

Coproduction in Aged Care: Insights from Elinor Ostrom's “Crossing the Great Divide”.

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- Coproduction involves **the active participation of individuals who receive a good or service [“clients”] in the production process**
- Elinor Ostrom’s approach is especially relevant to economic studies of coproduction

Key Themes in Ostrom's work

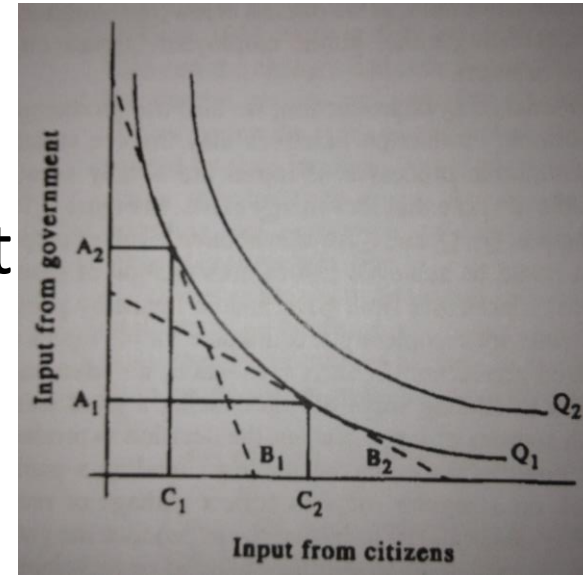


1. A theoretical framework that explicitly acknowledges the hierarchical nature of social and economic systems
2. A New Institutional theoretical approach
 - a. Purposeful but boundedly rational, norm-guided agents with multiple objectives
 - b. Institutions that structure human *interaction but are also constructed through the interactions of individuals seeking solutions to collective problems*
3. An emphasis on polycentric governance
4. “Thin description” and “dirty empirical analysis”

Crossing the great divide: Ostrom's analysis of coproduction

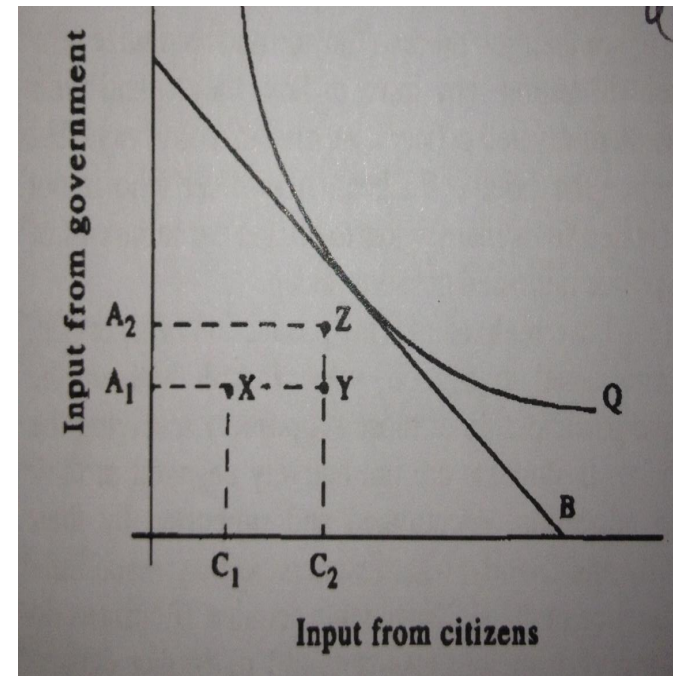
The 'thin' theory of coproduction features:

- A production/transformation function to represent maximum levels of service from different combinations of citizen and government inputs under existing technological conditions
- A budget constraint defined by a budgetary allocation and relative input costs



The 'thin' theory of coproduction features:

- Imperfect information, monitoring and control
 - Outcomes may fall short of the production possibility frontier.
 - Creates a central role for institutional arrangements that:
 - Maximise the incentives for agents to commit effort
 - Encourage citizens' input
 - Effectively coordinate the efforts of diverse inputs



Crossing the great divide: Ostrom's analysis of coproduction

- **“Dirty” empirical methods** are needed to identify the type of institutional arrangements that work (or don't work) in particular situations
- Detailed case study evidence suggests several conditions “heighten the probability that co-production will lead to superior outcomes”:
 - **Technologies in use generate a complementary production function**
 - **Legal options are available to relevant parties**
 - **Participants can build credible commitments to each other so that if one side increases inputs the other will continue at the same or higher level**
 - **Incentives help to encourage inputs from both officials and citizens**

Coproduction in the Australian aged care sector?

- Data from the Missing Worker Project
 - a large mixed-methods study that included a survey of almost 4000 aged care workers, as well as semi-structured interviews with 43 respondents.
 - **Themes relevant to coproduction emerged in the interviews.**

Coproduction in the Australian aged care sector?

- 1. Coproduction is an integral part of aged care:**
 - Care provision is properly defined as activity that enhances the capabilities of the care recipient, and thus extends to actions that enable the person to be in as much control as possible of how, when and whether their functionings relating to mobility, nutrition or hygiene are engaged.
 - This entails coproduction and ensuring, as far as possible, that care recipients feel in control of how, and with what help, they achieve their basic functionings.

Coproduction in the Australian aged care sector?

2. Coproduction is not universally applicable to all aged care situations or a panacea

- Most aged care recipients, by definition, have some form of constraint on their physical or cognitive capacity. In some cases, the recipient's capacity is significantly compromised.
- Thus, some forms of coproduction that are perceived as intrinsically desirable, such as formalized systems of joint decision-making, are not always feasible.

Conditions for successful coproduction in aged care

1. The skill of aged care workers – especially around the communicative aspects of care

- Successful coproduction of aged care, where it is possible, involves a careful balancing of recipients' needs and capacities with the achievement of specific tasks.
- As such, it is heavily dependent on the skills of carers (in recognising and creating opportunities for the involvement of the care recipient).

Conditions for successful coproduction in aged care

2. Time to care, and continuity in care relationships

- Barriers to a recipients' engagement in the care process can be overcome with the input of skill and patience (*and time*) by the carer
- Continuity of care is also vital. In the interviews, many carers mentioned the importance of an ability to read non-verbal cues, such as gestures, but also changes in behaviour and mood, in order to coordinate their activities with a person's care needs.

Conditions for successful coproduction in aged care

3. Recognition, including through pay, is an important element of motivation

- Carers frequently draw comparisons between the high physical and emotional demands of aged care and the relatively low rate of pay, and relate this to high staff turnover and low morale.

Important institutions

1. Pay

- The institutions of pay setting in the Australian aged care sector fail to motivate coproduction or reward the skill involved in this important process.

2. Organization of work hours

- Many carers express frustration with the small amount of time current **rules** permit for engagements with care recipients, and how this undermines the communication of recipients' care needs and preferences

Important institutions

3. Reliance on agency or temporary workers

- Whilst 'agency staff' are generally perceived to be technically proficient, their ability to achieve good care outcomes is seen to be limited by their lack of knowledge of and connection with the particular people being cared for.

4. Accreditation

- At various levels of the care system, accreditation processes direct and reward efforts which are not necessarily conducive to coproduction.

5. Authority rules

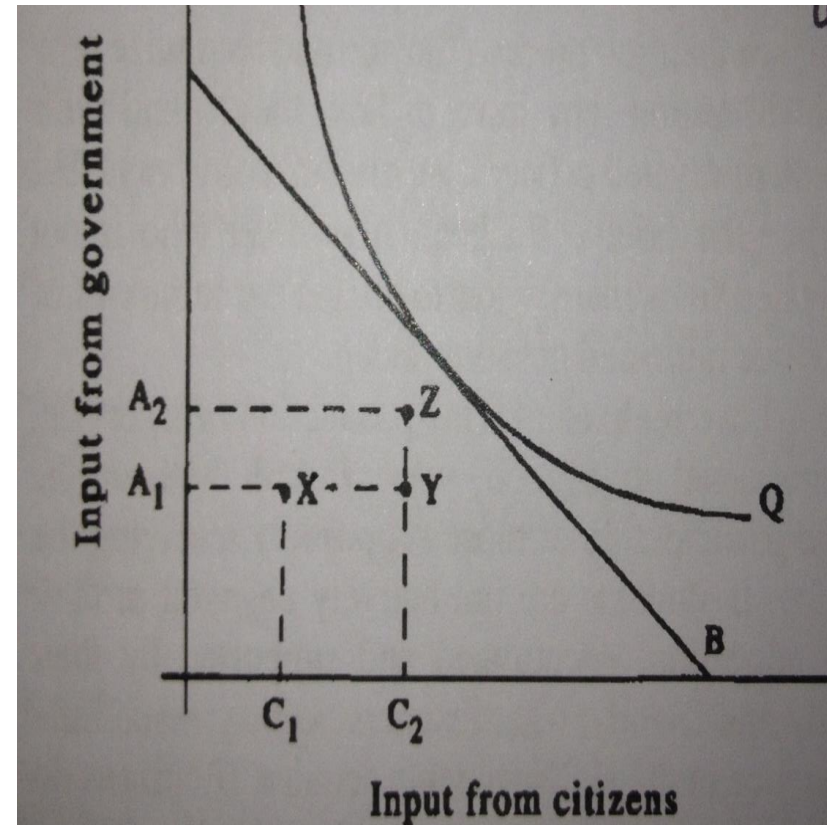
- There is a perceived lack of authority to depart from narrowly defined tasks and time allocations, and/or a failure to recognise carers when they commit more effort than is minimally required

Discussion and Conclusion

- Ostrom's model of coproduction is far from perfect but it has the **potential to facilitate worthwhile economic studies of care situations.**
 - Its framing in the language of economics creates strategic opportunities

Discussion and Conclusion

- There is plenty of scope for additional work.
- **At a theoretical level**, care situations challenge some basic precepts of welfare economics
- A new version of the 'thin' model than the one used by Ostrom is needed, and we need particular measures of successful care outcomes.



Discussion and Conclusion

- **At an empirical level**, there are a range of other forms of coproduction in aged care that could be explored.
- There is also large scope for investigation of alternative institutional arrangements that might be positive for successful coproduction in aged care.

