Co-production: What Makes Co-Production Work? Evidence from Pakistan

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Abstract

Purpose: In developing countries there is growing recognition that co-production offers more cost effective and responsive service delivery options in low income areas. This paper explores the way in which co-production initiatives are managed in a developing country, Pakistan.

Design: A qualitative comparative case study design is used. Data is collected through 25 semi-structured interviews and document analysis and applies Institutional Analysis and Development (IAD) Framework for analysis.

Findings: The study suggests that challenges to co-production are more than a managerial problem which require a different set of capabilities on the part of the actors in order to achieve anticipated goals in the joint production of services. Co-production initiatives require formal structures and processes to involve the local community and third sector to work with the public sector as effective partners. Political and bureaucratic commitment in regional and local government and community willingness to engage act as a catalyst for the successful management of co-production.

Originality: The study extends understanding of what makes co-production work, a little researched area in the field, drawing on a comparative analysis of two different institutional arrangements of co-production.

Key words: Co-production, commitment, context, resources, trust

1. Introduction

Co-production contributes to an important debate in public management, which goes to the heart of efficient, effective and more inclusive approaches to service delivery and forms part of a broader framework, New Public Governance (NPG), which is underpinned by a 'service dominant approach' (Osborne et al., 2013). Increasing fiscal pressures are pushing the public sector to search for more innovative, efficient, effective and inclusive ways to deliver services (Pestoff, 2014) as a result of synergy between public employees and citizens (Ostrom, 1996; Warren et al., 1982). Ostrom examined co-production in developing countries and concluded that *"co-production is crucial for achieving higher levels of welfare in developing countries, particularly those that are poor"* (1996:357).

There is a renewed interest in co-production, both in the developed and developing economies (Bovaird and Löffler 2012; OECD, 2011), yet it is a little researched area (Cepiku and Giordano, 2014; Joshi and Moore, 2004; OCED, 2011; Verscheure et al., 2012). Most empirical research focusses on the motivation and drivers of collaborative initiatives (Alford, 2014) and less attention is paid to the ways in which co-production is managed which calls for more systematic empirical research on co-production to advance our understanding of the issues surrounding how to promote, manage, evaluate and sustain co-production initiatives (Pestoff, 2014). This paper aims to fill this gap by drawing on two case studies of co-production initiatives within the Changa Pani Program (CPP) undertaken by two City District Governments (CDGs) of Pakistan, City District Government Lahore (CDGL) and City District Government Faisalabad (CDGF).

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Despite the emphasis on collaborative forms of service delivery in Pakistan, very few collaborative programmes are found in sectors such as health, education and water and sanitation. In particular, a limited number of NGOs operate in the water and sanitation sector in Pakistan (Bano, 2011). The most documented case study of NGO and public sector collaboration in the sanitation sector is the case of the Orangi Pilot Project (OPP), which was established by Akhter Hameed Khan in 1980, and is also known as the Component Sharing model, in low income areas of Karachi, the capital city of the Province of Sindh (Bano, 2011; Sansom, 2006). Punjab, one of the provinces of Pakistan, with a total population of 90 million, has overall Water and Sanitation Service (WSS) coverage of less than 50% of the total population (Government of Punjab, 2010). The Punjab Urban Water and Sanitation Policy (Government of Punjab, 2007) developed the Component Sharing model, referred to as the 'Changa Pani Program (CPP)', as a preferred strategy to include community and private participation in the planning, construction and maintenance of WSS provision. The CPP is based on the concept of co-production; its design and implementation emphasizes the "*shared character*" of service provision, with the involvement of direct users in the core production of services (Brandsen and Pestoff, 2006: 496), and it provides the public sector with ways through which they can achieve synergy and improve the quality of overall service provision (Ostrom, 1999). The data was collected from two co-production initiatives undertaken by CDGL, the 34th largest urban areas in the world, the second largest city in Pakistan and the capital of Punjab province, with a population of 10 million and CDGF, the third largest city of Pakistan, with a rapidly growing population of 3.5 million, and facing many challenges as a result of rapid urbanization. One of the major issues, particularly in the low income communities of these CDGs, is

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inadequate WSS provision. The decision to select two different CDGs was based on the assumption that they would provide a unique contrast to help understand the role of context on CPP, as their CPP is not only structured differently and they have adopted different strategies, but there are also different set of actors involved in each CDG, which could highlight their role in the implementation and management of co-production. The degree of formality and nature of user's involvement in CPP design, construction and service delivery varies across CDGs and can be a source of variation in its processes, which makes it highly relevant to study how co-production, when managed differently, leads to various outcomes.

The paper proceeds as follows. In section 2, we explore perspectives on co-production by reviewing the literature. In section 3, we outline our research methodology. In section 4, we present our research findings and in section 5 we conclude the analysis with a discussion of the implication of co-production initiatives. In section 6, we provide some research limitations.

2. Perspectives on co-production

Co-production implies the shared character of the production process (Brandsen and Pestoff, 2006), promoting greater citizen participation in the provision of services (Pestoff, 2006). The literature on co-production offers several definitions, including the simple one of the mixing of activities that involve both public service agents' and citizens' contribution to the provision of public services. The former are involved as "regular producers", while "citizen producers" contribute voluntarily to improve the quality and/or quantity of the services they use (Parks et al., 1981 as cited in Pestoff 2006: 506). In a more institutionalized approach, the emphasis is on "*provision of public*

services (broadly defined, to include regulation) through regular, long term relationships between state agencies and organised groups of citizens, where both make substantial resource contributions" (Joshi and Moore, 2004: 40). However, this definition limits itself to co-production with state agencies alone (Bovaird, 2007). The recent work of Brandsen and Honingh (2015: 5) provides a revised definition of coproduction, as the "*....relationship between a paid employee of an organisation and (groups of) individual citizens that require a direct and active contribution to the work of an organisation"*. Specifically, Brandsen and Honingh (2015) offer various forms of coproduction depending on the extent to which citizens are involved in the design and implementation of the core services of the service delivery organisations. Other have distinguished coproduction on the type of user's involvement in co-planning, co-design, co-financing, and co-delivery of services (Bovaird and Loffler, 2012) suggesting that co-production is not a fixed form (Van Eijk and Steen, 2014) and does not have a fixed meaning (Ewert and Evers, 2014), but can be considered as a continuum (Joost et al., 2015). The ways policies encourage citizens' involvement in the coproduction of complimentary or core services can affect the way these initiatives are consequently managed. In our case study, we will use Ostrom's (1996) definition as it provides a broader view of co-production and incorporates a range of arrangements between regular producers and users actively making significant contributions to the production of services. We will also consider co-production as a continuum and will examine how various institutional arrangements affect its outcomes, depending on the user involvement in the design, delivery and implementation of water and sanitation services (WSS).

In this paper we focus on co-production in service planning and delivery activities in two cases where co-production 1) takes the form of long term institutionalised arrangements between the stakeholders who make a significant contribution to the design, construction and provision of the core service of WSS (CDGL-CPP), and 2) where co-production remains a voluntary, non-formal arrangement based on a relational element of trust (CDGF-CPP), involving users in the design and construction of infrastructure development and leaving the provision of services to the service providers (WASA), proposing that the way users are involved provide opportunities and incentives for the partners to work together and consequently affect their institutional arrangements and hence make co-production work in a more effective manner.

How to co-produce? Issues of efficiency, effectiveness and inclusion

Motives and drives for co-production affect the way users are involved. Co-production based on governance drivers will give citizens a key role in service planning, design and implementation and provides tailored solutions built around users' needs (Brandsen and Honingh, 2015), while logistic drivers give citizens the key role in the direct delivery of the service (Bovaird, 2007). The literature has emphasised the role of organisational or institutional arrangements, since these arrangements may facilitate or hinder co-production (Bifulco and Ladd, 2006; Ostrom, 1996; Parks et al., 1981). According to Ostrom (1996), the design principles of co-production should let co-producers be part of the decision making process, directly or indirectly, and provide a mechanism to resolve conflicts. Alford (2009) emphasises the role of clients' motivation through directing their attention to what co-production can offer them, designing the right organisational structures that facilitate clients' engagement in the decision making and

institutionalising client engagement in co-production as part of the culture. Moreover,

political support, the support of the service providers and active citizen engagement to

overcome the inertia to work together are considered significant factors for effective

outcomes (Alford, 2009; Bifulco and Ladd, 2006; Percy, 1984; Pestoff, 2006). Cepiku

and Giordano (2014) reach a similar finding when analysing a longitudinal case study of

the health sector in Ethiopia, arguing that appropriate institutional arrangements are

crucial if co-production is to progress. The literature on users motivation emphasise the

willingness and capacity of the users to coproduce (Alford, 2009; Bovaird et al, 2015;

Joost and Honingh, 2015) and motivation of the key actors critical for the effectiveness

and sustainability of coproduction initiatives (Cepiku and Giordano, 2014; Van Eijk and

Steen, 2014).

Institutional Analysis and Development Framework (IAD)

In this section we will set out the IAD framework[1] proposed by Ostrom (2011) to

analyse the institutional arrangements of our case studies. The IAD framework provides

a conceptual map to understand and analyse the complexity inherent in policy problems.

Institutions are defined as *"widely understood rules, norms or behaviour or a strategy*

that creates incentives for behaviour in repetitive situations" (Crawford and Ostrom,

1995 as cited in Polski and Ostrom, 1999: 3). At the heart of IAD is the 'action

situation', the 'black box', in which individuals interact with each other, consider

alternative actions, make strategies, and implement actions within the context of the

physical and material conditions, the attributes of the community, and the rules in use

(McGinnis and Ostrom, 2004). Analysis of the action situation involves understanding

the set of actors, the rules in use, the level of control actors have on various choices, and

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[1] Author is thankful for the comments of the reviewers, in particularly suggesting to use IAD framework which made significant contribution to this paper.

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the cost and benefits which serve as incentives for the actors. However, the action situation is constrained by contextual variables – biophysical, community attributes, and rules in use (Polski and Ostrom, 1999). Biophysical variables (physical and human resources) highlight the role of inputs such as technology, labour, capital and processes related to production activity. A focus on community attributes such as demographic features, community preferences, values and perceptions towards actions situation help us understanding the extent communities are engaged in coproduction. The analysis focuses not only the working rules written down in contractual agreement but also 'rules in use'; shared understanding of actors evolved over time towards action situation, not necessarily written down in contractual agreements. The focus of IAD framework is to provide an integrated multi-tier framework to analyse the factors that influence the behaviour of individuals, associated patterns of interactions, and subsequently the outcomes of these interactions (Ostrom, 2011). Our focus will be on understanding the resources available in CPP and how they are linked to the action situation and program outcomes, analysing community attributes such as demographic features, shared norms regarding a policy or program, or degree of shared understanding regarding CPP. The focus of IAD is on understanding these rules, formal and informal, which affect the 'action situation', while analysing the rule-in-use, our focus will be on the operational rules that participants use to achieve CPP objectives.

3. Research Methodology

Data collection methods

The study adopted a comparative case study approach (Yin, 2013) to capture the contextual variation across two local governments and used a triangulation approach to

collect data and carried out semi structured interviews and document analysis (Denzin, 1970). In 2010-2012, useful background information was gathered from documentary sources such as Punjab Urban Water and Sanitation Policies, Local Government Ordinance 2001, internal records of the NGO and Water and Sanitation Agencies (WASAs) and from preliminary visits to the sites (CDGL and CDGF). In 2010 interviews were conducted with 25 informants across the public sector (WASAs), local policy makers (councillors), and Anjuman Samaji Behbood (ASB-NGO), all involved in the CPP. The first round of interviews was carried out in 2010[2] followed by follow up interviews in 2012[3] and a third round of interviews in 2016[4]. The interviews were semi-structured, recorded and transcribed for further analysis using the NVIVO software. NVIVO was used for systematic analysis and the flexibility to code, recode and cross-reference the codes that emerged from the data. Ostrom's (2011) IAD framework served as an analytical tool for data analysis to understand the complexity inherent in policy analysis in a systematic and comprehensive manner.

IAD framework for analysis

In this section, we set out how we applied the IAD framework in order to discuss the case study analysis and participants' perspectives on CPP. We start by providing the case study description mapping contextual variables such as community attributes, diagnosing the action situation and identifying the actors involved in CPP, making links between their role and rules in use for structuring interactions. In the following section,

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[2] In 2010, the CPP project was completed in City District Government Lahore (CDGL)

[3] In 2012, the follow up interviews were carried out after completion of the CPP. The entire operation and maintenance of the project was handed over to the local community itself by the creation of a WASCO committee with a 10 year contractual agreement.

[4] Interviews were conducted with head of ASB to provide detail information about community involvement in CPP as indicated by one of the reviewer.

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we will discuss the outcomes using participants' perceptions as the main evaluative criterion.

Case study 1: CPP – CDGL

The CPP project in CDGL involved multiple levels of participation with diverse actors, including the public sector at the regional level (URBAN Unit - UU), local level (Water and Sanitation Agency - WASA), an NGO (Anjuman Smajhi Bahbood - ASB) and the local community (Union Council (UC) 60) in the formulation and implementation of water and sanitation provision. The formal governance of the CPP was managed through a Memorandum of Understanding (MoU), which created a Steering Committee (SC) as a conflict resolution mechanism and an ad-hoc organizational structure as an administrative entity for overall project management. The CPP distinguished itself from mainstream interventions by placing an emphasis on community responsibility and fostering a kind of civic consciousness, or 'urban modernity' (McFarlane, 2008), among the community living in low income settlements. The actors and their roles are mapped in figure 1.

<<Insert Figure 1 Here>>

The process of CPP in CDGL started with sensitization of the regional department, UU, key professionals after their visit to ASB's CPP project area in Hassanpura, and CDGF, to see how CPP actually works. Our participants highlighted that after a thorough discussion between ASB and UU, it was decided to sensitize WASA about the project concept, as they were going to be the major player in the O&M of CPP. The preliminary visits of the UU also enlightened regional government that besides regional and federal governments water and sanitation policies which gave the community an active role in

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service delivery, the local service providers lacked the capability to provide a platform

for community engagement and translate policy objectives into implementation

decisions and CPP can be an opportunity for relating and institutionalising community

engagement in service delivery through third sector (ASB) engagement. The NGO can

help government in bridging the gap between the service providers and local

community. Later, the partnership model could be added to WASA's service delivery

model as a way of providing WSS to areas which are not directly linked to WASA's

main trunk lines. The cost of linking them to the main line was considered very high, so

in this context CPP offered an affordable and efficient solution to such low income

areas situated at the periphery of the CDG, not linked to the city's main WSS. The NGO

visited the area and carried out a social survey, which revealed that the community

consisted of 3,000 households and a population of 22,000, with no access to WSS and

suffering from waterborne diseases. The survey also indicated that the community was

willing to pay for the internal components of the project. The next phase was to get the

community on board for the financing of the internal components. To initiate

community dialogue, ASB organised informal meetings at street level with the local

community, introducing their approach and CPP objectives, and explaining how it was

going to help the community gain access to WSS. ASB highlighted the active role of

local councillors and the head of the local council – Nazim of UC 60 in this process.

The local council facilitated ASB in community mobilisation and introduced them to

the community by organising meetings between ASB, local councillors and members of

the community. Nazim also accompanied ASB during their door-to-door visits to

convince the community for the financing of the internal components. During this

phase, according to the Head of ASB, they actively looked for volunteers (social

activists), and asked the community to nominate their representatives for the Community Committee (CC) and their Lane managers (LM). These members enjoyed respect and influence among local communities. The CC and LM were responsible for the construction of the internal components. Later, this CC was given legal status through the formation of a WASCO committee under an Article and awarded a contract for 10 years to manage the O&M of WSS in their area.

Case Study 2: CDGF-CPP

Hassanpura, CDGF, was not connected to the water and sanitation infrastructure until 1994. In this situation people were forced to purchase clean drinking water from private suppliers who provided water quality at a premium rate, spending RS. 15000 monthly. Clean drinking water and sanitation was a community need, which they shared with ASB. The main water supply trunk line was only 1000ft away from the community. ASB, representing the community, wrote a letter to WASA (CDGF) requesting them to link the community to the main trunk line. According to WASA, the community was included in Phase II of the development project, which was going to start in 2008; until then the community had to wait. ASB contacted WASA, asking them what would be the total cost of constructing the infrastructure to link the community with the main trunk line. According to WASA, the cost of linking the community to the main trunk line was RS. 32 million. The community was spending RS. 13 million annually on buying clean drinking water. ASB discussed the cost estimation with the community, and their own research indicated that the total cost of the project would be less than half that of government estimates. The community indicated their willingness to construct their own internal and external components. The total estimated cost was RS. 2 million, and ASB was able to obtain this from another NGO (OPP/Water Aid UK) as a loan. ASB

provided this loan to the community to construct their infrastructure. To mobilise wider

community support, ASB contacted influential people in the community who were

respected by them, initiated informal discussions with them through home visits,

organised community meetings at street level, and orientated the local community

regarding 'how the project will work and its outcome' for the community at large.

Finally, once the NGO gained the community's willingness to finance the internal and

external components of the WSS provision, it approached WASA and CDGF to obtain

their certification (NO Objection Certificate – NOC) to start construction of the

infrastructure. Initially, WASA was reluctant to provide the NOC; from their

perspective it was a diversion from their routine way of doing things. However,

subsequent meetings and dialogues with ASB convinced them to issue the NOC and it

was agreed between WASA and ASB that WASA would supervise the construction

work to ensure that it met the government's technical specifications, and appointed

WASA's supervisors to oversee the community work and facilitate technical assistance.

ASB also collaborated with the another NGO (OPP/Water Aid UK), who were

extensively involved in sanitation projects in Karachi, and who agreed to provide an

interest free revolving fund of Rs 200,000 to provide loans to those households who

could not afford the cost of the project. Afterwards, for the project implementation,

ASB identified community activists to play a more active role in the process of

infrastructure construction and community engagement. After making contact, ASB

generated a list of 50 people and invited them to attend a meeting in the area. During

that meeting, people self-selected themselves into homogenous groups, and also

nominated 10 of the group to be part of a central committee. ASB highlighted that this

committee would be responsible for the management and supervision of the internal and

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external components and the role of ASB would be as facilitator. Furthermore, every street/lane selected their own 'Lane managers' to supervise the work of infrastructure development and money collection from the community. Overall, governance of CPP-CDGF was based on a relational element: trust of the local community in their selected representative committee and ASB and less emphasis on formal rules to govern the CPP project.

Diagnosis of the action situation

The IAD framework stresses the significance of analysing the action situation to identify the institutional arrangements and how the actors within an action situation bring their perceptions, beliefs and values, and the strategies they use to manage their interactions in generating different outcomes (Ostrom, 2011). The main actors involved in CPP-CDGL consisted of the UU (regional department), WASA (the service provider), ASB (the civil society organisation), and the Union Council (UC 60), the representative of the local community. UU was the main financier and provided funds for the project. WASA's main role was as provider and financier of the external component of the project, and the role of ASB was community mobilisation and provision of technical expertise for mapping trunk and sewer lines by the use of GIS (Geographic Information System) technology and to act as liaison between the communities and government actors. However, depending on the context of a particular CDG, the type of actors and their roles varied over the course of the project. For instance, in CDGF the main actors involved were UC, WASA, ASB, OPP/Water Aid UK (donor organisation), and the main initiator of the project was the local community itself. In CDGL, there was no involvement of donor organisations and the regional department (P&D/UU) initiated CPP on the request of community and was mainly

responsible for it. This also reflects that the composition of the actors plays an influential role in their power structure. On completion of the infrastructure, the roles of WASA, ASB and UU became ones of facilitators and monitors of the service provision, whereas the local community took over the role of WSS provider, in CDGL. This highlights the shift in the roles of users from beneficiaries of WSS to capable co-deliverers of services (Ewert and Evers, 2014). In the case of CDGF, the local community was as financier of both internal & external components and community was actively engaged in the construction while on completion of the infrastructure WSS were mainly provided by WASA. This explains the variation in the institutional arrangements in our two cases.

The community's willingness and motivation to initiate reciprocity underpins the formation of trust, and this willingness for reciprocity can be a contextual matter, as communities may differ in their willingness and hence motivation (Ostrom, 2000; 2009). In both our cases, the willingness of community, motivation and commitment of the key actors was one dominant theme in developing trust and managing interaction in both case studies; according to the Head of ASB, if the community is involved from the beginning of the process and engaged in the consultation regarding technical, finance and other issues, they have a sense of ownership in the project. This process of engagement addresses their concerns and builds up their confidence in the public and private sector. In both our cases, the respondents highlighted, "*the main attribute that the community shared was their willingness to coproduce, their strong belief that there may be a solution to their WSS issues, initiating reciprocity and developing a chain of trust in themselves and in the partners*". From NGO perspective, both communities

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were rich in social capital, reflected in community volunteering for the role of social activists.

The rules were shared understanding between the actors about how to get things done, defined their boundaries and developed an infrastructure for resolving conflicts (Ostrom, 1990; Ostrom, 2011). The MoU, in our case study of CPP-CDGL, provided a guiding framework to structure the interactions of the actors by providing them with an institutional framework and by establishing the authority, position, scope and implementation of the rules and norms for making decisions and taking action. All our respondents were of the view that "*rules provided clarity and established each actor's jurisdiction*". The SC was the forum where the actors negotiated their strategies and in cases of conflict resolved their issues through deliberations. For instance, the Head of ASB explained how conflicts were resolved and decisions made on revising the rules over time; "*......one of the major issues faced was the administrative control of the program staff for the internal component between the ASB and WASA. This was solved through an understanding reached at the steering committee that ASB would mobilise community and provide them with technical support; therefore, all the relevant staff would report to ASB. The staff salary release would be approved by the steering committee based on their progress.*" This also reflects that although government work involves following rigid rules to maintain its bureaucratic system, in both cases it can be discerned that government tried to be more flexible in their approach to achieve the anticipated outcomes. The MoU between the key actors was a significant departure from ASB's efforts in Hassanpura (CDGF), where actors relied on a shared understating of their roles and no formal agreement was signed by the actors. Initially, ASB faced resistance from various players: WASA, CDG, and the local community, particularly

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local politicians in the area in case study of CDGF-CPP. There was an understanding between the actors, but there was no formal agreement in the form of MoU among the main actors. This may be one of the reasons why our interviews with WASA (CDGF) indicated mixed perceptions about the project outcomes. In the case study of CPP-CDGF, ASB had to work hard to convince WASA about the feasibility of the project and secure their support to supervise the external components of the infrastructure. It is evident from our interviews with the key actors that support from the providers or regional departments is a key element in assuring commitment from the key actors and for the success of such a project. This commitment is reflected in CDGL's efforts to allocate office and administrative staff to give support to the day to day operations of CPP, and a program director fully devoted to the project; lack of such support may be one the reasons for participants' suspicions regarding the project outcomes in the CPP-CDGF case.

Another significant departure from the CPP project in CDGF was the formation of a WASCO committee responsible for the provision of WSS in the area. The members of this committee were elected by the local community, and the committee also had representation from WASA and ASB; however, in limited role of supervision, facilitation and expert opinion if the WASCO needed technical advice on the O&M of the WSS provision. According to the Head of ASB, *WASCO "has an executive committee consisting of six members: the General Secretary, President, Vice President, Cashier and two Executive members. They are all volunteers. It has its own office, its own billing system, and its own staff. It is a registered body under the Society Act 1800 through a Memorandum of Article. WASCO serves 4,075 households. In this way,*

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WASA is able to reduce its responsibilities, and the cost of operation and management service provision in that area."

Evaluative criterion

We used the subjective perception of the respondents as an evaluative criterion. The interviews with the government actors mostly emphasized efficiency and community empowerment as main themes. The NGO's emphasis was on gaining the trust of the government sector regarding community engagement projects and enabling local communities to be a partner in service delivery. Their approach to co-production was to understand the government's rules and regulations and to work within them as an 'insider' and a 'partner'. This enabled them to bring a change in the mind set of public sector professionals towards communities and NGOs. The success of this project contributed to changing the government's perception of NGOs as a threat, considering them as a partner in responsive service delivery instead. ASB highlighted that the change in government approach was reflected in their policies, which placed emphasis on the inclusion of the third sector on various institutional boards, such as the Water Board, for greater representation of communities. According to the Head of ASB, "*our relationships with government have strengthened*; *government professionals have become more open to our ideas as we have established our trust and credibility, and they know we can deliver services*."

However, political commitment in the form of policy initiatives and of allocating resources in the Annual Development Plans (ADPs) for community initiatives may be a push factor for service providers to search for ways to engage the community in WSS provision and to obtain access to funds. The Managing director (WASA, CDGF)

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highlighted, "*in this particular project, there is strong political commitment. It has been included in the annual development plan. There is a separate section in the Planning and Development Department for facilitation. Of course, it shows political commitment to institutionalizing such initiatives. Examples of successful projects will help us to mobilize the community and gain their trust. As it is new to us, it is new to the community as well.*" From the community perspective (Nazim, CDGL), the outcome was "*confidence in themselves, access to WSS services and a change in their thinking towards government, as the success of this project helped them to be capable co-producers, self-reliant, and able to act as change agents.*"

It was interesting to observe that our second and third round of interviews with WASA (CDGF) revealed that there was a paradigm shift in the mind set of the professionals, as they were in the process of making internal changes in their organisation by creating Social Mobiliser (SM) post, with candidates needing a sociology background. According to the Managing Director of WASA (CDGF), the role of SM will be to head a team for the management of community initiatives. Implicit in his perception was the idea not to be reliant on one single NGO and to be more active in community engagement. He reflected, "*from CDGL experience we have learnt that we needed to make WASCO, a water company, part of the local community from the beginning ad work with them from the start rather than with the NGO….at the moment we are relying on the NGO and exploring if we can find volunteers from the community who can actively participate throughout the project.*" Moreover, he was of the opinion that "*community representation should be very extensive and all sections of the community should be represented.*" To manage interactions, the professionals (WASA) considered that "*trust among the partners and formal arrangements are both essential for*

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managing partnerships." Interestingly, besides both the NGO and WASA emphasising

the role of trust, emphasis was more on governance through formalisation, to have clear

roles and responsibilities, and rules, "*every individual should work within his or her*

'circle' and within that should work together and try not to interfere in others'

responsibilities. Once the roles and responsibilities are clearly described and there is

no ambiguity about how to do things, then, in my opinion, trust is established" (Head

ASB).

However, the literature suggests that co-production is not panacea for all problems

(Bovaird, 2007), and the professionals (WASA) also indicated, "*for sustainability, it*

should be an independent project. If we share the water source with the rest of the

WASA coverage area, then it becomes a risky project. A self-contained project is easy

for cost management. The advantage is that if the infrastructure is fully independent,

then is becomes easy to manage." This theme was also evident in our interviews with

the NGO representatives. It can be argued that depending the nature of the project, one

needs to take into account contextual or biophysical variables, such as resource

availability and how to deploy these for optimum utilisation (Ostrom, 2011).

4. Discussion and Research Implications for Theory and Practice

The findings from this study offer valuable insights for the growing body of literature

on co-production. It has contributed by providing interesting answers to the question

"what makes co-production work?" Previous studies from developing countries have

focused on NGO-government relations (Bano, 2011; Batley and Rose, 2011; Sansom,

2006). However, this study has mainly focused on comparing two case studies using

Ostrom's IAD framework to analyse institutional arrangements. In the case study of

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CPP-CDGL, the focus was on formalisation aspects – MoU, the establishment of a steering committee, an ad-hoc organisational structure, for improved coordination for conflict resolution, and shared decision making. These institutional design arrangements also enabled the public sector to gain more flexibility to overcome its internal focus on compliance with rules and ways to engage communities and the third sector by introducing the community perspective. It was evident that NGO involvement or community participation on their own are not sufficient for sustainable outcomes. Much depends on how relationships are managed by the partners (Joost, 2015), greater degree of citizen representation, and how far due consideration is given to building the capabilities of the public sector and local communities. Formalizing community participation in planning and implementation processes for the sustainability of development schemes is important for generating a sense of ownership and trust in the community. This entire process needs to be carefully planned and managed by obtaining the support of key stakeholders. It calls for policy makers and practitioners to revise their strategies and develop structures and processes which can articulate community needs to make service delivery more efficient.

Secondly, there was a strong realization in the public sector that NGOs had a competitive advantage in their technological ability to map and survey the area with the GIS system and their social skills for community mobilisation and bridging the gap between the community and the public sector, bringing a change in the attitude of the latter towards working with non-profit organisations and communities (Sanna, 2015). The public sector considered the third sector and local communities as *partners* in service provision rather than mere recipients of services. Since the attitude of the public sector and politicians towards involving communities and the third sector influences the

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extent to which coproduction occurs (Ewert and Evers, 2014; Roberts et al., 2013), we found that this change in attitude, acceptance of the added value that co-producers bring, was responsible for line agencies' efforts to make institutional changes in their own organisational structure to create mechanisms for involving local communities and third sector in service provision and for politicians to commit more resources to such initiatives.

Thirdly, political and bureaucratic commitment (Parker et al., 1981; Pestoff, 2006) , along with community willingness (Van Eijk and Steen, 2014) to participate, was found to be a strong contextual factor affecting co-production initiatives and the extent to which trust, reciprocity and shared values could be initiated among the key actors. Resource commitment in the form of allocation of development funds to community-led initiatives were the push factors leading organisations to adopt community-led initiatives for service provision. However, community pressure appear to be strong determinant for policy implementation (Joost et al., 2015). There was wide recognition among public officials that WASA (CDGF) lacked the expertise to interact with the community and needed a new type of public professional; social mobilisers or boundary spanners (Noble and Jones, 2006), who could help to bridge the gap between local service providers, NGOs and the community, creating a paradigm shift from controlling service delivery to engaging service users and individuals as potential contributors to efficient and effective service provision.

Although the public and third sectors seemed satisfied with the initial outcomes, it would be premature to conclude any real long term outcomes of the co-production reported in our findings. However, what can we be certain of is that there was a change in the traditional conception of public sector professionals, from sole service providers,

to an acceptance of the role of the community and the third sector in service provision. More successful examples of such collaboration can bring a real indigenous change in service delivery logic. Government work often involves a series of rules and procedures to sustain its bureaucratic system. Therefore, practitioners need to understand that challenges to co-production are more than a managerial problem, and that working with NGOs and communities requires a different set of capabilities on the part of the actors in order to achieve the anticipated goals in the joint production of services.

5. Research Limitations

We used a comparative case study design to capture the contextual variations and relied on a diverse set of stakeholders, however, this research lacked a broader community perspective and it is suggested that future research should incorporate the community perspective for a better understanding of how co-production initiatives are managed. This study, like other research studies on co-production, employed qualitative research design, which helped to provide a more in-depth insight into how co-production is managed. However, future research could benefit from more quantitative approaches for methodological improvements. Moreover, this case study only compared co-production initiatives in the water and sanitation sectors; we therefore suggest that further comparative research into various sectors, different cultural contexts and legal and institutional environments is needed for theory development, to develop an indigenous approach towards managing co-production. Moreover, further longitudinal studies are needed to study the extent to which co-production initiatives are sustainable options for service delivery.

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Role of ASB:
Community mobilization,
mapping, surveying,
facilitating the
communication among
partners

Role of URBAN UNIT:
coordination, facilitation,
conducting research for the
policy learning of this model in
other cities

Regional
Government-
URBAN UNIT
(UU)

Local NGO
(ASB)

Steering
Committee
(SC)

Line agency-
(WASA)

Role of WASA: design
& construction of
external component,
establishing a project
support office and
financial management of
the project

Role of SC: facilitation,
coordination, conflict
resolution, supervision

Local
community:
(UC 60)
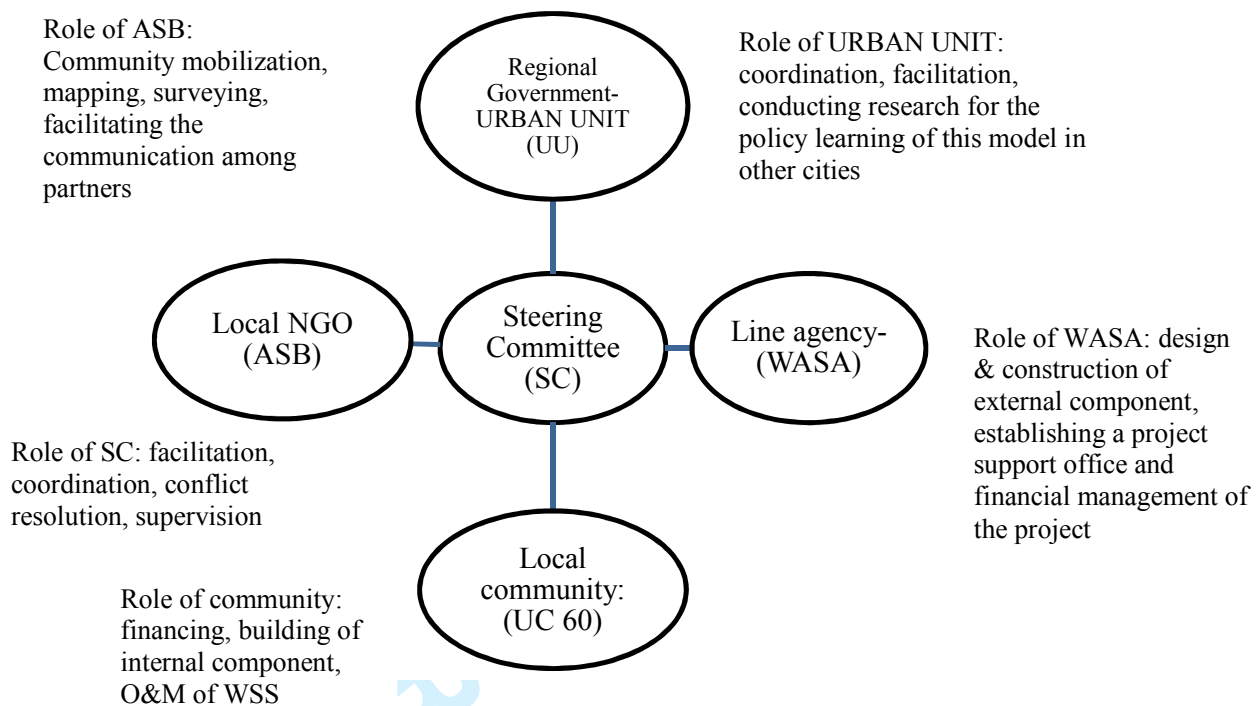
Role of community:
financing, building of
internal component,
O&M of WSS

Figure 1: Mapping Actors and their Role in CPP-CDGL