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# Public values as essential criteria for public entrepreneurship: Water management in France

Tsanga Tabi Marie [a, b, *]

[a] IRSTEA (National Research Institute of Science and Technology for Environment and Agriculture), France
[b] ENGEES (National School of Water and Environmental Engineering of Strasbourg), France

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ABSTRACT

Historically, major private companies were the dominant players in urban water supply in France. However, a new era of water supply restructuring is underway, whereby formally private water corporations are being made public. Given that many such public water corporations adopt practices associated with private entities, it is essential to identify what is expected of "public" entities by virtue of the fact that they are public. In this article, we examine the foundational ideas behind the raison d'être of public entities, which engender priorities that differ from their private sector counterparts. Using a research-action methodology, water utility management, staff and consumers of Greater Nantes were asked to specify the meaning of "public" and how it should be operationalized in the case of publicly owned utilities. The research shows that the attainment of public values is what lends legitimacy to a public utility charged with the provision of essential services. In this case, even in a context of neoliberal governance, where private values of an economic nature conflict with public goals; public values take precedence in the management and the regulation of the service.



## 1. Introduction

After more than a century of outsourcing public water services to major private companies, there is renewed interest in public management in France. One of the major theoretical challenges arising from this situation is to understand what makes public service delivery different from private in a context of commercial management. What is the supposed added value operating in the "public sphere"? This is the analytical question addressed in this article. We find that despite the dominance of technical and commercial rationales in contemporary water management, a desire for public value based management constitutes the fundamental criterion for justifying the return to public management in France. This is the case even though many of the newly public utilities operate along entrepreneurial lines.

To make these points, we first describe the process of water utility re-municipalization in France. Using the example of Greater Nantes, where a public utility operates according to practices associated with the private sector, we present the problem of defining what it means to be a public entity in the contemporary context. Next, we present the concept of "publicness". Drawing on the results of action-research conducted in Greater Nantes, we show how public values are forged. Furthermore, in a context of undifferentiated pricing and technical performance between public and private operators, our study shows that the difference between public and private water management lies in the capacity of the actors to enact public values in their work. Still, in the hybrid universe of water governance where values conflict, securing a public values approach to service delivery requires regulatory action.

## 2. Shifts in French water management and demands for "publicness"

Although the share of major private companies in the French water market has fallen over the last ten years, from 75% in 2008 to 60% in 2010, France is mentioned along with the UK as a flagship example of private water management. In the French water sector,

* IRSTEA, UMR GESTE, Strasbourg Regional Centre, 1, quai Koch, BP 61039, F-67070, Strasbourg Cedex, France.
*E-mail addresses:* marie.tsanga@engees.unistra.fr, marie.tsanga@irstea.fr.

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a system based on technical and commercial performance has served to legitimate the operation of water utilities as "technical citadels[1]" (Tsanga Tabi, 2003). Nonetheless, a series of challenges and critiques have cast doubt over the pertinence of the model for public services. At the same time, we are witnessing an unprecedented movement to re-municipalize water utilities.

### 2.1. Questioning the French "technical citadel" model of water management

The re-municipalization movement began at the end of the 1990s with the inter-municipal water service Durance-Lubéron (Vaucluse). In 1997, they ended a 42-year-old contract with the Lyonnaise des Eaux. A total of 35 cities in France, including ten large ones, returned to municipal management between 1998 and 2010 (Canneva, 2013). These changes signaled the return to an option that appeared moribund ten years before, as well as a deep-seated change in the way public services are perceived by the French political class (Coing, 2013). Recent decades have seen other shifts in water governance. In particular, a previous lack of oversight, the deference to technical experts, insufficient regulation of monopoly rents accumulated by private companies and the lack of financial transparency regarding the accounts of private water companies have all come under criticism (Audit Office, 1997, 2003, 2011).

Whereas in most industrialized countries, the issue has been to "depoliticise" water management by making it autonomous from local government (World Bank, 1993, 2004; Shirley, 2002; Kessides, 2004; Furlong, 2012), in France, governments have sought to "re-politicise" water management through the increased engagement of local communities (Lobina and Hall, 2008; Bakker, 2009; Taithe, 2012; Tsanga Tabi and Verdon, 2014; McDonald, 2014). This has also been the case of other European countries such as England, Sweden, Spain and Germany (Sintomer et al., 2010).

Other factors are involved in the ongoing changes to the French model of water management. First, water demand has fallen, impacting revenues. According to the General Commission on Sustainable Development (2011), household demand for drinking water dropped from 165 to 151 L per person per day between 2004 and 2008. Second, the recurrent increases in water prices driven by investment needs[2] and decreased revenue have jeopardized water access for low-income groups. It has been estimated that the number of "water poor" (Fitch and Price, 2002) in France has now reached two million (Smets, 2003). These are people whose water bill, in terms of the proportion of their available income, has risen above a threshold of 3%. These are signs of a faltering economic model, casting doubt on its sustainability.

### 2.2. The relevance of the Nantes experience

The relevance of our case study, the Greater Nantes water service, stems from two factors. First, it has a long history of public management (going back more than 150 years) and a large service area, making it a reference at the national level. Second, it has a relatively unique mixed management configuration. In 2001, territorial reorganization laws resulted in a cooperation between two private operators and the existing public operator. This co-existence of public and private water management caused people to question the added value of the public operator in Nantes. In particular, the public nature of the operator came under scrutiny as a result of the homogenization of water prices and services for the entire service area. In essence, both the public and private operators resemble each other with respect to prices and their technical performance. They constitute "hybrid organizations"[3] where the difficulty of differentiating public from private constitutes a characteristic feature of the system studied (Emmert and Crow 1988, cited by Bozeman, 2007a).

## 3. Debating publicness

In France, the public service has been defined as the "moral foundation" of the State and its "social project" (Chevallier, 1997). From this ideological standpoint, the mission of the public service has been to ensure balance and cohesion between economic and social goals. It reflects aspects of the "social contract" and the "model of society", in which the public interest takes precedence (Bauby, 1998). It is this notion of the public interest, defined as "the expression of the modern common good and considered as fundamentally distinct from the particular interests linked to the private economy" (Gaudin, 1999), that is meant to differentiate the public sector from the private.

Nonetheless, the legitimacy of the "public interest" in France has been progressively weakened due to the progressive dominance of economic liberalism in the European Community, the decreased acceptance of the legitimacy of the state in defining the public interest, and increased individualism (Debray, 2008). For water services in particular, the private interests of large water companies and the reduction of management to a purely technocratic endeavor have further weakened the legitimacy of the traditional role of the public service in safeguarding the public interest. The decline of the public dimension of water services has become accepted: money, not the tap, makes water flow.

In a context in which perceptions of the public interest are being thrown in doubt, approaching the subject from the perspective of public values enables a fresh perspective. Firstly, public value is not limited to the passive safeguarding of the interests assumed to represent the public interest; it implies a concrete notion of added value (Alford and O'Flynn, 2008). Secondly, the individuals of a society form a community and not simply an aggregation of people, which makes defining public values more challenging. Indeed, the scope of public values raises a certain number of important conceptual and practical questions with respect to understanding "publicness" — the degree to which an ostensibly public entity embodies public values in the provision of public services.

The first remark that any literature review on public values evokes is that they have no single or stable definition. Nevertheless, the work of Moore (1995, 2003) and Bozeman (2002, 2003, 2007b, 2008, 2009) can be taken as foundational in terms of defining the principles underlying public values. In his work "Creating Public Value", Moore (1995) reflects on the strategic objectives of public managers, arguing that public value be taken as "all the benefits that the activity of public service managers can produce for society". According to Moore (1995), public values can be understood by analyzing the "strategic triangle" of the legal framework to which an organization is subject, its resources and capacities, and its strategic objectives. Public value is created insofar as the relations between these three elements are "operationally and administratively feasible" (Moore, 1995: 71). That is, the available

[1] The model of the "technical citadel" defined in 2003 to characterize the organization of French water systems, refers to a process of "specialised rationalisation" (Moisdon, 1997) justified in terms of productive efficiency and specific knowledge in which instrumental rationales play an important role. This form of technocentric rationalism became so pervasive that it determined the management of water services in France.

[2] In particular, the need to renovate the water supply network.

[3] Organizations sharing the characteristic of being subject to a mix of political (public) and market (economic) authority, making it difficult to differentiate between what is public and what is private.

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organizational and external capabilities needed for it to function are sufficient (Alford and O'Flynn, 2008).

Moore's work, however, has not been without its critics.[4] His thinking has been criticized for its emphasis on public managers in defining public value, as opposed to defining public value within the model (Rhodes and Wanna, 2007). While some question the legitimacy of public managers, others argue that public values can only be defined through an investigation of the entire population concerned by a given field of public action (Bozeman, 2007a). In response, Bozeman (2002, 2003, 2007b, 2008, 2009) developed the "public value failure" model. This model is designed to counterbalance the economic efficiency model, which justifies public sector intervention in cases of "market failure". In Bozeman's model, by contrast, public sector intervention is legitimated by a match between the activities of the public sector and the public values of the society in question. His work "Public Values and Public Interest" (2007a) is primarily devoted to this topic. Bozeman defines public values as follows:

> "a society's 'public values' are those providing normative consensus about (1) the rights, benefits, and prerogatives to which citizens should (and should not) be entitled; (2) the obligations of citizens to society, the state and one another; (3) and the principles on which governments and policies should be based" (Bozeman, 2007a: 13).

For Bozeman, public values are not simply a "product" of what public managers do, but something that is latent in society (Bozeman 2007a). Emerging from this definition of public values is the idea that they occupy a normative position capable of serving as a reference framework for public action.

Still, many issues arise in the definition of public values. They may vary from one society to another, making context an essential element. Bozeman (2007a) underlines the potential conflicts between different public values. Davis and West (2009), like Rhodes and Wanna (2007, 2009), raise the additional problem of the corruption of public values by the specific and selfish interests of particular actors. Further issues arise with respect to the influence of particular empirical approaches on the definition, evaluation and operationalization of public values. That said, at present, few empirical works exist on the subject.

Few classifications of public values exist either. In a review of the literature, we were able to identify systems of classification based on types of values, their relationship to other values, their roots, and the "spheres" to which they apply. We based our inventory, presented in Table 1, primarily on the work of Jørgensen and Bozeman (2007), as the most cited article in public management. These authors classify seventy-two public values identified in the literature into seven groups based on the impact that they might have on public organizations. Kernaghan (2003), on the other hand, categorizes public service values into four groups: ethical values such as integrity and equity; democratic values such as the rule of law and loyalty; professional values such as efficiency and innovation; and lastly human values such as consideration and compassion. Yet, as the authors acknowledge, their approach is limited because the public values they work with are decontextualized. We also drew from the behavioral studies of Simon (1967) and Flahault (2011).

[4] While Mark Moore's work on public values consists of a single contribution over his career, Barry Bozeman's includes an extensive and coherent body of work on the subject. See: Bozeman 2002, 2003, 2007b, 2008, 2009; Bozeman and Bretschneider, 1994; Bozeman and Pandey 2003; Bozeman and Sarewitz, 2005; Feeney and Bozeman, 2007; Jørgensen and Bozeman, 2002, 2003, 2007; Rainey and Bozeman, 2000.

In Table 1, we would like to draw special attention to the category "Sphere of values". In the literature, three spheres are identified: the public, the market and the private individual. These three spheres attest to the hybrid nature of the public values. Given our concern with public values under commercialized public management, these spheres identified in the literature become important for our analysis of stakeholder identified values in the next section.

## 4. Research action: identifying the public values of water

### 4.1. The method and its limitations

To carry out our project, we applied a research-action methodology (see Box 1). This method is considered to be particularly well suited for research in the field of public management for its potential to generate results that can be applied by managers (Chisholm, 1997; Carrier, 1997; Eden and Huxham, 2001), in addition to being empirically rich and theoretically pertinent. Because the researcher is also an actor, the approach allows for privileged immersion and thus the observation of the strategies and logics of the actors involved, as well as the managerial and political realities of running a particular organization.

By definition, research-action is a highly contextualized methodology. It is enacted within a particular set of social relations into which one expects to integrate the results. As such, it is not amenable to general theorizing. That said, the pertinence of generalization as a goal in the social sciences is widely questioned. According to Stengers (2006b), a theory is not a formula or even a guide to interpretation that can be applied to any project, in any place, and at any time, nor is it a "general point of view making it possible to situate [an] action" (Stengers, 2006b: 122). A theory must permit an abstraction or "shared idea" capable of "resisting time and space, and of producing renewed pertinence in circumstances yet to come" (Stengers, 1997a: 39). Understood in this sense, the aim of action-research is not to produce general proposals, but proposals with a creative dimension capable of compelling actors to act in new and pertinent ways in relation to the problems they encounter (Stengers, 2006b).

### 4.2. The research in Greater Nantes

The fieldwork took place between 2010 and 2011. In brought together four focus groups, with which fifteen workshops were conducted. It also involved two comparative sessions with the quality unit, and three group feedback and discussion workshops. In involved the personnel of the public water service, those of the private water service, and two groups of users-citizens. Unfortunately, we were unable to include the perspectives of politicians due to the difficulty of obtaining their participation in the focus groups.

The process was designed as an extension of the co-construction method inherent to research-action. The focus group and scenario methods, developed by the Swiss sociologist Kellerhals et al. (1982), were applied to generate dialog. The main strength of this technique, adopted in France by de Singly (1984) and Trépos (1998), is to gather and exploit as much data as possible by exposing "discourses of conviction" used to by actors to explain or justify their points of view when interacting with others on a given subject. The approach does not directly interrogate the actors on their values, but allows their values emerge through debate. Each of the four focus-group sessions included 6 to 8 people who were invited to discuss scenarios related to key challenges in water management. The scenarios discussed are presented in Table 2.

The material gathered during the focus groups was transcribed and analyzed using N-Vivo, according to the principles of thematic

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**Table 1**
Analysis grid of public values relating to water.

| Category | Properties and characteristics |
|---|---|
| Type of public values | |
| Fundamental values | Values that constitute an end in themselves |
| | Values pertaining to philosophical and moral reasoning |
| | Non-negotiable values rooted in theological or existential principles or intuitive logic |
| | Ethical values that cannot be easily replaced by other values |
| | Values that are independent of other values |
| Contributive values | Values that contribute to the fulfillment of other values. |
| | These types of values stem from causal reasoning and constitute a means of attaining fundamental or other contributive values. |
| Neighboring values or co-values | Values close to another value in terms of meaning or importance. |
| | The number of neighboring values associated with a given value is an indication of that value's importance. |
| Conflicting values | Values that conflict with or exclude other values. |
| | Accounting for tensions between values allows one to identify areas where "publicness" may be diluted or challenged. |
| The roots of public values | |
| Ethical | Ethical and moral rules supposed to regulate action (in this case public services) |
| Institutions (Democratic) | Values that pertain to the foundation of legal values |
| Society (Human) | Principles and rules of living in society that are recognized as essential for co-existence between individuals |
| Professionalism | Values that derive from the culture and experience in one's profession |
| Sphere of values | |
| Three spheres of values | The public |
| | The market |
| | The private individual |

**Box 1**
Principles implemented in the research-action approach

Research-action was initiated in social psychology by Kurt Lewin (1951). It can be defined as transformational research that seeks to produce knowledge of a situation of scientific interest while contributing to that situation's modification in agreement with the actors concerned (Eden and Huxham, 2001).

The characteristic aspects of a research-action approach include:

a) *A negotiated research protocol*: the objectives and procedure of the research are defined jointly between the researchers and the actors concerned. They must fulfill the demands of both parties. The actors are generally defined as "partners" in the research;
b) *Flexible programming*: the research schedule and steps must be adapted to the demands of the partners involved. This also implies that the research objectives can evolve;
c) *Iterative functioning*: the research is performed "cyclically" by successive "toing-and-froing" between the researchers and the partners to validate (and/or modify) the different steps of the project;
d) *The researcher as agent of change*: through their involvement in the project, the researcher becomes an active agent of the change desired by the participants. They do not limit themselves to producing results that will then be appropriated (or not) by the actors. Their specific position of "observer-participant" leads to a knowledge production process based on the reality studied (Carrier, 1997; Eden and Huxham, 2001).

content analysis (Paillé and Mucchielli, 2008). We also kept extensive notes in a research-action logbook.

The public values related to water were identified in two steps:

*(1) Identifying values present in the discussions of the four focus groups*: Through continuous analysis of the data, we developed a thematic tree whereby each branch represented a "thematic cluster" of values related to the same issue. The sub-branches their associated characteristics. Of the thirty-one thematic clusters identified, sixteen proved common to the four focus groups.
*(2) Tracking intergroup and intra-group "consensuality":* Having identified a value as present in on of the sixteen remaining thematic clusters, we then ascertained the degree to which the meaning attributed to the value was common across groups, classifying its degree of "consensuality" as high, intermediate or low. High consensuality corresponds to strong convergence in meaning within and between focus groups; Intermediate to a perception of meaning generally shared between participants; and Low to divergences regarding the meaning across or within groups. Only values with high and intermediate degree of consensuality were retained in the analysis. There were thirty-three such values.

## 5. Results: identifying and mapping the public values related to water

Through the focus groups, we identified two categories of public values and thirty-three specific public values related to water. The two categories of public allow us to build on Table 1 for the particular case of water and are presented in Table 3. They include intrinsic values and behavioral values that are embodied by those involved in the management and use of water. These categories were then used in Table 4 to classify the thirty-three specific public values for water (PVW) identified by the focus groups. In Table 4, these PVW are also classified according to if they belong to the public, market or private individual sphere. Notably, twenty-nine of the thirty-three PWV fall into the public sphere, three into the market sphere and just one falls into the private individual sphere. Of the PVW in the public sphere, they are divided almost evenly between intrinsic and behavioral values.

In Fig. 1, we map the PVW listed in Table 4 in order to give a clearer picture of their relationship to the purposes that water and water providers are meant to serve. These include: water as a common good (including environmental responsibility), water as a vital good essential for life, water as a commercial good, water as a political good, and water as a public service. Within these categories, Fig. 1 divides the PVW according to whether they represent fundamental or contributive values (see Table 1).

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**Table 2**
Scenarios discussed in the focus groups.

| Scenarios | Contemporary challenges |
|---|---|
| Modes of public service management | Private management, the convergence of market values with the public interest, public decision-making |
| Unpaid water bills and access to service | Vulnerability, user debt and the right to water |
| Asset management and costs | Infrastructure sustainability, investment choices and public decision-making |
| Water quality, risks to public health, perceptions of taste | Building the community interest, confrontation between particular interests and the public interest |

**Table 3**
Types of values identified by the research-action participants.

| Category | Characteristics and properties |
|---|---|
| Intrinsic values | Values intrinsic to "water resource" and "public water service"<br>• The quality specific to an object or person that determines the value assigned to it.<br>• The universality of water use lends a lasting and trans-situational character to the values associated with it. These are considered to transcend time and space.<br>• These values are endogenous and are imposed upon the actors.<br>• They are embodied by the object (water, public service) in such a way as to define the limits of their use |
| Behavioral values | Values considered to be embodied by individuals and actors involved with water management and use<br>• These values are derived from the behavior of the actors. |

**Table 4**
Public values related to water organized by sphere.

| Sphere of values | Corresponding public values related to water (PVW) | |
|---|---|---|
| | Intrinsic Values | Behavioral values |
| Public sphere | 1. Transparency<br>2. User participation prior to decision-making<br>3. Pertinence and fairness of decisions<br>4. Solidarity<br>5. Protection of basic human rights<br>6. Social justice<br>7. Equal access to service<br>8. Equality of treatment<br>9. Respect for the other<br>10. Public health<br>11. Close relations with users<br>12. Pertinence and coherence of investment choices<br>13. Long-term vision<br>14. Ecological exemplariness | 1. Political integrity<br>2. Political credibility<br>3. Sense of dialog<br>4. Sense of political responsibility<br>5. Political capacity to arbitrate<br>6. Sense of ecological responsibility<br>7. Tolerance<br>8. Spirit of public service<br>9. Selflessness and dedication<br>10. Professionalism<br>11. Respect for human values<br>12. Respect for users and citizens<br>13. Capacity for compromise<br>14. Civic spirit<br>15. Openness vis-à-vis the user |
| Market sphere | 1. Water is not free, but the price must be limited<br>2. Organizational efficiency<br>3. Users and managers develop a sense of economic responsibility | |
| Private individual sphere | 1. The water's taste | |

## 6. Discussion

### 6.1. Implications for public values related to water

The largely intrinsic nature and diversity of the public values for water (PVW) revealed through the research action methodology suggests a vision of water services that runs counter to the traditional image of a "technical citadel". It likewise attests to the importance of debating the publicness of public water utility corporations subject to market pressure. Moreover, despite the breadth and diversity of the PVW identified through the focus groups (Table 4 and Fig. 1), technical and commercial values are not particularly dominant. This supports findings elsewhere that water, by its very nature, embodies a diversity of fundamental human values (Ingram, 2006; Schouten and Schwartz, 2006).

Indeed, if one examines the fundamental values in Fig. 1 and cross-references them with Table 4, two-thirds fall into the intrinsic values column. Being intrinsic values, they are endogenous to water supply and thus constrain the action of service providers and other actors (see Table 3). This is consistent with Davis and West (2009, 611), who assert that avoiding the corruption of public values (through the self-interest of actors) requires that "objects embody values in ways that delimit both their subsequent use and the actions of those using them". In other words, the values intrinsic to water, such as public health and solidarity, are not a choice but externally imposed on managers. In this way, the intrinsic values of water have a strategic element; they can be understood as an ideal type of action to be performed. They can thus be used to establish benchmarks for evaluating the performance of water services and of service providers.

If we turn our attention to the contributive values in Fig. 1, in contrast to the fundamental values, they are generally behavioral (see Table 4). Following from the above, behavioral values are essential to understanding "publicness" in the current context. Selflessness, political integrity, respect for users and citizens, and a sense of civic responsibility are key to the behavioral competencies that actors are required to embody. These behavioral values, moreover, are essential if trust in the system and a "spirit of public service" are to be fostered. This "spirit of public service" is fundamental value, of a behavioral nature (Fig. 1), that was identified in

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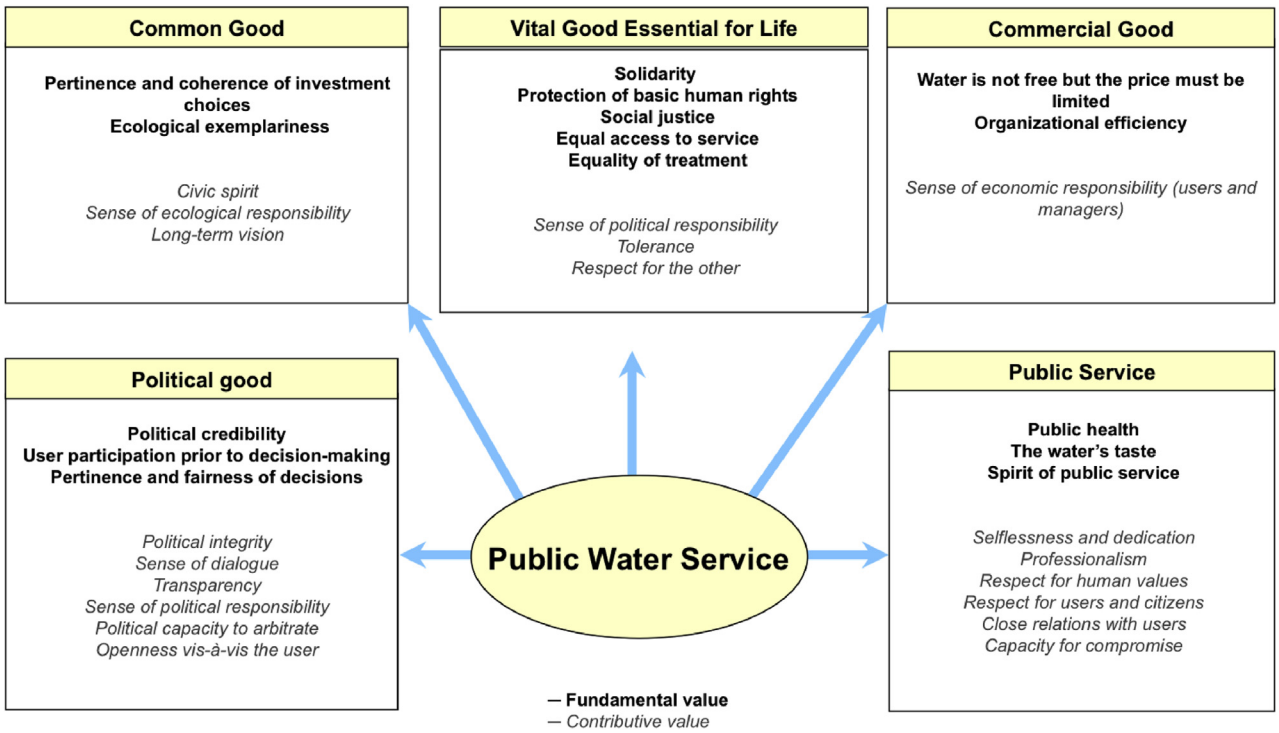


**Fig. 1.** Map of public values of the Greater Nantes water service.

the focus groups as being central to structuring the identity of the public service:

> *"We're not factory workers, or a company that produces soap or anything else of that kind.* [Everybody agrees]. *We're in a company that's in the service of the public. If there's a problem with a pipe and there's a district that's no longer supplied with water, even if it's not the person's shift, if he's asked to go, he won't think twice, he'll go"* (Veolia focus-group).

Thus, in a context where public and private operators are indistinguishable in terms of the know-how required to ensure "public health" and "acceptable taste", the public operator can be differentiated by their level of commitment to behavioral values at the organizational and relational levels. It can be surmised that a key difference between public and private management lies in the capacity of the actors to embody public values.

Due to the hybrid nature of PVW, certain values come into contradiction. In a context of conflicting values, particular values are more or less accepted by the actors involved. Examining relationships between values helps to shed light on how public values may be diluted or strengthened. The influence of market values on water management, emphasized in the literature on water (Argyriades, 2003; Tsanga Tabi, 2006; McDonald, 2014), was also present in our focus groups. Market values were reflected in remarks such as: "water belongs to everybody, but that doesn't make it free"; "services linked to water must be paid for, even if water is a common good"[5]; "we need to teach users that water doesn't fall from the sky, that it has a price, and that it has to be paid for".[6]

In the above remarks, we see that market values are tempered by other public service values like selflessness, solidarity, and equality. This is clear in the way that the value of profit, associated with the private sector, was treated in the focus groups. For the participants in the focus groups, for example, the economic value of "profitability" - imposed externally on water services - was not a "value". Rather, the values of solidarity, the fundamental right to water, social justice, and equality set limits on commercial principles. A value for profit, moreover, is perceived as contributing to the loss of identity in the public service:

> "Being in the service of the public and of profitability is contradictory. Unfortunately, that's where we are headed. We're losing the identity of public service that we had at the beginning. You have to become a vendor now! Even in the public service!" (Public operator focus group).

Thus, accounting for social values helps to understand how actors attempt to make market values compatible with the ideal of "publicness". This helps to explain the reinterpretation of the value of water as an economic good via the assertion by members of the focus groups that "water is not free, but the price must be limited".

### 6.2. Can public values offer a model for public entrepreneurship?

Below, we consider the normative and practical implications of our results for redefining public entrepreneurship in a way that prioritizes public values. There are many complicating factors. The hybrid nature of public values, the constraints of past practice, the accommodation of political choices, and reconciling competing interests all present obstacles to achieving the goals of public values (Davis and West, 2009). With these issues in mind, we return to the influence of behavioral values, given their importance in supporting publicness.

Few empirical studies have dealt with the implications of

[5] Users focus group I.
[6] Veolia focus group.

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behavioral values on the delivery of public services.[7] Yet, given their "consensuality" within and among the focus groups, they adhere to Simon's (1967) definition of values as "a truth whose intelligence wins the adhesion of all the actors". This does not guarantee that they are enacted. As emphasized by Davis and West (2009), in the plural space of political and public values, "the issue is to secure a higher degree of "publicness" in the behaviors of actors". As such, "publicness" depends on the behavioral values and practices of the actors, including managers and politicians, but also the user-citizen in terms of environmental and economic responsibilities. This converges with the notion of a citizen's duties and obligations that Bozeman (2007) uses in his definition of public values.

In this sense, ensuring that public values are enacted requires resolving conflicts between values through regulation, making the "politician" responsible as the guarantor of the common good. Accounting for public values in the water sector returns the role of "guardian of the common good" to elected officials, a role that expert managers have tended to appropriate for themselves (Rhodes and Wanna, 2007). This takes the importance of PVW beyond the technical sphere, making them dependent on political leadership whose ethical and moral values are a condition for establishing the safeguards necessary for publicness to flourish (Tsanga Tabi and Verdon, 2014).

Still, there are several obstacles to reconfiguring public entrepreneurship in the service of public values. First, adjusting relational and behavioral competences in support of public values requires motivation and critical self-reflection on the part of those involved (Tsanga Tabi et al., 2012). This can be difficult in French public organizations, characterized by hierarchy, subordination and top-down management. The challenge is therefore to develop a shared vision, overcoming the rationales of internal power and conflict. While promoting a culture of public values at every level is key (Moore, 1995; Kernaghan, 2003, 2007), the mobilization of shared values assumes a dismantling of the internal barriers between technical and administrative functions. A second obstacle is of a political nature. In what Rhodes and Wanna (2007) call the "political risk of public values", there is a price to be paid by politicians for pursuing public values. This is because "politicians remain responsible and accountable for whatever outcomes are attempted, even if it only becomes known some time later" (Rhodes and Wanna, 2007, 419).

## 7. Conclusion

Using a research-action methodology, utility management, staff and consumers of an urban water service were asked to specify the meaning of "public" and how it should be operationalized in the case of public utility corporations. To achieve this, the concept of publicness (Moore, 1995; Bozeman, 2007) was implemented in the hybrid context water utility of Greater Nantes. The research shows that the attainment of public values is what lends legitimacy to a public utility charged with the provision of essential services. These public values appear as a collective construction bringing together all the stakeholders in the management and the governance of the service and highlighting stable values that are widely shared in society. The results also reveals that the difference between public and private management lies in the capacity of the actors to embody public values. Moreover, in a policy context where pursuing private values of an economic nature conflicts with public goals, public values take precedence for the management and the regulation of the service.

[7] Exceptions include the work of Hondeghem and Vandenabeele (2005); Perry and Hondeghem (2008) and Andersen et al. (2013).

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