picture, dynamic, thinking. Finally, this article connects two previously separated research streams, concerning public and private value creation/destruction. Precisely because the process(es) of public service delivery involves multiple public and private value creation/destruction opportunities, value destruction needs to be appreciated throughout this process rather than at one isolated stage alone.

For practitioners, our process model serves as a roadmap to help them avoid/prepare for value destruction. Given the complexity of the public service process, value destruction is to be expected as normal rather than as aberrant. Public service managers need to plan to avoid such value destruction where possible, or to mitigate its impact otherwise. This is not an excuse for practitioners to be passive in the face of value destruction, but the opposite. Our framework offers an important warning for practitioners of the need to take the potential for value destruction seriously in governing the public service delivery process. Future research can test/develop this framework in different empirical fields and further explore its theoretical and practical consequences.

Disclosure statement

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