# **UNIVERSITY OF TWENTE.**

FACULTY OF BEHAVIOURAL, MANAGEMENT AND SOCIAL SCIENCES Master Thesis in Business Administration

# CARING FOR SOCIAL CARE

*Exploring the effect of Wmo advisory council characteristics on the choice between archetypes of buyer-supplier relations for municipalities in the Netherlands* 

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## Abstract

This thesis explores the relationship between characteristics of Wmo advisory councils and the choice between archetypes of buyer-supplier relations for municipalities in the Netherlands.

Wmo councils are advisory bodies, designed to enable citizens to influence the decision-making process of policy concerning the Social Support Act (Wmo 2015). Unfortunately, no data on the effect of Wmo councils on policy choices of municipalities is available. This research examines the effectiveness of Wmo councils as a form of citizen participation by investigating its relationship with an important Wmo policy choice: the decision between archetypes of buyer-supplier relations. Six archetypes are identified: the AWBZ model, population-based funding, the director model-input, the director model-results, the Gronings model and the auction model. The relation between Wmo councils and these archetypes was analysed using the following research question: *To what extent does a relationship exist between the characteristics of Wmo councils and the choice between archetypes of buyer-supplier relations?* 

Guided by the framework on service triads by Li and Choi (2009) it was expected certain council characteristics would aid an advisory council in sustaining bridge decay. A well-functioning advisory council was expected to be better equipped in avoiding bridge transfer and protecting the interests of clients and the municipality. These municipalities were assumed to be more likely to employ a client-oriented archetype of buyer-supplier relations. The characteristics associated with a 'strong' advisory council would therefore be positively related to client-oriented archetypes. The six archetypes were classified into client-oriented and non-client-oriented models, creating a new variable: Client orientation models.

Six council characteristics were measured. The presence of an ordinance, the payment of council members and the integration of the Wmo council with other councils in the social domain were all expected to aid in sustaining bridge decay. The appointment of representatives of organisations rather than members on personal title and the early involvement of the council in the decision-making process was also expected to avoid bridge transfer. Finally, the selection of new members by the advisory council itself or through a joined selection committee with the municipality was hypothesised to assist sustaining bridge decay.

For each of these characteristics their relationship with Client orientation models was tested by percental and Chi-square analyses. The tests indicated some council characteristics did have a significant association with Client orientation model, namely the presence of an ordinance, the manner in which new members are selected and the phase in which the council can advise.

The nature of the relationship was, however, unexpected for two variables. Client oriented models were less likely to have an ordinance present and less likely to officially specify early advising. A possible reason is the fact that client-oriented models are the norm. Possibly, the archetypes deviating from the norm are more likely to establish their regulations in an ordinance. Additionally, moving towards a client-oriented model has been a trend, perhaps the establishment of official regulations lags behind the choice on an archetype of buyer-supplier relations. Finally, the integration of the Wmo council with other councils in the social domain approached significance, in the hypothesised direction.

It can be concluded that an association between some characteristics of Wmo councils and the choice between archetypes of buyer-supplier relations was observed, however, the data only partially agreed with the hypotheses derived from service triads theory.

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## 1. Introduction

Wmo councils are a form of citizen participation, designed to enable citizens to have influence in the decision-making process of important policy choices. The Wmo councils advise municipalities on policy choices associated with the Social Support Act (Wmo). However, no data on the effect of Wmo councils on policy choices of municipalities is available. Does the presence of advisory councils result in different policy choices? This research will examine the effectiveness of Wmo councils as a form of citizen participation by exploring its relationship with an influential Wmo policy choice. The policy decision measured is the choice between archetypes of buyer-supplier relations, as it is a decision on which Wmo councils are expected to have been able to advise. The relation between Wmo councils and archetypes of buyer-supplier relations will be explored using the following research question: *To what extent does a relationship exist between the characteristics of Wmo councils and the choice between archetypes of buyer-supplier relations?* 

## 1.1 Decentralisations social domain

In the endeavour to move from a welfare state to a participation society and save costs, the social care system in the Netherlands has been decentralised. By the 1<sup>st</sup> of January 2015, municipalities have become responsible for the execution of the Social Support Act ('Wet maatschappelijke ondersteuning 2015 or Wmo 2015'), the Youth Act ('Jeugdwet') and the Participation Act ('Participatiewet'). (Ministerie van Binnenlandse Zaken en Koninkrijksrelaties, 2016)

The three decentralisations are introduced to improve economic and societal participation. Through the Wmo the municipality encourages self-reliance and societal participation for people requiring assistance to live at home. The Youth Act has a similar objective, demanding municipalities to support families and enable children to develop into self-reliant adults. Finally, the Participation Act is designed to create and maintain economic participation and self-reliance.

The execution of these laws is part of the 'social domain'. This term encompasses all efforts made by the municipality regarding self-reliance, participation and (youth) care (Vlot, 2018). The social domain aims to stimulate the participation of individuals in society and provide support when necessary. Since the decentralisations of 2015, these efforts are structured by the Wmo 2015, Youth Act and Participation Act. Prior to their introduction the services in the social domain were arranged at national level with different laws in place.

## 1.1.1 Social domain

The first of the three decentralisations is the Social Support Act or Wmo. The responsibilities of the Wmo have been transferred from the Algemene Wet Bijzondere Ziektekosten (AWBZ, General Law Special Health Costs). This law has expired on the first of January 2015, and the tasks performed under the AWBZ are divided among three new laws. Firstly, the Wet langdurige zorg (Wlz, Long-term Care Act) now addresses the care for people who require permanent supervision or are permanently in need of 24-hour care. Secondly, extramural nursing, long-term mental health care (GGZ) and a substantial portion of the tasks regarding personal care are transferred to the Zorgverzekeringswet (Zvw, Health insurance act). Finally, the tasks concerning the provision of guidance and support, as well as protected living, are transferred to the Wmo. (Movisie, 2015)

As beforementioned the Wmo encourages self-reliance and societal participation for people requiring assistance to live at home. The law is designed to enable individuals above the age of 18 to live at home whenever possible and participate in society, by pursuing three main goals. Firstly, it is intended to promote social cohesion, caring for fellow citizens and voluntary work. Hereby the quality of life in the municipality is improved. When support is required, the citizen's own

social network and financial possibilities are consulted first. Secondly, individuals with a disability or with chronic, psychological or psychosocial problems are supported to be self-reliant and to participate in society, within their own living environment whenever possible. The focus here should be on the activities individuals can still perform, rather than on those they are unable to. Finally, the municipality will provide shelter to its citizens when necessary (Wet maatschappelijke ondersteuning 2015, 2014).

The Youth Act is the second of the three decentralisations. The responsibilities involved in the Youth Act are similar to the Wmo but tailored for children below the age of 18. These are children who need temporary or long-term assistance while growing up, including children with a light mental disability. The Youth Act shifts the responsibilities of Youth Care offices from provinces to municipalities. Additionally, the municipality must provide mental health care for children (GGZ) and care for mildly mentally disabled juveniles. Youth protection, closed youth care and juvenile rehabilitation are other new tasks. Lastly, municipalities must assure alignment with educational instances for appropriate education. In this area, knowledge on prevention and early intervention is of foremost importance. The support provided to families in need should enable children to develop into self-reliant adults (Jeugdwet, 2014).

Finally, the last of the three decentralisations is the Participation Act, combining three existing laws. The Wet Werk en Bijstand (WWB, Work and Social Assistance Act) has expired, but the Wet sociale werkvoorziening (Wsw, Social Employment Act) and the Wet Werk en Arbeidsondersteuning Jonggehandicapten (Wajong, Work and Employment support for Disabled Young Persons Act) still exist. Since 2015, however, the inflow of those previously qualified to enter the Wsw has stopped. These individuals now fall under the Participation Act. Since 2015 the inflow of the Wajong has also been limited, now only accessible to fully and permanently disabled individuals. (ter Beek, 2014) The Participation Act aims to improve participation in the labour market. This law is designed to aid individuals who are (temporarily) unable to earn their own income and focuses on the guiding and supporting of individuals with disabilities in the workplace. Municipalities are responsible to provide meaningful daytime activities for those unable to work on the regular labour market. The Participation Act strives for economic self-reliance for the entire labour force (Participatiewet, 2014).

The new system should increase efficiency in caretaking. A key driver for the changes is the desired reduction of the number of caretakers per individual. Significant overlap between the different fields within the social domain exists, therefore establishing a single point of contact should reduce unnecessary confusion. Additionally, the municipality operates on a smaller scale, allowing a more familiar relationship with the client and therefore enabling the municipality to provide superior customised care. Finally, municipalities increase clarity by using only one (decreased) budget to increase participation in society. (Ministerie van Binnenlandse Zaken en Koninkrijksrelaties, 2016)

### 1.1.2 Changes in buying patterns

The three decentralisations disrupt the current organisation in caretaking and require a restructuring of the system. The responsibility to organise and provide care has transferred from national government to municipalities, logically changing the process of purchasing, attributing and distributing care. This shift of responsibility creates new possibilities for partnerships between municipalities and their suppliers of care.

In the process of designing their provision of care, municipalities have numerous decisions to make. Municipalities must decide, for example, on degree of choice for the client, manner of funding, degree of control transferred to care providers, number of care providers contracted, scope of the contract in terms of customisation etc. The combination of these decisions determines the type of cooperation between municipalities, providers of care and clients. The organised types of cooperation between the three actors are called archetypes of buyer-supplier relations (modellen van opdrachtgeverschap).

Although the three decentralisations in the social domain share numerous similarities, the organisation of purchasing in the Wmo 2015, Youth Act and Participation Act can be fairly different. Municipalities do not have to adopt the same purchasing strategies for the execution of the separate acts and the degree of integration of the activities in the social domain varies per municipality. Also, the archetypes of buyer-supplier relations are most clearly distinguished within the execution of the Wmo 2015 (Uenk, 2016). Therefore, to maintain comparability between municipalities and improve understandability of the report this research limits its scope to the Wmo.

Uenk (2016) describes six archetypes of buyer-supplier relations in the execution of the Wmo 2015: the AWBZ model, population-based funding, the director model-input, the director model-results, the Gronings model and the auction model. These archetypes differ, amongst other things, in the involvement options offered to clients. These involvement options for the client are described as freedom of choice between suppliers and participation in their personal care plan. The director model, for example, allows clients to choose their preferred supplier and involves the client in the planning of their care. Population-based funding, on the other hand, offers neither of these options. The six archetypes have distinct characteristics and result in different experiences for the client.

Since archetypes of buyer-supplier relations determine the type of cooperation between municipality, providers of care and clients, the choice between archetypes matters greatly in the execution of the Wmo 2015. How is the decision-making process between different archetypes organised in municipalities? Are providers of care and clients involved in this process? Legally, citizens should be included in the design of the Wmo in the municipality. What is the influence of clients through citizen participation?

## 1.1.3 Changes in citizen participation

By law, it is required for citizens and clients to have a say in the setup and execution of the provision of care within the social domain. The obligation to include citizens in the decision-making process has not been a newcomer in the regulations surrounding the three decentralisations. Citizen participation and client participation were on the agenda long before the decentralisations in the social domain. Before 2015, Wmo councils already had the task to advise municipalities on their policy choices (Wet maatschappelijke ondersteuning, 2006). They alert the municipality on signals from society and aim to protect citizens.

With the decentralisations in the social domain, Wmo councils have responsibility over a rapidly developing field. Many Wmo councils have been merged into a collaborative advisory council overseeing the entire social domain of a municipality. Other Wmo councils decide to cooperate with advisory councils of neighbouring municipalities. As the scope of the Wmo widens, the councils must decide which subjects deserve their full attention and on which cases it is wiser not to misuse their limited resources.

Although the law states municipalities must involve citizens, clients and their representatives in the execution of the Wmo, they have freedom to choose in which way they wish to do so. The government grants municipalities freedom to design their own policy, within legal boundaries (Wmo 2015, 2014). Consequently, the consultation of clients and citizens is organised differently per municipality, although in practice all municipalities opt for advisory councils.

The advisory councils advise municipalities on their policy choices, such as the choice for an archetype of buyer-supplier relations. What influence do these councils have in the decision-making process between archetypes of buyer-supplier relations?

## 2. Background information

This chapter further defines the concept of citizen participation and describes the six archetypes of buyer-supplier relations. First, the terms citizen participation and client participation are explained, followed by an elaboration on the legal obligations municipalities have regarding citizen participation within the Wmo regulations. It then describes the participation options available for municipalities. Next, each of the archetypes of buyer-supplier relations are described and an overview of their similarities and differences is presented.

## 2.1 Citizen participation

The Wmo 2015 dictates that municipalities should involve its citizens, including Wmo clients and their representatives in policy decisions on the execution of the Wmo. This type of involvement from citizens is termed participation. Two types of participation are distinguished: client participation and citizen participation.

Client participation concerns the involvement of final target groups or clients. Edelenbos (2000) defines client participation as: 'The early involvement of final target groups in the formation of policy and improvement of quality, where, in openness and on the basis of equality and mutual debate, problems are identified, and solutions are explored that influence the final decision'. The involvement of clients in policy formation and quality improvement is critical, as they are the users for which care services are intended and the reason systems like the Wmo exist. The client perspective is important for balanced decision-making, considering the fact that the interests of the client can directly oppose those of the municipality and care providers. Furthermore, clients have valuable knowledge on care services based on their experience. Their very relevant perspective and experience expertise should earn them the right to be included in policy decisions. (Krijnen, Gouw, Hagen, & Roetering, 2013)

Where client participation highlights the concerns of service users, citizen participation is focused on the common interest of all citizens. Although overlap between these groups exists, the interests of clients and citizens can be quite different. There is a considerable amount of definitions for citizen participation (and public participation). Creighton (2005) identified four elements of public participation which are present in most of its definitions.

Firstly, public participation applies to administrative decisions. Secondly, public participation is not just providing information to the public; there is interaction between the organisation making the decision and people who want to participate. Thirdly, there is an organised process for involving the public. It is not something that happens accidentally or coincidentally. Finally, the participants have some level of impact or influence on the decision being made.

These universal rules for citizen participation also apply to the Wmo. Citizen participation within the Wmo concerns the formal participation and involvement of all citizens in municipal Wmo policy development and Wmo policy implementation (Krijnen et al., 2013). Examples of citizen participation are Wmo advisory councils, citizen consultations and citizen initiatives.

The Wmo 2015 puts extra focus on citizen participation over client participation. With the underlying thought that any person can become a client at any time, all citizens should have the opportunity to contribute to the formation and implementation of policies.

## 2.1.1 Legal obligations

As beforementioned, citizen participation concerns organised processes and formal involvement of citizens in policy development and implementation. These formalised processes must be organised according to the legal obligations described in the Wmo 2015.

The Wmo 2015 dictates in article 2.1.3 that municipalities must involve citizens, clients and their representatives in the execution of the Wmo. Additionally, municipalities are obliged to officially establish their participation regulations in a Wmo ordinance ('verordening').

This Wmo ordinance bundles all the regulations the municipality considers necessary to execute their designed Wmo plan. The ordinance must include, for example, which criteria are used to determine whether a client qualifies for a customised service, in which way a client-linked budget is determined and the measures the municipality takes against unlawful receiving of a customised service or client-linked budget (Wet maatschappelijke ondersteuning 2015, 2014).

In the area of citizen participation, the ordinance must first clarify the scope of citizen participation. The municipality will determine which of their offered services must provide citizens and clients the possibility to be involved in policy decisions. Once the scope has been determined, the Wmo ordinance must clarify the way citizens will be involved in the execution of the Wmo on six aspects. First, it must be arranged in which way citizens are given the opportunity to make proposals for the policy of the municipality. Second, it must be arranged in which way citizens are enabled at an early stage to give advice (asked and without being asked) during the decision-making process on regulations and policy proposals. Third, it must be arranged in which way citizens can participate in periodic consultations. Fifth, it must be arranged in which way citizens can submit topics for the agenda of this consultation. Finally, it must be arranged in which way citizens shall be provided with the information required for adequate participation in the consultation (Wet maatschappelijke ondersteuning 2015, 2014).

Although the law states citizens, clients and their representatives must be involved in the execution of the Wmo, municipalities have considerable freedom in designing citizen participation and client participation. As municipalities are allowed to design their own system, it is organised in different ways amongst the various municipalities.

### 2.1.2 Participation options

Municipalities can choose to organise their participation through e.g. Wmo advisory councils, referendums, or by creating an ad hoc advising group per issue. Despite the fact that there are no specifications in the Wmo on the way municipalities must involve their citizens, practically all municipalities have chosen for a Wmo advisory council. These councils can differ greatly in advising responsibilities and objectives, working methods and organisational structure. As ultimately almost every municipality opts for a Wmo council this is the most important participation structure to explore.

The participation options described in this chapter draw heavily on the six aspects mentioned in legal obligations. The Wmo 2015 sets certain requirements but provides a high degree of freedom in organising citizen participation. Different participation options therefore exist within the legal barriers.

Firstly, there can be variation in the formal establishment of the Wmo council. Is there an operative advisory council present in the municipality? In what way are its regulations formally established? The Wmo 2015 demands municipalities to publish their participation regulations in the Wmo ordinance. However, many municipalities choose to publish a separate ordinance to communicate the regulations of the Wmo council to its citizens, solidifying its legal position.

Additionally, the degree of autonomy of the advisory council varies. The manner in which new members are chosen directly affects the independence and autonomy of the advisory council. New members for the Wmo council can be directly selected and appointed by the advisory council itself, providing the council a high degree of autonomy and independence. Or the direct opposite: the city council both recruits and appoints new candidates, having full control over the composition of the Wmo council. In most municipalities the Wmo council nominates a suitable candidate to be appointed by the city council. In some cases, the candidate is nominated by an organisation active in the social domain, or the municipality and the advisory council join forces by creating a selection committee to nominate a fitting candidate.

The independence of the council is also affected by the way the new members of the Wmo council are appointed: on personal title or as a representative of an organisation. It is also possible for a member to be appointed on personal title, while being part of an organisation and safeguarding their interests. Representatives of an organisation can be excellent in championing and defending the interests of their organisation but might be more short-sighted regarding the interests of other stakeholders. Independent experts with a background in policy understand the methods of the municipality, while the presence of representatives of clients and experts by experience in Wmo councils maintains the close connection with its target group. Wmo councils are often a mixture of these types.

Furthermore, the support Wmo councils receive from its municipality differs. One form of support is the direct monetary compensation that members of some Wmo councils receive for their efforts. Other forms are granting secretarial support, providing office supplies and allowing access to municipal offices for meetings etc. The municipality can also provide support by actively involving the Wmo council early in the policy making process. This should ensure their influence in the creation of policy.

Finally, citizen participation can be integrated across the whole social domain. The Wmo council can operate fully independent or be unified with either the Youth council or the Participation council. Another option is a broad participation council for the social domain. These councils are expected to advise in a more universal way, less specific to the Wmo.

## 2.2 Archetypes of buyer-supplier relations

One of the policy decisions that citizen participation can influence is the choice between archetypes of buyer-supplier relations. These archetypes of buyer-supplier relations design the manner in which municipalities cooperate with providers of care and clients. To a certain extent, the archetypes prescribe the approach in which municipalities execute the Wmo, as well as their practices in outsourcing Wmo activities (Uenk, 2016).

The six archetypes which are described are the AWBZ model, population-based funding, the director model-input, the director model-results, the Gronings model and the auction model. The archetypes differ in degree of choice for the client, manner of funding, degree of control transferred to care providers, number of care suppliers contracted, scope of the contract in terms of customisation etc. The archetypes are described further below.

## 2.2.1 AWBZ-model

In the first model municipalities choose to hold on to the structures that were used before the decentralisations. They take over the activities that were previously part of the AWBZ. For municipalities, this is the easiest option among the different models. The implementation can be done rapidly, and the municipalities have the possibility to identify best practices and pitfalls as shown by other municipalities, before they decide to adopt a different approach.

The municipality contracts the current care providers of its citizens, maintaining the same supply base. Therefore, an advantage of the model is its provision of continuity of care for citizens and certainty for both clients and healthcare providers since there is no change in structure. Additionally, it grants municipalities time to gather more information on other models and can thus conveniently be used as a transition model.

A drawback of the model is the limited opportunity it offers for new healthcare providers to compete. It maintains its current supply base and its organisational structures. The municipality pays care providers based on input and designs contracts around standard interventions. There is no innovation in the supply of care as there is no incentive for creativity and improved efficiency. The model does not embody the idea of the centralisations and it is a missed opportunity to innovate healthcare in the social domain.

### 2.2.2 Population-based funding

In this model the municipalities are divided into separate areas and contracts are set up with one single healthcare provider per geographic sector. These sectors have a set budget based on their population, which is transferred from the municipality to the provider responsible for healthcare in the sector. Within the boundaries of the budget, the provider has considerable freedom to organise healthcare. In order to be able to deliver a broad scope of services, this archetype of buyer-supplier relations requires the healthcare provider to be of reasonable size, or several providers must work together in a consortium. The main provider works with smaller providers to ensure a sufficient scale of operations, and to guarantee the required knowledge and competence.

An advantage of this archetype is the large responsibility given to the professional care providers. They have more experience in the health sector than the municipalities and are in closer contact with the client. This can also be a disadvantage, as it allows the care provider to behave opportunistically. The strong position of the main provider rules out some beneficial effects of competition. Clients do not have the possibility to choose freely amongst healthcare providers and are stuck with the main provider regardless of its performance.

This archetype is favoured by large healthcare providers since it grants the best possibility to exploit economies of scale and they have substantial influence on the organisation of the provision of care. Smaller providers are disadvantaged by this model, since they rely on the subcontracting choices of the main provider.

When the municipality chooses to implement this archetype, it can partially transfer responsibility, therefore simplifying the process. However, the municipality does have to find a way to ensure proper caretaking with limited control over the behaviour of the main care provider.

## 2.2.3 Director model

In this model the central player in healthcare is the 'director'. The municipality decides to maintain control over the execution of care and employs a director, independent from care providers. The director determines the needs of the client during a personal conversation and develops a custom supply arrangement, in cooperation with the client.

The director must ascertain to what extent the client needs support in their daily activities. The focus in this conversation is on what activities the client can still perform, rather than on their limitations. After the determination of the needs of the client, they cooperatively explore support possibilities within the client's social network. The remaining support required from the municipality is offered in the form of standard customised services.

The municipality has framework agreements with multiple healthcare providers for separate standard customised services, bundled into a catalogue. The client has freedom of choice between providers for these services.

Healthcare providers must deal with uncertainty in this model. They depend on the choices of the director and must compete with other providers. The contracts they have with the municipality do not guarantee any business. On the other hand, the model gives providers a fair chance to compete. All suppliers are contracted under the same conditions and it therefore allows smaller healthcare providers to compete with larger providers. The necessity for providers to compete results in another advantage for clients: healthcare providers have an impulse to improve quality and maintain continuous innovation.

From the perspective of the client this is in theory an excellent model. They are involved in the design of their customised supply plan and are free to choose their healthcare provider (from the contracted selection). The municipality is closely involved in the execution of care via the director and the client has only one point of contact with the municipality, decreasing unnecessary confusion.

However, the model depends heavily on the competences of the director. The director must accurately determine the needs of the client, decide on the customised services included in the custom supply arrangement and keep oversight on the execution of care. The independence of the director from healthcare providers is of utmost importance for this model to function properly. Conflicting interests for the director can result in an excess of the use of certain customised services. Incompetent directors can lead to inadequate and inefficient care.

### 2.2.4 Director model - input

This archetype is split in two distinct models according to the method of financing the municipality chooses. The input-focused director model pays care providers for their input in hours. Hour-based payment provides more certainty for providers but decreases their incentive to innovate.

### 2.2.5 Director model – results

Contrarily, the result-focused director model compensates based on the output or outcome of care provided. Result-based payment provides more certainty to clients, since care providers are only paid when actual service is delivered. This type of buyer-supplier relations presents an incentive for care providers to innovate their services and work on efficiency.

## 2.2.6 Gronings model

In the Gronings model the providers of care are responsible for most activities, receiving little direction from the municipality. The municipality contracts all suppliers previously employed in the AWBZ. It then divides budget between these suppliers based on their number of clients and historical demand. The providers are free to design their care plan within the bounds of the budget. There is theoretically no need to account for their hours. Therefore, providers of care have both the space and an incentive to be efficient and optimise their care. Another advantage of this model is the certainty the municipality has that the budget will be sufficient. Also, providers of care are more likely to fully exhaust the social network of the client as they have an impulse to decrease care.

However, this financial motive to decrease care is one of the strongest negative aspects of this model as well. The manner of funding creates an impulse for providers to maximise their number of clients but minimise the care per client. The provider is not encouraged to deliver high quality care. Also, there is no entrance of new suppliers, as the municipality only employs the supply base from the AWBZ. This potentially limits innovation.

## 2.2.7 Auction model

The auction model auctions off an anonymised problem situation, made per client. The municipality describes this problem situation based on a personal conversation with the client and publishes it on a protected website. Healthcare providers are then invited to bid on a client package with their proposed healthcare plans and pricing. The municipality and the client choose the most appealing provider, who

receives responsibility over the specifics of the plan and has control over the execution of care. An advantage of this model is that the bidding competition tends to result in acceptable costs for the municipality. A downside is that the price may often be the decisive factor. Additionally, the decoupling of the intake moment and the designing of the plan could be problematic. The anonymised problem situation should be communicated in excellent clarity for the healthcare provider to understand the specifics of the client's situation. Also, care providers may not be enthusiastic to participate in an auction for each of its prospective clients.

### 2.2.8 Overview

Table 1 displays three key characteristics regarding the client orientation of archetypes of buyersupplier relations: funding type, freedom of choice and involvement personal plan. The three funding types are Input (or PxQ), Population and Results. Municipalities which organise funding based on input pay care providers for their input in hours. Population-based funding provides care suppliers with a set budget based on the size of the population it delivers care to. The last type couples payment of care providers to the results they must realise. This type is most client friendly as clients are certain their care is delivered. Also, a performance-based contract has a positive effect on innovation in interorganisational relationships (Sumo, Valk, Weele & Bode, 2014). The table also includes the presence of a budget for the AWBZ model and the Gronings model. The budget provides certainty to both the municipality and the care provider, whether that is desirable is open to discussion.

The next key characteristic is freedom of choice between care providers. Municipalities that contract multiple suppliers can offer their clients the ability to choose their preferred care providers. When clients are dissatisfied with their personal care they have the possibility to choose an alternative provider, creating pressure for care providers to perform well.

The last key characteristic is involvement in personal plan. The ability for clients to influence their care plan indicates the client is taken seriously, and is important to evaluate client orientation.

Archetypes	Funding type	Freedom of	Involvement
		choice	personal plan
AWBZ model	Input - budget	Partial	No
Population-based funding	Population	No	No
Director model – input	Input	Yes	Yes
Director model – results	Results	Yes	Yes
Gronings model	Population - budget	No	Unclear
Auction model	Results	Partial	Partial

Table 1: Key characteristics of the archetypes regarding client orientation

Based on the key characteristics mentioned in Table 1, the archetypes are ordered according to their client orientation.

- 1. *Director model-results*: This archetype pays its providers based on results, granting clients certainty of care delivery. In this model clients have freedom of choice and they are involved in the development of their personal plan.
- 2. *Director model-input*: This archetype pays its providers based on input, decreasing the innovation impulse as efficiency is not rewarded. Clients have freedom of choice and they are involved in the development of their personal plan.
- *3. AWBZ-model*: This archetype pays its providers based on input, from a set budget, decreasing the innovation impulse. In this model clients have some freedom of choice but are not able to participate in the development of their personal care plan.
- 4. *Auction model*: This archetype's funding type is results-based, increasing the innovation impulse. In this model clients have some freedom of choice (they are involved in the choice between proposals) and some involvement in their personal plan.
- 5. *Gronings model*: This archetype pays its providers based on a budget for its population, creating an impulse to minimise the used resources while maintaining a large client group. This model provides no freedom of choice between suppliers and is unclear on the involvement of clients in their personal care plan.
- 6. *Population-based funding*: This archetype's funding type is population-based, creating an impulse to minimise the used resources while maintaining a large client group. Clients have no freedom of choice between providers and are not involved in the development of their personal plan.

## 3. Methodology

## 3.1 Research problem

Wmo councils have the task to advise municipalities on their policy choices regarding the Wmo 2015. There is, however, no data on the effectiveness of Wmo councils as a form of citizen participation. Does the presence of advisory councils result in different policy choices? To what extent are Wmo councils able to protect the interests of clients? What characteristics should Wmo councils possess to be effective forms of citizen participation? Summarised: What is the effect of Wmo councils as a form of citizen participation?

The policy decision measured in this research is the choice for archetype of buyer-supplier relations, as it marks an influential Wmo policy choice where it can be assumed Wmo councils were able to advise in the decision-making process. The archetype of buyer-supplier relations structures many aspects of care provision in the Wmo 2015. The choice for a more client-oriented archetype can therefore significantly influence the Wmo system in favour of those needing care. This research will explore the relation between Wmo councils and archetypes of buyer-supplier relations using the following research question: To what extent does a relationship exist between the characteristics of Wmo councils and the choice between archetypes of buyer-supplier relations?

The objective of citizen participation is to protect the interests of the clients. A strong execution of citizen participation would therefore logically result in more client-oriented archetypes of buyer-supplier relations. Client-oriented archetypes offer better involvement options for clients by providing freedom of choice between suppliers and enabling clients to participate in their personal care planning. It is expected that the characteristics of a strong Wmo council will make it more likely a client-oriented archetype of buyer-supplier relations is in place.

## 3.2 Research design

This research will explore the relation between Wmo councils and archetypes of buyer-supplier relations using the following research question: *To what extent does a relationship exist between the characteristics of Wmo councils and the choice between archetypes of buyer-supplier relations?* 

First, the citizen participation options were described and an overview of the archetypes of buyersupplier relations was presented. To understand the way in which Wmo councils influence the choice between archetypes, a descriptive study in the form of literature research was conducted. The choice for archetype of buyer-supplier relations mainly affects three actors: the municipality, the providers of care and the clients. Information on the relationship between these three actors and the role of the Wmo council was gathered through Google Scholar. The initial search term entered was 'Service triads'. As more information was gathered on service triads additional search terms were entered: 'Buyer-supplier relations', 'Service networks' and 'Service systems'. As four actors are described in the Wmo service triad (the municipality, the providers of care, the clients and the advisory council), most theories on service triads did not cover all actors in a satisfactory way. The model of Li and Choi (2009) does provide a framework to position each of the four actors and was chosen to further describe the Wmo triad and the role of the Wmo advisory council. Their model competently explains the stages of outsourcing, the opportunism risk involved and the role of the Wmo council. Chapter 4 illustrates the triad situation between municipality, care providers and clients in three sequential stages. An expansion of their triad model is proposed, by creating a triad with the focus on the client perspective. The model with the shifted focus serves as a framework for the formation of the hypotheses. The advisory council is suggested as a tool to ensure an optimally functioning triad, where the interests of the client are protected. This type of triad would be more likely to choose an

archetype of buyer-supplier relations with freedom of choice and involvement in their personal plan for the client.

Guided by the hypotheses that arose from the theoretical analysis, the relationship between Wmo council characteristics and archetypes of buyer-supplier relations is examined. Six advisory council characteristics that are expected to influence their advising effectiveness are measured for all municipalities: Presence ordinance, Selection members, Appointment members, Payment members, Advising phase and Integration social domain. First, the presence of an ordinance specifically designed for the advisory council was checked for each municipality. Next, it was examined in which manner new members are chosen and whether these members are appointed on personal title or by organisation. For each municipality the payment of members of the advisory council was measured and whether they are involved at an early stage or not. Lastly, Integration measures to what extent the advisory council is responsible for other parts of the social domain.

Six archetypes of buyer-supplier relations are described, as identified by Uenk (2016): the AWBZ model, Population-based funding, the Director model-results, the Director model-input, the Gronings model and finally the Auction model. These archetypes are divided into two categories according to their degree of client orientation, as described in Chapter 2. The Director model-results and the Director model-input fall in the client-oriented category. The remaining archetypes: the AWBZ model, Population-based funding, the Gronings model and the Auction model are classified as models that are not client-oriented. The archetypes are recoded into a new variable dividing them according to their focus on clients: Client orientation archetypes.

The relationship between the characteristics of Wmo councils and the variable Client orientation archetypes is examined, using percental analyses and statistical tests. Based on the theoretical analysis in Chapter 4, it is expected that municipalities that have the values for the six characteristics that are associated with successfully sustaining bridge decay are more likely to have chosen for an archetype of buyer-supplier relations with a results-based funding type, more freedom of choice and more involvement of the client in their personal plan.

## 3.3 Population and procedure

The population from which the data is retrieved is all the 388 municipalities in the Netherlands as they were organised in the second half of 2017. (On the 1<sup>st</sup> of January 2018 this number has been brought down to 380). Data was gathered between October 2017 and December 2017.

Firstly, information on archetypes of buyer-supplier relations per municipality was retrieved from research done by Niels Uenk (2016). Information per municipality included which archetype of buyer-supplier relations was employed, which funding type and whether clients have choice of care. Unfortunately, the archetype for 24 municipalities could not be identified, only the remaining 364 municipalities with a confirmed archetype were included for further analysis.

348 out of the 364 municipalities with an identified archetype had a functioning advisory council in the second half of 2017. 6 municipalities did not have a Wmo council and for 10 municipalities no information about an advisory council could be retrieved. Only the 348 municipalities with both a functioning advisory council and an identified archetype were included for further analysis.

The type of documents searched for in the first place were ordinances designed specifically for the advisory council. Practically all municipalities have a general Wmo ordinance, but some municipalities also have a separate ordinance dedicated to the advisory council. Out of the remaining 348 municipalities, with both a known archetype and confirmed advisory council, 219 municipalities

had an ordinance designed for the advisory council. 33 municipalities had a different arrangement such as a covenant, agreement of cooperation or another document describing the regulations. In all these cases the information regarding council characteristics was gathered from the public documents. For the remaining 96 municipalities, which did not have an official publishing of the regulations, a different strategy was necessary. In these cases, information was gathered from advisory council websites, the website of the municipality and the general Wmo ordinance. The information gathered on Wmo council characteristics per municipality is presented below.

- 1. Is there a legally valid ordinance regarding citizen participation in the Wmo?
- 2. In what way are members chosen?
- 3. Are members appointed on personal title or organisation?
- 4. Are the members of the council paid?
- 5. In what phase does the council advise?
- 6. Is the citizen participation of the social domain integrated?

It should be noted that the variables for council characteristics only describe the regulations designed by the municipality, whether the municipality effectively enforces these regulations is not researched. The data collected for each of the questions resulted in the values for six variables: Presence ordinance, Selection members, Appointment members, Payment members, Advising phase and Integration social domain.

The information provided on archetypes of buyer-supplier relations and the data collected on council characteristics were entered into IBM SPSS Statistics, Version 24. The program was used to examine the data and conduct statistical tests.

First, the descriptive information of the variables was examined, exploring the variability of the data, the counts in the population etc. Next, the variable Client orientation archetypes was tested against each of the six variables describing council characteristics, using percental and statistical analyses. The Chi-square Test of Independence was chosen as all the variables are nominal. The percental analyses display the data in a logical manner in tables and the Chi-square test assesses whether there are statistically significant associations between the variables. The significance level was set at  $\alpha = 0.05$  for all analyses.

## 4. Theoretical analysis

## 4.1 Triads in service systems

In this chapter the Wmo 2015 system is identified as a service triad. The concept of a service triad is further explored, and the framework of Li and Choi (2009) is applied to the Wmo triad. An expansion of their framework is proposed, by creating a service triad with the client in the central position. The insights from Li and Choi are used to describe the Wmo service triad and explain the role of advisory councils in the Wmo triad. For each of the six characteristics a hypothesis is formed on its relationship with client orientation, based on the framework and additional literature.

## 4.1.1 Wmo is a service system

The Wmo 2015 obliges municipalities to arrange care for their citizens requiring assistance, by purchasing services from care providers. The municipality does not directly deliver care services to clients, but contracts a supplier to do so, creating a triad situation between municipality, care provider and client. At first the client contacts the municipality, the municipality then purchases the required care services from care providers, after which the client will receive these services from the care providers.

In the first phase, the client contacts the municipality with a request for personal care. The municipal officer and client jointly determine the exact request for support and look for practical solutions within the social circle of the client. Next, the municipal officer and the client look at the general services, collective services and customised services the municipality could provide to support the client. General services are provided for all citizens, e.g. public transport and community centres. Collective services are designed specifically for citizens with a disability but shared with others with a disability. An example of these services is a shared regional taxi. Customised services are individually designed and arranged when the general and collective services do not suffice. These services include, for example, adjustments on the house, the provision of a wheelchair and regular assistance in household chores (Movisie, 2016).

The municipal officer designs an application for customised services and once the municipality makes their final decision the client is informed on which customised services will be provided and for how many hours. After the municipality and client have decided on the customised services that will be provided, the municipality selects and contracts care providers to deliver these services. This phase is organised in different ways, depending on the archetype of buyer-supplier relations. Some municipalities, for example, choose to contract multiple suppliers, allowing their clients to have a choice between care providers.

Once the customised services for the client are identified and the municipality has contracted a supplier, the final phase begins. The client will receive their customised services from the care providers and the contact between the client and the municipality will gradually decrease.

The Wmo can be viewed as a service triad, where in each of the phases different actors of the service system are in contact. At first, the customer (client) approaches the buyer (municipality). Next, the buyer approaches the supplier (care provider). Finally, the supplier delivers the service to the client.

## 4.1.2 Service triads and social network perspective

There has been a trend of companies focusing on their core activities, outsourcing their remaining tasks to outside providers (Holcomb and Hitt, 2007). This growth of specialisation and outsourcing has also occurred for services, increasing the amount of service networks (Ellram, Tate and Billington, 2008). Service systems and manufacturing systems differ on an important feature: the extent to which the supplier and customer have to be in direct contact. As opposed to a service

system, the traditional manufacturing chain assumes supplier and customer do not have any communication, as visible in Figure 1.

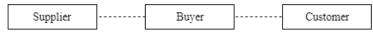


Figure 1: Traditional manufacturing chain

In this situation, the buyer controls both the information flows and the product flows between its suppliers and its customers. In the manufacturing chain there is no contact between supplier and customer and the buyer can manage its relationships with supplier and customer separately. The decision to outsource services can result in a service supply chain similar to the representation in Figure 1. In many cases, however, services are directly delivered by external service providers to the buying organisation's customers (Van der Valk, Wynstra and Axelsson, 2009). The direct supplier-customer interaction present in these service systems, create a triadic structure of inter-organisational relationships. The supplier directly delivers its services to the customer, without intervention of the buying organisation. 'Simultaneous production and consumption of services thus occurs between the service provider and the customer, outside the direct control of the buying organisation' (van der Valk et al., 2009). Figure 2 is a graphical representation of this service triad between buyer, supplier and customer.

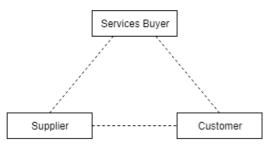


Figure 2: Service triad

All service triads share a common characteristic: each actor in the triad has a direct connection with the other two actors. These connections may be constant or intermittent (Wynstra, Spring, and Schoenherr, 2015). In all those services which the buyer chooses to outsource, the customer interacts with the service provider during the process of delivery. The services buyer is therefore not able to control the information flows between customer and supplier, as is the case in a traditional manufacturing chain.

Partially due to this lack of control for the buyer, many organisations encounter difficulties in the organisation of relationships involved in sourcing services (Nordin and Agndal, 2008). Although extensive literature on outsourcing is present, it often focuses on whether an organisation should outsource, and which tasks should be outsourced. The management of the outsourcing process is neglected, despite the increased operating risk as responsibility is outsourced, which creates a necessity to manage strong relationships with the actors in the triad (Ellram et al., 2008).

The service triad has been studied through several approaches, such as Service operations management (Finne and Holmström, 2012), Agency theory (by e.g. Logan, 2000; Zhang, Lawrence & Anderson, 2015) and Social capital theory (by e.g. Hartmann and Herb, 2015). This research further builds on social network literature. As the triad is a description of a type of network, social network theory appears to be an intuitive approach. The social network perspective provides a set of methods for analysing the structure of whole social entities as well as a variety of theories explaining the patterns observed in these structures (Wasserman and Faust, 1994). One must be careful, however, of the differences between individuals and organisations when applying inter-personal network theories to inter-organisational networks (Borgatti and Halgin, 2011).

In the service networks proper management of the relationships with other actors can be highly rewarding. The relationship that an agent has with other agents within the social network grants the agent access to resources and is therefore a valuable asset. Each actor can enjoy certain relational benefits of social capital, by Coleman (1988) defined as: "a variety of entities with two elements in common: they all consist of some aspect of social structure, and they facilitate certain actions of actors...within the structure".

As Coleman (1988) underlines the benefits of maintaining close relationships with other agents in a network, Burt (1992) emphasises the advantages of working as a bridge between two other agents or networks with no links between them. In the traditional manufacturing chain, the buyer would typically be able to assume the bridge position between supplier and customer. Since the connections between these three actors in service triads are not necessarily constant over time, bridge positions also exist in service triads.

Burt (1992) argues each actor should aim to assume the bridge position, as social capital is derived from the structural position an agent holds within a network. His concepts stressed the advantage of spanning across structural holes among social networks. A structural hole is the absence of connections between agents that are not directly linked, creating an opportunity for a third agent to position itself as a bridge between these disconnected networks. The agent positioned on the structural hole enjoys an information benefit and a control benefit over the two isolated agents (Burt, 2000). The bridge has the ability to negotiate and exploit information to its advantage (Zaheer and Bell, 2005).

The theory of service triads is further expanded by Li and Choi (2009), who directly build their research on the work of Burt (1992; 2000; 2002). They elaborate on understanding the performance risk associated with the transfer of the bridge position from the buyer to the service provider in service triads. This focus on performance risk is appropriate in the Wmo triad, as it must be ensured by the municipality that Wmo clients receive proper care. The municipality has a serious responsibility and obligation to provide for its clients. The focus of Li and Choi (2009) on the dynamics of relationships between the three actors in service triads provide a strong framework for the Wmo 2015.

### 4.1.3 Li and Choi service triad model

The position of the buyer remains the same throughout the outsourcing process in the linear manufacturing chain. In service systems, however, the buyer's position shifts through three separate stages (Li and Choi, 2009). Building on the theory of Burt (1992), Li and Choi argue the buyer must try to assume the position of the bridge to enjoy the information and control benefit. How desirable it may seem for the agent to be a bridge, it is a delicate position. When the isolated agents are able to connect through the structural hole the bridge position becomes redundant and loses its value (Johnson, 2004). This state is called 'bridge decay'. In bridge decay a direct link is established between the previously isolated networks, filling the structural hole. As bridge decay progresses, the social agent that held the bridge position loses the social capital advantages it previously enjoyed. The bridge will therefore try to prevent the other actors from making connections and, in that way, avoid a shift of the relationship structure.

An even less desirable structural shift is 'bridge transfer'. This state occurs when a structural hole is closed in bridge decay and one of the links of the former bridge is disconnected. One of the other two agents in the network now holds the bridge position and can reap the information and control benefits.

As both the scenario of bridge decay and bridge transfer will cost the agent in the bridge position its social capital benefits, the bridge will actively try to maintain its position. In a manufacturing chain, the buyer usually manages to maintain its position as a bridge throughout the outsourcing process. There is not a necessity for the buyer's suppliers and its customers to interact and the buyer will try to prevent them from making direct connections. Service systems, however, do have direct supplier-

customer interaction, making it impossible for the buyer to maintain its bridge position throughout the outsourcing process.

### 4.1.3.1 Stages of outsourcing

Prior to outsourcing the services buyer holds the bridge position as both the supplier and customer are linked with the buyer but are not directly linked to each other. Figure 3 represents this pre-outsourcing stage.

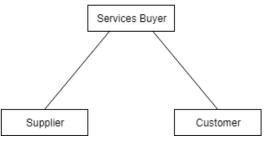


Figure 3: Bridge position, pre-outsourcing

In the negotiation phase before outsourcing, the services buyer therefore enjoys the information and control benefits associated with the bridge position. Since the potential service suppliers and the buyer's customers are not in direct contact in this phase, the bridge can strategically control the information flows between the two isolated agents. The services buyer can use this position to negotiate lower prices or higher service levels from suppliers. The bridge position can also help the buyer to arrange more convenient contract conditions with customers.

Once the negotiation phase is finished and a services supplier has been contracted, all actors are in direct contact. The buyer cannot block supplier-customer interaction and for that reason it will inevitably lose its bridge position. Over time, as the supplier delivers the contracted services to the customer and their connection strengthens, the position of the bridge is eroded. Figure 4 displays this state of bridge decay during outsourcing. As the bridge decays the buyer loses the information and control benefits associated with the bridge position.

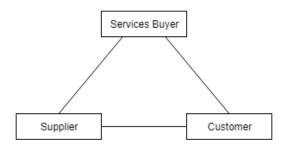


Figure 4: Bridge decay during outsourcing

Although the buyer loses its influential bridge position during bridge decay, Li and Choi (2009) argue that the buyer can influence the relationship that will form between the services supplier and the buyer's customer during outsourcing. A collaborative buyer-supplier relationship prior to bridge decay, characterised by trust and open communications, would encourage a collaborative relationship between the supplier and the buyer's customer. Correspondingly, an adversarial buyer-supplier relationship would result in an adversarial relationship between the services supplier and customer. As a result, it is in the buyer's best interest to maintain a collaborative relationship with its services supplier. Firstly, for the reason that the buyer's customer will prefer a collaborative relationship over an adversarial one. Secondly, a collaborative relationship with the services supplier will decrease the

possibility that the supplier will behave opportunistically in a bridge position. A collaborative relationship between the buyer and supplier can result in a service triad of collaborative relationships.

In the post-outsourcing stage, the communication link between services buyer and customer will gradually disappear. According to the logic of transaction cost economics (Williamson, 1998) the services buyer will want to limit its involvement with its customer after outsourcing, in order to minimise the incurred transaction costs. Also, the objective of outsourcing a service is to transfer the activities associated with creating and delivering a service to the supplier and relieve the buyer of these duties.

As the supplier takes over the outsourced service, there is therefore a natural disconnection between buyer and customer. The supplier directly interacts with the customer by delivering services and maintains a direct link with the buyer through its invoices. The structural hole is now between the buyer and the customer, with the supplier in the bridge position. This state is called 'bridge transfer', visualised in Figure 5. As the bridge position transfers, the information and control benefits are relocated to the supplier. The supplier has the more powerful position now and can control the information flow between buyer and customer.

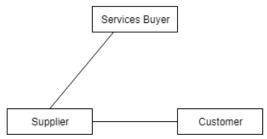


Figure 5: Bridge transfer, post-outsourcing

Again, Li and Choi (2009) suggest a collaborative past buyer-supplier relationship is in the best interest of the buyer. Once the bridge position transfers, the supplier might act opportunistically and abuse its power position. This behaviour would be minimised with a collaborative past relationship as this type of relationship can serve the supplier with long-term benefits. An adversarial relationship, on the other hand, would increase the chances of opportunistic behaviour. Consequently, it is argued outsourcing success and outsourcing failure can often be traced back to past buyer-supplier relationships.

Bridge decay and bridge transfer result in erosion of the information and control benefits for the buyer. Ideally the buyer would maintain its bridge position, but the necessary supplier-customer interaction in a service system makes this impossible. To avoid the situation of the least desirable option bridge transfer, the buyer must create a permanent state of bridge decay. This state, displayed in Figure 6, is the best possible long-term situation for the buyer. In this state the advantages of the bridge position are not enjoyed by any of the parties and the buyer avoids opportunistic behaviour from the supplier. Bridge decay can be sustained by the buyer through continued monitoring of supplier, close communication with its customer and monitoring of the supplier-customer relationship.

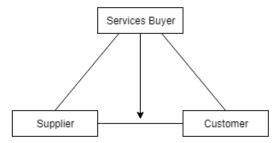


Figure 6: Sustained bridge decay

## 4.1.4 Client perspective in model

The model developed by Li and Choi competently describes a service triad and the separate stages of bridge decay and bridge transfer from the perspective of a buyer. There is, however, another party negatively influenced by bridge transfer to the supplier: the buyer's customer. Li and Choi focus on the buyer's perspective, but the customer can also be the active player in a service system, using buyers to ensure access to suppliers. These buyers function as intermediaries, facilitating access to service providers for the customers (Mabert and Schoenherr, 2001, Schoenherr and Mabert, 2003).

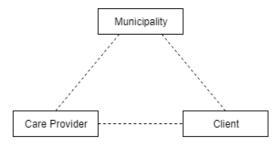
According to Wynstra et al. (2015) three forms of service triads exist: buyer-initiated triads, customerinitiated triads and supplier-initiated triads. Buyer-initiated triads occur when the buying firm decides to outsource a service. Customer-initiated triads emerge from the decision by the customer to use a third party to mediate and/or support the exchange with a supplier. Lastly, supplier-initiated triads have their origin in a decision by the supplier to use a third party to mediate and/or support the exchange with the customer (Wynstra et al., 2015).

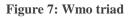
Although the triad developed by Li and Choi (2009) is clearly buyer-initiated, it can be easily adjusted to suit the client perspective. In the case the customer initiates contact with a buyer as an intermediary the triad situation remains the same. In the pre-outsourcing stage the buyer has the bridge position, during outsourcing the bridge decays and in the post-outsourcing phase, the bridge position transfers to the supplier. In none of the stages the customer can hold the bridge position, therefore its best option is to ensure neither the buyer nor the supplier enjoys the information and control benefits, by sustaining bridge decay.

When the customer is not the active player, bridge decay is still the most advantageous option. In the state of bridge transfer the customer and buyer are vulnerable for opportunistic behaviour from the supplier. In sustained bridge decay the structural hole is closed, and none of the actors has the information and control benefits associated with the bridge position. An information equilibrium is created. Consequently, in this state of bridge decay, the customer is protected from opportunistic behaviour from both the supplier and the buyer.

## 4.2 Wmo triad

As previously mentioned, the Wmo is a service system, where the municipality is the buyer, the provider of care is the supplier, and the client is the customer. The Wmo triad is displayed in Figure 7.





In the first stage the client contacts the municipality with a request for personal care and the municipality decides on the customised services that will be provided. The municipality then selects and contracts care providers to deliver these customised services. In this stage, prior to outsourcing the service, the municipality holds the bridge position. There is no direct contact yet between clients and care providers, so the municipality can control the information flow between them. In the negotiation phase the municipality has the information and control benefit and it can strategically use this advantage to negotiate lower prices or higher service levels from care providers. Clients can also unknowingly be persuaded by the municipality to opt for more inexpensive service packages.

In the next stage the client will receive their customised services from the care providers. As the structural hole between the client and the care provider closes, the bridge position of the municipality decays. The municipality loses its information and control benefit.

Over time, as the supplier delivers the contracted services to the customer and their connection strengthens, the contact between the client and the municipality will decrease. When this direct contact completely disappears, the municipality will lose its former bridge position to the care provider. Once the care provider has the information and control benefit associated with the bridge position, it might behave opportunistically at the expense of the client and the municipality.

In order to avoid the negative consequences of bridge transfer, it is in the best interest of both the client and the municipality to find a way to ensure bridge decay (Li and Choi, 2009). Figure 8 displays this type of sustained bridge decay from the perspective of both the municipality and the client. Bridge decay can be sustained by the municipality through continued monitoring of care providers, close communication with the client and monitoring of the relationship between the client and the care provider. The client can avoid bridge transfer in a comparable way: by monitoring care providers, maintaining direct contact with the municipality and keeping an eye on the relationship between the municipality and the care provider.



Figure 8: Ensuring bridge decay: perspective of municipality and client

#### 4.2.1 Advisory councils to sustain bridge decay

The Wmo advisory councils are a possible tool to avoid bridge transfer by creating a permanent situation of bridge decay, displayed in Figure 9. A well-functioning advisory council should ensure that the relationship between client, municipality and provider is in balance.





Advisory councils can consist of clients, citizens or representatives of organisations active in the social domain, but never individuals associated with care providers. The council realises a connection between the municipality and the clients. The municipality can be involved to a larger extent or lesser extent in the activities of the council, but clients or their representatives must always be included. The advisory council is therefore primarily a tool from the client perspective, displayed on the right side in Figure 9. From the perspective of the client the advisory council can monitor the relationship between the care providers and the municipality. The advisory council can influence this relationship through its advising, in order to protect the best interest of clients and the general public.

In this way, the council realises a connection and an information flow between the municipality and clients, ideally closing the structural hole between these agents. When no structural hole exists between the municipality and clients, a situation of sustained bridge decay can be maintained within the triad. For both the municipality and clients this is the desirable option and therefore a well-functioning advisory council is in the best interest of both agents.

Since a well-functioning advisory council creates an information flow between the municipality and clients, it decreases the chance of bridge transfer. A highly functioning advisory council is logically more capable in the sustaining of bridge decay, the avoidance of opportunistic behaviour from care providers and the protection of the clients' interests. As the advisory council should be involved in the decision-making process of municipal policy, this would result in client friendly policy choices.

## 4.3 Hypotheses

The functioning of an advisory council is judged on six characteristics: Presence ordinance, Selection members, Appointment members, Payment members, Phase advising and Integration social domain. It is hypothesised that for each of these factors a certain value will result in an advisory council more competent in sustaining bridge decay. In the state of sustained bridge decay, the interests of the clients will be better protected in the decision-making process of important municipal policy, such as the choice for archetype of buyer-supplier relations.

An advisory council capable of sustaining bridge decay would therefore logically result in the choice for a client-oriented archetype. The client-oriented archetypes, as classified in this research, are the Director model – results and the Director model – input. The archetypes categorised as not client-oriented are: the AWBZ-model, Population-based funding, the Gronings model and the Auction model.

For each of the six characteristics measured their hypotheses are explained below.

## 4.3.1 Hypothesis Presence ordinance

Municipalities with a separate ordinance dedicated to the advisory council are expected to be more effective in sustaining bridge decay. The implementation of regulation should lead to changes in the behaviour of individuals or entities targeted or affected by the regulation (Coglianese, 2012). The separate ordinance dedicated to the advisory council will regulate the behaviour of the council as well as the other actors mentioned in the document.

The ordinance ensures the advisory council has legal obligations and rights. Legal mandates on roles and responsibilities allow advisory councils to self-monitor, build commitment among themselves, and make or contribute to important decisions (Ostrom, 1990). The presence of an ordinance is therefore expected to aid advisory councils in protecting the interests of clients. Although not all legal documents enjoy the same regulatory performance (Arndt et al., 2016), the literature suggests the presence of an ordinance will aid in sustaining bridge decay.

## 4.3.2 Hypothesis Selection members

The variable Selection members does not have an obvious hypothesis. It can be argued that advisory councils that have the ability to choose its members have higher autonomy and are therefore 'stronger'. A higher degree of independence for the advisory council should lead to a larger impact on policy making (Houghton, 1988).

On the other hand, municipalities where the municipal college selects new members in collaboration with the advisory council would be expected to establish a stronger link between the two agents. The joined efforts of the municipality and the advisory council could be superior in selecting appropriate new members, while strengthening the bond between the two actors. A stronger link between actors is

expected to result in a more successful cooperation in the network (Liu, Sidhu, Beacom & Valente, 2017).

Besides these two options, more alternatives exist to organise the selection process for new members. Municipalities can also assign members without any consultation with the advisory council. This strategy is not expected to be the most successful in sustaining bridge decay as it lacks the advantages mentioned above. The other alternatives are mainly hybrids of the options previously mentioned.

To conclude, it can be argued for two separate manners of selecting new members, that this alternative would be most successful in sustaining bridge decay. Both municipalities where the municipal college selects in collaboration with the advisory council and municipalities where advisory councils can select members themselves, can be argued to be most successful in strengthening the position of bridge decay.

### 4.3.3 Hypothesis Appointment members

Municipalities with an advisory council whose members speak on behalf of an organisations are expected to be more competent in sustaining bridge decay. Representatives of organisations are more likely to have experience lobbying and have a more thorough understanding of public systems. A municipality with an advisory council comprised of such representatives has 'a worthy opponent'. It would be less inclined to use public participation as simply seeking legitimisation of a decision already made (Bryson, Quick, Slotterback & Crosby, 2012).

Additionally, representatives can reach a larger audience through their organisations. Including a wide range of participants in the planning processes can promote the sharing of perspectives and help gather information from larger audiences (Enserink and Monnikhof, 2003).

Although advisory councils comprised of representatives are expected to be more competent in sustaining bridge decay, it can be argued these councils consist of the 'usual suspects': people who are easily recruited, vocal and comfortable in public arenas (Bryson et al., 2012). According to Schlozman, Verba & Brady (2012), a key challenge in public participation is ensuring that the appropriate range of interests is engaged in the process, including those normally excluded from decision making by institutionalized inequities. Public participation processes should involve the appropriate stakeholders (Friend and Hickling, 2005), arguably the experts from experience and the citizens who may one day require Wmo care.

It is expected municipalities with an advisory council whose members speak on behalf of an organisations are more competent in sustaining bridge decay. Possibly a mixture of independent members and representatives of organisations are successful as well, combining the skills of representatives with the knowledge of experts of experience.

### 4.3.4 Hypothesis Payment members

It is expected that the payment of members of advisory councils will aid the council in sustaining bridge decay. Ng and Hamby (1997) stated public participants should have access to the appropriate resources to enable them to successfully fulfil their tasks. One of these resources include time resources: participants should have sufficient time to make decisions. It is expected the payment of members will allow them to make more time to work for the advisory council.

Also, the payment of members could improve their motivation. It can be perceived as an indication the work of the council is taken seriously by the municipality. Harunavamwe & Kanengoni (2013) conclude, however, work motivation comes from non-monetary rewards. In their research, no significant relationship could be found between monetary rewards and motivation. It has also been argued monetary rewards can crowd out intrinsic motivation, with research showing divergent results on the issue (Fiorillo, 2011).

Despite the fact that literature does not provide consensus on the merit of payment, advisory councils receiving payment are assumed to be more competent in sustaining bridge decay. Although a fair amount of the literature states monetary rewards would not have a significant effect, no negative effect on work motivation is concluded. It is expected the issue of time resources will be more important in this case. Paid members will aid in sustaining bridge decay, resulting in a choice for client-oriented archetypes.

### 4.3.5 Hypothesis Phase advising

Municipalities with an advisory council that is involved early in the decision-making process on policy decisions are assumed to be in a better position to safeguard the interests of clients. The general literary consensus is clear: public participation should occur as soon as is reasonably practical (Middendorf and Busch, 1997). The possibilities of influencing success of any project are seen to be best during the early development stages, because decisions made early reduce unnecessary changes during later development stages (van Valkenburg, Lenferink, Nijsten & Arts, 2008). Aapaoja, Haapasal & Soderstrom (2013) argue later involvement equals lesser involvement. Based on the literature, early advising is assumed to result in better involvement for the advisory council. Early advising is expected to be superior in sustaining bridge decay and it should result in the choice for client-oriented archetypes.

## 4.3.6 Hypothesis Integration social domain

The last variable concerns the integration of the social domain. Wmo councils that have integrated with the Youth council and Participation council into one advisory council, responsible for the entire social domain, are expected to have a stronger position within the municipality. Combining the three forces into one leads to a stronger bargaining position for the advisory council (Manzini and Mariotti, 2005). The stronger bargaining position is expected to improve its competence in influencing policy and sustaining bridge decay. It would protect clients from the negative consequences of bridge transfer and result in the choice for client-oriented archetypes.

However, it can also be argued that the integrating of the Wmo council, Youth council and Participation council will lead to confusion on responsibilities and task setting (Fubini, Price & Zollo, 2016). A separate Wmo council solely focusing on Wmo responsibilities might function more efficient and effective.

For each of the six variables measuring council characteristics it is hypothesised they have a relationship with the variable Client orientation model. The null hypothesis, which the tests will attempt to refute, assumes the variable pairs are independent. The alternative hypothesis states the variable pairs are not independent and an association exists.

## 5. Results

This chapter starts with the examination of descriptive information on the population. Next, the results of the percental and Chi-square analyses are presented. The variable Client orientation archetypes was tested against each of the six variables describing council characteristics in the endeavour to answer the research question: *To what extent does a relationship exist between the characteristics of Wmo councils and the choice between archetypes of buyer-supplier relations?* 

## 5.1 Descriptive information

Information was gathered on the full population of 388 municipalities in 2017. After exclusion of the 24 municipalities without a known archetype of buyer-supplier relations, 364 municipalities remained. Of the 364 municipalities with a known archetype, 348 had a functioning advisory council. 5 municipalities did not have an advisory council and no information could be found on the remaining 11 municipalities. The 16 municipalities without a confirmed advisory council were excluded from further analysis. The characteristics of Wmo councils were studied for 348 municipalities by examining six variables: Presence ordinance, Selection members, Appointment members, Payment members, Advising phase and Integration social domain.

The first variable measured the presence of a separate ordinance. Of the 348 municipalities, with both a known archetype and confirmed advisory council, 219 municipalities had an ordinance designed for the advisory council. 33 municipalities had a different arrangement such as a covenant and 96 did not have an official publishing of the regulations. These numbers are displayed in Figure 11. Some of the 96 municipalities without an official publication on the advisory council regulations did have a note in the general Wmo ordinance.

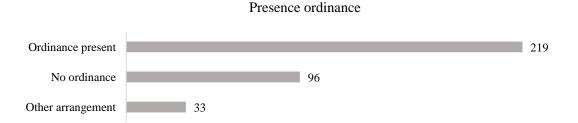
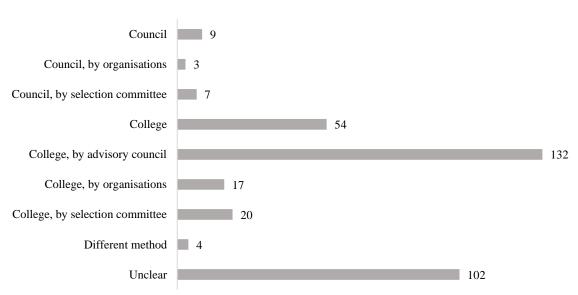


Figure 10: Counts Presence ordinance

The next measured variable is Selection members. 19 of the advisory councils appointed members themselves, sourced by the advisory council (9), organisations (3) or a selection committee (7). In 223 municipalities the new members were appointed by the municipal college, sourced by advisory councils (132), organisations (17), a selection committee (20) or the college itself (54). 4 municipalities adopted a different method and 102 of the municipalities offered no clarity on the selection method. The counts are visualised in Figure 12.



Selection members

**Figure 11: Counts Selection members** 

The appointment of members was the next characteristic to be examined. The appointment of new members can be done on personal title or in name of an organisation. Figure 13 presents the distribution. 229 of the municipalities appointed the members of the advisory council on personal title, 28 advisory council appointed their members in name of an organisation and 54 municipalities allowed appointments both on title and organisation. 37 municipalities did not have a clear method.

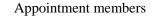




Figure 12: Counts Appointment members

The next variable, Payment members, is visualised in Figure 15. 199 of the municipalities stated explicitly that the members are getting paid. 17 municipalities did not pay their advisory councils and 132 municipalities did not provide clear information.

#### Payment members



Figure 14: Counts Payment members

The variable Advising phase showed little variability, as visible in Figure 16: 249 municipalities involved their advisory councils in an early stage and the remaining 99 municipalities did not provide clear information.

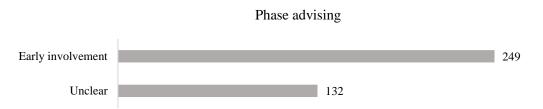


Figure 15: Counts Advising phase

Finally, a fully integrated advisory council for the social domain was identified for 223 municipalities. 40 Wmo councils were integrated with the Youth council and 2 Wmo councils were combined with the Participation council. 72 Wmo councils have chosen not to integrate with the other parts of the social domain and the remaining 11 municipalities provided no clear information. Figure 18 visualises the final variable.

#### Integration social domain

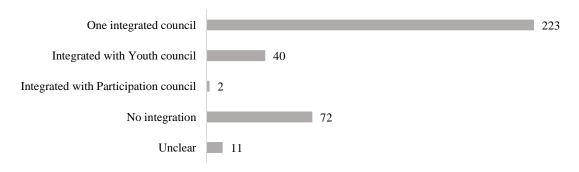


Figure 16: Counts Integration social domain

## 5.2 Percental and Chi-square analyses

After examining the descriptive information, the variable Client orientation archetypes was tested against each of the six variables describing council characteristics, using percental and Chi-square analyses.

The results of the percental analysis are presented in separate tables for each variable, including counts and percentages. The tables should provide insight in the data and results of the Chi-square

test. The Chi-square test assesses whether the associations between the variables indicated in the tables are statistically significant. The test will attempt to reject the null hypothesis that two variables are independent, with the significance level set at  $\alpha = 0.05$  for all analyses.

To conduct a Chi-square test the data and variables must satisfy certain conditions. The two tested variables must be categorical and consist of two or more categorical, independent groups. Another requirement is the independence of units. No relationship can exist between the subjects in each group and the categorical variables may not be paired in any manner. The sample size must be reasonably large, with an expected frequency of at least 1 for each cell and at least 5 for 80% of the cells. All conditions are satisfied, except the expected cell frequency for some variable pairs. For these variables the failure to meet this condition is mentioned along with the analyses.

### 5.2.1 Results Presence ordinance

Municipalities with a separate ordinance dedicated to the advisory council are hypothesised to be more effective in creating a permanent situation of bridge decay. It is expected to be more effective in protecting the interests of clients, resulting in a client-oriented archetype.

Only the municipalities with both a confirmed archetype and an advisory council were included for further analysis, resulting in N = 348. The null hypothesis assumes the variables Presence ordinance and Client orientation model are independent. The alternative hypothesis states the two variables are not independent. The results of the percental analysis and Chi-square test of independence are presented in Table 2 below.

Presence ordinance	Client-oriented models	Not client- oriented models	Total
Ordinance present	51.1%	11.8%	62.9%
_	(178)	(41)	(219)
No ordinance	24.7%	2.9%	27.6%
	(86)	(10)	(96)
Other arrangement	8.7%	0.8%	9.5%
-	(30)	(3)	(33)
Total	84.5%	15.5%	100%
	(294)	(54)	(348)

#### Table 2: Percental and Chi-square analysis of Presence ordinance

N = 348

The results of the Chi-square analysis indicate an association exists between Presence ordinance and Client orientation models. A significant association between the two variables was observed,  $\chi^2(35) = 60.096$ , p = 0.005. Since the p-value is considerably lower than the chosen significance level ( $\alpha = 0.05$ ), the null hypothesis will be rejected. There is enough evidence to suggest the variables Presence ordinance and Client orientation models are not independent.

Unfortunately, the expected counts condition for the Chi-square test of independence was not satisfied, the results should therefore be observed with caution.

## 5.2.2 Results Selection members

The null hypothesis for the variable Selection members assumes the selection process of new members is independent from the client orientation of the archetype. The alternative hypothesis states Selection members and Client orientation models are not independent and an association between these two variables exists.

The null hypothesis is tested with a percental analysis and Chi-square test of independence. The results are presented in Table 3 below.

Selection members	Client-oriented models	Not client- oriented models	Total
Advisory council	2%	0.6%	2.6%
	(7)	(2)	(9)
Council, selected	0.9%	0%	0.9%
by organisations	(3)	(0)	(3)
Council, selected	2%	0%	2%
by selection committee	(7)	(0)	(7)
College	13.2%	2.3%	15.5%
-	(46)	(8)	(54)
College, selected	31%	6.9%	37.9%
by advisory council	(108)	(24)	(132)
College, selected	3.8%	1.1%	4.9%
by organisations	(13)	(4)	(17)
College, selected	4.8%	0.9%	5.7%
by selection committee	(17)	(3)	(20)
Different	0.6%	0.6%	1.2%
	(2)	(2)	(4)
Unclear	26.2%	3.1%	29.3%
	(91)	(11)	(102)
Total	84.5%	15.5%	100%
	(294)	(54)	(348)

Table 3: Percental and Chi-square analysis of Selection members

N=348

The results of the percental analysis, presented in Table 4, indicate an association exists between the selection process of new members and the client orientation of archetypes. Again, the results should be observed with caution as the expected counts condition for the Chi-square test of independence was not satisfied.

A significant association between the variables Selection members and Client orientation model was observed,  $\chi^2(45) = 65.732$ , p = 0.023. Since the p-value falls below the chosen significance level ( $\alpha = 0.05$ ), the null hypothesis will be rejected. The data presents enough evidence to support the alternative hypothesis, stating the variables Selection members and Client orientation models are not independent.

### 5.2.3 Results Appointment members

The next variable measured is Appointment members. The appointment of members can be on personal title or in the name of an organisation. Municipalities with an advisory council whose members speak on behalf of an organisations are expected to be more competent in sustaining bridge decay. These representatives are more likely to have experience lobbying and they might be able to reach a larger audience. The null hypothesis states the appointment of members and the client orientation of the model are independent. The alternative hypothesis assumes the variables are not independent and an association can be observed.

The results of the percental analysis and Chi-square test of independence are presented in Table 4 below.

Appointment members	Client-oriented models	Not client- oriented models	Total
Personal title	56%	9.8%	65.8%
	(195)	(34)	(229)
Organisation	6%	2%	8%
C	(21)	(7)	(28)
Both	13%	2.6%	15.6%
	(45)	(9)	(54)
Unclear	9.5%	1.1%	10.6%
	(33)	(4)	(37)
Total	84.5%	15.5%	100%
	(294)	(54)	(348)

#### Table 4: Percental and Chi-square analysis of Appointment members

N = 348

No significant association between Appointment members and Client orientation models was observed,  $\chi^2(25) = 20.383$ , p = 0.726.

The null hypothesis will not be rejected, as the p-value is higher than the chosen significance level ( $\alpha = 0.05$ ). The data does not provide enough evidence to suggest an association exists between Appointment members and Client orientation models.

### 5.2.4 Results Payment members

It is expected that advisory councils consisting of paid members have more time to work for the council, have stronger motivation and are taken seriously by the municipality. Advisory councils receiving payment are therefore assumed to be more competent in sustaining bridge decay, resulting in a choice for client-oriented archetypes.

The null hypothesis assumes Payment and Client orientation models are independent. The alternative hypothesis states that the payment of council members and the client orientation are not independent, and an association exists. The results of the percental analysis and Chi-square test of independence are presented in Table 5 below.

Payment	Client-oriented models	Not client- oriented models	Total
Paid	48.3%	8.9%	57.2%
	(168)	(31)	(199)
Not paid	4.3%	0.6%	4.9%
	(15)	(2)	(17)
Unclear	31.9%	6%	37.9%
	(111)	(21)	(132)
Total	84.5%	15.5%	100%
	(294)	(54)	(348)

Table 5: Percental and Chi-square analysis of Payment members

#### N=348

No significant association between Payment and Client orientation models was observed,  $\chi^2(10) = 10.240$ , p = 0.420. The p-value is well above the significance level ( $\alpha = 0.05$ ), so the null hypothesis will not be rejected.

### 5.2.5 Results Advising phase

The next variable concerns the phase in which advisory councils are enabled to advise. Municipalities with an advisory council that is involved early in the decision-making process on policy decisions are assumed to have a better opportunity to protect the interests of clients, resulting in an association with client-oriented archetypes. The null hypothesis states Advising Phase and Client orientation models are independent. The alternative hypothesis states the phase of advising and client orientation models are not independent.

The results of the percental analysis and Chi-square test of independence are presented in Table 6 below.

Table 6: Percental and Chi-square analysis of Advising phase

Advising phase	Client-oriented models	Not client- oriented models	Total
Early involvement	58.4%	13.2%	71.6%
	(203)	(46)	(249)
Unclear	26.1%	2.3%	28.4%
	(91)	(8)	(99)
Total	84.5%	15.5%	100%
	(294)	(54)	(348)

N=348

The percental analysis and Chi-square test indicate the variables Advising phase and Client orientation models are not independent. A significant association between Advising phase and Client orientation models was observed,  $\chi^2(5) = 12.952$ , p = 0.024.

The null hypothesis will be rejected as the p-value is smaller than the chosen significance level ( $\alpha = 0.05$ ). The results present enough evidence to support the alternative hypothesis, stating the phase of advising is not independent from Client orientation models.

It should be mentioned the results of this Chi-square test of independence must be observed with caution as well. The expected counts condition was not satisfied.

## 5.2.6 Results Integration social domain

The last variable is Integration social domain. Wmo councils that have integrated with the Youth council and Participation council into one advisory council overseeing the whole social domain are expected to have a stronger position within the municipality. Although the responsibilities of the integrated advisory council are less specific, the stronger position is expected to improve its ability to sustain bridge decay. A state of sustained bridge decay would result in the choice for client-oriented archetypes. The null hypothesis states the integration of the social domain is independent from Client orientation model, the alternative hypothesis assumes this is not the case and the variables are not independent. The results of the percental analysis and Chi-square test of independence are presented in Table 7 below.

Integration social domain	Client-oriented models	Not client- oriented models	Total
One integrated	56%	8%	64%
council	(195)	(28)	(223)
Integrated with the	9.2%	2.9%	12.1%
Youth Act or with the Participation Act	(32)	(10)	(42)
Not integrated	16.4%	4.3%	20.7%
	(57)	(15)	(72)
Unclear	2.9%	0.3%	3.2%
	(10)	(1)	(11)
Total	84.5%	15.5%	100%
	(294)	(54)	(348)

#### N=348

No significant association between Integration social domain and Client orientation models was observed,  $\chi^2(20) = 30.603$ , p = 0.061.

However, the value of p = 0.061 is fairly close to  $\alpha = 0.05$  and the association between the variables will be examined in the discussion. Despite the low p-value, the null hypothesis will not be rejected. It does not fall below the significance level of  $\alpha = 0.05$  and therefore it does not provide sufficient evidence that an association exists between Integration social domain and Client orientation models.

In summary: the variables observed to have a significant association with Client orientation models were Presence ordinance, Selection members and Advising phase. The variable Integration social domain came close to significance with a p-value of p = 0.061. No significant association was observed for the remaining variables: Appointment members and Payment members.

## 6. Discussion

This thesis has explored the relationship between the characteristics of Wmo advisory councils and the choice between archetypes of buyer-supplier relations. Guided by the framework on service triads by Li and Choi (2009) it was assumed certain council characteristics would aid an advisory council in sustaining bridge decay. Six council characteristics were examined and their relationship with Client orientation models was tested, by percental and Chi-square analyses.

## 6.1 Conclusion on six characteristics

The functioning of an advisory council was judged on six characteristics: Presence ordinance, Selection members, Appointment members, Payment members, Phase advising and Integration social domain. It was hypothesised that for each of these factors a certain value would result in an advisory council more competent in sustaining bridge decay. In this state of sustained bridge decay, the interests of the clients would be better protected in the decision-making process of important municipal policy, such as the choice for archetype of buyer-supplier relations. An advisory council capable of sustaining bridge decay would therefore logically result in the choice for a client-oriented archetype. For each of the six variables measuring council characteristics it was hypothesised they have a relationship with the variable Client orientation model. The null hypothesis, which the tests attempted to refute, assumed the variable pairs are independent. The alternative hypothesis stated the variable pairs are not independent and an association exists. The results of the Chi-square analyses are summarised in Table 6.

Characteristics	$\chi^2$ Value	p Value
Presence ordinance	$\chi^2(35) = 60.096$	<b>p</b> = 0.005
Selection members	$\chi^2(45) = 65.732$	<b>p</b> = 0.023
Appointment members	$\chi^2(25) = 20.383$	p = 0.726
Payment members	$\chi^2(10) = 10.240$	p = 0.420
Phase advising	$\chi^2(5) = 12.952$	<b>p</b> = 0.024
Integration social domain	$\chi^2(20) = 30.603$	p = 0.061

Table 8: Summary results Chi-square tests

#### N = 348

Three characteristics had a significant relationship with Client orientation models: Presence ordinance, Selection members and Phase advising. The relation between Integration social domain and Client orientation models nearly approached significance. The conclusions per characteristic are explained below.

## 6.1.1 Conclusion presence ordinance

Municipalities with a separate ordinance dedicated to the advisory council were expected to be more effective in sustaining bridge decay. The legal document was expected to regulate the behaviour of the Wmo actors (Coglianese, 2012). Legal mandates on roles and responsibilities would allow advisory councils to self-monitor, build commitment among themselves, and make or contribute to important decisions (Ostrom, 1990). It was therefore assumed the presence of an ordinance would aid

in sustaining bridge decay. The null hypothesis stating the variables Presence ordinance and Client orientation models were independent was tested and rejected.

A statistically significant association was observed. However, the nature of the association was different from the expected relationship as formulated in the hypothesis. Municipalities with a separate ordinance dedicated to the Wmo council were less likely to employ a client-oriented model. The client-oriented category had relatively more municipalities without an ordinance or with a different type of arrangement. There was no evidence to support the hypothesis based on triad theory, Coglianese (2012) and Ostrom (1990), but a significant relationship between the two variables was observed.

A possible reason for the association between Presence ordinance and Client orientation model is the fact that client-oriented models seem to be the norm. There are far more municipalities (294) employing either Director model – results or Director model – input than the archetypes classified as not client oriented (54). Possibly, the archetypes deviating from the norm are more likely to establish their regulations in an ordinance. Additionally, moving towards a client-oriented model has been a trend, perhaps the establishment of official regulations lags behind the choice on an archetype of buyer-supplier relations.

### 6.1.2 Conclusion selection members

The characteristic Selection members did not have an obvious hypothesis on the nature of the association with Client orientation model. Firstly, it was argued that the selection of members by the council itself would result in a higher degree of independence for the advisory council, leading to a larger impact on policy making (Houghton, 1988). On the other hand, the selection of members by the municipal college in collaboration with the advisory council would establish a stronger link between the two actors. This strengthened link between actors was expected to result in a more successful cooperation in the network (Liu et al., 2017).

The null hypothesis stating that Selection members and Client orientation models were independent was tested and rejected. Since the p-value fell below the significance level, it can be concluded an association exists between the two variables. The nature of the association is, however, not easily established. Client-oriented archetypes score relatively high on 'Council, selected by organisations', 'Council, selected by selection committee', 'College', 'College, selected by selection committee' and 'Unclear'. The archetypes classified as not client oriented opt for 'Advisory council', 'College, selected by advisory council', 'College, selected by organisations' more often than would be expected.

These results support the hypothesis based on the views of Liu et al. (2017) as the collaboration options: 'Council, selected by selection committee' and 'College, selected by selection committee' were most frequent for client-oriented models. The strengthened link between the municipality and the council would aid the advisory council in sustaining bridge decay. No evidence is present to support the hypothesis based on Houghton (1988).

In light of the significant association between Presence ordinance and Client orientation models the scores for 'Unclear' can be explained. Municipalities without an ordinance were more likely to employ a client-oriented model, resulting in more unclarity for client-oriented models.

### 6.1.3 Conclusion appointment members

Municipalities with an advisory council whose members speak on behalf of an organisations were expected to be more competent in sustaining bridge decay. Representatives of organisations were expected to be more likely to have experience lobbying and were assumed to have a more thorough understanding of public systems. An advisory council comprised of such representatives would be 'a

worthy opponent' for the municipality, being more competent in sustaining bridge decay (Bryson et al. 2012). Additionally, including representatives would strengthen the position of the advisory council, by helping gather information from larger audiences (Enserink and Monnikhof, 2003). A mixture of independent members and representatives of organisations was hypothesised to be successful as well, combining the skills of representatives with the knowledge of experts of experience.

However, the analyses indicated no significant association between Appointment members and Client orientation models exists. The null hypothesis will not be rejected.

### 6.1.4 Conclusion payment members

It was expected that advisory councils consisting of paid members would correlate with clientoriented archetypes. Payment would aid the council members in reserving the time resources which are necessary to successfully fulfil their tasks as claimed by Ng and Hamby (1997). Advisory councils receiving payment were therefore assumed to be more competent in sustaining bridge decay, resulting in a choice for client-oriented archetypes. Although it was initially expected monetary rewards would also increase motivation, this was not reflected in theory (Harunavamwe & Kanengoni, 2013; Fiorillo, 2011). The hypothesis stating paid members would improve the competence of the advisory council in sustaining bridge decay was also not reflected in the data. No significant association between Payment members and Client orientation model was observed.

### 6.1.5 Conclusion phase advising

Municipalities with an advisory council that is involved early in the decision-making process on policy decisions were assumed to be in a better position to safeguard the interests of clients. The possibilities of influencing any project are seen to be best during the early development stages (van Valkenburg et al., 2008). Also, Aapaoja et al. (2013) argued later involvement equals lesser involvement. Early advising was therefore expected to be superior in sustaining bridge decay and would result in the choice for client-oriented archetypes.

A significant association was observed between the variables Phase advising and Client orientation model. Similar to Presence ordinance, the nature of this association was different than initially expected. The municipalities explicitly mentioning the early involvement of the advisory council in the decision-making process more often employed an archetype which was categorised as not client-oriented. The municipalities with client-oriented archetypes had relatively more cases which did not provide clarity on the phase of advising.

This could be a side effect of the results of Presence ordinance. There were only two categories for Phase advising: Early involvement and Unclear. Possibly, as the consensus is clear that early involvement is preferable and it is explicitly mentioned in the Wmo 2015, municipalities were not eager to state a different approach in their ordinances. In the municipalities with an ordinance present, it is specified that the advisory council would have the opportunity to advise in an early phase. Since the client-oriented models had significantly less municipalities with ordinances present, this category would have less clarity on characteristics such as the phase of advising.

## 6.1.6 Conclusion integration social domain

Finally, Wmo councils that had integrated with the Youth council and Participation council into one advisory council, responsible for the entire social domain, were expected to have a stronger position within the municipality. The stronger bargaining position (Manzini & Mariotti, 2005) was expected to improve its competence in influencing policy and sustaining bridge decay. The state of sustained bridge decay would protect clients from the negative consequences of bridge transfer and result in the choice for client-oriented archetypes. It could also be argued, however, that the integrating of the three councils would lead to confusion on responsibilities and task setting (Fubini et al., 2016).

The association between Integration social domain and Client orientation model was not significant but came close to significance (p = 0.061). As this p-value closely approaches the significance level, the association was further investigated. In this case the data did seem to follow the hypothesised direction. Municipalities with an integrated advisory council for the whole social domain relatively often employed a client-oriented model. The opposite was the case for the municipalities that had kept their Wmo council separate, as well as those that had integrated with either the Youth council or the Participation council. These municipalities employed archetypes categorised as not client-oriented relatively often.

## 6.2 Conclusion on Wmo triad

The percental analyses and statistical tests were conducted to answer the following research question: *To what extent does a relationship exist between the characteristics of Wmo councils and the choice between archetypes of buyer-supplier relations?* 

The results partially confirmed the research question. Some council characteristics have a significant association with Client orientation model. However, the association does not make any firm implications on the causality in the relationship.

Also, although the statistical analyses observed three significant associations, the nature of two of these associations disagreed with the hypotheses. The theory derived from service triads (Li and Choi, 2009) and other literature was not reflected in the results. It could not be established that certain characteristics of the advisory council protected the interests of the clients by sustaining bridge decay.

A possible reason for the theory not being reflected in the results is the fact that the variables for council characteristics only described the regulations designed by the municipality. The research did not extend to whether the municipality effectively enforces these regulations. Practice might be quite different from the regulations legally established in ordinances.

Also, some advisory councils have only recently been formed and might still be unsure in their responsibilities. The decentralisations have introduced new challenges, increasing the complexity and scope of municipal care. Are the advisory councils at this point in time already properly developed? Perhaps the results will be very different when the municipalities have had a few years of transition time.

A limitation of this research is the lower level of clarity for client-oriented archetypes. Since the client-oriented category scored lower on Presence ordinance, they had higher counts for 'unclear' for all further analyses. Also, the expected cell frequency condition was not satisfied for some of the Chi-square analyses. Although the population was in theory large enough, the variability in the data was too limited to fully rely on the outcomes of the analyses. The results should be observed with caution.

In conclusion: this research was conducted to examine the relationship between the characteristics of Wmo advisory councils and the choice between archetypes of buyer-supplier relations. A well-functioning advisory council was expected to be better equipped to sustain bridge decay and protect the interests of clients. These municipalities would be more likely to employ a client-oriented archetype of buyer-supplier relations. The characteristics associated with a 'strong' advisory council would therefore be positively related to client-oriented archetypes.

Percental analyses and Chi-square tests indicated some council characteristics did have a significant association with Client orientation model, namely Presence ordinance, Selection members and Phase advising. Only one of these variables, however, displayed (one of) the values hypothesised. The collaboration options for Selection members possibly increased the council's competence in sustaining bridge decay, as they were most frequent for client-oriented models. Finally, one variable approached significance: Integration social domain. This variable did produce results in accordance

with the hypothesis based on service triads theory. Municipalities with one integrated council more often employed client-oriented archetypes.

It can be concluded an association between some characteristics of Wmo councils and the choice between archetypes of buyer-supplier relations was observed. However, the data did not confirm the hypotheses derived from service triads theory. The questions that arose while formulating the research problem remain important. Does the presence of advisory councils result in different policy choices? To what extent are Wmo councils able to protect the interests of clients? What characteristics should Wmo councils possess to be effective forms of citizen participation? Wmo councils are still considered to be a very relevant and interesting subject to explore.

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