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# A service design experiment in the Municipality of Turin to overcome organisational silos

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## Abstract

In order to set up an experiential learning framework to support the introduction of new knowledge in the organisation and to foster cross-sectorial cooperation, in 2016-2017, in the Municipality of Turin a group of employees took part in the experimental project of co-designing a new service (To-Home).

Social integration, work integration and housing problems typically come together and affect the same families, but they are treated with separate measures by different sectors of the Municipality. The objective of the new service was thus to provide a comprehensive solution and foreseeing the identification of an external subject for a joint public-private delivery. The analysis of the experimentation shed light on a few critical issues connected with the embedding of service design in the public sector. In particular, the necessity to bridge the gap between ideation and implementation of the service and the connection between service (re)design and organisational transformation emerged as the most relevant questions.

**KEYWORDS:** public sector, service co-design, organisational change, experiential learning

## Case description

Turin is the third largest Italian city, well known in the world as the hometown of FIAT automobiles. The crisis of the automotive sector that started in 2007 led to the delocalisation of the production and to a relevant increase in the level of unemployment, which has become the biggest challenge for the city.

Under these premises, one of the objectives of the Municipality is the development of internal capacities to develop and deliver innovative services that respond to the needs of citizens affected by the crisis. As these services call for an integrated approach, the Municipality promoted a smoother cooperation among departments, with the aim of overcoming organisational silos.

The first opportunity of a real joint collaboration between the divisions was the need to design innovative services for social inclusion supported by funds coming from the central government.

Thanks to an already established relationship between the SIC (Social Innovation Community) H2020 project and the Municipality of Turin, the design of the new services was conducted with the support of design researchers from the University of Bologna and the Politecnico di Milano within the SIC experimentation activities. This was an opportunity to use the service co-design process as a way to develop innovative solutions, introducing new knowledge and fostering cross-sectoral cooperation. The challenge was to combine divisions dedicated to employment, social housing, education, and support to disadvantaged families, to design an integrated service, which supports citizens and families at risk of losing their home, making them economically active.

TO-Home, the service to be designed, was meant to respond to the complex needs of vulnerable citizens at risk of eviction (families or individuals that received an eviction notice or are at risk of receiving it) due to insufficient income. The innovative feature of the service is the integration between the employment, housing and social services, which are traditionally approaching the risk of eviction with different perspectives (a labour issue vs. a housing or a social one).

The SIC experimentation allowed 20 employees from different divisions of the Municipality of Turin to take part in a design studio experience that was conducted for four months (December 2016 - March 2017) by experts/researchers in the field of service design.

To deal with the challenge, participants were engaged in a service co-design loop, structured in four phases overlapping with an experiential learning loop (Owen, 2007; Beckman & Barry, 2007): i) analysis of the problem; ii) problem reframing and envisioning of new solutions; iii) service co-design; and iv) prototyping/experimenting. The experimentation run through three phases, while the last one could not be realised, due to the fact that the Municipality was forced to externalise the implementation of the service, also for constraints bound to the use of funds provided by the central government.

The experimentation confirmed two interconnected organisational challenges: 1) how to achieve a holistic approach to service delivery by integrating services belonging to different divisions of the Municipality that affect the same citizens; and 2) how to overcome internal resistances and barriers connected with the current organisational culture and structure. In the second phase participants were guided to the envisioning of new solutions and supported to co-design rough concepts for the new service. The final idea was a new integrated service based on a one-stop shop model and on the “housing first” principle, including and linking services previously belonging to divisions to achieve a holistic and more empathic approach improving the user experience and the efficacy and efficiency of the service.

The third phase of the experimentation was focused on the co-design of a systemic solution, moving from ideation to detailed design. The participants were guided in three different workshops through a process meant to design the fundamental components of the service through the use of diffused service design tools: personas for the users’ profile, customer journeys for the users’ experience, a system map to identify and connect the different actors and stakeholders, and a service blueprint to schematise the internal and external processes to be implemented in order to deliver the service.

The last phase of the design process (September–December 2017) included the support to prepare the tender to individualise the external partners to implement the service and the design of the service pilot. During this phase, the Municipality also identified a physical space to be refurbished, where to start experimenting the delivery of the new service, with the objective of involving 500 citizens and family units.

The implementation of the new service will be conducted by a consortium of external subjects winner of the public tender, with governance based on a quite traditional contractual relationship, in which the Municipality will monitor the service delivery and assess the results, while the private actors will actually implement and deliver the service.

## Critical issues and reflections

The analysis of the experimentation, conducted through the case-study methodology, shed light on a few critical issues connected with the embedding of service design knowledge and processes in the public sector, which are at the core of the lessons learnt.

The first issue, which clearly emerged during the design of the service, is the difficulty of the employees to assume the point of view of the end users as an alternative perspective from which to analyse the current services and design the new ones. In our perspective, the deep knowledge of the existing procedures and constraints acted as a barrier, which made the participants quite able at identifying organisational or systemic constraints (budget and other required resources, service governance, legal framework, etc.), but at the same time quite unable to find ways of spotting alternative solutions by adopting a more user centric attitude. In this respect, role-playing exercises (thinking hats, Disney creative technique) and service design tools were useful in helping them assume other perspectives, but not decisive in overcoming their organisation-centric view on services. The limited and qualitative nature of the experimentation does not offer the possibility to widely generalise the results, but they confirm the difficulty to overcome the inward-looking attitude of the public sector (Waterhouse & Lewis, 2004).

A second issue that clearly emerged, whose solution was indeed one of the objectives of the experimentation, is the employees' difficulty in overcoming internal resistance to change and barriers bound to the current organisational structure, based on a divisional model that harks back to the idea of creating efficiency through specialisation. This model is actually quite typical not only in the PA, but also in all those situations where efficiency and the exploitation of existing resources tend to prevail over exploration and the creation of new knowledge within the organisation (March, 1991). This typically leads to a low degree of flexibility, and to the creation of knowledge silos that reduce the cooperation among departments and the capacity to work in projects calling for the integration of diverse competences and points of view. In this respect, introducing service co-design processes has been a way to foster organisational transformation (Sangiorgi, 2011), combining the exploitation of internal knowledge and vertical competences with cross-sectorial cooperation. In our view, this strongly confirms the idea that the co-design approach is not only a matter of introducing a user-centred perspective, but also a wider human-centred one, which recognises the importance of employees as resources to be valorised in service design (Deserti & Rizzo, 2011).

A third issue faced during the experimentation is the difficulty of the employees to reconnect the design of the new service with its real implementation. In particular, during the design of the service blueprint we observed that the participants were unable to come out with effective solutions to four main problems, which could ultimately affect the delivery of the new service:

- how to individualise the competences of the operators that should deliver the new service;
- how to make the service visible and how to communicate it to the end users;
- how to obtain the availability of enough houses to accommodate fragile families;
- how to engage the users of the services in co-production mechanisms.

A coherent explanation of the difficulty to bridge ideation and implementation of new services could be linked with the policy - that the public sector has widely applied in Europe over the past years - of outsourcing service implementation and delivery to intermediaries. Extensive externalisation of the delivery of its services may actually prevent an organisation and its employees to learn from the interaction with users, and to better design the new services capturing factors that reside in their implementation at later stages. In our view, both to avoid this problem and to render the service co-design process effective through the involvement of all the relevant actors involved, public procurement should be redesigned. This can be done by adopting innovative and experimental public procurement processes that allow public organisation to collaborate with the whole system of actors potentially

involved in the delivery of the service, as well as with the interested stakeholders, while ensuring transparency and fairness in decision making and public expenditure.

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