

Corvinus Business School





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# Content

- Focus of the research
- Some theoretical models on (public service) innovation, networks, and effect of digitalization on co-production
- The Járókelő (jarokelo.hu) case study:
  - General description
  - Innovation, network, and digitalization characteristics
  - Network effectiveness on client, community, and network levels
  - The role of case managers



## The focus of the research

- 1. (Public service) innovation, network characteristics, the effect of digitalization on co-production
- Network effectiveness and how network administrators influence it
- 3. Further topics stemming out from the first research results



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  - The role of case managers
  - Network effectiveness on client, community, and network levels



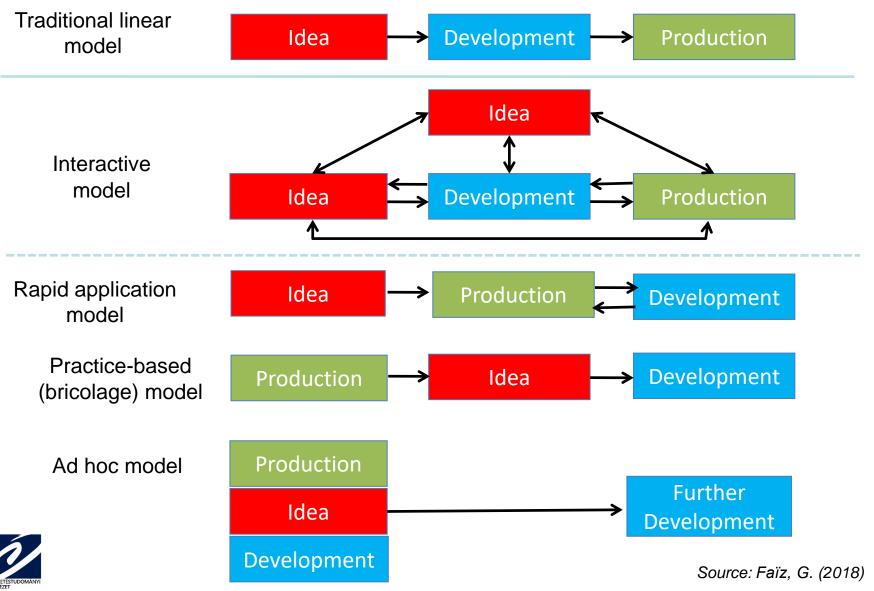
# Types of innovations by their complexity

- **Simple innovation** = reduced to only one type of innovation: a product, a process, an organizational innovation etc.
- Complex or architectural innovation = combines several forms of technological and non-technological innovations.

Source: Faïz, G. (2018)



# Types of innovations by process logic



Formal, programmed

Informal, emergent

# Inter-organizational networks and network management

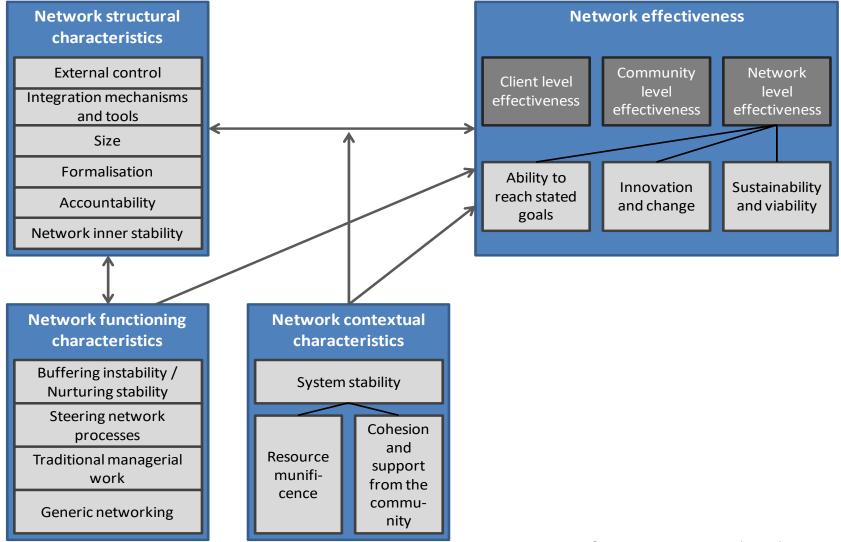
**Inter-organizational network:** a set of organizations which interdependently produce a collective output/outcome.

# Network types: Bottom up ← Top down Shared governance networks Voluntary ← Mandated Lead organization network Informal ← Formal Network administration organization network

**Network management:** the use of social "tools" to steer social processes toward some set of goals or away from stagnation and "blockage" through joint problem solving.



## **Network effectiveness**





Source: Turrini et al. (2009)

# The possible impacts of digitalization on coproduction

- Digital technologies can only indirectly affect co-production practices (e.g. electronic signature, access to databases)
- Digital technologies can transform co-production by providing a new (virtual) layer to it or creating an entirely new service (e.g. crowdfunding of public initiatives)
- Digital technologies can substitute traditional co-production practices (e.g. remote monitoring or predictive algorithms)
- Digital technologies can eliminate public sector organizations from co-production (self-serving communities)



Source: Lember, V. (2018)

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# Case of Járókelő Association (jarokelo.hu)

#### **SHORT DESCRIPTION**

Jarokelo.hu (<u>www.jarokelo.hu</u>) is a "street-fixing" website, which enables passers-by to report street infrastructure problems and subsequently inform the relevant department within local authorities.

#### **KEY ACTIVITES**

Report: citizens upload photos of a "street problem" and add a short text description about the issue they came across Review and sending: the submitted report is reviewed by the administrators of the website and is sent to the responsible local government or other service provider Publish on website: the report, the reaction of the responsible

#### **SOCIAL BUSINESS**

service organization, the satus of the case ( "Reported",

"Solved", and "In progress"

**Service offer for municipalities**: it includes a customized version of the existing layout of jarokelo.hu, completed with an evaluation function and a reporting page which could support urban management and customer services.

#### **ORIGIN**

Lanched in 2012
The local "clone" of FixMyStreet.com
Inspired also by the Slovakian "Letters
to the Mayor" website run by an NGO

#### **EXPECTED SOCIAL IMPACT**

Creating a fully citizen centric and community driven internet-based service to strenghten active citizenship, democratic participation, and improve urban management.

#### **INDICATORS**

15.000-20.000 visitors per month 24.908 cases solved (as of 17/04/19) 40 volunteers



### Research method

- Semi-structured interviews with 5 coordinators / case managers (approx. 60 minutes each)
- First the origin and the structural set-up of the organization have been explored
- Further questions related to client, community and network level effectiveness
- So far the focus has been put onto the role of case managers

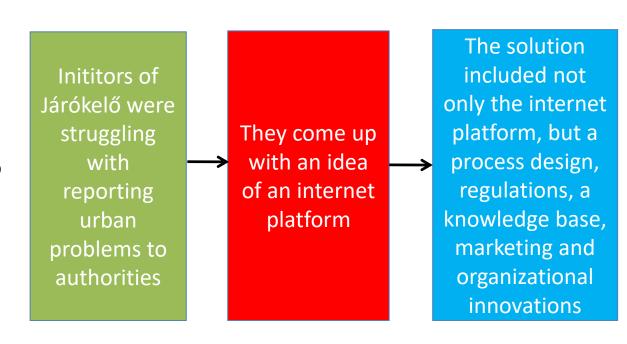


# The innovation Járókelő realized is complex and practice-based (bricolage)

Practice-based (bricolage) model

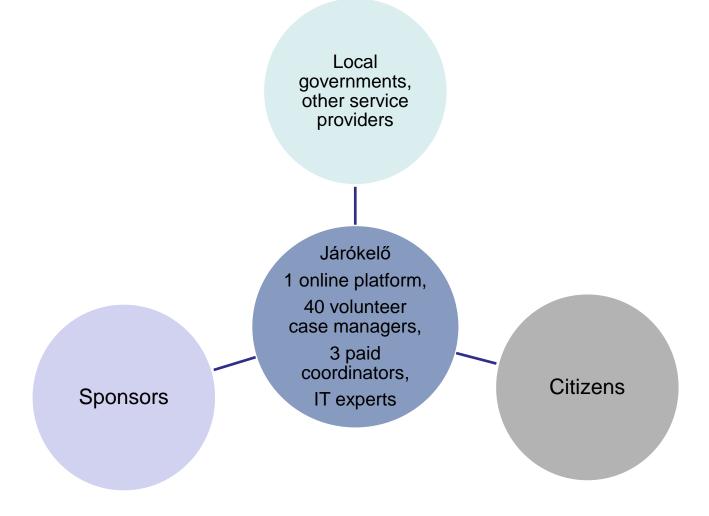
Production → Idea → Development

The innovation process of Járókelő





# The network of Járókelő: bottom-up, voluntary, formal/informal, led by a network administrator org.





# By its digital solution Járókelő <u>partly</u> substituted prior co-production practices as well as some of the functions of the public organizations

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# Client, community and network level effectiveness

#### Client level:

- Much easier to make a report and you can track on the problem solving process
- Approx. 2/3 of the reported cases are sold
- Járókelő is often a "speeding lane", so problem reporters experience quicker response
- Positive experience encourages citizens to make further reports

#### **Community level:**

- Awareness of the service is growing, also thanks to the innovative marketing
- In cities where Járókelő is present 10+% of the reports are already made through it

#### **Network level:**

- Járókelő is more and more accepted as a trusted partner by public service providers
- Among telco firms Járókelő is a new competitive field: want to be ahead of their rivals
- Service providers experience cost savings so they dedicate resource to Járókelő reports
- Some formal agreements and sponsor contracts are made
- For tough, returning problems the staff of Járókelő offers innovative solutions
- Dashboard reports to service providers is another value added service they provide

# The tasks and profile of case managers

- Receive, correct, and publish problems sent by citizens
- Find the responsible service organization and forward the report with a cover letter
- Receive and publish feedback form the responsible service organization
- Monitor and close cases
- They have a knowledge base (in cloud) & internal standards (e.g. response within 24 hours)
- 40 people (19 of them in the capital), age between 16 and 43 years (average: 33 years)
- More than 50% of them are for less than 1 year
- Many students, free-lancers, jobs with flexible schedule, and all of them with an urban management/development interest
- Some of them with public sector background (education, work experience)
- In Budapest, they work in 3 (at the weekends: 2) member teams
- Some serve both Budapest + a countryside city (based on local knowledge)
- Often recruited from among the most active external problem reporters
- The Case Manager of the Month and of the Year are selected based on the automatic
   scoring mechanism build in the IT system



# THANK YOU FOR YOUR ATTENTION!

# **QUESTIONS AND REMARKS?**

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