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Towards an Innovative and Democratic Local Government

The case of “Göteborg 2021”

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Abstract

This paper describes how a public service development/innovation process can look like in a democratic environment. Additional emphasizes have been on finding process characteristics within this environment. A single-case study was conducted with data gathered from 16 unstructured interviews and relevant documents. A strategic selection of interviewees were made, selecting participants to represent the entire process as well as to represent different actors in the process. The case, “Göteborg 2021”, is an initiative taken by Gothenburg City Council to celebrate the 400th anniversary of the city in the year 2021 with the vision of being innovative, open and inclusive. Thousands of participants including politicians, academics, officials, voluntary organizations, members of the private sector as well as the public/citizens have been engaged in the process with the aim to develop the public service of the city. The study focus mainly but not exclusively on the relation between the public/citizens and the local authorities in the front-end process a stage in which opportunities are identified and concepts are developed.

Theories from the field of democracy, such as *deliberative, representation, associative* theories, and from the field of innovation and product/service development, such as the *Stage-Gate model* and the *Componential theory of Creativity*, were used and compared to the empirical findings. The findings identifies three main phases in the process: *initiation, exploration* and *execution*. The inclusion of the public/citizens has mainly been through a consultation participation role in the idea generation stage in which ideas were gathered by officials. The inclusion of other actors, such as the members from the private sector, academia, voluntary organization and other parts of public organizations, have been through deliberative processes in which the participants are given an expert consultancy role in the process. Tendencies were also observed towards using parallel stages during the *exploration* phase mainly by having a *strategy* stage while the *idea generation* and *idea scoping/selection* were conducted. Selection of promising ideas were based on finding a common strategic fit of themes and symbol projects rather than strictly using business criteria for each idea. Seven characteristics were identified: *trust, expertise, engagement, courage, freedom, creative thinking skills* and *awareness*. They highlights main characteristics found in a public process, mainly during an *exploration* phase, with considerations of being both democratic and innovative.

The study recognize a need for further studies in order to understand how democracy and public service development/innovation can coexist in local governments and to investigate how the process characteristics can correlate with one another.

Keywords: public sector innovation, service development, Stage-gate model, Componential Theory of Creativity, front-end process, democratic innovation, New Public governance.

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Abbreviations

NPM – New Public Management

NPG – New Public Governance

PA – Public Administration

NPD – New Product Development

NSD – New Service Development

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1. Introduction

The public sector has major challenges ahead to solve such as the climate change, improving public services and dealing with ageing population. These changes will require incremental and radical innovation to occur within the public organizations (Bason 2010). The big question is nonetheless whether they are suited for meeting up to these challenges or not? The role of the public sector as a supporter and passive adopter of innovation is thus disappearing and researchers are getting more and more interested in studying and developing an understanding of the hindrances and opportunities to innovate in the specific environment of the public sector. A new form of public administration and management, New Public Governance, is evolving and highlighting the importance of networks and collaboration to govern and solve the problems lying ahead (Osborne 2006) and there is a “*need for a more systematic approach that institutionalizes an innovation culture as a deep value in public sector organizations*” (Albury 2005, p.51). In this new form of governance a consideration has to be made in towards the inclusion of citizens both to strengthen democracy (Saward 2000) but also to gain knowledge in the innovation and development process (Hennala, Parjanen and Uotila 2011).

1.1 Purpose and research questions

The purpose of the study is to get a deeper understanding on how a democratic service development process in local governments can be conducted with considerations of both democracy and innovation. The research questions asked are:

(1) What does a democratic public service development process look like in local governments?

(2) What main characteristics have profound impact on the actors' involvement in the process?

1.2 Delimitation

The study focuses mainly but not exclusively on the relation between the public/citizens and the local authorities during the explorative process. This part of the process is also called the front-end process and refers to the stage in which opportunities are identified and concepts are developed.

1.3 Case introduction

A single case-study, “Göteborg 2021”, has been chosen to gather the data needed. Göteborg 2021 is an initiative taken by Gothenburg City Council to celebrate the 400th anniversary of the city in the year 2021. The vision is stated below:

“By 2021 Gothenburg will be internationally known as a courageous pioneer in the field of sustainable growth. We are an innovative, open, inclusive city where all residents feel important and involved.” (Vision as described in the proposed work plan, Göteborg & Co 2012a).

The vision states both a need to become innovative as well as including citizens. The case engages politicians, academia, officials, voluntary organizations, members of the private

sector as well as the public/citizens in order to develop the public service of the city. 16 participants have been interviewed during this case study.

1.4. Disposition

The paper disposition goes as follows:

After the introduction, the next chapter introduces the theoretical background with the focus on understanding the reason for democratic innovation as well as innovation in the public sector, especially in local governments. A chapter on methodology follows with a description of why this study was chosen and how it was conducted. The case study is then introduced before the description of the empirical findings. After the empirical findings, analysis is made comparing the findings with the literature. Reflections are then made by the author in order to tie democratic innovation to the development/innovation process. Lastly a conclusion is made as well as a consideration for future research.

2. Theoretical background

This chapter reasons with the need for the public sector and especially local governments to innovate. A short introduction is made towards previous literature on innovation in the public sector. Further, the chapter introduces the transformation of administrations and management in the public sector towards collaboration. A focus is made towards the need for democratic innovation as well as an introduction to the Stage-Gate model, initially a product development process and the Componential theory of Creativity.

2.1 The need to innovate in the public sector

The public sector is not a homogenous sector but rather a heterogeneous system of organizations with diverse tasks (Cankar & Petkovcek 2013). The sector is a result of political influences within each country with overlapping administrations and management models (Osborne 2006). However most of the organizations in the public sector are and will face several challenges in the future including technological, ecological, economical and socio-demographical ones (Bason 2010; Gallouj & Zanfei 2013). Most of these challenges require big changes and a need for both incremental and radical innovations such as the climate change, the need to be more productive in delivering services, a more ageing population, globalization and shocking events e.g. outbreak in diseases (Bason 2010). However, little is yet known about innovation in the public sector (Djellal, Gallouj & Miles 2013).

2.2 Defining innovation

Defining innovation is a disputed topic nonetheless because of the continuous learning and expanding understanding of its meaning. One of the generally accepted definitions is described in the Oslo Manuals (OECD/Eurostat 2005):

“An innovation is the implementation of a new or significantly improved product (good or service), or process, a new marketing method, or a new organizational method in business practices, workplace organization or external relations” (The OECD Oslo Manual 2005 para. 46).

The manual is a guideline by the *Organization for Economic Co-operation and Development* (OECD) for the collection and use of data on innovation activities in industries. The 2005 manual was the third and latest edition and Gallouj and Zanfei (2013) among others points out the exclusion of the public sector in the guidelines. Several researchers have been trying to include the public sector in this definition. Mulgan (2007) defines public sector innovation:

“The simplest definition is that public sector innovation is about new ideas that work at creating public value. The ideas have to be at least in part new (rather than improvements); they have to be taken up (rather than just being good ideas); and they have to be useful. By this definition, innovation overlaps with, but is different from, creativity and entrepreneurship” (Mulgan 2007 p.6).

The above stated definitions on innovations do have several similarities such as the importance of the newness of the idea for the organization and implementing the idea (Bloch & Bugge 2013). Hartley (2014) adds to this discussion that there is a risk of

misunderstandings within the organization, defining any change in the organization as being an innovation; innovation is rather seen as disruptive change (Lynn 1997). There is also a difference between continuous improvements and innovation; the first being a product of increased efficiency, making the same thing better, while the other is to make things differently (Hartley 2014). The author is keen on emphasizing the importance of having both improvements and innovation for the development of the organization. The author touches upon a contested point arguing that innovation doesn't have to mean better performance or success. The definition of Mulgan (2007) highlights for instance the "usefulness" of the idea in order for it to be regarded as an innovation. The broad definition of innovation increases the chances of different interpretations and further development of the topic. The next sector goes further in explaining the different views of how to include the public sector within the definition of innovation.

2.3 Public sector innovation and the influences from the private sector

There has been a change in the relationship between the public sector and innovation during the last decades. This relationship has been highly influenced by changes in the public sector. Studies by Djellal, Gallouj and Miles (2013) and Gallouj and Zanfei (2013) identify the literature gap in innovation and the neglecting of service innovation and especially public service innovation. The purpose of their studies is to bridge this gap and understand the concept of public service innovation.

Most innovation theories include the public sector mainly as a supporter and catalyst of innovation. This is nonetheless seen in the *Triple Helix* model (see fig. 2.1) explained by (Etzkowitz and Leydesdorff, 2000) which signifies the important linkage of academia, industry and state when it comes to knowledge production. The public sector is represented by government agencies who provide regulation and support and the public research laboratories and universities who contribute with research (Gallouj & Zanfei 2013). The production of innovation is according to the authors perceived to come from the private sector and then adopted by the public sector.

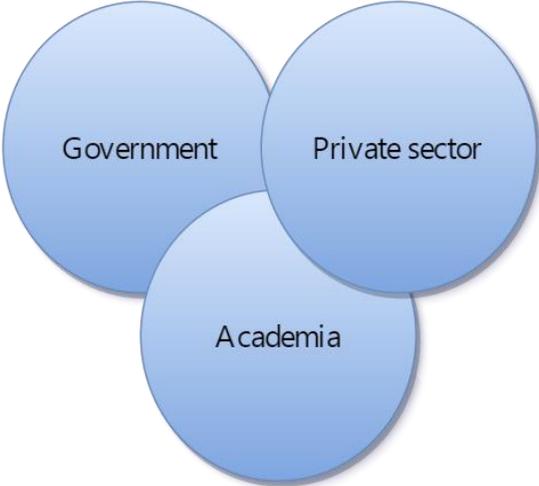


Figure 2.1: The Triple Helix model as described by Etzkowitz & Leydesdorff (2000)

The paper by Djellal, Gallouj and Miles (2013) further categorizes the innovation literature regarding services and public services into four main perspectives: *assimilation*, *demarcation*, *inversion* and *integration* (ADIS framework).

The assimilation perspective is the most common perspective with an example of New Public Management (NPM) in the public sector being one attempt to adopt methods from the manufacturing industries (Gallouj & Zanfei 2013).

The demarcation perspective draws on an understanding that there are other forms of innovations than those in the manufacturing industries. This is exemplified by (Gallouj & Zanfei 2013) in the suggestion by the Audit Commission (2007) to a new type of innovation called *democratic innovation* defining this as practices that increases democratic engagement with citizens.

The inversion perspective is argued by (Gallouj 2010) to illustrate a change to a new service dominant logic (Vargo & Lusch 2004). Service innovation is seen not as demarcated but rather as taking the lead and tipping the balance of power i.e. services leading the change for manufacture/product innovation (Gallouj 2010). In this case public services could be seen as drivers of innovations rather than passive adopters (Djellal, Gallouj & Miles 2013).

The integration perspective brings insights from both assimilation and demarcation literature and integrate them into a unifying framework. This is partially based on the blurring boundary of what is a “good” and what is a “service” (Djellal, Gallouj & Miles 2013). The integration perspective aims to include public services with private services and goods. This is for instance illustrated by Bloch and Bugge (2013) suggesting for a change in the Oslo Manual from *market innovation* to *communication innovation* to better fit and include public services.

2.4 The critiques and myths about the public sector

Part of integrating public sector innovation with private sector innovation is to put forward some of the critique and myths about the public sector. The literature is divided in this area with many highlighting the ill-fitted nature between the stable and secure public sector and the dynamic nature of innovation (Gallouj & Zanfei 2013; Bason 2010; Borins 2002 etc.). The most noted critique is toward the public sector’s nature of avoiding risk, the lack of competition and bureaucracy and organizational structure.

Risk aversion is often motivated by the fear of failing and being open to public scrutiny (Mulgan and Albury 2003) and with that also being blamed by the media and opposing politicians for wasting scarce public money (Mulgan 2014). Gallouj and Zanfei (2013) argue that this is part of the reason the current focus on innovation in the public sector is towards efficiency, how well something is done, rather than effectiveness, how useful something is. Their argument is based on the work of Potts (2012) who points out that in the absence of profit public services are considered effective when they are efficient. This system favors other values than pure quantitative performance such as trust, equality and inclusion.

Lack of competition: this appeal to the basic nature of the public sector to provide citizens, firms, public organizations and institutions with services the market fails to deliver or provide efficiently or equitably (Gallouj and Zanfei 2013). This absence of competition is mentioned by Borins (2002) to create a resistance for change since the focus is on maintaining the current performance rather than to innovate.

Bureaucracy and organizational structure: the critique is based on creating a rigid structure that has been harming creativity and innovation within public organizations (Gallouj and Zanfei 2013). Part of this problem is argued by Bason (2010) to be a highly sectorialised organization both vertically between administrative levels and horizontally between distinct policy domains. Bason (2010) also mentions a risk of unwillingness by the politicians to share power and the preference of short-term solutions compared to more efficient long term ones. This and what Cankar and Petkovcek (2013) notice as a lack of flexibility in laws and regulation are seen as barriers to innovation that leaves public managers with obligations to maintain processes and less freedom to reallocate and substitute resources and offering new services etc. (Gallouj & Zanfei 2013). The system does also leave financial challenges with funding for new and risky ventures being limited (Borins 2001) and the need for creativity by public managers to secure funding (Bason 2007). This structures and mechanism are argued to be a hinder for organizational learning and diffusion of good practice (Bason 2010; Cankar & Petkovcek 2013) and Bason (2010) highlights the risk of locking innovations in their location of origin.

This critical view on the public sector and innovation is challenged mainly by Hartley (2014) who wants to address the myth about the public sector.

The public sector is innovating: Hartley (2014) argues about the important contribution of innovations by the public sector for instance through innovative technologies such as GPS and the internet. Studies have been made in Europe (Arundel and Hollanders, 2011; Bugge et al. 2011) and in Australia (Arundel & Huber 2013) and the result reveal a high rate, over 80%, of public sector managers reporting at least one innovation implemented in the last two years. This high number is also supported by a large survey (European commission, 2010) with a sample of 3699 European public sector organizations. The high number could be worrying and Arundel and Huber (2013) is concerned in whether these managers understand the concept or not. The author derives to a conclusion that a realistic number is probably around 60% since there is some confusion between what change and what innovation is. This doesn't take away the fact that innovations are occurring in the public sector despite the "ill-suited" environment mentioned earlier (Arundel and Huber 2013).

Risk aversion does not mean a lack of courage: Kay and Goldspink (2012) found by interviewing public managers in Australia that developing innovations in the public sector tend to be a long and slow process due to the "no-failure" environment which demands a more careful approach compares to the private sector. A recent study about courage (Andersen 2012) gathered data from 343 middle managers from two public agencies, social-insurance offices and senior secondary schools, and in one private company in Sweden. The study surprisingly showed that private managers were less change oriented compared to

public managers. The finding is explained by the author as a reaction to the profound and continuous changes some public agencies in the public sector in Sweden have been part of during the past ten years. Having top and middle managers that are willing to change could have a profound effect on the successful implementation of organizational change (Andersen 2012).

There is a different kind of competition: Hartley (2014) goes further in the understanding of the explicit opportunity this “public sector environment” can stimulate innovation. The first myth brought up is about the importance of competition to stimulate innovation. Hartley (2005) mentions that many public sector organizations perceive themselves as being in competition for power, resources but also as Bason (2010) mentions also a other types of competition such as citizen- driven (e.g. freedom of choosing between public/private schools) and a geographical one (e.g. local government attracting talented people). Hartley (2014) argues competition may hamper innovation due to the dynamic of the market rule; as an example a company may not put an invention to a market if they believe it can benefit the competitors more than it can benefit them.

There is an opportunity of diffusing innovation: Another factor mentioned is the opportunity of innovation diffusion in the public sector. Patents and trade secrets are for instance two ways of preventing diffusion of knowledge in the private sector. Hartley is somewhat worried about bringing these rules into the public sector, a dislike on the view of New Public Management, since it risks the importance of knowledge sharing between public organizations. Hartley (2014) believes the diffusion and the opportunity of “stealing” ideas from other public organizations can be a powerful weapon within the public sector. Stealing in this case does not imply simply copying and adopting ideas but rather as other studies have showed (Rashman et al. 2005; Hartley & Benington 2006), conducted in the health sector and local government, there is a high rate of adapting innovation to the local context and conditions. There is evidence proving that larger organizations are better at diffusing these innovations compared to smaller organizations, as found in a study of local government in the UK (Rashman et al., 2005).

Bureaucracy and politics can stimulate innovation: Hartley (2014) does also see an opportunity in bureaucracy and politics. Although bureaucracy if done wrong and too rigid can hamper innovation, not only in the public sector, it can also be beneficial in the implementation phase (Hartley et al. 2013). Much of the critique mentioned early was targeted towards the politicians’ unwillingness and inability to innovate but Hartley highlights that politicians can have a positive effect on building public support for innovations and creating the right climate (Hartley 2005). Support and creativity can also be harvested by engaging many of the group interested in the public services not least the citizens themselves as a kind of citizen-sourcing but also from co-workers and clients etc. (Hartley 2014).

So far the focus has been on the public sector as a whole but as mentioned earlier, the public sector is not a homogenous sector but rather a heterogeneous system of organizations with diverse tasks (Cankar & Petkovcek 2013). This paper deals mainly with innovations in a local

government. The remaining part of this chapter will focus on innovation in the environment of the state and especially local governments.

2.5 From Public Administration to New Public Governance

The public sector has, much like the private sector and the economy as a whole, been undergoing a substantial transformation during the last decades. In the central of this is the changing role of public administrations and management in the society. This is exemplified by Osborne (2006) when acknowledging the high expectation the government in the UK had, trying to create a welfare state in the post-war era after 1945. The *Public Administration* (PA) was at that point defined by characteristics such as a dominance of the rule of law, bureaucracy in policy making and implementation and the influence of the professional in the service delivery system (Osborne 2006).

The policy - and top- down hierarchy based PA failed to meet up to the society's expectations and increasing demands. This became the emergence of *New Public Management* (NPM) during late 70s, a management form embracing private sector techniques to improve the efficiency and effectiveness of public services (Thatcher 1995). The NPM approach viewed citizens as customers to serve with personalized and efficient services (Sangiorgi 2015). This will be done by adopting elements of the private sector such as the use of competition, incentives, resource allocation, entrepreneurial leadership and reaching flexibility by decentralizing the system (Osborne 2006). The adoption of private sector rules in public sector has not been without its critics and some of the main critiques are on its inability to look beyond what is happening within the organization and the disengagement between policy making and implementation where the implementation units are in competition with each other (Osborne 2006).

The rise of the digital era was part of the rise of the importance of network and interconnectivity. A new form of public administration and management with an intra-organizational focus became more popular, *New Public Governance* (NPG), (Osborne 2006). This paradigm combined strengths from both PA and NPM by "*recognizing the legitimacy and interrelatedness of both the policy making and the implementation/service delivery processes*" (Osborne 2006, p.384). Governance is not equal to government as Kooiman defines the concept of governance: "*the pattern or structure that emerges in a socio-political system as a common result or outcome of the interacting intervention efforts of all involved actors. This pattern cannot be reduced to one actor or groups of actors in particular*" (Kooiman 1993 p.258).

The NPG paradigm is more concerned with governing through cooperation and networks and it "*substitutes the focus on responsiveness to customers needs with an emphasis on power sharing and collaboration*" (Sangiorgi 2015, p.334). Citizens are viewed as *co-creators*, part of a creation process as designers and not merely as users/customers (Bason 2010). Sangiorgi (2015) highlights the need for innovation at both policy and service levels and a change from innovating within the organization to what Albury mentions as a "*need for a more systematic approach that institutionalizes an innovation culture as a deep value in public sector organizations*" (Albury 2005, p.51).

This paper adopts the NPG view of governance and focuses especially on the relation between local authorities and the public/citizens. This is mainly exemplified with the need for authorities to innovate in order to become more democratic as well as gaining the knowledge of their citizens.

2.6 Problems and needs for democratic innovations

The literature on democracy is very broad but at the heart of the concept lies as Abraham Lincoln once stated: a government “*of the people, by the people, and for the people*”. Dahrendorf (2003) adds how this voice of the people creates institutions that control the government without any violence. The people in this sense are the sovereign giving legitimacy to the institutions of the democracy. Saward (2003) further highlights four principles of democracy that are often evoked: *political equality, inclusion, expressive freedom* and *transparency*. The author argues how most definitions of democracy include a need for institutionalizing a form of equality between citizens and that naturally adds a need for inclusion in the system. Expressive freedom is not guaranteed by the first two principles but it implies the right for every citizen to have a freedom of choice and expressing once opinion in an unforced manner. These three principles should also take a place in a transparent environment (the fourth principle) in order to be seen by the people (Saward 2003).

Democracy has become the dominant institutional form but as Hirst (2002) argues: democracy ones gained its legitimacy based on the other alternatives e.g. the Hitler or the Stalin state. This lack of competition forces the democratic states to change and develop democracy in order to stay a legitimate force (Hirst 2002). One crisis is the low political participation in mature democracies with a decreasing trend of the citizens caring about voting in elections. One explanation, according to Hirst (2002), is the indifference by the citizens of whom to elect due to a high level of satisfaction to the current state. This is in one way not a problem but one cannot ignore the lower level of participation leading to a more unrepresentative election. A second crisis noted by the author is the decrease of national governance capacity due to a shift to globalization and market based rules. This weakening of the national state is argued to decrease the level of involvement by the political activists in the national arena (Hirst 2002).

The author does also argue for a crisis due to lower participation in non-political organizations such as charities and voluntary organizations. This is mainly related to the work of Putnam (1996; 2000) regarding the importance of social capital in a democratic society. Putnam’s famous book *Bowling alone* (2000) describes the shift in American societies illustrated by how a social activity such as bowling now is more and more played alone. Hirst (2002) is simply arguing that the social life of today does not facilitate traditional collective action and engagement in the society due to several factors such as a trend towards individualism and enabling factors of technology that make it possible to do so. The last crisis highlighted by Hirst (2002) is a trend towards larger private companies taking over both the economic activities but also the former public services and leisure activities. The trend towards privatization and the top-down ruling of large companies in a global world are thus argued by the author to disempower the citizens both as employees and consumers. This has

resulted towards more passive citizens in their organizational role which is argued to lead to the weakening of active democratic citizenry (Hirst 2002).

It is important to acknowledge that the above stated crises are merely a trend overviewed by one author. There is for instance critique about the generalization of studies. Putnam (2000) studied for instance social activity trends in the US and these decreased trends of participation is argued by Rothstein & Kumlin (2001) to be specific for the US. Nonetheless the four crises mentioned by Hirst (2002) do shed a light on problems in the democratic system and Saward (2000) argues for a need for democratic innovations to solve these issues.

2.7 Understanding the concept of democratic innovation

Democratic innovations are described as practices that increase democratic engagement with citizens (Audit Commission 2007). This is according to Saward (2000) already an ongoing process in many regions and countries who is experimenting to find new methods and solutions to involve their citizens. Democratic innovation as a definition is also gaining in popularity and Saward (2000) tries to summarize the current thoughts on the topic. The author categorizes three main characteristics of the: *deliberation*, *representation* and *association*. These three characteristics are not explicit to one another but rather connected in various ways. However, it is important to firstly understand the two main governing forms of democracy, *direct democracy* and *representative democracy*.

2.7.1 Direct democracy and representative democracy

Direct democracy is defined as citizens making decisions via a vote while representative democracy is citizens electing leaders who make decisions on their behalf (Saward 2000). Based on the principal of political equality one can argue that direct democracy is the more feasible form of the two (Saward 2000; Budge 2000). However Fishkin & Luskin (2000) wants to highlight the pros and cons of both forms of democracy. Direct democracy such as direct voting on issues could lead to rational ignorance where the majority of the citizens voting have little information and knowledge about the issue. This equality in voting can according to the authors disincentive individuals who were willing to spend a lot of their time and effort to become informed about debates, national policies etc. On the other hand elected representation faces the risk of the elected pursuing own interest, follow the popular vote and not making all information available for the voter and thus preventing the principle of transparency (Fishkin & Luskin 2000). The basic dilemma of choice is for the democratic institutions to either choose deliberative elites with political inequality or non-deliberative masses with political equality. The authors believe there is a need to combine both deliberation and equality and points to deliberative democracy as a possible solution (Fishkin & Luskin 2000).

2.7.2 Deliberative democracy

Deliberative democracy did arise in the need of developing the concept of democracy to more than just counting heads. Instead discussion on equal and inclusive bases is suggested in order to deepen the knowledge, issues and awareness of the participants` (Saward 2000). Eriksen (2000) adds that deliberative democracy is not only about discussion to reach binding decisions. Instead the author highlights the importance of public communication to legitimize

outcomes. Smith (2000) acknowledges how deliberative democracy work for an active conception of citizenship and stresses the importance for the citizens to get together and discuss, articulate, defend and act on their judgments in order to feel more empathy with each other. The author also highlights the evidence that citizens become better informed and changed many of their preferences and judgments after being part of a deliberation process. The key problem is how to do so in communities numbering thousands or millions (Fishkin & Luskin 2000) and not only in small face-to-face situations (Smith 2000).

Elster (1998) points out how a debate in larger assemblies tends to be dominated by a few skilled and charismatic speakers and emphasizes the importance of protect this sphere of deliberation and think about the mediating role when institutionalizing the process. This is in one way contradicting for Smith (2000) since the basic foundation for democratic deliberation relies on openness and freedom but in order to make the participants open up and express themselves one has to protect the sphere of deliberation e.g. from the attention of the media.

Fishkin & Luskin (2000) proposes a *deliberative opinion poll* as one potential solution. The deliberative opinion poll is based on a random selection of hundreds of citizens who are firstly interviewed one by one, secondly taking part in a deliberative weekend on a single site and thirdly has a post-deliberation interview based on the same questions asked during the first interview. The method is based on fulfilling the representation and equality (everybody has the same odds to be chosen) criteria while also giving the participants a chance to express themselves freely during the interviews but also gives an opportunity to discuss and develop the ideas and thoughts further during the deliberation (Fishkin & Luskin 2000). Smith (2000) acknowledges how this method also goes around the concern of reaching a consensus during the deliberation process i.e. consensus can sometimes suppress and ignore conflicts of opinion. Smith (2000) does on the other hand also acknowledge how the method does require a third party to analyze and balance the competing opinions and preferences by the individual participants. Budge (2000) stresses instead on the political outcome of this deliberative process pointing out how it seldom has the power to change the opinion of the political parties. Budge (2000) argues how deliberative processes tend to take politics out of democratic politics but the author argues that is not desired since politics and political parties play a crucial role in democracy; a participant in a deliberative process who is unsatisfied with the outcome will probably join a political party that supports his thoughts and ideas. The author is therefore critical to whether a deliberative process can actually change peoples' mind; they often join political parties with a similar ideology in order to win, not in order to collaborate. As such Budge (2000) argues for a need of more direct forms of democracy that empower the citizens rather than only giving them an advisory role.

Finally Brugue and Gallego (2003) takes a different focus on the need of deliberative democracy and highlights the opportunity of democratizing public administrations to achieve a better forum for dialogue towards the citizens. This is according to them a contradictory proposition since "*democracy demands a non-democratic form of public administration* Brugue & Gallego 2003 p. 427). The authors argue that there is a need to democratize public administrations in a representative democracy because it is in this arena political options become specific policies in which the citizens can play an active participation role. The

authors mention how the view on efficiency, how well something is done, needs to change in public administrations since it heavily relies on an overconfidence of professionals, the officials, and thereby excluding the views of the “non-professionals”, such as the regular citizen. The increased attention of the business world to include stakeholders as a resource in the process should according to Brugue and Gallego (2003) also be applicable in public administrations. There should therefore be an increased demand for internal collaboration, bridging the gap horizontally and releasing some of the hierarchy within the organization and a demand for external collaboration, a need to include the citizens and other actors in order to understand the needs of the consumers/users but also help reach a more legitimate consensus. This could according to Brugue and Gallego (2003) also enable an increased effectiveness, how useful something is, since there is an opportunity for the participants to learn and find new solutions to old problems.

2.7.3 Representation in democracy

Representation in democracy, to have an equal and inclusive representation of the population, includes two of the principles mentioned earlier by Saward (2003), political equality and inclusion, which are needed in order to achieve a better democratic process. In one way Fishkin & Luskin’s (2000) idea of deliberative opinion polls is one example of aiming towards reaching better representation through random selection. A different emphasize on representation is mentioned by Squires (2000) when focusing on the feminist approach of group representation originally stated by Young (1990). The basic argument stated in the feministic approach is that the existing legislative and electoral process is unrepresentative and suggests a need to constitutional guarantee of group representation within the parliamentary system. The view of social groups does according to Young (1997) differentiate with interest group arguing that what makes a group is not their internal attributes and self-understanding but rather their relation in which they stands to others. The vision of group representation is as such more concerned with gaining a plurality of perspectives, for instance by including young people, females etc., in public discussion and decision-making rather than pursuing pre-defined interests (Young 1990). Young does support the deliberative approach and acknowledge a need for dialogue between the social groups to understand their own partiality and by expressing, questioning and challenging situated knowledge adds to the social knowledge (Young 1997). The author believes in the power of interaction to go beyond self-interest, including the experience, knowledge and interest of others to hopefully reach a more objective judgment (Young 1997).

Mills and King (2000) and Eckersley argue that an acknowledgement has to be made towards the limited nature of representation especially when it comes to asserting ecological risks. Mills and King’s (2000) states that “...we are uncertain about the consequences of our actions and should act with some humility in the face of limited knowledge” (p.135). The author are worried about how democratic legitimacy often requires the priority of processes over outcomes and argue that deliberative democracy needs to be supplemented by a commitment to constitutional considerations including the precautionary principle and environmental rights. Eckersley (2000) is in favor of deliberative democracy but challenges the view of representation when it comes to risks urging for a change to include all those potentially

affected by the risk. This should not be limited to a territorial limitation exemplified by how a building of a dam may affect a larger area than the immediate one.

2.7.4 Associative democracy

Associative democracy questions the centralized form of democracy and the traditional majoritarian approach (majority rule) and advocates instead a more decentralized, community and group-centered system of regulation and decision making (Saward 2000). The role of the state is minimized to the essentials of assuring public peace, acting as a judge in clashes of norm and mobilizing resources for public resources (Hirst 2002). Deliberative democracy is therefore criticized by Hirst since it accepts the notion of non-participation and settle in creating forums in which the voice of the few come to stand for the whole population. Hirst (2002) goes further and criticizes the exclusiveness of network governance arguing that they are difficult to sustain and they lack the ability to become broad, instead the state remain more central than most advocates would think. The solution is suggested to come from creating and including associative institutions of voluntary but sustained and stable nature (Hirst 2002). The author argues that these kinds of associative institutions are easier for the citizens to engage in since they tend to be active in those associations they identify themselves with and likely willing to pay for. Hirst (2002) acknowledges how associations could actually relief the organizational burden of the governmental institutions and mentions three main areas in which this can occur: in *welfare*, *community self-governance* and *corporate governance*.

Three pressures included in the welfare system: *tax aversion*, *an ageing population and conflicts over the content of service* are suggested to be solved if the citizens are given more direct control, more alternatives of choices and more options of inclusion in the democratic system. Community self-governance could occur on a basis of geographical exception and parallel rules i.e. the freedom for the citizens to consent and to exit communities e.g. Christiania in Denmark. Finally Hirst (2002) argues for a renewence in governance of organization where other alternative than the mere private corporation, which are failing to meet their social responsibilities, must exist. However Roßteutscher (2000) acknowledges that the field of associative democracy is rather incoherent with no obvious solutions for how democratic association should look like. A concern is made towards how the current state of passive citizens and the trends of decrease in social activity (Putnam 2000) can be reversed.

2.8 Trust and citizen participation

One of the main key towards understanding how to work for active citizenship is to understand the relationship of trust (Putnam 2000; Rothstein & Kumlin 2001) and citizen participation (Arnstein 1969) in a democratic environment.

2.8.1 Trust and social trust

A recent study by (Charron & Rothstein 2015) shows that the level of trust between people, the social trust, are highly varied in different countries in Europe, reaching a high level of trust around 80% in Sweden and Denmark to a low 8% in Slovakia and Serbia. Holmberg and Rothstein (2015) relate this to previous research and concludes that a high level of interpersonal trust have a positive effect on producing public goods such as infrastructure since it relies on other to pay in the taxes for the funding. Countries with a high level of social

trust are argued to have better opportunities to foster collaboration between citizens (Herreros 2000). Rothstein and Kumlin (2001) also points out that there is a correlation between social trust and the trust in the state. Rothstein and Kumlin (2001) explain that a difference has to be made between the representative side of politics (the elected politicians) and the non-representative side (the “objective” officials). A political party is based on an ideology and if a citizen doesn’t share the same ideology then this will affect the level of trust. Other rules applies for public administrations and companies since their impartiality is included in the constitution. If several scandals of corruptions by officials are made public then the citizens might conclude that officials in general cannot be trusted. Taken to the extreme, citizens would also conclude that other citizens cannot be trusted since they need to bribe and use other dishonest methods to be served by the officials in order to get what they want. A high level of trust towards officials such as the police and public courts will, according to Rothstein (2000), also reflect a high social trust.

2.8.2 Citizen participation

There are different ways in which citizens can participate in a governmental process. One of the most famous models to explain this relationship is the “ladder of participation” proposed by Arnstein (1969) (see figure 2.2). The ladder is based on eight different steps with an increased citizen empowerment for each step climbed. The first two steps, *manipulation* and *therapy*, are described as the level of “non-participation” in which authorities takes the role of educating, persuading and advising the citizens and sometimes even trying to “cure” and change their belief. The interest of such participants for authorities is argued by Arnstein (1969) to show that they engage and work for increased democracy and inclusion, although they are very much aware that no power are distributed to the citizens.

By climbing the ladder, the three level of “tokenism” is reached: *informing*, *consultation* and *placation*. *Informing* the citizens is based on a more objective sharing of information with the purpose of letting the citizens know their rights, responsibilities and option. This could for instance occur during meetings but Arnstein (1969) argues that it often takes a one-way communication form. *Consultation* does on the other hand invite the authorities to listen to the voice of the citizens by methods such as surveys, meetings and public hearings. There is though no guarantee that their voice would have an impact on the decision. *Placation* is the first step to empowering the citizens in decision making and is often exemplified by selecting a few hand-picked worthy citizens on boards or public bodies. Arnstein (1969) points out that the role of these citizens can often be marginalized if they don’t hold the majority of seats.

The top three steps, “citizen power” consist of *partnership*, *delegated power* and *citizen control*. *Partnership* is described as redistribution of power through negotiation between citizens and power-holders (Arnstein 1969). A share of planning and decision-making responsibilities is agreed on and the author highlights here how this form of participation often requires accountability for citizen leaders and sufficient financial sources and human capital to manage the process. This form of citizen participation is also pointed out to often be taken by citizens as a democratic right rather than being proposed by the authorities (Arnstein 1969). *Negotiation* is a similar type of citizen participation in which the citizen are given negotiation rights in public processes. This could be in a form of having dominant decision-

making rights over a particular plan or program or by having veto rights if differences of opinion cannot be resolved (Arnstein 1969). The last step *citizen control* shifts the power towards the citizens and gives them the right to control different resources e.g. schools or neighborhoods (Arnstein 1969).

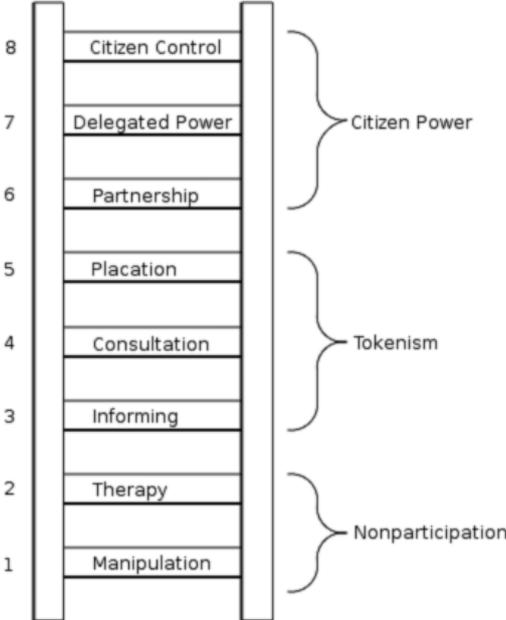


Figure 2.2: Arnstein’s (1969) Ladder of Participation

There has been some critique against Arnstein’s model. One argument by Tritter and McCallum (2006) is that the model doesn’t recognize or choose to highlight that some users/citizens don’t want to be involved and the model does ignore if the citizen participating are representative for the entire population or not. The authors argue that user/citizen involvement models must have multiple ladders reflecting different categories of users/citizens and using bridges to link the ladders to each other’s. This model is more likely to give a more accurate picture of the complexity of the process (Tritter & McCallum 2006). Maier (2001) suggest a different model (see fig 2.3) in which the power center is circled by wider circles of interest groups claiming to be heard and involved. Being closer to the center does in this case mean a higher degree of empowerment.

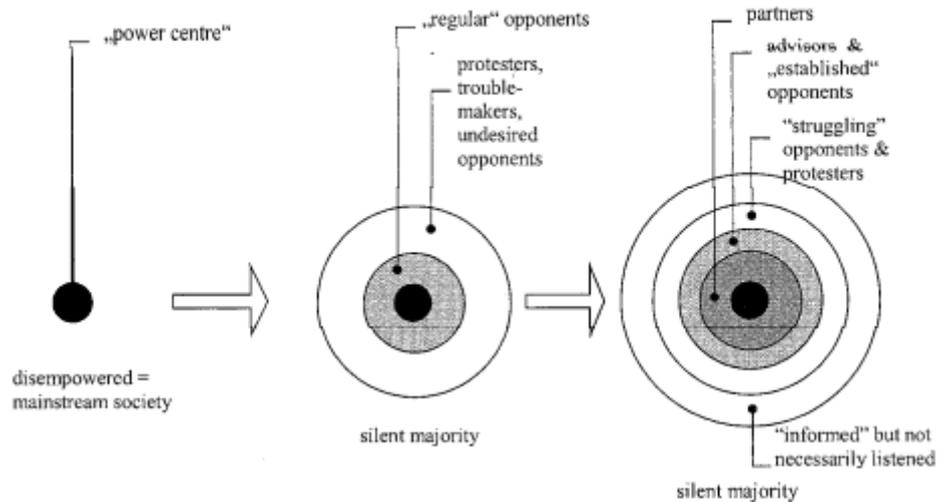


Figure 2.3: Maier's (2001) model of Stakeholder Involvement

2.9 Introducing the front-end process in the Stage-gate model

So far the discussion has been focused on the relation between the state and the inclusion of the citizens in public processes. Little attention has thus been made in understanding how citizens may contribute to their knowledge in order to develop more innovative public services. This section will introduce the *Stage-gate model* – initially a *new product development* process (NPD) used in the private sector.

Taking a product or a service from an idea to a successful implementation lies in the core of innovation (Cooper 2001). This process can vary greatly between different organizations but one model, the Stage-gate process, developed by Cooper has been highly influencing the new product/service development (NPD/NSD) (Schmidt, Sarangee & Montoya-Weiss 2009). The model is based on several sequential stages each with gates at the end where the responsible can choose to move forward or kill the idea. One of the main requirements to make the model function is for the organization to set suitable criteria within each gate and based on those decide whether they should go/kill the idea (Cooper 2001). An eight stage model is seen in the figure below (figure 2.4). The focus will be on introducing the first four stages, the front-end part of the process in which opportunities are identified and concepts are developed.

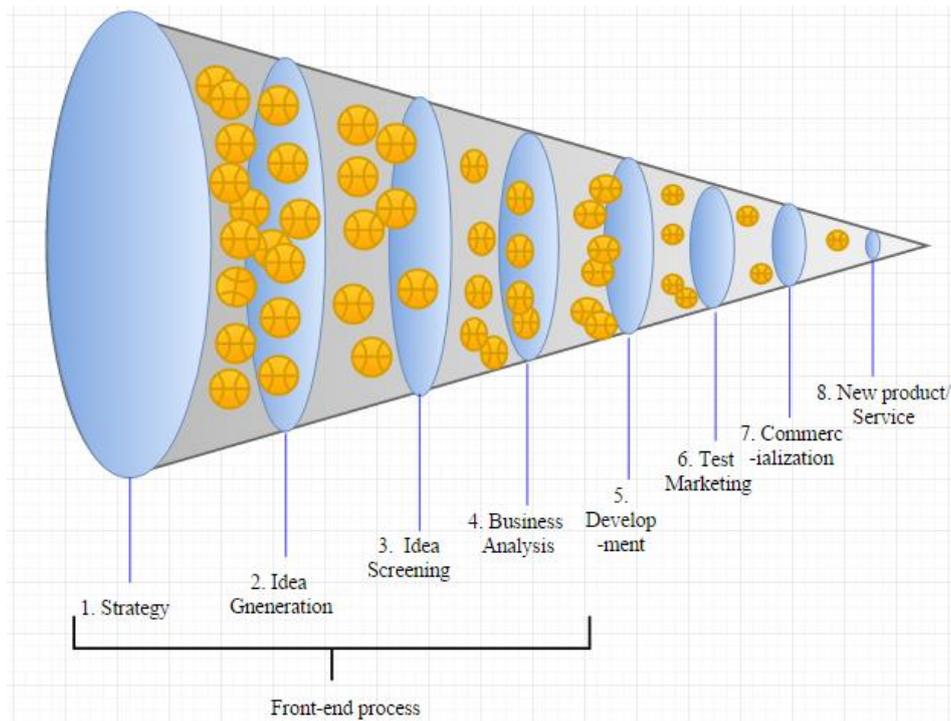


Figure 2.4: The Stages/Gates of product/service development process inspired by Cooper’s Stage-Gate model (2001)

2.9.1 Strategy discovery stage

Cooper and Edgett (2007) suggest that organizations should start with creating an innovation strategy, a master plan that provides guidelines and a direction for reaching product/service innovation. Bason (2010) clarifies that there is a risk for the organization to confuse the innovation strategy with strategic objectives and strategic innovation.

Strategic objectives “should state the core business and the positive change that the organization wants to make in the world” (Bason 2010 p.72). This could for instance be the pursuit of increasing the quality of the democratic process in local governments.

Innovation strategy does on the other hand focus on *how* to internally reach innovation for instance by building capacities (Bason 2010).

Strategic innovation is described as: “... identifying and making actionable concrete challenges that need to be addressed with innovative solutions that will ultimately create the desired value” (Bason 2010 p.73), “... what the organization chooses to do in pursuit of its objectives” (p. 79).

The strategic objectives deals as such with overall objectives of the organization whereas the innovation strategy deals specifically with *how* it needs to be done and strategic innovation with *what* is needed to be done in order to reach the desired objectives and values (Bason 2010). Innovation is therefore those activities that bridge the strategic ambition of the company with the realization of those values (See fig. 2.5).



Figure 2.5: Bason's (2010) reasoning of relation between Strategy, Innovation and Value

The innovation strategy defined by Cooper and Edgett (2007) does especially target the private market and product development. Bason (2010) apply this definition in the public sector and acknowledges that there are no “best” approaches to recommend but rather possibilities for the organization to choose what to analyze, whom to include, how to adapt it into to the daily practices etc.

2.9.2 Idea generation stage

The idea generation stage draws on gathering many ideas to feeding the development process. Gathering a large number of ideas is needed since, as Cooper and Edgett (2007) estimates, it takes roughly 100 ideas to yield one successful product. The authors advice the organization to open up the ideation process and harvest ideas both internally, e.g. employees and others within the organization and externally, e.g. customers, universities, researchers and other companies. This is based on the *open innovation* paradigm suggested by Chesbrough (2003) simply stating that not all the smart people works for you; one has to reach outside the walls of the organization to acquire new ideas, and knowledge.

One trend towards opening up the idea generation process is to involve the customers in new ways (Cooper & Edgett 2007). The authors warn organizations to simply go out and ask the customers/users what they want because they are not always aware of what solutions there are to solve their problems. The voice of the customers/users is research which requires more effort than this and should aim towards getting inside the head of the customer/user and understand their genuine needs, problems and wants (Cooper & Edgett 2007).

2.9.3 Idea screening and Business analysis

While the idea generation stage focuses on harvesting many ideas, the idea screening stage is more concerned with analyzing, selecting and developing ideas (Cooper & Edgett 2007). It is a convergent process which requires applying tougher criteria and appropriate evaluation methods in order to decrease the number of ideas. The authors do suggest organizations to use a scorecard approach in order to have a fair assessment of which ideas that should be selected. Criteria can be adapted depending on the organization but a strategic fit, market/customer fit, technical and resource/capacity feasibility and risks are a few of the criteria that could be applies (Cooper & Edgett 2007). Further analysis can be made in the next stage, the business analysis, with a main purpose of understanding the overall business design. The stage is necessary to estimate demands, cost, and revenues and to explore how the values can be captured (Cooper 2001).

2.9.4 The development of the Stage-gate

The Stage-gate process has had its fair share of critique. As Cooper, Edgett and Kleinschmidt (2002b) found, many organizations failed to set tough criteria and therefore had trouble in killing projects. Although the model was created to give the organizations control over their development process, several concerns were brought up e.g. (Mankin 2004) arguing the process was hard to implement, bureaucratic and time consuming. Cooper (2014) acknowledges how organizations have adopted, adapted and developed the Stage-gate process. The Go/Kill decisions are no longer stand-alone. Instead ideas/projects are assessed as part of a portfolio with a trend of favoring smaller, low-risk projects and in less sense larger and more venturesome ones. Cooper (2014) does also identify that changes have been made throughout the years towards reaching adaptability and agility, flexibility and acceleration of the product cycle. Organizations have thus over the years adapted the process to better fit with their needs (Cooper 2014). Studies like the one by Alam & Perry (2002) is concerned with adapting the stages and gates to better fit the challenges of service development. One of the trends find (Alam & Perry 2002; Cooper 2014) is the usage of parallel stages, in order to save time and develop more rapidly. The stages are also becoming more iterative, more depending on a constant flow of building, testing, gathering feedback and revising. Gates are still part of the new generation system but are less relevant than before. The Go/kill criteria are more focused on strategic fit and less on financial ones (Cooper 2014). The author acknowledges how these trend increases the need of knowledge, creation of cross-functional teams and having good networks and relationship with the users.

2.10 Introducing the Componential Theory of Creativity

Creativity will play a crucial role in the front-end process of a development process. In order to understand why, one has to understand the relation between creativity and innovation. A common theme when defining innovation is to highlight the importance of newness of the idea, being either new to the market or to an organization (Bloch & Bugge 2013). Amabile (1996) support this view as well but choose to define innovation as the successful implementation of creative ideas in organizations.

Creativity is then further defined as the generation of new and useful ideas (Amabile 1988). Creative ideas can be generated both individually and by working in groups (Amabile 1988). Amabiles Componential Theory of Creativity (1996) assumes that all individuals are capable of producing creative work in some domain by only having normal capacities. This is then depending on the *expertise*, *the task motivation* and *the creative thinking skills* of the participants. An introduction to these characteristics will be given below as well as a focus on the definition of freedom within the creative environment.

Expertise is thus argued to be a crucial part of creativity which is needed to generate new ideas (Amabile 1996). Granovetter (1985, 2005) acknowledges how the relationship between the actors can have an impact on the innovation process in a network context with an involvement of multiple actors. A distinction is made by the author between strong ties characterized by common norms and high network density and weak ties, a more diverse group with less common norms and lower network density. Strong ties are due to a high amount of trust, common aims and language of communication easier for innovations. On the

other hand weak ties are reported to be more useful where there is a need of new knowledge and thinking (Granovetter 1985). Weak ties is thus a harder challenge to manage but is, if managed well, more fruitful for innovations than strong ties because more novel information flows to individuals through weak ties (Granovetter, 2005). This is one of the reasons of why the organization should include multiple actors in the ideation process with a diverse experience and knowledge related to the product/service. Amabile (1998) supports the need for diversity in a group to stimulate creativity but the author also acknowledge that this is only a starting point and highlights three further needs: the recognition by the members of the unique knowledge and perspectives that other members bring on the table, sharing an excitement over team goals and a willingness to help teammates through difficult periods and setbacks. This does somewhat require the actors to have the motivation to do so (Amabile 1997, 1998).

Motivation is differentiated into intrinsic; something that is inherently interesting or enjoyable and extrinsic; something to do that leads to a separable outcome (Thapa et al 2015). The authors do also distinct these motivations based on if they are expert-specific motivations or non-expert specific motivations (see table 2.1).

	Intrinsic motivation	Extrinsic motivation
Non-expert-specific motivations	<ul style="list-style-type: none"> - Fun at solving puzzles - Contributing to the public good/altruism - "Love for the community" 	<ul style="list-style-type: none"> - Financial reward - Non-monetary rewards
Expert-specific motivations	<ul style="list-style-type: none"> - Applying skills - Challenge 	<ul style="list-style-type: none"> - Skill development - Career advancement - Reputation building

Table 2.1: Thapa´s et al (2015) categorization of motivations

An example in the public sector is how citizens are used as a resource to problem solving. Schenk and Guittard (2011) define for instance two form of citizen-sourcing, *integrative* and *selective*. The *integrative citizen-sourcing* is based on asking a large number of citizens to perform simple tasks whose output is a source to solve the actual problem addressed. This form of citizen-sourcing requires little time and effort from the citizens. The *selective citizen-sourcing* requires the citizens to solve more complex problems and is more time consuming often resulting in using a more selective population (Schenk & Guittard 2011). Thapa et al (2015) argue thus that citizens may have different motivations depending on what type of citizen-sourcing they are participating in. Their study, based on surveying 128 citizens, reveals that there is a positive correlation between the citizens´ willingness to collaborate in both integrative and selective citizen-sourcing and their level of expertise. However the study did also include surveying 358 reform officers in German local authorities and the result show a low levels of trust towards including the citizens with only 13,4 % of local administrations considering citizens to be an important factor in reform implementation. This was in line with the previous research about the topic although a distinction is made explaining that this level of trust had more to do with the lack of confidence in the citizens´ motivation and skill and knowledge to solve the problems (Thapa et. al 2015).

Creative thinking skills are described by Amabile (1998) as the diversity of tools individuals applies to problems, i.e. their capacity to put existing ideas together in new combinations. Part of the skills is to accurately define problems, view challenges for different perspectives, generate multiple ideas, and select the best ideas and implementing those solutions (Amabile 1998). Creative thinking skills are therefore crucial for the success of the Stage-gate process described earlier (Cooper & Edgett 2007).

The creative thinking skills are in details divided into *cognitive*, *affective*, *motivational* and *environmental* levels. Simplified the *cognitive* level is the awareness of creativity in ourselves and other and it includes field-specific expertise, perceptiveness, originality, attraction to complexity, open-mindedness etc. (Amabile et al 2005; Amabile 1997). The *affective* level includes characteristics such as humor, curiosity, risk-taking and independence and by studying the diaries of 222 workers, Amabile et. al (2005) suggests that there is a possible relationship between positive affection and creativity in organizations. The *motivational* level has been touched upon previously. Amabile (1998; 1996) does also highlights *social environment* as an important level to block or stimulate creativity. Harshly criticizing new ideas and excessive time pressure are two mentioned examples which can block creativity in an organizational setting while a clearly articulated and encouraging vision by top management and freedom in carrying out the work are two examples which can stimulate creativity (Amabile 2012).

Freedom or granting freedom does not, according to Amabile (1998), mean simply letting the participants taking over the process; “*Creativity thrives when managers let people decide how to climb a mountain; they needn’t, however, let employees choose which one*” (Amabile 1998 p.82). This does support the encouragement by Cooper and Edgett (2007) that advises organizations to think about their strategies as a first step in a development process, in order to provide a guideline and a direction for the entire innovation process. Goals and visions can be up for discussion but clarity and stability of those are more likely to foster creativity since it helps the participants to focus (Amabile 1998). Autonomy, a form of self-government, should instead be giving to the participants within these frames since it gives participates a sense of freedom in how they approach their work and it heightens their intrinsic motivation and sense of ownership (Amabile 1998).

Freedom is according to the author also related with two main resources, *time* and *money* and both can have a major effect on creativity and therefore needs to be managed carefully. A delicate balance is required since there are situations when time pressure can strengthen creativity for instance when scientists become more motivated to find a cure for cancer. On the other hand, having tight deadlines and a short time-period for exploration will probably cause a decrease in creativity (Amabile 1998). The same statement can be made for funding since an unlimited/ undecided budget may disorient the participant while a too tight budget can push the participants to focus more on how to find additional funding rather than focusing on developing new products or services (Amabile 1998).

2.10.1. Applying the theory in local government

A study by Hennala, Parjanen and Uotila (2011) investigated the challenges of multi-actor involvement in the idea generation process in a local government. The study involved the “Ageing People” representing the users, “Experts” people with relevant knowledge about the services, “Designers” represented by students, “Owners”, managers in the public and a “Broker” to lead the process. The study was based on an online idea generation platform where all individuals in the study could log in and send in their ideas regarding how to improve the services for the ageing people (the role of the owner group was to be curious about the ideas). A relevant finding was the observation of how the different groups sent in their ideas differently during the process (see fig. 2.6). The observations show that experts were keen on sending in their ideas in an early phase. This could be seen as a problem since the expertise which is argued by Amabile (1997) to be the foundation of creativity didn't built on ideas from other groups.

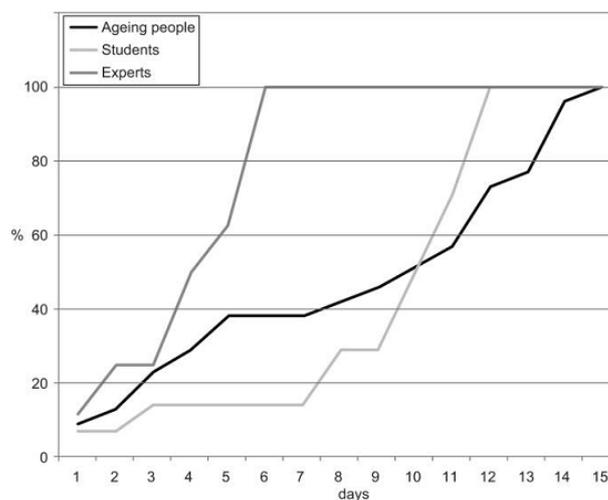


Figure 2.6: Timeline of idea distribution of three different groups, Hennala, Parjanen and Uotila (2011)

There is simply a risk of unwillingness by the experts to listen to the users' idea once they handed in their own ideas. The study by Hennala, Parjanen and Uotila (2011) recognizes the main role of the independent broker to guide this process.

2.11 Summing up

This chapter has taken a wide and comprehensive overview of opportunities and challenges of the public sector, particularly local governments, to innovate. The need to innovate is highlighted by the many complex challenges lying ahead such as the climate change and ageing population. However little is yet known about how the public sector innovates and develop their services. Previous research has either adopted methods from private product innovation or focused on differentiating between the private and the public sector. There are new approaches in which the relation between services/public services and products has been reversed but also an effort to integrate them into one inclusive model (Gallouj & Zanfei 2013; Djellal, Gallouj & Miles 2013). The existing literature criticizes the “ill-suited” environment in the private sector mainly claiming how an avoidance of risk, a lack of competition, bureaucracy and the organizational structure do hamper innovation. Other researchers such as

Hartley (2014) take a different approach and rather see opportunities in this environment to stimulate innovation pointing to the possibilities of inclusion, implementation and diffusion in the private sector. Due to the heterogeneity of the public sector, a further focus has been made towards public administration and management. Osborne (2006) explains how the development has gone from a strict rule of law, to adopting private marketing rules and to currently merge these two approaches into a new form of *New Public Governance* (NPG) which is based on intra-organizational focus and collaboration. This form of governance is contrasted to innovation by Albury (2005 p.51) when mentioning “*need for a more systematic approach that institutionalizes an innovation culture as a deep value in public sector organizations*”. This chapter chooses to especially focus on the need for democratic innovation as well as a introducing how users/citizens can be involved in the innovation/development process.

The literature on democracy is broad but is mainly based on four principles: political equality, inclusion, expressive freedom and transparency (Saward 2003). Hirst (2002) proposes a need for democratic innovation to increase the value of these principles and points several concerns and trends in some democratic countries: a decline in political participation, a decline of participation in non-political organizations which can decrease social trust and a decrease of national governance capacity to instead favor globalization, large companies and marked based rules. These trends are argued to have resulted to more passive citizens (Hirst 2002). A plurality of solutions are suggested where researchers either emphasize a need for a more direct democracy that increases the power of the citizens (such as Budge 2000; Saward 2000; Hirst 2002) or emphasize on how to make the representative democracy more equal and included (such as Fishkin & Luskin 2000; Squires 2000).

Three main characteristics of democracy are acknowledged by Saward (2000): deliberation, representation and association. Deliberation emphasizes the need to discuss and learn from each other in a democratic system (Smith 2000) but is also concerned with how to involve thousands and even millions in the process. Representation in democracy is more concerned with who is actually participating in the democratic process and the deliberative process (Squires) and Young (1990; 1997) advocates for a focus on including social groups, rather than interest groups, in order to gain insight from the plurality of perspectives rather than pursuing pre-defined interests. Mills and King (2000) highlight instead the need of caution and acknowledgment of people’s limited knowledge when it comes to risks and Eckersley (2000) urges for a representation based on those affected by the potential risk rather. This requires a more inclusive view unlimited by territorial boundaries. Associative democracy finally highlights a need to involve the citizen in the society as a whole and Hirst (2002), being one of the advocated, acknowledges a need for the authorities to support the creation of associative institutions in order to delegate some of the power to the citizens and as such also relief some of their burdens. However this demands both a trust between citizens and authorities as well social trust between people (Rothstein & Kumlin 2001; Putnam 2000).

Finally this chapter further introduces the Stage-gate model especially the front-end part of the process in which opportunities are identified and concepts are developed. The model was originally designed by Cooper as a process for New Product Development (NPD) in the

private sector. However the model has been adapted by organizations over time to better fit their daily practices (Cooper 2014). In this case it is used as a model for developing new services in local governments. The four stages described emphasize the need to know the strategic objectives, have a plan to run the process, the innovation strategy, to open up the idea generation process and to set specific criteria when assessing the ideas (Cooper & Edgett 2007).

An introduction to Amabile’s Componential Theory of Creativity is made in order to understand the role of creativity in the front-end process. The theory (Amabile 1996) assumes that all individuals are capable of producing creative work in some domain by only having normal capacities. This is then depending on the expertise, the task motivation and the creative thinking skills of the participants. A highlight has been made about the importance of having networks of weak ties to produce more novel information flows which can stimulate new ideas (Granovetter, 2005). Acknowledgements have been made towards the diversity of extrinsic and intrinsic motivation people/citizens can have to participate in the process (Thapa et al 2015) and also towards the importance of creative thinking skills, the diversity of tools individuals applies to problems, i.e. their capacity to put existing ideas together in new combinations (Amabile 1998). Table 2.2 illustrates an overview of this chapter. A question mark is set between democratic innovation and innovation/development process since the main purpose of this study is to understand in what ways these two can coexist in local governments.

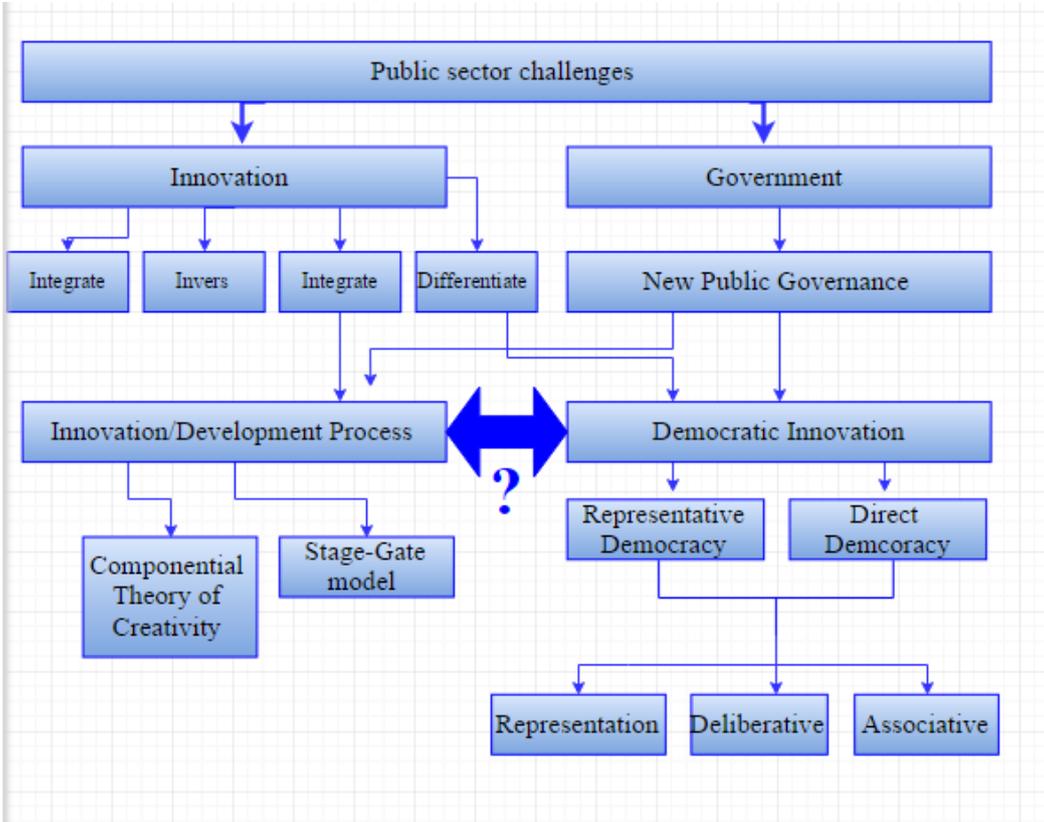


Table 2.2: A theoretical overview of the chapter

3. Methodology

This chapter discusses the reason for choosing the topic and methodology and describes how the study has been conducted as well as the quality of the research.

3.1 Introduction

How does the public sector innovate? This initial question was the starting point of this study. This question was appealing to me as a researcher with an experience of working in the public sector and studying entrepreneurship and innovation.

The next step was to get a brief overview of the research topic. The research of the subject was wide uncovering the heterogeneous structure of the public sector, history of influences and roles in innovation. The definition included academia, health sector and other public services, politics and policies, international to local government etc. Researchers were also interested in understanding the relation between the public sector and the private sector. The Triple Helix model highlighted the supporting role of state as important to drive innovation in the academia and the private sector. The public sector was in general seen as passive adopters of innovation but recent research had also been interested in seeing the challenges and opportunities the public sector had to be innovative. Service innovation was also gaining more interest in the field and this is summarized by the different assimilation, demarcation, inversion and integration perspectives taken by different researcher to compare product with service/public service innovation. Other studies highlights the development of public administrations and management from a strict and regulated PA, to a more private influenced NPM and currently a more open and collaborative role in NPG. Part of this transformation was a need to innovate to solve some of the major challenges ahead but also the need for public/citizen inclusion.

The initial question of how the public sector innovated seemed too wide and there were no theories or general models to use. A further focus was made on the need for democratic innovation and contrasted it to what can be gained when including the public/citizens in the public innovation/development processes.

3.2 Research design

The two specified research question can be seen below:

(1) What does a democratic public service development process look like in local governments?

(2) What main characteristics have profound impact on the actors' involvement in the process?

The research design has been chosen in order to answer the above stated research questions within the limited time of the study. The first question implies that this is somewhat a democratic public service development process. To answer the question one should describe what is going on in the process, who is involved, in what way etc. The questions itself is explorative trying to understand how a more known phenomena, service development has

been incorporated in a new environment of local governments where democratic considerations matters.

The next step was to decide on whether to conduct a deductive or inductive approach. A deductive approach could for instance mean to make hypotheses based on how the local government are including a democratic service development process while an inductive approach could for instance mean to gather empirical data by observing, interviewing actors etc. in such a process and then compare this and contribute to the theory (Bryman & Bell 2011). The second alternative was seen as more suitable in this case due to the wide approach of the study, combining ideas and models from different fields. Testing hypotheses would have been difficult since elements in the process were not identified until after the study.

Is a quantitative or a qualitative approach or a combination of both most suitable? A general explanation is given by Bryman & Bell (2011) simply explaining qualitative research as research strategy that emphasizes words rather quantification in the collection and analysis of data whilst quantitative research employ measurement. An example of a quantitative approach could in this case be to conduct a survey, and send it to participators in the process, with well-defined questions that can answer what, where, where and how open innovation was included in the process. The problem is that this is challenging due to the difficulty of defining and measuring the phenomena, democracy, service development, innovation etc.). A qualitative approach by conducting interviews was therefore more suitable since it will be easier to let the interviewees put the definitions into their own words. Using unstructured or semi-structured interviews did also allow for room for additional information to appear which seems suitable in this explorative research.

The second research question supports the explorative, inductive, qualitative approach and it does also imply a need to categorize the information gathered.

One important question needs to be asked and that is on whether a single case study is sufficient to answer the research question or if there is a need for conducting multiple case studies or maybe an experimental design? It is important to acknowledge that time and budget limit does constrain the research design in this study. As such a longitudinal design was not an option for the study. A single-case design of an event (the process) (Bryman & Bell 2011) has in that case been most suitable. The question is can a single study be enough to answer the research questions? The first research question is concerned with exemplifying a way of inclusion between democracy and public service development. As Siggelkow (2007) describes, a case study can be a powerful example. A challenge with both research questions is to gather enough empirical data to be able to answer the questions. In that sense it was rather a matter of asking how much data and how much participators can be included to gather as much insight as possible. An alternative was to choose between conducting multi-case studies on a basic level or a deeper single – case study (due to budget and time constraints). The latter was considered more suitable since a deeper understanding was needed in order to answer the research questions.

An intrinsic case was chosen, Göteborg 2021. The intrinsic case does not focus on gaining insight into other cases or generic issues but rather to gain insight into the particularities of the

situation (Stake 1995). The research questions do not imply a need for generalization but rather to understand the phenomena in the specific environment. Stake (1995) also adds that selection of the case should be based on the opportunity to learn. In this case the case study chosen did fulfill all the requirements to answer the questions and could therefore be a powerful example.

Lastly, there was a challenge of choosing a suitable analysis. Narratives, grounded theory and qualitative content analysis have been considered as options. It was important to look at the research questions and the constraints of time and budget to see what the most suitable approach was. Narratives have the advantage of telling stories and are often after to explain *why* (Pentland 1999). This requires a comprehensive level of time to conduct, transcribe and analyze. In practicality only a few interviews will be possible to conduct. There was no need in this case to do this since the question *why* was not asked. Grounded theory would be more suitable but it does also require time and iteration to saturate the needed empirical data needed to generate or add to a theory. In this case qualitative content analysis was chosen due to the opportunity of analyzing large data and categorizes it. Both a critical and a systematic content analysis have been conducted (Esaiasson et al 2012).

3.3 Case study

In reality the case was introduced while the research questions were taken shape. In a practical sense research questions need to be adapted to the case study as well as the other way around. The initial approach was to make a brief literature overview, start collecting the data and then compare the empirical data with research. In practicality, booking and conducting interviews as well as being introduced to the case and the decision makers take much more time than expected. Research was as such read during the data collection although the main research analysis was conducted during data analysis stage. The next section explains what and how the data collection was gathered.

3.3.1 Data collection

Literature was gathered mainly through the university school engine for publications and the university library. Reports were also downloaded through Google Search. Relevant literature was read throughout the study.

Relevant data about the study were gathered with the help of the process managers, after advice from the interviewees and by searching the web. All documents desired were available and shared. The documents were helpful tools to understand the general content.

16 interviewees were part of the study divided in six general groups (see figure 3.1). Since this was an explorative study a strategic sample of original nine interviews were made during the process complemented with additional seven interviews, a snowball effect sample in which one interview leads to seeking up another interviewees to supplement the information. An interviewee was chosen on a few main principles: the possibilities of them revealing more information/perception about the process and to be more representative of the different actors involved. However, only active participants in the process were selected and therefore actors such as citizens that chose to not participate were ignored. Interviewees were additionally

chosen to be comparable such as the case of choosing three different chairmen/chairwomen in the perspective groups, two politicians with different party belongings, three project managers etc. 15 face to face interviews were conducted while one phone interview (with Person J) were conducted. The interviews lengths ranged between 45 minutes to 120 minutes with most of them being around 60 minutes. A previous meeting with person C (the process manager) was set to introduce the study, book meeting and get hold of relevant documents. The interviews were conducted during a period of five weeks.

All 16 interviews were recorded on tape, except for one error. Unstructured interviews were conducted in order to explore the serious of event they took part of. Open questions were used but there was a challenge since it was an oral history interview – where the respondents have to recall events for the past and reflect on them (Bryman & Bell 2011). One way of going around this was to prepare and read documents in order to refresh their memories. This did sometimes mean asking leading questions in order for them to remember the event.

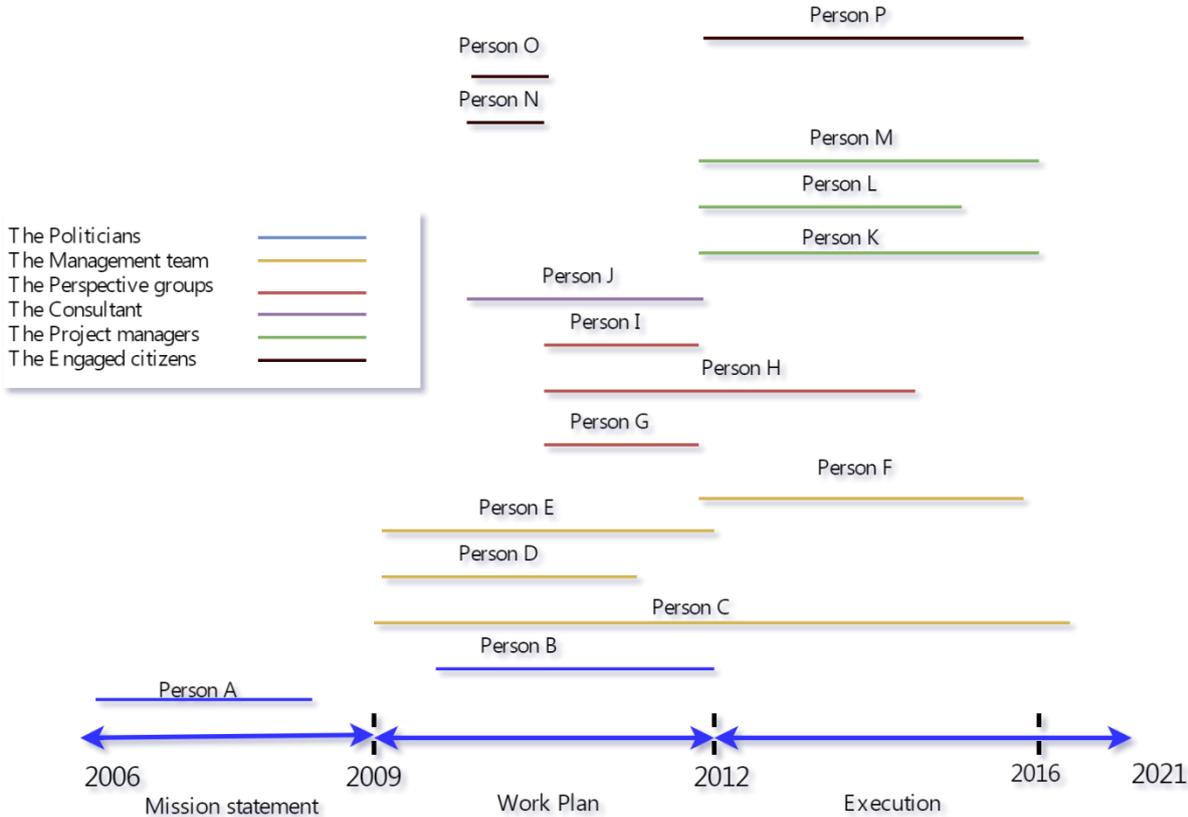


Figure 3.1: Timeline over the different time involvement of the 16 interviewees in the process

3.3.2 Data analysis

A saturation of empirical data was reached, in concern with the time constraints. The recorded interviews were being listened to directly after, the same day or one or two days later and written down as paraphrases. It is important to note that interviews were not fully transcribed but coded directly. Recording issues occurred during the one phone interview but notes were taken directly after the interview and therefore the data were used. Once all the interviews were listened to and coded, a second round of coding occurred. During this step codes from

each interview were compared with each other both to answer research question one, describing the event from start to now, and to describe important factors in the process, as described in the analysis chapter and later interpret to answer research question two. During this phase a comprehensive research analysis were made in order to match the empirical findings with relevant research. The research were mainly targeting a category identified e.g. how trust affect innovation or an event identified e.g. how a strategy stage can be included in the service development stage.

3.3.3 Discussion of research quality

Four criteria can be argued to define the level of trustworthiness in qualitative studies:

Credibility: is the study and findings believable? Part of increasing the credibility was to write detailed empirical findings with paraphrasing as a way of making the reader interpret the findings as they want. The study has also been concerned with using a large sample of data from interviewees and documents in order to make sure to describe the events as truly as possible. No direct citation has been made both due to translation implication and since no direct transcription was conducted.

Transferability: the research is not concerned with generalization to other studies. Instead a representativeness of actors within the study is more concerned. As mentioned in the introduction the research focuses more on the inclusion of the public/citizens in the process and one could sense a bias towards understanding their role more than highlighting the role of the private sector and the public sector. Selective strategy was used to select the interviewees and complete representativeness can be claimed. All three citizens chosen were engaged and motivated in the process and they might not represent the average citizen.

Dependability: there is a challenge in qualitative studies to repeat the study and gain the same result. Using unstructured interviews make it for instance harder to replicate the procedure. The same can also be said about the timing of the study. Other findings would have been gained if the study were conducted for instance three years ago or five years from now.

Confirmability: the researcher is aware about the personal bias that needs to be taken into consideration. One bias could be towards the level of prejudice about public sector innovation that the researcher may have when conducting the study. As a researcher one must also be aware on how the personal background and experience can interfere with the empirical findings and analysis. By having an education in entrepreneurship and innovation there is also a bias towards highlighting findings related to these issues more than other topics.

3.4 Ethics

Finally research ethics is important to consider. Due to sensible information and this study chooses to use pseudo-names for the interviewees (presented in the empirical findings). No names are mentioned when paraphrasing a sensitive area. The researcher has asked all the interviewees permission about recording the interviews on tape.

4. The case

This chapter describes the challenges of Gothenburg as a city, introduces the case of “Göteborg 2021” as well as the 16 interviewees.

4.1 Gothenburg – a place in change

The city of Gothenburg is with a population of approx. 500 000 people the second largest city in Sweden. Lying on the west coast by the Atlantic sea, the city has the largest harbor area in the Nordic region. Once, the city also had a large shipyard industry but the oil crisis during the 1970s was a hard hit on the industry (Jörnmark 2005). Competition from other European harbors has also been tough to the city. Jörnmark (2005) reflects on the definition of creative destruction stated by Joseph Schumpeter and concludes that this is the rule of nature in which old industries, mental pictures and owners need to disappear before one can make room for new innovations. Although old industries don't always vanquish entirely, other industries will rise. The last decades have been the rise of the service industry in the western world. The old shipyard areas in the middle of the city have slowly been transformed to knowledge intensive clusters, Gothenburg as an event city continues to develop (Jörnmark 2005) and thousands of university students are moving in to the area. Large companies such as Volvo, SKF, SCA, Ericsson and Astra Zeneca are present in the region and contribute to its economy.

The city of Gothenburg is undergoing a noticeable change in its structure as a large increase in population with more than 100 000 additional citizens, are expected to move in by 2025 (Goteborg.se 2016). The city and the entire region have ambitions to develop and grow while solving some of society issues such as segregation. This has also been a rise of big projects such as: “Vision Älvstaden” (Älvstranden Utveckling 2016): the development of the old shipyard areas by the central river area, “Västsvenska Paketet” (Trafikverket 2016): a substantial infrastructural investment in the region, and “Göteborg 2021”: the celebration of the city's 400th anniversary (Goteborg2021, 2016). Big projects like this requires big investment by the region as a whole, public –private collaborations and as exemplified with the case of “Göteborg 2021” also a need to open up the process and include the public/citizens.

4.2 The case of Göteborg 2021

“Göteborg 2021” is an initiative taken by Gothenburg City Council to celebrate the 400th anniversary of the city in the year 2021. The project's vision is to make Gothenburg internationally known and a place that people all over the world would desire to visit and live in. The Gothenburg tourism agency, Göteborg & Co, was handed the mission to deliver a work plan that could reach the vision stated. An ideation process was conducted to gather and select ideas from the citizens/public and expert groups including members of the academia, private businesses, voluntary organization and local public organizations. The process generated thousands of ideas whereof dozens of those were chosen as promising ideas for further analysis. These ideas/projects are currently (2016) under development and some of them have been merged into one another, some are in the investigation phase and a few have already been partially implemented. The planning process of the anniversary started in 2006 and has so far included the involvement of thousands of people in the local government, public administrations and businesses, private companies, academia as well as the

public/citizens. The main target of the process is the anniversary year of 2021 with a hope of making, much as the two previous anniversaries in 1923 and 1971 did, a lasting impact on the development of the Gothenburg region. Figure 4.1 illustrates an overview of the process. The process is divided into three phases: one mission phase where the mission was identified and stated, a work plan with idea generation, idea selection and strategy and lastly and execution phase divided into investigation and implementation. A further description of the process will be provided in the findings. Appendix 1 briefly describes the organizational structure of the local government in Gothenburg.

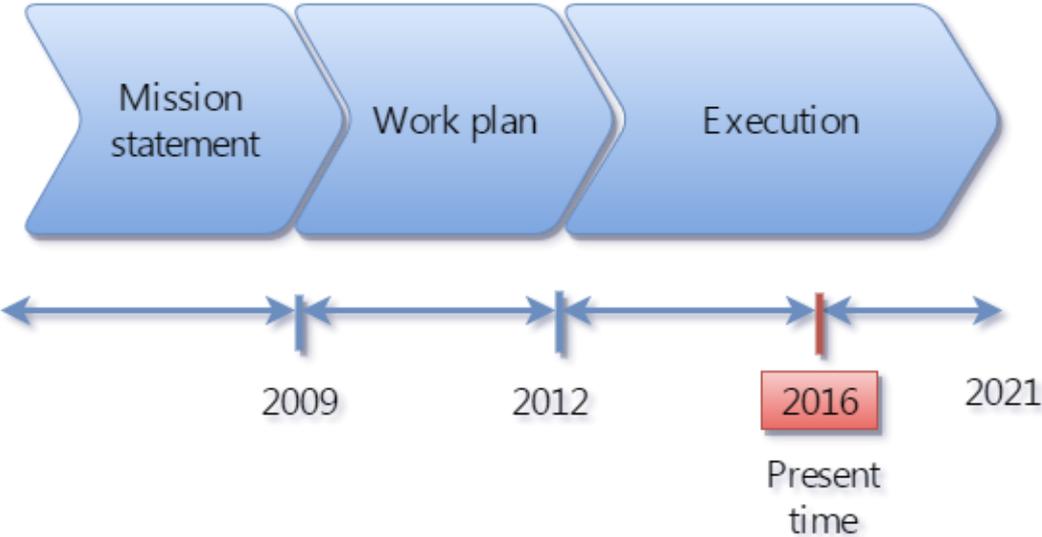


Figure 4.1: An overview of the development process

4.3. Presenting the interviewees

The politicians

Person A (Annie): she was representing her party as a Deputy Mayor in the City Executive board during the late 00s. Annie was inspired by the former 300th and 350th year anniversary of the city and an initial motion was handed in by her in 2006 asking to appoint a working group for the planning of the next 400th year anniversary in 2021 (Göteborg 2021).

Person B (Beatrice): is currently a Deputy Mayor part of the City Executive Board. Beatrice was representing her party in the political reference group. The group had the task to monitor and comment the work of the project manager group (Göteborg & Co).

The management team

Person C (Carol): is working for Göteborg & Co. She has been the process manager of Göteborg 2021 since the mission was handed to Göteborg & Co in 2009.

Person D (Daniella): was working for Göteborg & Co. She has played a main part for the development work during the early phase and after the work plan. She was also the summary coordinator of the work plan.

Person E (Erica): is working for Göteborg & Co. She was responsible for the structure of work plan and the idea book.

Person F (Frida): has been the CEO of Göteborg & Co since 2012 but had followed the project in distance since the early phase. She is also the convener of 2021 consultancy.

The chairmen/chairwomen of the perspective groups

Person G (Gunnar): was the chairman for the “Green city” perspective group. Gunnar has extensive experience in leadership and organization and has been part of large organizations such as Volvo, IKEA and the Clinton Climate Initiative.

Person H (Helen): was the chairwoman for the “City of youth” perspective group. She was also responsible for the pilot study “Spaces for young influences”. Helen has a background in architecture and is currently the head of unit for “Young Culture” in the city.

Person I (Ian): was the chairman for the “Open city” perspective group. He is now working for Göteborg & Co as an operation manager and has a previous experience in politics.

The consultant

Person J (Jenny): was the process manager for the perspective groups. Jenny specializes in design thinking and has extensive experience in working with other municipalities and public organizations.

The project managers

Person K (Kevin): was in charge of the pilot study “Cable cars across the river”. He is currently the project manager for the implementation of the same project. Kevin works at the Traffic Office in the municipality.

Person L (Laura): was the project manager for “Youthful influences”. She is currently working as a program coordinator at a culture center for young people.

Person M (Marie): is the project manager for “Swimming in the middle of town”. She is also the project manager of “Jubilee Park”.

The engaged citizens

Person N (Nathan): was one of many citizens that submitted in ideas for the idea book. He submitted in many ideas and is generally engaged in creative thinking.

Person O (Olaf): was also one of many citizens that submitted in ideas for the idea book. He did also submit many ideas and has a background in architecture and citizen organizations.

Person P (Paula): was part of the young reference group. She is also leading a citizen organization that emphasize on a greater citizen dialogue in the society.

5. Empirical findings

This chapter describes the democratic public service development process in the case. The findings are based on interviews and relevant documents. The first section focuses on describing the event while the end of the chapter describes and contrast data from documents and opinions from the interviews regarding specific elements and settings in the process.

5.1 From a motion to a mission (2006-2009)

Göteborg 2021 started as many other big projects, as a small idea. The councilor “Annie” sent in 2006 a motion asking to appoint a working group for the planning of the next 400 year anniversary for the city of Gothenburg (in 2021) (Göteborgs Stad Stadskansli 2006). This was followed by another motion only two days after by a different councilor adding further support for the motion.

Annie: I had a lot of ideas and there were politicians that thought I was crazy, even in my own party but I also had many good friends in different parties.

The initial idea of the celebration included creating a large book work about the city and planning for a large event to celebrate the anniversary. The two motions were combined into one and sent for opinions to the public organizations concerned such as the Administration of Culture, Liseberg and Göteborg & Co. The response was positive. Göteborg & Co shared for instance the vision of celebrating the city and believed the jubilee could strengthen Gothenburg’s image of being a prominent event city (Göteborgs Stad Stadskansli 2006).

Annie: Most of the people involved were positive to the celebration. It is hard to argue against celebrating something but there were also people that thought it was too early to start.

The City Executive Board appointed during the spring of 2007 a review panel with one representative from each party to plan ahead for the jubilee project. Lecturer were invited and several seminars were held as well as studying the past city jubilees.

Annie: I was part of the review panel and we decided early to ensure that this jubilee should involve the citizens of Gothenburg without much involvement from us politicians. A lot had happen during the last two jubilees, in 1923 and 1971, such as the building of the Botanical garden, the amusement park Liseberg, several museums and later on a big indoor arena Scandinavium. We should be better at celebrating but it doesn’t have to be as costly as the other jubilees. This time it should be about the soft issues.

The review panel was clear about the big impact the last two jubilees had to the current shape of the city and suggested to continue building on this tradition especially since there was still plenty of time left until 2021. All the units in the municipality should think about their role in this celebration and look through if it’s possible to synchronize other work as well. The entire city including the citizens should be involved (Göteborgs Stad Stadskansli 2009).

Annie: We thought that this kind of project was a perfect fit for Göteborg & Co (marketers and developers of Göteborg as a city of tourism, meetings and events). The project was not only for the citizens but also to promote the city.

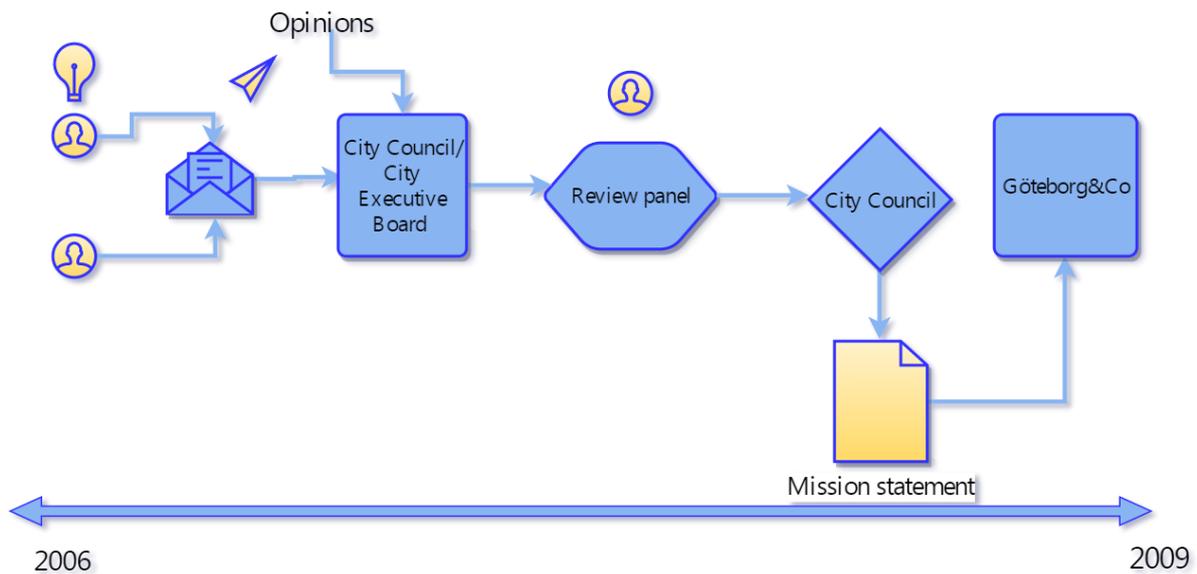


Figure 5.1: The process from a motion to a mission

5.2 Take the mission and make it into a work plan (2009-2012)

Frida (Current CEO of Göteborg & Co): We had to make sure that there were enough human resources in the company to deal with this project. The project needed full dedication.

A project manager was assigned together with a development manager and a few other people within Göteborg Co to lead the work.

Carol (Process manager): We were on a tight budget so we borrowed as many co-workers within Göteborg & Co as possible.

Carol: We wanted to deliver a really good work to the City Council. Besides setting up goals, activities, a timeframe and a budget we were intrigued of actually creating a footprint for the future. In order to do so we had to be brave and think outside the box. Traditional methods weren't sufficient enough to fulfill the mission. We wanted to create an open process for everyone to participate in. The road to the anniversary is as important as the year itself.

A political reference group was assigned with a representative from each party to assist and comment on the work done in the project (Göteborg & Co 2012b).

Beatrice (Part of the political reference group): We had regular meetings with Göteborg & Co and discussed the process. I didn't feel that the group had a clear directive. We were an information recipient and I sent the information back to my own

party. Some of the information was also communicated back to the politician through the board of Göteborg & Co.

5.2.1 Establishing the working process (2010-2011)

The management team decided to divide the process into three primary phases: preliminary study/trends analysis, idea generation, and summary. The first phase involved a thorough analysis of trends looking outside for inspiration from other anniversaries. It also meant to look inside and analyze the history and strengths and weaknesses of Göteborg as a city. This was combined with understanding the concept of sustainable development where the social, ecological and economic dimensions are included.

The next phase and challenge was to create a functioning open process during the idea generation. The process would include idea generation from the citizens and from the perspective groups consisting of people with diverse expertise.

Daniella (Development manager): Most of the people would like to take part of a celebration. A city could be viewed as a pyramid. It is easy for us to reach each level but much harder to make each level communicate with one another.

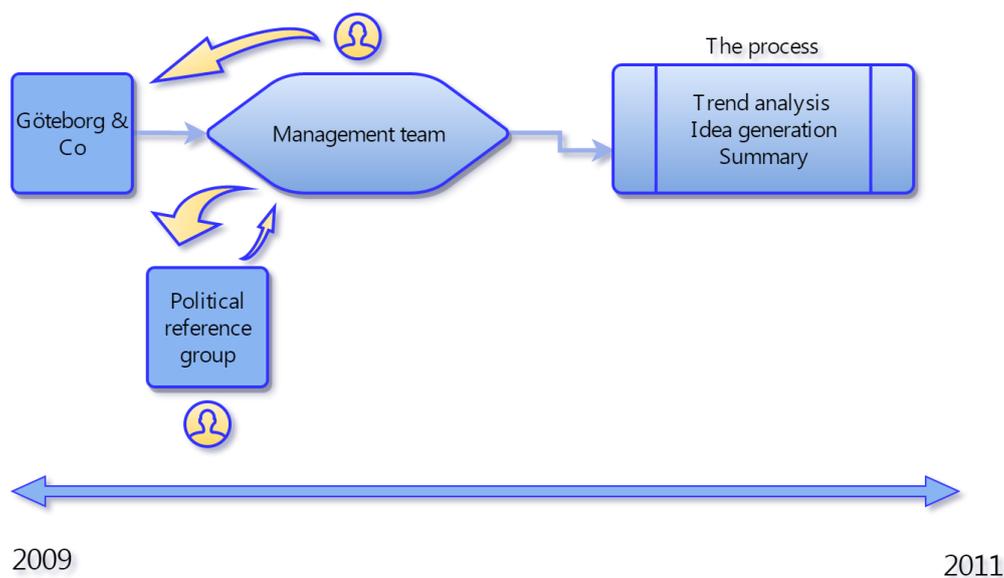


Figure 5.2: The planning of the working process

5.2.2 Listen to the ideas of the public (2011)

The ideas from the public were gathered during almost an entire year. The public could submit their ideas on the web or in one of many events that happened during the year (Göteborg & Co 2012b).

Erica (Manager of ideas from the public): We needed to reach the public in many different ways. One of those ways was to use our events during the year (20 of them) as communication platform to create a dialogue between us and the public. We asked “If Gothenburg will become the best city in the world” then what should it be like?

Nathan (Engaged citizen): I wanted to contribute for the city I live in. I am not from Sweden but it is my responsibility to adapt and be active in the society. I like to be creative and think differently so I was positive about the initiative that Göteborg & Co had taken. I read about them having a stand at the Culture Festival and decided to take the tram to the city and submit my ideas but I didn't dare to go in at first. I passed by the stand but was too scared to go in. They might ridicule my ideas but I soon decided to head back to the stand. I had made up my mind to submit my ideas and I didn't travel all the way to town to not do it. I finally went in and spoke to them. They were very nice and explained that I could submit my ideas on a piece of paper but that was not enough for me. I wanted to have a meeting with them and discuss my ideas, keywords wasn't enough. This wasn't an option though but I finally convinced them to book a meeting which lead to several other meetings. They thought I wanted to get paid. In reality I took time off from my work just to discuss my ideas.

Olaf (Engaged citizen): I have a long history as an architect here in Gothenburg. Being an architect can sometimes bring you closer to the social issues in the city. This made me more interested in civil dialogues and I have been active in several civic groups with a mission to contribute to the societal change. I have picked up many ideas during the years. I don't know how I heard about the anniversary project but it started by submitting one idea on the web and eventually a lot more ideas were submitted.

Thousands of ideas and thoughts were finally submitted by the public. Hundreds of these were handed in by the public through the media as part of a campaign. The ideas and thoughts from the public were also brought in to inspire the further development of the process. Everything will be stored and available for the future to come (Göteborg & Co 2012b).

Erica (Manager of ideas from the public): I among others was at first skeptical about the long duration of the idea generation stage but as the time went by I realized how important this part of the process was. We as a group learned to really listen to the people, enjoyed the connection we made with many different groups and were very impressed of the level of creativity they had. Not opening up the process would have made the process much shallower.

5.2.3 Bring in the experts (2011-2012)

The early development work had resulted in a number of decisions that would eventually shape the idea generation/selection process. The process management team decided to create perspective groups, in parallel with the idea generation from the public, firstly choosing a chairman/chairwoman per group with relevant expertise and then followed by choosing the members with relevant knowledge in the field. Seven groups with around 20 members in each group were created to each represent a specific problem/opportunity area that had to be dealt with. A consultant was hired to guide the process (Göteborg & Co 2012a).

Carol (Process manager): We wanted to engage as many as possible in the process but neither politician nor journalists were allowed in the groups. This could create a better atmosphere to open up and be creative. We started off by choosing chairman/chairwoman for each group and together with them we picked a diverse

group with experience and expertise within the specific area. There were representatives from the private sector, organizations, academic sphere and the public sector. It was hard to be totally representative especially since this was entirely new to everyone. Every group received the same vision, to make a sustainable footprint for the future, but within each specific area.

The groups met dozens of times during a period of approximately a year. Ideas from the public were fed in during the process. Two assistants from Göteborg & Co were assigned in each of the groups to keep notes and help the chairman/chairwoman.

Ian (Chairman, Perspective groups): It is amazing that so many people did volunteer to contribute to the city especially since they did it free of charge.

Frida (CEO of Göteborg & Co): We are used to work with the private sector and know their engagement and motivations but I was positively surprised about the overwhelming reaction from people working in the public sector that loved being part of this process.

The chairmen/chairwomen met once a month and were prepared for each phase. This could for instance be in a form of a lecturer teaching them about the process. The process design manager offered her guidance for those groups that needed it.

Jenny (Process design manager, Perspective groups): The initial thought was to divide the process into three steps; from idea generation, to clustering and cross-fertilization and finally concretizing the ideas into viable projects. I am pleased with the effort and work that Göteborg & Co had put and I was impressed of the result.

Ian (Chairman, Perspective group): I chose to lead the process by myself. I was inspired by others by I had trust in my capabilities of leading. The participators in the group knew they were there to contribute and they were honored. My role was simply to let everyone express themselves but to be honest I am not sure if all of the other chairmen/chairwomen had the same attitude as I did.

Helen (Chairwoman, Perspective group): I had to trust that I was the right person for the job since I had been chosen to lead the group.

The process included different workshops and each group was asked to look into the future and develop a theme and concrete ideas related to their topic. Each perspective group were expected to write down a report about the challenges of the topic, vision for the future and a handful of symbolic/promising ideas that could lead a step further to the vision.

Chairmen/Chairwomen: We started by discussing the topic itself to actually understand what it means.

Helen (Chairwoman, Perspective group): Our topic was about the youth. The definition of youth was people from age 0-30 years. About 25% of the group was presented by young people within that age range while the rest had a vast experience of working with

youth. We decided early in the group to focus on empowering the young people because that was the most important issue to deal with. We all had plenty of ideas but the importance was to make sure that the young people should influence the projects that regarded them. In this sense we were unsure what the process wanted from us, should we only deliver symbolic projects or actually understand the main issue.

Gunnar (Chairman, Perspective group): We spoke about the green city and all the aspects of sustainable development. One big plan will not give us a green city. It is everyone doing something small in the right direction, millions of ideas and small initiatives. We had many ideas but the real challenge is to use our work and implement it. Hopefully when we look back in a few years we would actually see that what we did made a change.

Ian (Chairman, Perspective group): After discussing how the city could be more inclusive we ended up with many ideas. The next challenge was to select only a handful of these and write them down in the report. The process required us to think practically about how much some of the ideas could cost etc. One of the ideas we had, also suggested by the public, was free public transportation. We knew this will be expensive but decided to reframe the idea and instead suggest appointing a commission to investigate the matter.

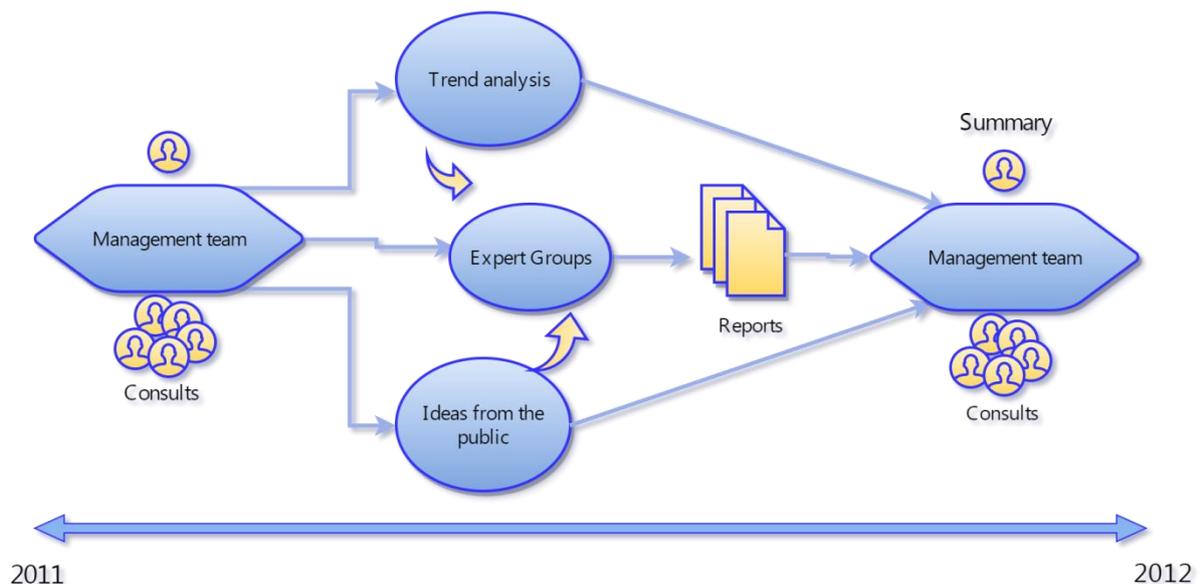


Figure 5.3: The main innovation/development process

5.2.4 Time to summarize (2011-2012)

It was time to summarize the work. The process had generated thousands of ideas from the public and a summarized report from each of the seven perspective groups were handed in. Göteborg & Co was together with consultants responsible to summarize and deliver a work plan back to the politicians.

An idea book consisting of 1680 ideas and thoughts from the public were created and divided into several categories (Göteborg & Co 2012b).

Erica (Manager of ideas from the public): We wanted to categorize the thoughts and ideas in order to understand and create a more concrete work stating what the public/citizens want.

Ideas from the public were combined with the reports from the perspective groups and other ongoing city projects to create themes. Three themes were decided upon: “By the water”, “Building Bridges” and “Open Spaces”. Five symbolic ideas/projects were chosen under each theme with additionally 10 ideas/projects mentioned that could enhance each theme.

Carol (Process manager): When we sat down and went through all of the ideas and reports we could clearly see the themes building up. There was for instance a clear desire to come closer to the water. The three themes we ended up with were also similar to the themes mentioned in one of the biggest projects in the city “Vision Älvstaden”. We could see that we were in the right direction.

Daniella (Process developer): I had the main responsibility for the summary. We built our vision and goals from those ideas. Some of the comments from the public weren't direct ideas but instead thoughts on how the process should be designed and we tried to include this in the work plan as well.

The proposed work plan did also emphasize on the road to 2021 with a suggestion on having a focus year each year concentrating on a specific topic (inspired by the seven topics of the perspective groups).

Carol (Process manager): We wanted to have a focus year in order to include many of the things said in each perspective group but it was also about reminding the public that the process starts now and builds up until 2021. Some citizens that we meet are surprised that we already have started some of the projects.

The final proposed work plan described the entire process so far, including the vision, goals and themes with their respective ideas/projects, the seven reports from the perspective groups, who took part, how and why it was made and a recommendation of how it should continue to 2021 and beyond. All reports became available on the website created for the project. All the documented ideas will be stored as an idea bank for future inspiration. The proposed work plan was handed in to the politicians during the late spring of 2012 (Göteborg & Co 2012a).

Carol: We had finally delivered our mission and were pleased with the result.

5.2.5 Permission to proceed (2012)

It was now in the hands of the City Council to approve the proposed work plan. The City Executive Board prepared the work and opinions were gathered from the City Executive Office and the different parties. There was a support for the process structure but comments were made on how to proceed. Part of the mission was to deliver a timeframe and budget for

the project but the work plan did only deliver a preliminary budget for the pilot study in the year 2013-2014 (Göteborg & Co 2012a).

Göteborg & Co acknowledged the challenge of creating a budget for the entire project since many of the proposed symbolic projects and other ideas were still in an early phase and were in need of further valuation. The company suggested an ongoing planning divided in different stages. Further funding was suggested to come from collaborations between municipalities, businesses, foundations and other actors.

The City Council approved and supported the proposed work plan to act as guidance for future planning. Göteborg & Co should in consultation with The City Executive Office, other administrations and public companies process and prepare the suggested projects/ideas proposed in the working plan and assign responsibility for the pilot studies. The planning should lead to a more detailed timeframe and budget proposal and a yearly report of the jubilee plan. The City Council urges all concerned committees and boards to assist Göteborg & Co to fulfill the mission (Göteborgs Kommunfullmäktige 2012).

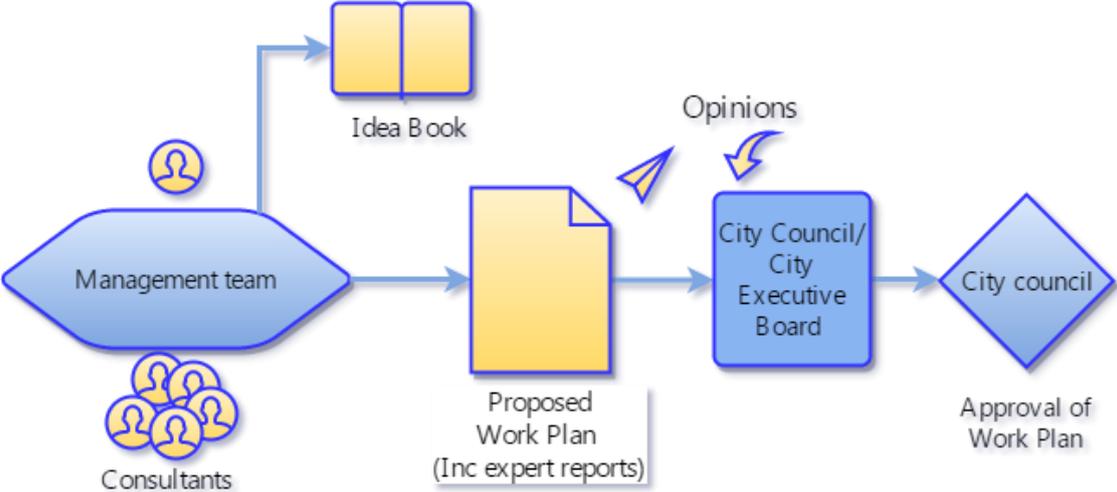


Figure 5.4: The process of work plan proposal and approval

5.3 The new mission (2012-2021)

Carol (Process manager): Our role now was to lead, coordinate and communicate the jubilee project. The project doesn't belong to us but to the entire city.

A collaborative city meant involving more administrations, public companies, businesses and academia into the process. The original 45 ideas/projects merged into 25 pilot studies which were distributed to appropriate organizations (Göteborg & Co 2013).

Carol: We had plenty of requirements for the pilot studies but it was mainly four principles we wanted to communicate: have an open dialogue, to think unique, to include the three dimensions in sustainability and to start now. We had to continue preaching and steering in the right direction.

The political reference group that had been part of the process was now abolished. Göteborg & Co reported directly to the City Council, City Executive board or through the City

Executive Office. A new function called the “2021-samrådet” (2021-consultancy) was organized, consisting of high representative from different part of the city such as Göteborg & Co, the City Executive Office, and the City Planning Office (Göteborg & Co 2013).

Frida (CEO, Göteborg & CO): I am the convener of the 2021-consultancy. The group will have different roles during different stages. We were a tough evaluator during the pilot studies discussing the viabilities, responsibilities and financing of the projects. We are now moving towards leading a steering the projects in the right direction to fulfill the mission while the administrations and public companies further refines them. To have a support from the politicians, directors, and managers from different bodies of the city is crucial for reaching our vision and mission.



Figure 5.5: The network relationship of actors during the execution phase.

5.3.1 Time to investigate (2013-2016)

Year 2013 was the start for many of the pilot studies. The projects were on the hands of different organizations within and outside the public sector. Three of those projects were about investigating the possibility of having cable cars over the river; creating a “space” for youthful influences in the city and a meeting places in the city where people could swim (Göteborg & Co 2013).

Cable cars over the river

Erica (Manager of ideas from the public): The cable cars felt like a cute idea at first but we had to include all the ideas that were suggested.

Kevin (Pilot study, Cable cars): I was handed the project since I was part of the strategic group at the Traffic Office. I had recently been part of a controversial project and felt motivated taking on a project that was suggested by the citizens themselves.

Kevin: The directive was to study cable cars over the river. We had no experience regarding cable cars. We didn’t know what to expect. The first thought was that it might be a fun thing for the tourists but once we started to search for more information

we got hold of a textbook from Canada and started to read. By then we realized the potential of including the technology in the city's public transportation system.

A consulting firm was hired to further investigate the possibilities. They read the book and started to work on a fitting solution. The first report was handed in the late autumn 2013 looking into alternative places, cost, and capacity and so on. The result showed that this solution were cheaper than other technological alternatives.

Kevin: We could definitely see a potential here and we were given a yes to precede the study. This was at the same time as the media started to write more and more about the project. It was suddenly marketing itself without much effort from us. We are a little surprised of the positive reactions we had from the public and studies show that the majority of the citizens are positive of the idea.

Space for youthful influences

Helen (Chairwoman, Perspective group): Our group in the City of Youth had highlighted the importance of youthful influences in the city and I was asked by Göteborg & CO to continue the work and be responsible for the pilot study. I was already part of a culture center under the Administration of Culture which attracted many young people. I said yes and started immediately to have workshops with people around the city who were working with the young people but we also had a representation from the young people.

Paula (Engaged in a civic group): I was contacted as a member in a civic group. They wanted to recruit young people from our network that would be involved in the pilot studies. I was in the range of being a "young" person and was interested in taking part of the process as well. We were 15 young people included in what they called a young reference group. An early mission was to listen and give feedback regarding the initial pilot studies. We were supposed to be a group that all pilot studies can use but it felt that we were engaged during the meetings but didn't have much to do in between.

The first pilot study was conducted in 2013 and handed in as a report mapping the existing structure of youthful influences and the future possibilities. This was followed in 2014 by another pilot study seeking to concretize how Gothenburg could implement this.

Laura (Project manager, Youthful influences): It is in practicality that most of the projects fall through. Different organizations in the public sector want to engage the young people. The problem is that most of the time the young people are summoned to contribute and not the other way around.

Laura: The pilot study conducted in 2014 suggested for instance a new organization with four employees having an administrative role to listen to the young peoples' thoughts and ideas and guiding them forward to the right person but this was too expensive.

2015 was the focus year of “Created by and including young people” but also the start of pilot project “Youthful influences”. Several potential projects were mapped during the year to highlight the importance of the subject. An application has been made to become a designated European Youth Capital this year but it got refused.

Laura: I believe the synchronization of the pilot project and the focus year hurt us a little since the focus was shifted away from the pilot project. A good pilot project could have built a great foundation for having the focus year later on.

Helen (Chairwoman, Perspective group): The focus year might have come in an early phase but it also gave us a chance to dig deeper in the issue.

The pilot project was financed with less money than the pilot study had asked for. Young people and people working with the young were once again gathered to discuss. The goal was to strengthen and show what is being done today.

Laura (Project manager, Youthful influences): We saw that there was a lot happening in the city but much of it got stuck under each city district. There was a need to coordinate this across the city. We also did a book where the young peoples’ voices were heard through different articles and the year ended with a big conference talking about the issues that needed to be done.

The management decided in 2015 to join the project of youthful influences with the project of a democracy center. The new project was called “Youthful Influences and Democracy” and the City Executive Council became responsible for the planning.

Laura: I have confidence and respect for the new project managers but it feels a little sad to hand over the large confidence I had to build with the young people. I hope that the combined project will strengthen each other.

Laura: I believe there is a need to look over the organizational structure for the project. The administration of Culture was the best option during the pilot study since we had a good connection with the young people but it is time to rethink the structure.

Swim in the middle of town

The pilot study for “Swim in the middle of town” developed through a combination from several citizen ideas. This was also in line with the bigger theme of getting closer to the water.

Marie (Project manager, Swim in the middle of town): I was involved in the pilot study but I was also part of a different study called “Jubilee Park”. We could see that there were potentials for both the studies to be joined and complement one another although they came from different initiative (the first being part of the centenary project and the second “Vision Älvstaden”).

“Vision Älvstaden” is a vision for the development of the area surrounding the river in the center of the city. The river area is under a large development process since much of the original docks and industries had disappeared. This makes the area attractive for new

development projects and testing new processes. Älvstranden Utveckling is a public company responsible for realizing the vision (Älvstranden Utveckling 2016).

Marie: We decided early on to learn by doing. The approach of agile development was part of “Vision Älvstaden” and we felt that we had the support to try out new things. The initial directive of swimming in the middle of the town was to investigate the possibilities of building swimming pools in the city center but we wanted to develop this. We had decided on one location nearby the river that was suitable to have the Jubilee Park including the possibilities of swimming in the middle of town.

Marie: It was important to understand who our customers/citizens are. The idea book gave us for instance some of those answers but we had to find out more by ourselves. A consultant was hired to investigate the needs and culture of bathing and swimming for different groups. It was important to rethink what the concept meant and that is why we built a sauna basically right on the water. People over 18 years old were invited to come and build the sauna with us. The vision is to create a meeting place for everybody to meet and hopefully we could lower the segregation.

The chosen area nearby the river called “Frihamnen” had not yet had a local plan which basically specified what the area should be used for. This meant that there was room for change.

Marie: We tried to claim as much territory as we could while it was not occupied by other projects. Only a small part of the Jubilee Park will be completed until 2021. Projects like a playground, cultivation spaces, the sauna, a swimming pool, sailing school etc has already been created but that doesn't mean that they will be there in the future.

Marie: There is an organizational challenge for the future. Even successful projects must be maintained and taken care of by someone. Different administrations and public companies have been responsible for the projects and they all have their own budgets and conditions. There will be many negotiations and discussions but so be it. This is what we need to become an arena for innovation.

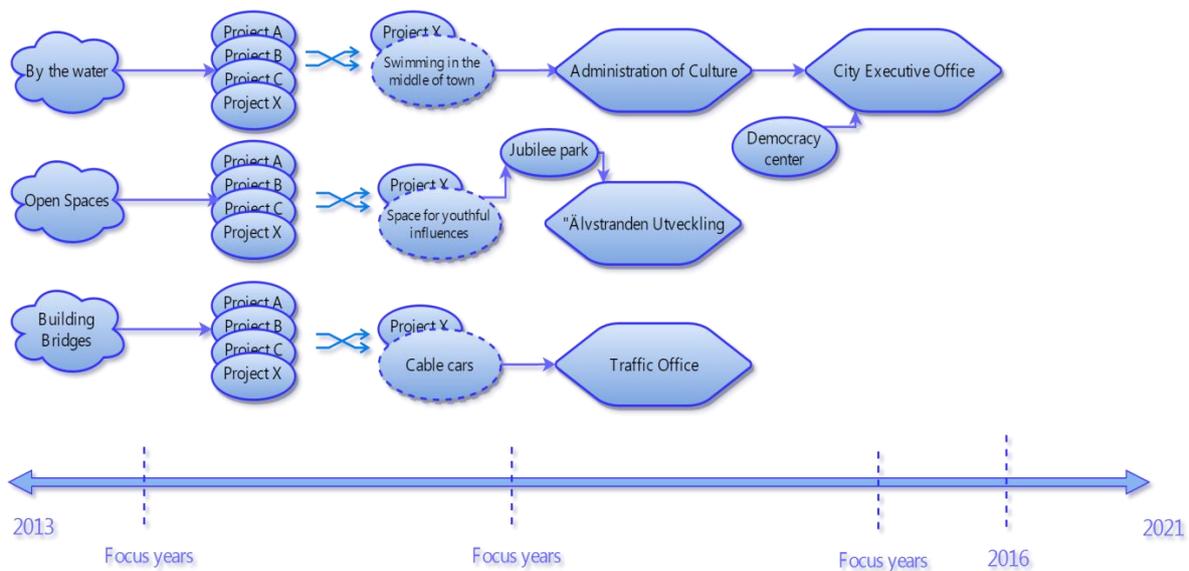


Figure 5.6: The process of the three projects

5.4 About the process

There were seven main topic/categories in the process that was brought up by the interviewees and compared to relevant documents:

5.4.1 From a vision to a result (aim for the sky to reach the stars)

“By 2021 Gothenburg will be internationally known as a courageous pioneer in the field of sustainable growth. We are an innovative, open, inclusive city where all residents feel important and involved.” (Vision as described in the proposed work plan, Göteborg & Co 2012a).

The quote above has been the guided vision for Gothenburg 2021. Part of the vision was already stated in the mission handed over by the review panel of the City Council to Göteborg & Co in 2009. It was stated that:

“Gothenburg have celebrated the 300th – and 350th year anniversary in a way that left a mark during a long period of time after the celebration. The investments made during these jubilees have been the basis for the development of Gothenburg as a tourism and event city it is today.” (Translated from Swedish, City Council 2009, Göteborgs Stad Stadskansli 2009)

“The review panel considers that the city should use the anniversary as a force to further develop Gothenburg and the surrounding region as a strong region in Europe. The celebration will give a possibility for Sweden and mainly the Gothenburg region to appear in Europe or the world. It is important that the entire city will have the possibility to celebrate and the city district should be involved early on in the process. The result of the 400th year anniversary should, like the early jubilees, leave a mark

that lasts for the future to come” (Translated from Swedish, City Council 2009, Göteborgs Stad Stadskansli 2009).

Part of the mission sent to Göteborg & Co was to further develop the vision with goals, strategies, activities and projects. The management team wanted to aim high to achieve the mission they had been handed over but also to inspire others in the process.

Aiming high with our vision meant that people will try to reach higher than expected.

The idea generation process towards both the public and the perspective groups was expressed with a will to aim high and make an international impact.

Carol (Process manager): Hopefully this would create a mindset among the participatory to think in a new way and see Gothenburg from a different perspective.

This perception was thus not shared from everyone in the process. Planning to make an international impact and planning for the citizens of the city were not always perceived as the same thing. As one of the chairmen/Chairwomen noted:

Making an international impact should not be the driving force even though we could achieve it by focusing on the needs of the citizens.

Different opinions were also shown when asked about the relation between Gothenburg as a city for tourists and a city for the citizens. The management team highlighted that the process is for the citizens:

We want to build a city the citizens are proud of and let them be our biggest ambassadors to attract tourist.

Others in the process pointed out the risk of misunderstandings:

Tourists and citizens have simply different interests. The process could be damaged if the citizens experienced it was about creating a city for the tourists.

One of the project managers pointed out the optimism communicated out by the company and how this can have a double effect of both inspiring but also creating unrealistic projects that risk failing completely rather than achieving more realistic ones. This is closely related to the importance of the process in relation with the outcome. The management team emphasize on the open process itself as being a way of measuring the success of Göteborg 2021.

It is not about finding out exactly where we want to be but rather finding out the overall purpose and vision created by the participants involved.

One of the chairmen/chairwomen highlighted:

Big plan does not work. Initiatives should start in many places and all these together will create a change.

5.4.2 The organization and responsibility

(sometimes who is saying what is more important than what is being said)

Part of the process design is depended on the current organization structure. Göteborg 2021 has tried to open up the boundaries of the different units by encouraging collaboration in across the borders. This has been challenging since both the process design and the project outcome have been unknown from the beginning. Part of the critique is directed towards the choice of process manager in this case Göteborg & Co. Two of the independent citizens are questioning the choice of a tourism and event marketing agency for leading the process:

It is a poor choice from the City Executive Board to give them the mission.

The questioning does also occur within the process management team and the project managers but there is also an understanding of why the mission was handed over to Göteborg & Co. There is really no obvious unit in the municipality that can handle the coordination of such a project. As one of the members in the management team describes it:

We were also surprised by the decision but also honored. Part of our strength is our established collaboration and communication with the businesses and the academia.

One of the main challenges mentioned by the process management team is to find ways of including the public/citizens opinion in the organizational process.

We all need to become better at listening to our citizens and there might be a need for an organizational change to do so.

The need for improvement is also expressed towards the organization as a whole. It starts with the political system from national to a local level and sippers down to the many municipal units. One emphasize mentioned was the importance of leadership and decision making within the process. One of the participants in the idea generation process has been working with both the public and the private sector and expresses the difference between them:

Usually there are one or a few leaders in the private sector but the leadership is more diffuse in the public sector and I personally feel a lack of decision making from the politicians.

The diffuseness of decision making was also supported by one the citizens involved in the process arguing about the time it takes to find out who is charge of what in the municipality. One of the politicians interviewed does also mention her experience of a fear supporting new thinking in politics. The ambiguity of leadership does also continue down the line as one of the project managers describes:

It was hard to understand who was in charge for the project and what my role as a project manager was. I had wished to be delegated more power but it feels that Göteborg & Co didn't want to let go of the projects.

The other two project managers interviewed had a different experience where one praised the clear project mission and support and the other the importance of having been delegated

enough power to actually make a difference. The importance of leadership is also mentioned by the process management. The development manager of the process believed that:

A key for trying new things was the early support of the head managers in the company.

One part of the survival of the projects generated in the work plan is to have the support of the head managers and directors in the different units of the municipality. This is partly why the 2021 consultancy were created. As one of the chairmen/chairwomen mentioned regarding the importance of having the right people:

Sometimes who is saying what is more important than what is being said.

Leadership is not the only important factor towards reaching success. One of the challenges mentioned has to do with the underlying structure and tradition in the municipal system. One of the project managers believes:

The system suffers of a project disease which harms the continuity we need to solve some of the issues.

Projects do usually change ownership during the different stages and there is an expression of fear when handing over the responsibility. This is as one of the politicians described the reason of why there is a bureaucratic system with clear documentation and stages that are made to hand over the responsibility to someone else. One of the challenges with this process is expressed by one of the project managers:

Administrations and public companies have their own structure and budgets. Just because there is a good project doesn't mean that someone will automatically take over the management responsibility.

5.4.3 Time and money – *(time is not always money)*

Money can be a major concern for the actors involved in a public process. A budget is made by the City Council every year and act as a policy document with vision, objectives and goals for the future to guide the public companies and local committees in their work. This policy document did for instance have an impact on the seven perspectives that were chosen during the ideation process. It does also impact on what area the money should be focused. Projects created during the process are therefore highly depended on being funded. Part of the mission handed over to Göteborg & Co was to appreciate cost of the process and the projects. This has nonetheless been a challenge for the public company since the outcome of the process was and still is unclear:

We have to keep communicating and reporting to the politicians to show the importance of the projects and them being funded and implemented.

Funding is also expressed as a concern for the people involved of managing the projects. One of the project managers understand that asking and convincing for more funding is part of the mission. Lobbying and being patience to get things done is somewhat part of the process. Another project manager did highlight the misunderstanding occurring during the process:

We didn't know that our administration was responsible for the funding. Otherwise we would have a director lobbying for the idea in a much earlier phase. I believe the majority of the projects see funding as a big problem. This can cause a serious trust issue for the entire process.

The accepted work plan handed in by Göteborg & Co in 2012 includes the challenges of funding and there were suggestions of finding alternative sources of funding such as through foundations, EU funds and private donations and other creative ways. Not having a known budget seemed in some situation also favorable for the creative process:

Knowing our budget would have limited the process from the beginning and we might not have dared to ask the participants to dream.

This view was also brought up by one of the engaged citizens:

I am more creative when I do something free of charge. I think I gained something out of it in the long term. I will be part of the history.

Money did not seem as an important factor when it comes to participating in the process. This was expressed by many of the interviewees and one of the chairmen/chairwomen noted that:

The participants were proud and honored of being part of the process not even caring of not getting paid. The process could have been excluding though since some of the participants was there on their ordinary work time while others didn't.

Lack of time rather than getting paid was expressed by one of the members in the management team as a serious issue within the entire organization structure:

Many parts of the city organizations are heavily burdened with work and responsibilities. The workers are tired and worn down. They simply want to participate and communicate but doesn't have the time to do so. We didn't approve to take on a big mission until we saw it was possible to liberate human resources to focus entirely on it.

Time is also an important part of the democratic process. The ideation process took more than a year and delayed the hand in of the first work plan. A democratic process doesn't necessarily mean taking more time than a less democratic process. One of the project managers hoped that the projects created in this process can prove that can take less time than expected. One of the members in the management team highlights instead a different view on why public processes take time:

A public process is built on democracy and it should take time but it is rather the constant whining and grumbling that prevent it to move forward.

5.4.4 Communication and marketing – (steering the ship in the right direction)

Communication is one of the tools Göteborg & Co has used to steer the process forward and in the right direction. There is a general understanding and appreciation among the

participatory towards the new process and the courage the management team and the politician has shown:

This is a new process for everyone involved. This can be frustrating and confusing but it is up to every person involved to ask and find out.

The management team acknowledges the big challenge of communication and being persistent. Both the hard and the soft values are needed to be shared. The participants express the high communication skill Göteborg & Co possesses but some of them are also cautious:

They are sometimes very skilled at exaggerating events and it feels more like marketing for those who was part of the event.

It is problematic that we occasionally have different picture of what a certain concept means.

One of the project managers also highlights the difference with being a skilled communicator and being at listen to others:

Information and dialogue are not the same and Göteborg & Co's specialty is to inform.

Dialogues and communication is according to the management team hard to achieve in such a big organization. The CEO expresses the respect she has gained by understanding the communication challenges some of the big organizations within the municipal have. The process developer, *Daniella*, mentions instead that:

It might be easy to reach out to different actor groups but it is much harder to make the groups communicate with each other.

5.4.5 Openness, transparency and censorship – *(there are many ways to open up)*

The public sector in Sweden is regulated by several laws such as the “Principle of Public Access to Official Records encouraging a high level of transparency in the democratic system. A high transparency level is part of an open process but several of the interviewees argue that it certainly isn't the only thing affecting the open process. One of the politicians highlights that it is still difficult for the citizens to hand in their proposal and the municipality of Gothenburg hasn't implemented e-proposals yet. E-proposals allow the public to hand in proposals directly to the politicians through the web. As one of the project managers noticed this system still requires the willingness of the politicians to support and take the proposal forward and make it into a motion. At the same time having an open system also require the participants to be aware of what and how they can contribute and to practically be able to do it. This is mentioned by one of the project managers:

Public organizations might think they are open but many of them have very limited opening hours.

We have to tell the young people that they can and should contact us. They are very engaged but they don't know who they should turn to.

Openness can mean different things in a public process. It is as stated above in one way physical but it can also be something more intangible. One of the project managers wants to point out what a dialogue is for:

There is no use of having a dialogue if we had already decided how to proceed. We must allow ourselves to become more unwritten.

The importance of listening to others is also mentioned by another project manager:

Openness is a two way street. It should give us a reason to both continue and kill our projects. I would be proud if the citizens for instance gave us a good reason to kill our projects.

Both project managers argue for the importance of delegating some of the power to the participants in the process. The manager of the ideas from the public brings up the complication this can cause:

We would take away much of the engagement and the pride from the citizens if only the municipality was allowed to decide.

The above statements illustrate the danger of not understanding what processes are for. There is also another danger stated by some of the interviewees. It is about the unspoken censorship that could be perceived by all the participants. One of the chairmen/chairwomen explains how the group knew that some of the ideas generated are politically controversial such as free transportation but how the management team encouraged the group to include all of the ideas since the politician clearly stated no censorship. Another similar example is mentioned by the project manager, *Kevin*, for the project “Cable cars over the river”:

We were advised by other cities to not proceed with the pilot study. They thought the people lobbying for the technology were blinded by their own ideas. We did proceed anyway since our mission clearly stated to investigate cable cars over the rivers and not something else.

Even though both examples highlights the importance of leadership and support to keep the process open they do it in different ways, the first by not allowing censorship and the second by clearly stating what should be investigated. This does not, according to the project manager of the project “Cable cars over the river”, mean that clear directives are always good:

The traditional structure often means very strict and precise project directives. We have to find ways of maintaining the clear mission without losing the gain of learning by having an open process.

This is clearly one of the challenges with the open process but the CEO of Göteborg & Co is still impressed by how powerful a process can be with the determination and the support of the politicians:

The support shows a trustful relationship to the officials and we keep telling them; do you know what type of process you have started?

Having this open process is perceived by most of the interviewees as something positive and motivating at the same time as there is a worry of not maintaining this openness till the end. The manager of ideas from the public, *Erica*, expressed this:

We need to be open and honest towards our citizens but there is a chance of losing much of their trust if none of their ideas will go forward at all in the process.

The citizens will always find a way to affect us. How others perceive our city is now highly related to what is said by our citizens on the social media.

5.4.6 Roles and representation – (people are afraid of the “expert”)

The citizens are supposed to be represented by the public sector but as noted earlier the media can be a powerful alternative for the citizens that felt ignored by the system. Two of the citizens interviewed handed in several ideas during the ideation process but both of them felt disappointed since they didn't get any response back:

I had hoped the municipality would use me as a resource and at least investigate more in my ideas but nothing happened. I was instead contacted by the media and have been portrayed as an engaged citizen in several articles.

The role of the media is taken seriously by the public sector. The management team is aware of their importance but also the threat of them working against the open process. Journalist weren't allowed taking part of the perspective groups in fear of making the participatory afraid of expressing their ideas. One of the chairmen/chairwomen mentioned that it is always a risk of the media highlighting what is going wrong and forgetting what it is actually going in the right direction.

The media is not the only alternative to represent the citizens. One the engaged citizens interviewed did actually take the matter in her own hand:

I was part of a civic organization when I discussed the process of Göteborg 2021 with a member from a different organization. We thought by that time it was going to be a closed process with different symbol projects and we reacted to it by creating a new organization focusing on citizen dialogue and empowerment. Our main target was the politician and we wanted to know who they stood on different problems. Representing a civic organization is a powerful tool but it is a challenge to reach the politician and hear their honest opinion.

The role of non-profit organizations in open processes such as Göteborg 2021 has not been clear. A few members had been part of the process but their co-working potential has not been reached and this is strengthened by both the management team and one of the politicians. The CEO of Göteborg & Co is aware of their good relationship with the academia and private business while acknowledging the challenge of including the citizens and the non-profit organizations in this process. The engaged citizen adds:

The system as it is today is structured in a way that forces people to become politicians if they are interested in politics. The democracy is not developed enough to engage more people and we need to find a way to solve that.

The trust towards the politician and the political system seems low especially among the engaged citizens interviewed seem low. The politicians interviewed seem aware of this trust issue but they are also highlighting that they are trying to change it and one of these examples is their role in Göteborg 2021:

We wanted to be clear about the message. This jubilee is for the citizens.

This is part of the reason why politicians weren't allowed in the perspective groups but only as part of the political reference group. One of the chairmen/chairwomen with a previous experience in politics was initially hesitant towards excluding the politicians because they play an important role to carry the projects forwards:

This has not been the case so far in this process.

The open process of Göteborg 2021 has also been a bridge builder between different public units and the thousands of officials working within the municipality. The CEO of Göteborg & Co enjoyed the cooperation but having these many units cooperate all the time is not possible. Instead she emphasizes the importance of each unit becoming better at open up. The project manager, *Kevin*, for the "Cable cars over the river" noted, the role of the officials are changing:

Most of the officials are in a situation where they have to interact with their citizens. In a previous experience I started the dialogue with the citizens as an expert but ended up as a representative for their cause. The politicians are the ones in the system that directly represent the citizens but the officials are sometimes ending up representing their voice and reporting back to the politicians.

The cable cars were new to us and is this meant that we were no longer the experts and I think this has eased our dialogue with the public. We still need help from the expert but our role is simply managers of the idea.

Most of the officials expressed the sense of power they have when they speak on behalf of the citizens.

It gives a sense of respect.

The management team seems aware about this process being about the inclusion of the citizen. There are still challenges in including them into the process mainly but it is a difficult group to entirely represent. Citizens are included in the perspective groups even though they represent their organizations. The chairman/chairwoman could influence the selection but the management team wanted to make sure that they chose a diverse group with other than just their friends. This is because of the large network and each member will contribute with more knowledge and generate more ideas.

5.4.7 Creativity and innovation – (release your titles before you start)

Creating a creative environment within the groups was a high priority and the main role of this process was handed to the expert consultant. The plan was to start off with a more divergent approach and generate ideas to later on in the stage converge and focus on the details:

Most of the members were excited but I also knew this was a voluntary process and the company couldn't force them to prepare and read through.

Another concern was towards the chairmen/chairwomen since they had the power to influence the group work. The process design with having expert group for each of the seven problems identified was one way of doing it but the process designer had hoped for more interaction between the groups:

I had hoped for more cross-fertilization between ideas and different groups but not everybody wanted it. This could have generated more ideas. The groups worked and used my knowledge differently.

The three chairmen/chairwomen interviewed did also use different method to choose ideas. The process manager mentions that the group members had to debate about what ideas should move forward. It was less about having a scoring system and more about figuring out the direction and finds the vision. The ideas from the public were a way to inspire the groups towards reaching that. One of the chairmen/chairwomen admits they could have been much better at taking in those ideas. This concern was noticed by one of the project managers:

Our definition of "dialogue" is sometimes when two citizens happen to think the same as us and therefore we take the decision based on it being an idea from the citizens. This isn't real influence or participation, it is brainstorming.

A similar concern was also highlighted by one of the engaged citizens:

I believe every idea needs time to understand. Some ideas are hard to communicate with a few sentences. The "experts" must be very smart to grasp my idea after reading the short introduction. They were just looking for key words but I think the process must be better in digging out the knowledge from the public. I am impressed about the initiative from the municipality and giving everyone the opportunity to express their ideas and thoughts. Involving more people is good since we don't know who will contribute the most at the end.

The process will become better if the brain releases itself from the restriction of the party politics.

One of the chairmen/chairwomen adds to this political view:

The ideas generated in Göteborg 2021 did not come from party politics but from the citizens so they became neutral and therefore harder for the politicians to argue against.

One of the ideas that has echoed through the entire system from politician, officials, consult to the citizens interviewed was the cable car idea. This is the profiling idea when mentioning innovative ideas coming from the citizens. The popularity of the idea is met with both glory and caution. The cautiousness depends on the risk of once again highlighting physical construction and forgetting the softer values. This is mentioned by two of the chairmen/chairwomen:

I am impressed by the idea of the cable cars but I can feel that some of the softer values such as processes to increase inclusion are ending up in the shadow.

We have potential ideas and projects that could create a higher international impact than the cable cars. Imagine for instance if we could actually find a way to increase the involvement of the young in the democratic system. All the other countries will look at us trying to do the same.

The third chairman/chairwoman interviewed chose to point out a different aspect of the matter:

The power of powerful examples is the best force for change we have. We need role models to inspire other and create more innovative solutions and real change in the society.

It is dangerous to passively waiting for others to act. One must take the matter in its own hands and make the best out the existing situation.

Two of the project managers finally conclude:

We need a change but there is always a risk of saying new things but use old methods. I like to believe our project has already been done differently than before.

Most people like to focus on finding solutions to the problems. We just need to figure out how create a process embracing this powerful tool.

6. Analysis

This chapter will compare previous research in the theoretical background with the empirical findings mentioned in the previous chapter, in order to answer the research questions. The chapter is divided in two sectors, each one highlighting one of the main research questions. The first section describes both the democratic process and the innovation/development process while the second introduce the main characteristics found in the process.

6.1 What does a democratic service development process look like in local governments?

The case started in 2006 and takes place in a local government environment with the involvement of politicians, public companies and administrations, citizens and the public, experts and representative from the academia and the private sector.

6.1.1 Direct or representative democracy

The citizens and the public were mainly involved in the process during the ideation process. They didn't have the power to decide which ideas that would be chosen. The process was as such not aiming towards empowering the citizens with the right to make decisions and therefore not using direct democracy but representative democracy (Saward 2000). The authorities listened to the citizens/public, gathered their ideas and tried to include them into the summary. This level of participation is closely related to the *consultation* step in Arnstein's ladder of citizen participation (1969). In this case, the consultation mainly took shape in a one-way communication of ideas. If the definition of citizens is widened, i.e. defining the participators in the perspective groups as citizens, then more two-way consultation and discussion were taken place between them and the authorities. The perspective groups did have more decision rights and influences than the public/citizens concerning what ideas to bring to the table. However the final decision right of what to include in the work plan was appointed to the public managers at Göteborg & Co and the final decision of approval were delegated to the City Council with the rights of opinions from other public institutions. Non-participants e.g. the remaining citizens of Gothenburg was engaged on an *informing* basis.

Tritter and McCallum (2006) suggest that the power relation between different users/citizens should also been taking into consideration. The ideas of the public/citizens were in this case fed as inspiration into the perspective groups but without any guarantee of being included in their decision. This does also support the power relation in the consultation step (Arnstein 1969).

6.1.2 Representation

There has mainly been two different type of participation sampling dealing with representation during the work plan: a form of quota/idea sampling during the idea generation with the public/citizens and a selective sampling when choosing the different perspectives and the members of the perspective groups (Bryman & Bell 2011).

Two main options of sending in ideas from the public/citizens were available: hand in ideas during the events the idea gatherer were attending and the possibility to send ideas on the

internet. According to *Erica*, the manager of ideas from the public, both methods were equally used to generate the 1680 ideas. One of the interviewees in this study, *Nathan*, who handed in several ideas, chose to book a meeting with the idea gatherer. The sampling type during the entire process were not based on choosing participants but rather on being available in a representative way and letting the public choose to participate or not.

A selection of seven perspectives was made by the management followed by choosing chairmen/chairwomen to each of the group. Members of the perspective groups were chosen by the management teams with the consultancy of the chairmen/chairwoman on the basis of their knowledge in the field but also based on their diverse background coming from different sectors, age and gender. The selection was in that sense based on interest groups, each group member interested in gaining more interest of the perspective they were taking part of (could for instance be a financial or a social interest). A consideration of representation of social groups (Young 1997) were made as a second step. No representatives from the media or from politics were allowed to take part of the process.

Eckersley (2000) urges the inclusion of representation of those potentially affected by the projects/ risks. A youth group was created during the idea selection process that had consultancy rights to speak up about the potential pilot studies seen from the perspective of the young people. In the project “Swim in the middle of the town” there has been an effort to involve and understand interests from minority groups during the planning process. Mills and King (2000) argue for a consideration of issues such as environmental rights in the process. The management team urged the perspective groups to include and think about the principle of sustainable development during the process.

6.1.3 Deliberation

Deliberation has a main part in the democratic system of local governments during this case. There are legislations and routines in the political system to discuss ideas as well as having meetings and discussions horizontally e.g. between public administrations and public companies and vertically, between political units, committees and administrations. In this case this is exemplified by the meetings and opinions that occurred between politicians during the mission statement, between the political reference group and the management team during the work plan and between the different members of committees, public administrations and public companies during the execution phase.

The system also includes deliberation between the different units of the local government and the public. One of the project manager noted that often these types of meetings ends up being informative one-way communication meetings rather than deliberative in which both sides learn from each other (Ericksen 2000). Smith (2000) acknowledges how deliberative democracy work for an active conception of citizenship and stresses the importance for the citizens to get together and discuss, articulate, defend and act on their judgments in order to feel more empathy with each other. When focusing on the innovation/development process during the work plan, deliberations were mainly conducted within the perspective groups, on a few occasions between perspective groups and no deliberations were made with the public

with the exception of having a short face-to-face conversation between the idea giver and the idea receiver during the idea gathering part in different events.

6.1.4 Associations

Hirst (2002) argues associations can relief some of the organizational burden of public institutions. In this case there was limited inclusion of non-political associations during the process. One of the examples in this case study of an inclusion was how Paula, a member in a voluntary civic group, were contacted by the management team in order to recruit some of the members in their civic group to take part in the young reference group.

6.1.5 An overview of the development process of Göteborg 2021

The figure 7.1 below illustrates an overview of the development process for the case of Göteborg 2021.

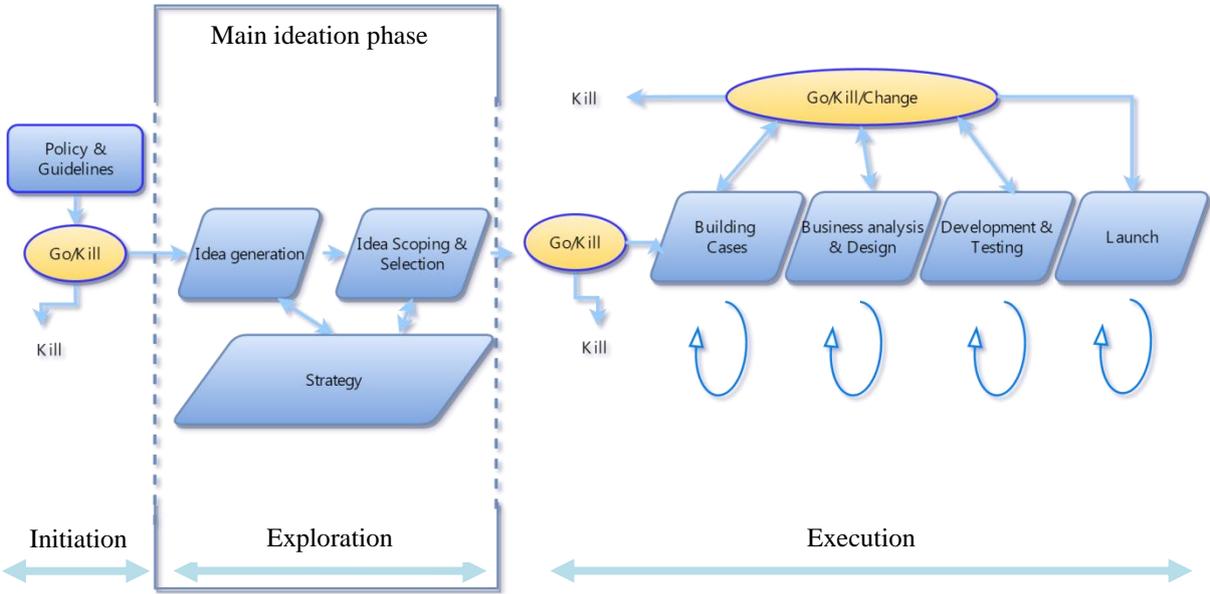


Figure 7.1: An overview of the service development process.

The model is based on the *Stage-Gate* model and divides the process into three phases: – *mission statement, work plan and execution* divided by three *Go/Kill gates*.

6.1.6 Phase 1: Initiation

Much of the critique has been targeted against the politicians’ unwillingness of sharing power and the preference of short term solutions in front of long term solutions (Bason 2010). This has also resulted in inflexible laws and regulations working against public managers’ freedom to design the process. The phase of initiation is as such important to set policies and guidelines for the rest of the process (Cooper and Edgett 2007).

In this case the initial vision of the process were stated in the mission by the politicians with a highlight on the importance of aiming high in order to make an international and sustaining impact of the city development. Emphasize was made towards making the process belong to the citizens. Cooper and Edgett (2007) suggest that guidelines like these are needed as a first

step when creating an innovation strategy. In this case the guidelines stated not only the involvement *of* the citizens but making the process run *by* citizens. The responsibility of the project was handed to Göteborg & Co, a public company responsible to market and support the development of Gothenburg as a city for tourism, events and meetings. Their strategic objectives were as such in line with the process (Bason 2010), to make an international impact.

This first phase of the process development was regulated by a rigid structure and routines of the democratic process; there are rules of how to submit ideas (motion), to await opinions from administrations and public companies of whom it may concern, preparing the motion to the voting of the City Council. As such the politicians were the official gatekeepers in gate 1 and decided whether to proceed or not.

6.1.7 Phase 2: Exploration

This phase was initially taking place during the work plan with the guidance of the management team at Göteborg & Co. Three gates were identified: *Strategy, idea generation and idea scoping/selection*.

Strategy does in this case refer to all the three types of strategy, *strategic objectives, innovation and strategic innovation* described by Bason (2010).

A general strategic objective in local governments is for instance to improve public services and the democratic process but there are also more specific objectives stated under each public company and administration. The case of Göteborg 2021 involved several public institutions with both common and specific objectives. No obvious objections were made by the interviewees regarding the general objective mentioned above. Objections were instead made by some of the interviewees, officials from the public administrations and the citizens, regarding the mismatch between the objective of an international impact and the objective of focusing on the needs of the citizens.

Strategic innovations, addressing specific challenges with a need for innovative solutions (2010), were chosen by the management team during the early planning stage of the work plan. Seven broad perspectives were chosen based on the challenges mentioned in the municipal budget decided by the City Council. These seven perspectives were lately merged into three major themes.

The innovation strategy, how to reach these innovations (Bason 2010), was mainly planned by the management team during the early stage of the work plan. An overview of the innovation strategy can be seen in figure 5.2. Briefly it was based on conducting trend analysis, involving the public/citizens in generating ideas, using, with the help of a process designer, expert panels/perspective groups to generate and assess ideas based on the specific perspectives given, summarize the ideas and create themes and symbol projects in order to create a common strategy and direction to move forward. The mission was as such concerned with further specifying the strategic innovations with a vision and actionable goals decided on by the “common”.

The idea generation stage was mainly divided into two events: *idea generation from the public/citizens* and *idea generation from the perspective groups*.

The idea generation from the public/citizens was conducted during a one year period. The idea gatherers, representing Göteborg & Co, were physically attending dozens of city events during the years. Ideas could also be handed in online. The public were asked to generate ideas that could make Gothenburg the best city in the world to live in. This type of public/citizen involvement in the innovation/development process has similarities with Schenk and Guittard (2011) definition of the *integrative citizen-sourcing* which is based on asking a large number of citizens to perform simple tasks with little effort and time.

The idea generation from the perspective groups was based on a similar vision but with a focus on a specific perspective. The perspective groups met a dozens of times during a one year period and were led by a process designer as well as a chairman/chairwoman. Ideas from the public were fed into the ideation process of the perspective groups. This form of involvement has several similarities with the *selective citizen-sourcing* that requires the citizens to solve more complex problems and is more time consuming (Schenk & Guittard 2011). The perspective group was thus more a panel of experts rather than citizens representative although it is worth mentioning that the members were there on a voluntary basis without being paid.

The idea scoping and idea selection stage took place within the perspective groups but also during the summary made by the management team. The perspective groups had during the process discussed the challenges ahead of the perspective and generated ideas. During this stage, the process designer and the management team required each team to send in a report with only a handful of ideas that should symbolize the road ahead. The selection of ideas was decided on within the perspective groups based on the methods adopted by each chairman/chairwoman. Cooper and Edgett (2007) do suggest that participants apply certain criteria and use a score card method, giving each idea a number value in which it can be fairly compared with others. This was however not a requirement to conduct in the perspective groups.

During the summary part, the management team combined the ideas suggested from the perspective groups with the ideas from the public as a sort of pattern fitting in order to find a common thread and use it as a way of finding a common strategy. Both the idea generation stage and the idea scoping/selection stage were as such occurring parallel with the strategy stage (see fig. 6.1). The hand in of the work plan was the end of phase 2. Gate 2 had two gatekeepers: the management team as a content controller and the City Council as the decision maker.

6.1.8 Phase 3: Execution

The acceptance of the work plan was the start of phase 3. This meant the diffusion of power and responsibility to other public administrations and companies (see fig 5.5). This study focuses on three ideas/projects that were chosen from each of three main themes. The three initial ideas: “Swimming in the middle of town”, “Space for youthful influences” and “Cable cars” (see fig 5.6) went during this phase through pilot studies and the first one was also

partially implemented. The three ideas which became pilot studies and projects did all take different paths. The “Cable cars” project went through a more sequential staging based on the traditional process of the Traffic Office (responsible organization for the project) while the projects “Swimming in the middle of town” and “Space for youthful influences” were based on a more iterative process (Cooper 2014) in which they were merged with other projects and in the case of the latter a different project owner.

6.2. What main characteristics have profound impact on the actors’ involvement in the process?

The figure 7.2 below illustrates seven different characteristics found during the study. These characteristics are also based on the theoretical background and combines important characteristics from both the democratic and the development/innovation process. The focus of this study has been on the front-end process and the characteristics do as such mainly highlight the events occurring during this part of the process.

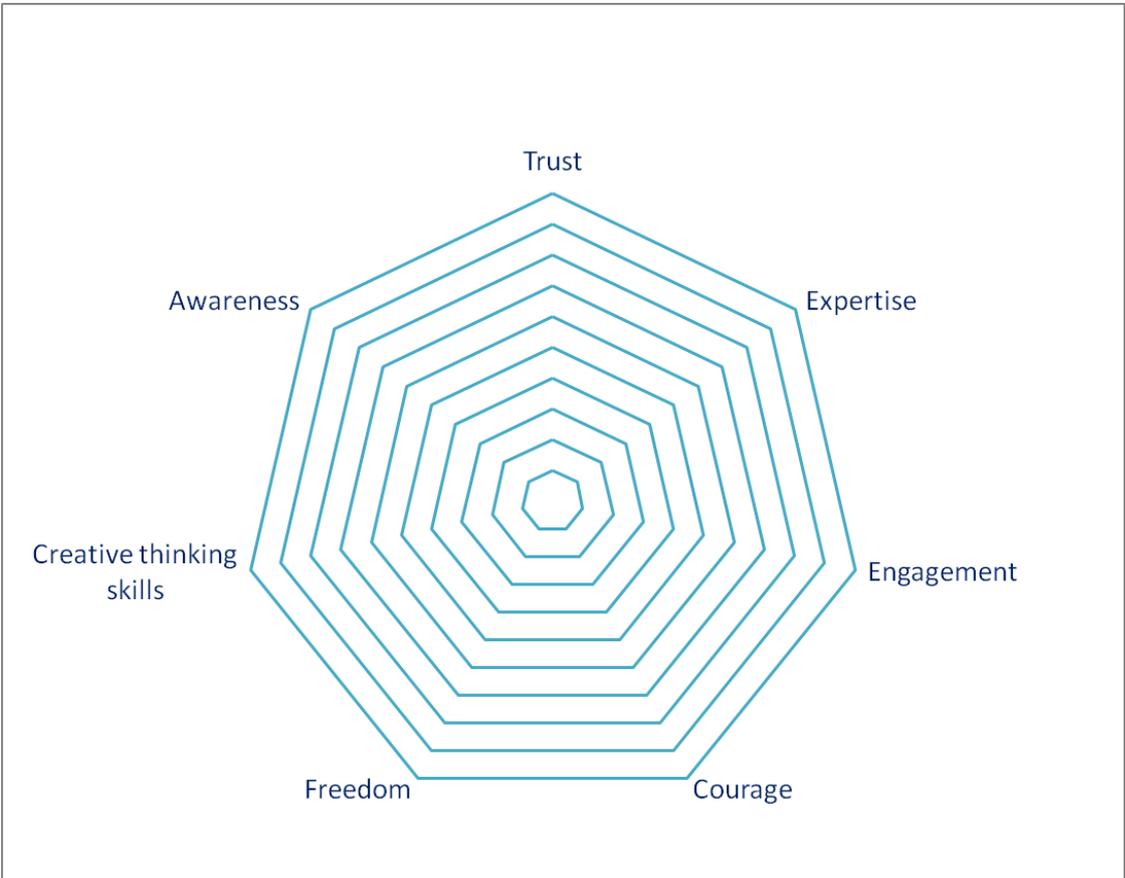


Figure 7.2: Seven characteristics of a democratic and development/innovation process

The Componential theory of Creativity (Amabile 1996) includes for instance *creative thinking skills*, *expertise* and *motivation* (described under engagement). The figure illustrates that different levels of the characteristics can occur and relates mainly to personal and group characteristics for a specific task. The following section will very briefly describe each characteristic.

6.2.1 Trust

Both trust and social trust (Rothstein & Kumlin 2001; Putnam 2000 etc.) has been mentioned in the theoretical background as important factors to collaboration and public/citizen participation. Studies have showed that Sweden has a high level of social trust, around 80% stating they can trust other people (Charron & Rothstein 2015). A high level of social trust does, according to Rothstein and Kumlin (2001), often have a positive correlation with a high level of trust to public administrations/public companies and officials. The interviewees expressed a high level of trust towards the professionalism of Göteborg & Co and their expertise in leading the process although there were concerns towards what objectives they wanted to reach. In that matter, the level of trust were perceived as lower mainly towards the public company from the citizens interviewed as well as from a few officials in the public administration, considering whether Göteborg & Co wanted to reach the same objectives as them or not.

The study by Thapa et al (2015) ,surveying 358 reform officers in German local authorities, showed a low levels of trust towards including the citizens with only 13,4 % of local administrations considering citizens to be an important factor in reform implementation. No apparent lack of trust towards the citizens by the management team was observed although the citizens did in this case mainly play a role as idea generators.

The three engaged citizens interviewed did all express a low level of trust towards the politicians.

6.2.2 Expertise

Knowledge and expertise plays an important part in theories of democracy. Fishkin and Luskin (2000) highlights for instance how democratic institutions often have to choose between deliberative elites with political inequality or non-deliberative masses with political equality. Brugue and Gallego (2003) points out how public administrations often is viewed and see themselves as professionals and tend as such to exclude the views of the “non-professionals”. In this case there has been an inclusion of other actors by having representatives of expertise from different sectors and industries in the perspective groups while the “non-professionals” has been represented by the public in a non-deliberative manner.

One of the project managers, *Kevin*, points out that being seen as an expert is not always favorable since it often hinders discussions between the officials and the public/citizens. The study by Hennala, Parjanen and Uotila (2011) did also warn about the risks of experts not willing to listen to others input after they have put forward their own ideas. There were in this case no obvious examples of when ideas from the public had an impact on the members of the perspective groups.

6.2.3 Engagement

Part of the level of engagement is determined by what motivations actors have in the process. On an organizational level a motivation could be seen to fulfill the strategic objectives of the organization. This has also been discussed when analyzing phase 2. Other motivations are expressed on an individual level. The study by Thapa et al (2015) focuses on the public sector

innovation and the motivations for crowd-sourcing. The result of the study also reveals a positive correlation between the citizens' level of expertise and their willingness to collaborate in citizen-sourcing both in integrative and selective citizen-sourcing. This finding does support the three interviewed engaged citizens in the case of Göteborg 2021 where all three expressed a desire to move from the non-expert specific motivations to expert specific motivations. This might be one the main reason they also expressed both an admiration of being included but also a disappointment of not fully applying their skills in the process.

6.2.4 Courage

Courage is otherwise associated with leadership. The public managers could be perceived as afraid of taking risks and Mulgan and Albury (2003) and Mulgan (2014) motivates it by the fear of failing and being open to public scrutiny and with that also being blamed by the media and opposing politicians for wasting scarce public money. However a recent study by Anderson (2012) gathered data from 343 middle managers from two public agencies, social-insurance offices and senior secondary schools, and in one private company in Sweden. The study surprisingly showed that private managers were less change oriented public managers.

In the case of Göteborg 2021 there have been some signs of courage expressed by both politicians and officials. The politicians decided themselves to aim high and also not be part of the exploration process and strictly expressed no censorship of ideas and thoughts. The management team purposely delayed the deadline of the work plan in order to gather more ideas from the public.

6.2.5 Freedom

Freedom is in this case expressed on a personal/group level and refers to a perceived level of freedom to act as the person/group would like to. Several external factors have been influencing this level of freedom in the case of Göteborg 2021. Money (funding, financing, and budget) has been expressed differently during the process. On the one hand the manager responsible of the public idea generation stage did feel liberated by not having a specific budget during this early phase while on the other hand one of the project managers in the execution phase did experience a sense of being stuck since there wasn't enough funding to proceed. Amabile (1998) does acknowledge the challenge for the organization to know when to constrain resources such as time and money and when to lose it up.

One project manager did also express a wish to be delegated more power in order to act and proceed. This limitation of the freedom of power was also expressed by the politician in the political reference group. A partial shift of power from the politicians was intended both by the politicians themselves and the management team to allow a freedom of speech. This was also the reason to not allow the media to take part in the perspective group. On the other hand the media played an important role to enable *Nathan*, one of the interviewed engaged citizens, to speak and tell his opinion and intentions with the ideas.

Finally, one of the member of the management team expressed that many of the public organizations are heavenly burdened with work and responsibilities and therefore don't have time to engage in development and innovation processes. This is in line with Hirst's (2002)

argument to work towards associative democracy in which the public/citizens can relief some of this work burden.

6.2.6 Creative thinking skills

Creative thinking skills is described as the diversity of tools individuals applies to problems, i.e. their capacity to put existing ideas together in new combinations Amabile (1998). These skills are argued by Amabile (1996) to be crucial to creativity, together with expertise and motivation, and therefore also necessary to generate new ideas. In the idea generation stage a process designer were hired to guide the members of the perspective groups with methods that could stimulate creativity. However, the chairmen/chairwomen had a high influence on the process and could choose to whether include these methods fully or not. One creative thinking method was used by the idea gatherer during the idea generation events for the public/citizens. The method was to inspire and dare the participants to think big and dream. Cooper and Edgett (2007) do on the other hand warn organizations to simply ask the customers/users what they want since they often don't know themselves.

6.2.7 Awareness

A certain level of awareness was needed by the management team to plan the process. The management team was for instance aware of the need to hire a consultant with knowledge and skills to guide the perspective groups in their creative works. On the other hand there were no distinction made between the difference of strategic objective, strategic innovation and innovation strategy.

8. Reflections

As a researcher I would like to further reflect on the relation between democracy and innovation. I am fully aware that the study itself is neither entirely representative of all the thousands of participants in it nor representative to other similar processes. This doesn't however take away the importance of highlighting and describing this case as an example of how democratic considerations and public service development/innovation can coexist. I will therefore in this chapter briefly compare and reflect on some of the issues I would like to highlight.

To start with, when adopting a product/service development process, I also adopted the definitions that belong to it. Cooper & Edgett (2007) refer for the instance to the relationship between the organization and the user as a customer that needs to be understood. However as Sangiorgi (2015) states: New Public Governance “substitutes the focus on responsiveness to customers needs with an emphasis on power sharing and collaboration” (p.334). The citizens are in that sense more than customers or users; they are as Bason (2010) points out *co-creators*, part of a creation process as designers and not merely as users. This ideas of co-creation is perhaps more in line with the mission statement of Göteborg 2021, in which the purpose was to create a process designed *by* citizens and not only *for* the citizens.

I believe this has parallels with a democratic perspective. By viewing citizens as customers the public authorities are taking the role of an agency trying to understand and represent the need of the citizens. The role of citizens as co-creators is in my opinion different since the participating public/citizens are an agency of themselves representing the public/citizens as a whole (see fig. 8.1). This is in a sense a move up on Arnstein's (1969) ladder of participation towards *partnership* rather than *consultation* only.

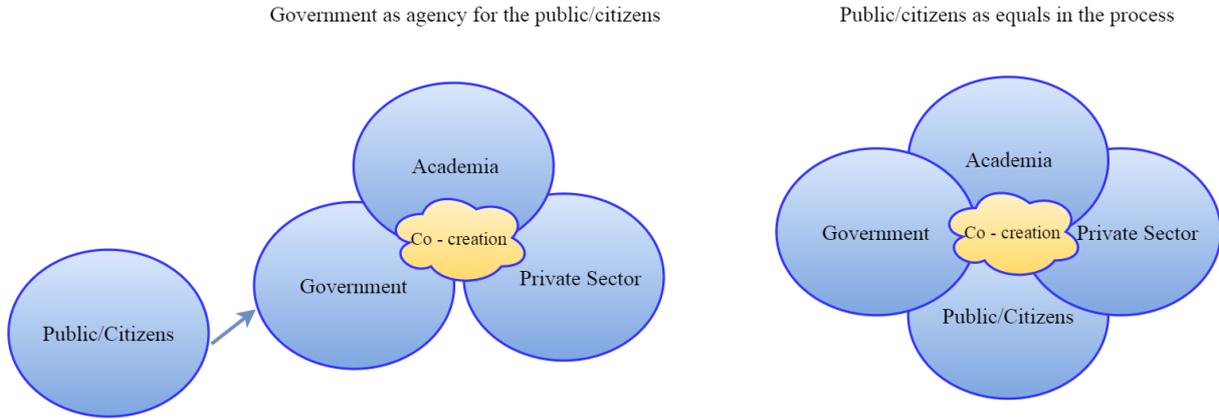


Figure 8.1: The different role of the public/citizens in a co-creation process

I argue that in this case the first model has been used during the exploration phase. One could also view the voluntary organizations as an actor of their own but the model is generalized. It is in one way understandable that the management team chose to separate the public/citizens ideas from the rest. There is also a point to make from a democratic point of view; are the participants in the expert groups obliged to listen and include the ideas of the public/citizens? The simple answer is no, even though participants from the public sector are more obliged to do so than the rest. From that point of view it makes sense that the management team chose to

select the final ideas and not only relied on feeding the public/citizens' idea as inspirations to the perspective groups. The study by Hennala, Parjanen and Uotila (2011) also acknowledges the risk of the "experts", members of the perspective groups, to stop listen and engage with the "non-experts", the public/citizens, once they have expressed their own thoughts and ideas. I do not state that this is always the case but there is a high risk in simply hoping this will happen especially since many of the ideas from the public/citizens were fed in on a later stage to the perspective groups and with only a very brief description of the ideas. *Nathan*, one of the engaged citizens, wondered how the participants in the perspective groups will be able to understand his ideas simply based on a few sentences.

I would also like to highlight here a different side of this mentioned by *Kevin*, one of the project managers, when claiming that the public/citizens are afraid of the "experts". If true, then the "non-expert" public/citizens cannot simply be moved to the second model (fig. 8.1) without any considerations of how to design the process. *Kevin*, the project manager, does on the other hand also mention that dealing with new ideas in which neither they, the officials, consider themselves as experts nor the public/citizens considers them as experts, can actually be positive for deliberation and collaboration. This is promising for collaboration between different actors in a development/innovation process, especially in the front-end process; since it often deals with new and uncertain ideas (Cooper & Edgett 2007) where no one can be considered as total "expert". Amabile's (1996) Componential Theory of Creativity does on the other hand highlight the need of expertise in the creative process. However I would like to state that the type of expertise needed is not obvious since new ideas, as Granovetter (2005) points out, often come from a network of weak ties with a diversity of knowledge and expertise. The importance of weak ties does also support the important role of deliberation in a democratic process since participants have the chance to get together, discuss and defend their opinions (Smith 2000). This will according to Smith (2000) also make the participants better informed and change some of their preferences and judgments after being part of a deliberation process.

I would also like to highlight here the opportunity for local governments to create an arena in which this network of weak ties and diversity can occur. Göteborg & Co was in this case able to gather hundreds of people with different backgrounds and make them engage during a one-year period on a voluntary basis without getting paid. This opportunity in which people with relevant expertise, based on a diversity of backgrounds, gender, age etc. can participate on an equal basis shows that the local governments can act as an arena for innovation. It does also support the findings of Thapa et al (2015) which argue that people are more motivated to take part of a process in which they feel that they can contribute to with their knowledge. However, Granovetter (2005), Amabile (1998) and Hennala, Parjanen and Uotila (2011) acknowledges the challenges to manage this process and applying creative thinking skills. One process designer was chosen in order to design and support the seven perspective groups. It is promising that this need of having a process designer was acknowledged by the management team but it is only as good as it can influence the process. The role of the public authorities was, in the case of Göteborg 2021, as coordinators of the network rather being an equal actor (as seen in figure 8.2). The ecological perspective on democracy does also

mention the importance of being cautious when facing choices in which there is limited knowledge (Mills & King 2000). My opinion is that a development/innovation process is often an example of a situation in which the participants have limited knowledge about the future risks. Mills and King (2000) argue that there is need to supplement the process by a commitment to constitutional considerations including the precautionary principle and environmental rights. The vision of Göteborg 2021 does for instance include *sustainable growth* and the management team has tried to incorporate the sustainability principles within the work of the perspective groups. My argument is that public authorities can play an important role as coordinator in a development/innovation process forcing the participants to consider risks that might have been ignored. Figure (8.2) would in this case be an example of collaboration between all the four actors and is coordinated by the government/local government who is an advocate for precautionary principles and assessing risk, as well as designing the process, during co-creation in the public arena. In the case of Göteborg 2021, members of the local government did participate in the front-end process. The public/citizens were in that case not represented directly but rather through the local government.

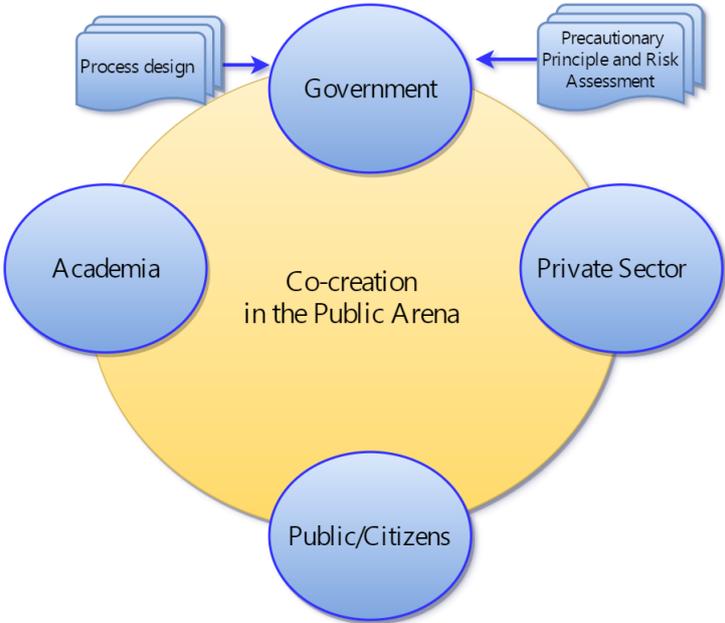


Figure 8.2: An example of how co-creation in the public arena can look like

The question of how the public/citizens should be involved in the process remains. The literature on deliberative democracy does acknowledge the challenge of including the public/citizens in the deliberative process since the often numbers thousands or millions (Fishkin & Luskin 2000) and not only in small face-to-face situations (Smith 2000). I believe the same problem can be stated towards the public/citizens’ involvement in the development/innovation process. The study by Hennala, Parjanen and Uotila (2011) tried to use an online idea generation process in order to involve more. However, the participants were not keen on building on each other’s ideas as the researchers had hoped.

The problem can also be reversed: are the public/citizens interested in participating? Hirst (2002) did acknowledge this when arguing that deliberative democracy accepts the notion of non-participation and settle in creating forums in which the voice of the few come to stand for

the whole population. Tritter and McCallum 2006 acknowledges that participation models such as the ladder of participation often ignore the fact that some citizens by choice don't want to participate even if the choice is given to them. Part of the reason of why representative democracy exist is due to the fact that few of the individuals are willing to spend a lot of their time and effort to become informed about debates, national policies etc. (Fishkin & Luskin 2000). When considering the development/innovation process Cooper and Edgett (2007) argue that it is favorable to generate a large number of ideas since about 1 in 100 ideas yield in a new product/service. It is then logical to think that a higher number of participants can yield a higher number of ideas.

In the case of Göteborg 2021, 1680 ideas and thoughts were gathered during the idea generation from the public. Adding to that the hundreds of ideas generated by the perspective groups, one might count that about a dozens of ideas would be implemented. This is so far true in the case of Göteborg 2021 where about 20 projects are still ongoing. Not all of the citizens have to, in my opinion, take part in the deliberation process. Some of the citizens don't want to participate; some are happy with electing politicians, others might want to take part in the ideation process but not during the later stages of the process; while some others want to be much more involved in the deliberative process. This is also in line with the motivation table suggested by Thapa et al (2015) which shows that there are many reasons for why individuals want to participate in the process. However when applying Amabile's Componential theory of Creativity one has to acknowledge that a modest level of expertise, motivation and creative thinking skills are needed. Citizens will in one sense always have some level of user experience when it comes to public services. If they have the motivation to participate then one does have to consider the creative thinking skills not only in the deliberative process but also in the case of Göteborg 2021 also in the case of the idea generation from the public.

One interesting question to ask is how should local governments deal with representations? Should they for instance accept that minority groups are not participating since they don't want to participate? This is not a question I can answer but I do acknowledge that part of the governmental role is to engage all social groups. Social groups are, as Young (1990) argues, different from interest groups the first mainly referring to the plurality of perspectives in the society while the latter is different groups pursuing pre-defined interests. There is no guarantee that active interest groups are representative of the social groups. Young (1997) argues as such for a representation based on social groups and not interest groups. This argument can also be put in the context of a development/innovation process. Novel ideas is, as mentioned earlier, often created in the intersection of plurality of knowledge and expertise (Granovetter 2005). The deliberative process requires though that participants interact with each other, listen and argue on an equal basis (Saward 2000). I support Young's (1997) argument that social groups can go beyond self-interest, including the experience, knowledge and interest of others to hopefully reach a more objective judgment.

The deliberative groups were, in the case of Göteborg 2021, mainly based on a common perspective, interest, between the members of the group. All three of the chairmen/chairwomen interviewed pointed out that their groups functioned well with an open

atmosphere. The initial idea of the process designer was to take the process a step further and cross-fertilize groups and ideas in order to generate new and interesting ideas. However this was not supported by all the chairman/chairwoman and the cross-fertilization didn't occur in the same way the process designer hoped to. The level of collaboration was as such not as high between the groups as within each group. I believe that one of the reasons for this is the categorization based on interests. Not all participants will therefore be keen on listening to other interests they might not care as much or have the same knowledge about. One of purposes of having the process in a public company was to take away politics from it but I would support Budge's (2000) argument about the difficulty of taking away politics in a public process since a political party is simply "*a group of like-minded people acting together to promote particular policies and candidates*"(p.198). I am not stating that the perspective groups acted like a political party but the point is: having people with like-minded interest on the same group could hamper the collaborations between groups which would have been important to generate more novel ideas. This is also why I question the role of associative democracy suggested by Hirst (2002) in public development/innovation process since it relies on engaging the citizens based on their interests.

Brugue and Gallego (2003) argue for a need to democratize public administrations and public companies, since it is in this arena political options become specific policies in which the citizens can play an active participation role. In the case of Göteborg 2021, I argue that there has been a move towards democratizing public administration and public companies. What is interesting is that they acted as an intermediary between citizens and other actors and the politicians. This was also noted by one of the project managers. This does challenge the traditional view of the politicians being representative of the people and the administrations and companies being the non-representative part (Rothstein and Kumlin 2001). In this case the two politician interviewed did express a high level of trust towards Göteborg & Co to handle the process. However risks are taken during this process and projects might yield to public scrutiny if the projects fails (Mulgan & Albury 2003). Would democratizing public administrations and public companies also mean handing over some of the responsibilities to them when failing?

Are there any other risks for democratizing public administrations and companies? How could this effect the development/innovation process? I believe that there has been an effect during the case of Göteborg 2021. I argue that a parallel process between a *strategy* stage and the stages of *idea generation* and *idea scoping/selections* occurred during the exploration phase (see fig. 7.1). In one way the main aim of the process was to create a common strategy with symbolic ideas rather than finding the most promising ideas. This meant somewhat a hunt for patterns. As such, a frequently suggested idea was more likely to be taken into the final selection than an idea mentioned once and did not fit the pattern. This approach of majority rules doesn't reassure that the majority are right, especially since the idea generation from the public/citizens were not based on a problem but rather a vision to make an international impact. The development/innovation process does instead highlight the importance of the novel idea with a potential to solve the problem. Cooper and Edgett (2007) suggests that ideas can be selected/ejected based on whether they fit the strategy or not. In the case of Göteborg

2021 ideas were chosen based on whether they fit one or several of the seven perspectives. However the management team chose to both widen and constrain what ideas should be included during the summary. The three themes “*By the water*”, “*Building Bridges*” and “*Open Spaces*” were much broader in their definition which gave the management team the opportunity to include more ideas from the public/citizens. Cooper and Edgett (2007) suggest that participants apply certain criteria and use a score card method, giving each idea a number value in which it can be fairly compared with others. This was however not a requirement to conduct in the perspective groups. Some of the group selected ideas by simply arguing which one they prefer most. I believe this can make people base ideas on interest and less on to see if they actually can work or deliver the right values. I also believe this was one of the reasons the execution phase became more iterative since not all projects had been analyzed to see if there is an organizational fit for the proposed projects.

Finally I would like to further reflect on the reason for choosing research question number two. When reading the literature about innovation in the public sector, several factors such as bureaucracy, taking risks, politics etc. were mentioned both as hinders and enablers of innovation. I wanted to go beyond this and understand what characteristics can have a profound impact on the development/innovation process in a democratic environment. Obviously factors like funding, support and work burden/lack of time will always have an impact on the process but as the process manager of Göteborg & Co mentioned: bureaucracy is not the problem, it is the people within the process and their engagement that decide whether the process moves forward or not. Hopefully by understanding and thinking about how individuals and groups functions in such a process, one can also understand what is needed to improve/change in order for the process to be more democratic and innovative.

9. Future research

There is on a general level a need to further understand how development/innovation processes are conducted in governments. This study has been focused on the coexistence of democratic innovation and public service development/innovation in a local government process. Additional cross-functional research is encouraged to understand how the two topic correlates as well as how characteristics found in such an environment correlates with each other.

An interesting question is if the public/citizens be used actively in other stages during the development/innovation process for instance during the business analysis stage? It will also be interesting to further study how collaborations for example in the perspective groups have developed. Did members meet outside the walls of the process?

Too much of the research is also focused on how the public sector can adopt and sometimes adapt methods and ideas from the private sector. However little is research made understanding what the public sector can contribute to the private sector when it comes to development/innovation processes.

10. Conclusion

(1) What does a democratic public service development process look like in local governments?

This study investigates the process of “Göteborg 2021”, an initiative taken by Gothenburg City Council to celebrate the 400th anniversary of the city in the year 2021. The aim of the process is to improve the public service and this will be done by including and involving the citizens and other actors in the city.

Three main phases were identified in the process: *initiation*, *exploration* and *execution*. The main focus has been on the front-end process, which mainly took place within the public arena of a local public company. The inclusion of the public/citizens has mainly been through a consultation participation role in the idea generation stage in which ideas were gathered by officials. The inclusion of other actors, such as the members from the private sector, academia, voluntary organization and other parts of public organizations, have been through deliberative processes in which the participants are given an expert consultancy role in the process.

When applying the Cooper’s (2001) Stage-Gate model, the exploration phase reveals that parallel stages have been used in which a *strategy* stage were conducted simultaneously as an *idea generation* stage and an *idea scoping/selection* stage. Ideas that were generated by the expert panels and the public were matched and selected by the process managers to create a common and inclusive strategy of public service development. Selection criteria during this phase were based on finding a common strategic fit of themes and symbol projects rather than strictly using business criteria on each idea. The ongoing *execution* phase showed flexible and iterative signs in which many of the selected projects were merged to one another and with multiple pilot studies conducted for each project. The decision maker during the first two phases were the City Council of the municipality with the consultancy of other public institutions. A diffusion of power were made during the *execution* phase in which more public institutions were involve in the decision making.

(2) What main characteristics have profound impact on the actors’ involvement in the process?

Seven characteristics were identified: *trust*, *expertise*, *engagement*, *courage*, *freedom*, *creative thinking skills* and *awareness*. These are based on the theoretical background as well as the empirical findings and highlight the main characteristics found in a public process, mainly during an *exploration* phase, with considerations of being both democratic and innovative.

The study recognize a need for further studies in order to understand how democracy and public service development/innovation can coexist in local governments and to investigate how the process characteristics can correlate with one another.

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11. Appendix 1: An overview of the local government structure in Gothenburg

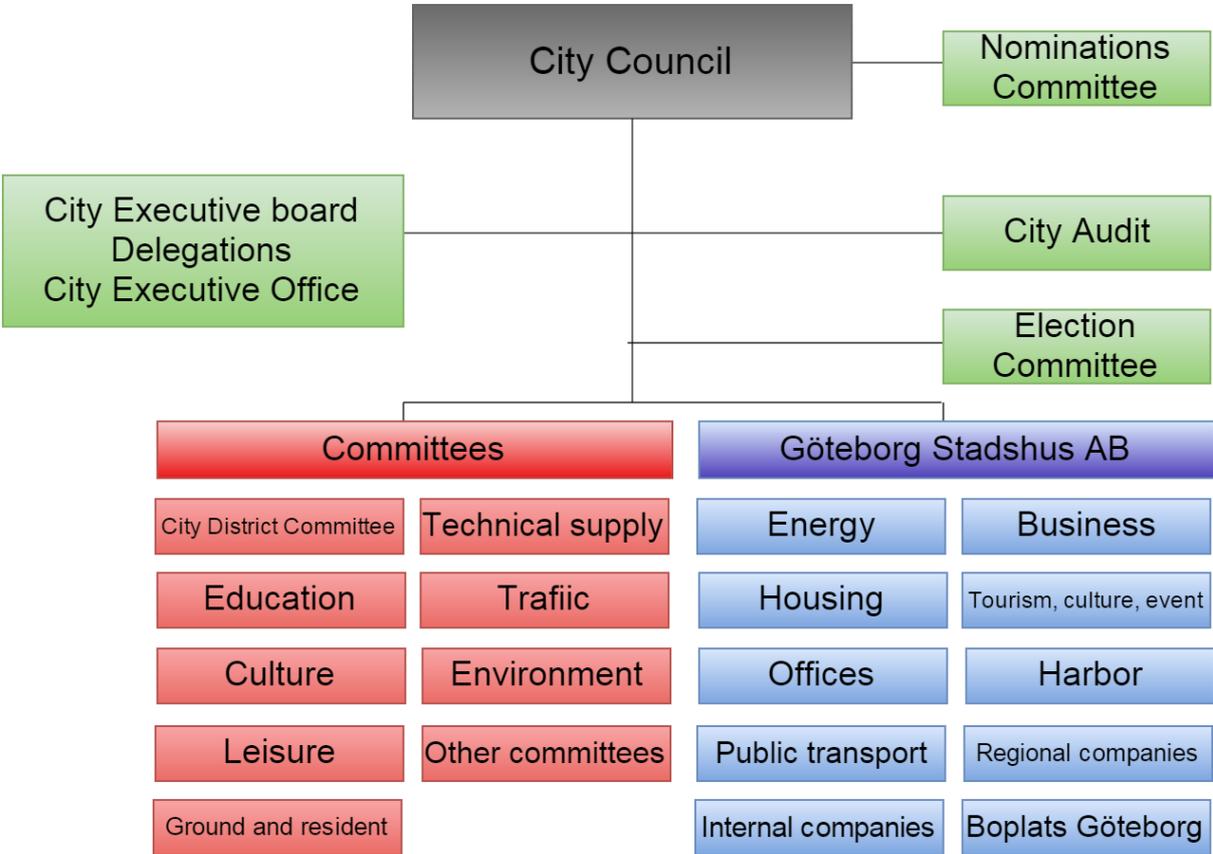


Figure 11.1: An overview of the local government structure in Gothenburg.

The following information is taken from the website of Gothenburg (Goteborg Stad 2016b) and describes the different roles of public authorities within the municipality.

The City Council is the highest legislative body in a municipality consisting of citizen elected politicians with a new election every fourth year. The City Council decides on issues with high importance for the municipality such as goal and policies, the municipal budget and tax. They do also decide on Deputy Mayor and appoints representative to the different committees. The City Council of Gothenburg consists of 81 City Councilors and 44 substitutes.

The City Executive Board is responsible to prepare the errands of the City Council and suggest decisions. They are responsible for implementing the council’s policies, spending the council’s budget and make sure that the units of the municipality follow their mission. The City Executive Board does always leave opinions in questions that are going to be decided by the City Council. The board in Gothenburg’s municipality consists of 13 Deputy Mayor and 5 assistant Deputy Mayor. These are appointed every fourth year by the City Council.

The City Executive Office is the responsible administration for helping the City Executive Board to perform their duties.

The City Audit has the responsibility to review the City Executive Council, the Committees and public companies.

Committees: the different city Committees consists of politicians appointed by the City Council. The Committees leads the Public Administrations that performs the daily operation. There are two kinds of Committees in the city of Gothenburg: City District Community and Specialist Committees.

The City District Committees decide on issues regarding libraries pre-schools, compulsory schools, individual and family care, leisure activities and social care for the elderly and those with disabilities. Gothenburg is divided into 10 city districts, each of which has its own city district committee.

The Specialist Committees are committees with different alignment and responsible for special areas such as education, traffic and housing. The specialist Committees are mainly involved in managing the budget and questions regarding their area of expertise.

Public Administrations performs and implement the daily operations.

The City District Administrations are responsible for the municipal services such as pre- and compulsory schools and care for the elderly, for the citizens living in the district.

The Specialist Administrations are responsible to manage the areas mentioned in the Specialist Committees. These are areas of concern for the entire city.

Göteborgs Stadshus AB is a group company and owner of all Gothenburg's public companies. The City Executive Council has the power to decide what public company should exist, appoint management and reviewers and decides on the owner directive and so on. The mission of Göteborgs Stadshus AB is to be a responsible and professional owner with a goal to increase the social benefits.

Göteborg & Co is owned by the City of Gothenburg through Göteborg Stadshus AB. The company's mission is to market and support the development of Gothenburg as a city for tourism, events and meetings, in broad collaboration with other stakeholders. Göteborg & Co is also the parent company of the Tourism, Culture and Events cluster. This cluster includes Liseberg AB, Got Event AB, Stadsteatern in Göteborg AB and Göteborg & Co.

Älvstranden Utveckling AB is the development company of the city of Gothenburg with a mission to fulfill "Vision Älvstaden" (the development of the old shipyard areas by the central river area in Gothenburg).