The Barriers to Empowering Niche-innovations in Long-term Care

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Preface

With this preface, I first introduce how this thesis came into being. Secondly, I acknowledge the people who supported and influenced me during the four years of my research on niche-innovations.

A bit more than four years ago, a day before I defended my master thesis on corporate diversification strategies at Tilburg University, I received an e-mail from my supervisor asking me if I would be interested in doing a PhD at the University of Twente. Five days later, it was December 23rd 2009, a day before Christmas, I was sitting in Geert Dewulf's office, talking about the PhD trajectory for two and a half hours. The research project was about developing strategies in a niche-innovation project that primarily concerned the cooperation of two long-term care organizations. It was subsidized by a transition program that aimed at changing the long-term care system. I was very interested in the topic as I saw a good opportunity to continue my research on strategy development. Yet in a new domain: long-term care. As it felt like the right time, the right place and the right people, I started my research in January 2010. Initially, being a fresh graduate who was boosted with pure confidence, I was keen to support the strategy development in the project. Throughout the four years, however, I learned that there are all kinds of barriers hindering the development of strategies for niche-innovations which show that the long-term care system has not been ready for change.

While the project was running smoothly throughout 2010, it abruptly ended shortly after the subsidy ended in 2011. Hence, I had to look for other cases to develop strategies out of niche-innovations. I wrote a proposal that outlined how the lessons learned in the original project could be used in a new project. One of the participating long-term care organizations of the original project accepted the proposal in 2012. I started conducting interviews as well as holding a workshop to form new strategies out of niche-innovations. But half a year later, the project was cancelled due to an organizational restructuring. I was asked to use the insights in the previous project to re-write the proposal in order to develop integrated long-term care strategies. In 2013, I conducted another 20 interviews. But also this project was cancelled after my key contact person was fired. In the meantime, I integrated my ideas about strategy development in a proposal that we (Geert Dewulf, Hans Voordijk and I) wrote with researchers from Germany and Norway for the Framework Programme 7 (FP7) of the European Union. Unfortunately, our proposal scored just below the threshold. As a consequence of all these drawbacks,

I started to refocus my research to highlight the importance of understanding the barriers to change so that future programs can enable the change of the long-term care system. In so doing, I used the data of the original project, and data from a retrospective study on two other niche-innovation projects that also participated in the transition program.

Writing a thesis about barriers requires the input of others. I want to acknowledge those people that influenced me while writing this thesis. First of all, I want to thank my supervisors Geert Dewulf and Hans Voordijk. I am grateful to Geert for the unique possibility to conduct my research at the University of Twente and for his trust and confidence in me. Especially during the first two years, we had a lot of great discussions and interesting meetings with the project participants. I have learned a lot from Geert's clam and diplomatic stance, always being able to take a step back to see the big picture. Thereby, we got along very well which is also reflected in the fantastic strategy workshop that we facilitated at the end of 2010. I also want to thank Geert for his commitment to my research despite all his own developments since 2012. Going to Stanford University as a visiting Professor for a year and becoming the Dean of our faculty on return is a big deal. He still managed to take his time for his PhD candidates. That is not to be taken for granted.

During this time, it especially helped to have a second supervisor. It was a great pleasure to work with Hans over the past four years. Throughout, we had many challenging discussions about the papers and proposals. I particularly enjoyed working with him owing to his sheer enthusiasm for research and his positive attitude. A highlight was certainly our participation in a session on long-term care that was organized by members of the Second Chamber (in Dutch: Tweede Kamerleden) in The Hague in 2011.

Despite the anonymity of the organizations and participants in this thesis, I want to thank the transition program and the elderly care organization of the original project for financially supporting my research. Without them, I would not have been able to conduct this research. I especially would like to thank the innovation director and the overall project manager for engaging me into the project. I enjoyed our car rides to Utrecht and The Hague as they enabled us to thoroughly discuss the niche-innovations. I want to thank all other practitioners for welcoming me and for participating in my research. Without their willingness to try something new, it would not have been possible to identify all the barriers. Future projects can greatly benefit from their experiences to be able to advance the long-term care system.

I want to thank Timo Hartmann and Joop Halman for their reflections and efforts to help me improve my research at times in the past four years. Furthermore, I want to acknowledge Julieta Matos Castaño and Vedran Zerjav for reviewing my introduction and conclusion. I also want to thank Frederick van Amstel, Frank Bijleveld and Alexandr Vasenev. The four of us spent a lot of time together. If I had to describe Frederick, Frank and Alexandr in one word, it would be confrontational, pragmatic and analytical, respectively. I learned that combining these attributes can be very useful in conducting research. Besides, I want to acknowledge all the great people in our department for the nice atmosphere and all the exciting activities.

My final thanks go to my parents, my brother Bob, my grandma Gees, my aunt Ela, Rolf, and most importantly, Julia. Thanks for getting my mind off research, enjoying life with me outside the University!

Hendrik Cramer

Münster, May 2014

Summary

This thesis is concerned with innovative projects that aimed at changing long-term care delivery practices. Around the world, long-term care systems are pressured by an aging population, increasing costs and the scarcity of care professionals. Therefore, the concept of niches becomes ever more important as it can start a transition from our existing system to a new system that is able to deal with the aforementioned pressures. *Niches* are protected spaces that allow networks to experiment with radical innovations outside the rules of the system. To eventually change or replace an existing system requires the empowerment of niche-innovations. The *empowerment* is the increasing structuration and stability of niche-innovations.

The problem, however, is that there are only limited empirical insights into how niches enable transitions from pressured systems to new systems. While there are many studies on the initiation of niche-innovations and the *nurturing* (e.g. planning, executing, supporting) of experiments, there are fewer studies on the empowerment of niche-innovations. In fact, many previous niche-innovations did not move beyond the nurturing phase. This thesis is concerned with the barriers to empowering niche-innovations.

A niche-innovation project was studied that was subsidized by a Dutch **transition program** for long-term care. During the years 2007 to 2011, the transition program itself was initiated and subsidized by the Healthcare Ministry. The program governed 26 niche-innovation projects throughout the Netherlands. The vision was that the projects experiment with radical long-term care innovations to start a transition from the fragmented, supply-driven system to an integrated, demand-driven one.

The **niche-innovation project** was initiated in 2007 and consisted of two long-term care organizations, a project development group, a network firm and a research institute. The project pursued three experiments concerned with information technology in long-term care, demand-driven care and community care innovations. The experiments were primarily carried out within one of the participating long-term care organizations. The project's goal was to use the insights gained in the experiments to empower them into the long-term care organization that carried out the experiments, and into a new, integrated area and long-term care delivery project. The integrated project was about realizing a new

residential area in which young and older people can live together. The unique idea was that people in need for care can stay in their neighborhood owing to the demand-driven, technological and community care innovations, rather than being institutionalized in a nursing home. Yet the project stagnated as the transition program ended. Eventually, the project failed to empower the niche-innovations into the long-term care organization as well as into the integrated project.

The author of this thesis got involved in the ongoing project and the transition program in the year 2010. The following problem statement was formulated, and is addressed in this thesis:

> How can a strategy formation process be supported to empower niche-innovations and what are the barriers to empowering niche-innovations in the long-term care system?

The structure of the thesis is as follows. Chapter 1 is the introduction into this thesis. Chapter 2 highlights an action research study that was carried out to support a strategy formation process in the niche-innovation project. Chapters 3 and 4 outline two longitudinal studies that deal with the niche-innovation project. Chapter 3 identifies the barriers to nurturing and empowering experiments into the long-term care organization. And chapter 4 identifies the barriers to empowering niche-innovations into the integrated project of the organizational network.

Chapter 5 is also a longitudinal study, but it concerns the governance of the transition program. Here, the barriers to governing the empowerment of niche-innovations are presented. Chapter 6 presents a fifth study that was carried out, conducting a cross-case analysis of two other niche-innovation projects of the transition program to generate more generalizable results. The other two projects also dealt with integrated area and long-term delivery practices. Finally, chapter 7 discusses and concludes on the previous six chapters. In the following, the chapters 2 to 7 are outlined.

In **chapter 2**, it is shown how action research was applied to support the strategy formation process of the niche-innovation project. The strategy formation process was concerned with empowering the niche-innovations in the integrated area and long-term care delivery project. As there is no specific action research approach to be used on the strategic level of organizations, a generic action research approach was pursued to support the strategy formation process. The approach consisted of

four iterative steps: (1) identifying the problem situation, (2) planning a solution, (3) taking action and (4) reflecting on the action.

Even though the action research approach was started in the middle of the ongoing project, it supported the strategy formation process by introducing a strategy formation process approach. The strategy formation process approach helped practitioners to visualize and guide the strategy formation process and to identify barriers in the process. Nevertheless, the strategy formation process could not be finalized as the project was cancelled by one of the participating long-term care organizations after the subsidy ended. A key problem was that *executive commitment was lacking*. This was only identified at the end of the subsidy.

The analysis shows that there is potential for action researchers to support strategy formation processes in niche-innovation projects. Researchers have to be involved from the beginning of the project to identify barriers such as the lack of executive commitment early on. Further research is needed to show the full potential of the action research approach to support strategy formation processes in niche-innovation projects.

Chapter 3 deals with the barriers to nurturing and empowering experiments into the long-term care organization that carried out the experiments. The barriers to nurturing the experiments already started with the *lack of engagement of care professionals* into the planning of the experiments. The planning was done by consultants who *neglected the local context*. Later, this resulted in the professionals' *lack of motivation* to experiment.

As the transition program threatened to take away the subsidy, higher level managers actively motivated and supported the care professionals. This *sense of urgency* created enough motivation to nurture the experiments. Irrespectively, the experiments were not empowered into the long-term care organization owing to the *lack of commitment* from the board of directors. Consequently, the empowerment failed as the subsidy ended. The analysis of the interviews and observations shows that the professionals, managers and executives were not collectively engaged and committed to nurture and empower the niche-innovations.

Chapter 4 deals with the barriers to empowering niche-innovations into the integrated project of the organizational network. In this chapter, it is shown that the long-term care organizations were not directly involved in the niche. Rather, the organizations provided manpower, resources and capabilities to the niche. This means that the organizations, represented by their board of directors, had a different view on the niche-innovations compared to the niche actors. The niche actors were the actors of the organizations that actively participated in the niche. Hence, if niche actors want their organizations to empower niche-innovations, the organizations have to link their internal values, capabilities and structures with the niche through strategy formation processes. The same holds for a network, where organizations have to form a joint strategy to link their capabilities and structures with those of the niche.

In the niche-innovation project, however, the organizations did not manage to link their strategies to empower the niche-innovations. Examples of the barriers were *power struggles* between niche and organizational actors, the *lack of resources and capabilities* to empower the niche-innovations and the *risk of foreclosing existing and potential alliances* with other organizations. As a consequence of these barriers the niche-innovations were not empowered in the integrated project.

In **chapter 5**, the transition program itself was studied to identify the barriers to govern the empowerment of the niche-innovations. The barriers were identified by participating in the transition program and by interviewing actors form the projects, the program team and the ministry. One of the barriers was the *subsidy focus* of the long-term care organizations. In the beginning, the transition program subsidized the projects without demanding commitment from the organizations. As the transition program ended, the projects were *lacking protection*. The problem was that the subsidy was given for a fixed time period without considering the sophistication of the projects.

Other barriers were *power struggles* and *conflicts of interest* between niche and system actors. Due to these barriers, second-order learning, which means learning about how the rules of the system could be changed, did not take place at the ministry level. To use subsidies as a means and not as an end, future niche-innovation projects have to be co-financed by the ministry and the long-term care organizations. Thereby, commitment to learning has to be created to think about how to change the rules of the long-term care system.

Chapter 6 is concerned with a cross-case analysis of two niche-innovations projects that also took part in the transition program. The goal was to explore the barriers of these niche-innovation projects to find out if they were facing similar or different barriers compared to the previous chapters. A similarity is that the projects were also facing the *lack of organizational and political commitment*. As identified in chapter 5, the focus was on the subsidy itself. In one of the projects, the *financial crisis* pressured participating organizations so that these were exiting the network. In the other project, *regulative uncertainties* regarding the way in which long-term care is financed in the future made the participating organizations hesitant to continue with the niche-innovations. It is also shown that it is *difficult to copy* a niche-innovation from one context to another. In the end, the barriers hindered the empowerment of the niche-innovations.

Chapter 7 discusses and concludes on the previous chapters, highlighting the key findings and implications for further research and future niche-innovation projects. One of the key barriers was that the projects were fully subsidized. This took away the focus from the actual goal of the transition program. Future niche-innovation projects have to be co-financed so that organizational executives are committed to the niche-innovations. This does not mean that niche-innovations will not fail. Rather, actors have to be willing to learn from the niche-innovations. This holds for both, organizational executives and ministerial program managers.

Despite all the insights gained in this thesis, there are several limitations. One of them is that the strategy formation process approach could not be further tested as the niche-innovation project was cancelled. It was a unique opportunity as the transition program was the first of its kind. There are no signs that the Healthcare Ministry will start another transition program in the near future. Another limitation is that the people concerned, those who receive care, were not interviewed to directly encounter their perspective on the niche-innovations. While this was out of the scope of this thesis, further research can pick up on this limitation. Moreover, further research should focus on the organizational perspective to analyze previous cases which might result in a better understanding of the empowerment of niche-innovations. Finally, researchers, practitioners and policymakers should learn from the barriers to start new niches that are able to deal with the pressured long-term care system.

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Chapter 1

Introduction

This thesis deals with the barriers to empowering niche-innovations into the long-term care system of the Netherlands. The *long-term care* (LTC) system is struggling to deal with the growing pressure of an aging population, increasing costs and the scarcity of professionals (De Blok et al., 2009). The system is supply-driven and patronized by policy-makers (Beukema and Valkenburg, 2007). Previous literature points out that the pressure on fragmented care systems increases persistently to meet the requirements of an aging population and increasing costs which necessitates the formation of integrated care systems (Beland et al., 2006) and a shift towards demand-driven care (Beukema and Valkenburg, 2007; van den Bosch, 2010) to assure LTC for today's and future societies.

Niches show great potential in changing the supply-driven LTC system into a demand-driven system (van den Bosch, 2010). *Niches* are protected spaces outside of the system where networks can experiment with radical innovations (Schot and Geels, 2008). Niches are needed when existing systems (e.g. LTC system) are pressured (e.g. aging population) requiring a transition towards a new system that is able to deal with the pressures (Schot and Geels, 2008). *Empowerment* means that experiments lose their protection so that they can be moved out of the protected niche to become mainstream practices in the system and change the system (Smith and Raven, 2012).

Since the 1990s, research on niche-innovations has been growing in order to deal with pressured systems (Markard et al., 2012). However, the problem is that **empirical insights** into the empowerment of long-term care niche-innovations are limited (e.g. van den Bosch, 2010; Loobrach and Rotmans, 2010) as well as the empowerment into other domains such as the energy system (e.g. Raven, 2005; Hofman, 2005) or the transportation system (e.g. Kemp et al., 1998; Weber et al., 1999). While there are many studies on the initiation of niches and the nurturing of experiments (Schot and Geels, 2008), there is much less known about the empowerment (Smith and Raven, 2012). One explanation can be that many previous niche-innovations never moved beyond the experimentation phase (e.g.

Weber et al., 1999; van den Bosch, 2010).Without understanding the empowerment, it will be difficult to change systems.

Strategies have to be developed to empower niche-innovations (van den Bosch, 2010). Strategy formation entails "a sequential set of analyses and choices" (Barney and Hesterley, 2008, p.5) that have to be made to empower niche-innovations. Such steps include stakeholder analyses, SWOT (strength, weaknesses, opportunities and threats) analyses, as well as the formation of a joint mission (Barney and Hesterley, 2008). The problem, however, is that previous transitions research does not show how to develop such strategies (e.g. van den Bosch, 2010; Loobrach and Rotmans, 2010).

The need for research on the empowerment is further emphasized by the growing pressure on today's socio-economic systems. For example, the Dutch LTC system cannot continue in its current form as the expenditures on LTC are growing higher than the economic output of the country (Organization for Economic Co-operation and Development (OECD), 2013). Research on LTC is needed as previous projects failed to highlight how to empower niche-innovations and change the LTC system (e.g. Beukema and Valkenburg, 2007; van den Bosch, 2010; Loorbach and Rotmans, 2010). Even though niche-innovations show great potential in changing systems (Loorbach and Rotmans, 2010; Markard et al., 2012), radical change will not happen without the empowerment (Smith and Raven, 2012). To be able to empower future niche-innovations and change the LTC system, this thesis provides in-depth empirical insights into the barriers to empowering niche-innovations.

To understand the empowerment, a *transition program* for long-term care was studied. In this introduction, the transition program and the challenges of the long-term care system that the program wanted to address are highlighted in section 1.1. Secondly, the theoretical background of sustainability transitions and the empowerment of niche-innovations is outlined (1.2), followed by the problem statement (1.3) and the research design (1.4). Finally, the book chapters (1.5) and the structure of this thesis (1.6) are introduced.

1.1 Today's long-term care system

In the following, the transition program and the LTC challenges (1.1.1) as well as the desired change of the system (1.1.2) are introduced.

1.1.1 Transition program for long-term care

The transition program for long-term care was initiated by the Dutch healthcare ministry. It ran from 2007 to 2011 and was part of the "AWBZ Covenant 2005-2007", financed by the AWBZ (Algemene Wet Bijzondere Ziektekosten - the Exceptional Medical Expenses Act in English) which is the national insurance scheme for LTC (van den Bosch, 2010; p.155). As such, €90 million were invested in LTC innovations including the transition program (van den Bosch, 2010).

The program financed 26 niche-innovation projects throughout the Netherlands to stimulate radical innovations that would help to change the LTC system to accommodate pressures such as an aging population. Providing space for experimentation and creating a vision for future LTC were key aspects of the transition program. The program's expectations were that the niche-innovation projects would learn from experiments in order to start changing the system from a fragmented, supply-driven towards an integrated, demand-driven system (van den Bosch, 2010). In the following, the challenges are outlined that the transition program wanted to address.

1.1.2 Long-term care challenges

For more than 40 years, Dutch policymakers have been trying to cope with the dilemma of delivering high quality LTC at low costs. According to van den Heuvel (1997), Dutch policymakers in LTC emphasized diverse aspects ranging from housing policies in the 1970s, cost control in the 1980s and societal integration in the 1990s. But more than ever, the LTC system needs to change in order to cope with the problem of **aging** (van den Bosch, 2010). It is becoming a major problem for most developed countries (van den Heuvel, 1997; Beukema and Kleijnen, 2007; Bettio and Verashchagina, 2010; Blanken and Dewulf, 2010) as the number of care-depndent people increases simultaneoulsy (Pavolini and Ranci, 2008). According to the United Nations' (UN) department of economic and social affairs, 21% of the Dutch population is above the age of 65 and will increase up to 31% in 2050 (United Nations, 2010). Thus, more services are needed while LTC budgets are pressured and professionals are scarce.

The Dutch LTC system is the most **expensive system** in Europe (Pavolini and Ranci, 2008) and the second most expensive in the OECD as a percentage of GDP (Gross Domestic Product) (OECD, 2013). The situation is worsening as the expenditures as a percentage of GDP on LTC are growing faster than the country's GDP (OECD, 2013). In 2009, 3,8% of GDP was spent on LTC which was twice as much as the OECD average (OECD, 2013). However, the quality of care has not been better than in other OECD countries. Rather, the Dutch system has been providing more services, amongst others many services that do not necessarily have to be delivered by professionals (OECD, 2013). Thereby, political uncertainty about future regulations make it difficult to develop lasting strategies (OECD, 2013). During an age of austerity, this challenge is greater than ever.

Another major problem has been the **scarcity of professionals** in LTC (van den Bosch, 2010). Like other European countries, the Netherlands faces shortages and high turnovers of trained LTC professionals and care workers (Bettio and Verashchagina, 2010). The main reason for this are "poor pay and working conditions" as well as "poor recognition of care as a profession, and the disproportionate feminization" (Bettio and Verashchagina, 2010, pp.16-19). Changes in the system are needed to improve the conditions for professionals. Bettio and Verashchagina suggest to enable flexible working hours and to attract men to enter this profession.

There is a dilemma involved: the number of elderly people demanding care is increasing while the number of professionals and the amount of money to be spent on LTC is limited. Merely changes in one problem area will not help to reduce the pressures on the LTC system as a whole. The dilemma is related to the fragmented and supply-driven system which has many different interest groups making it difficult to change the whole system at once (van den Bosch, 2010). Next, the desired transition from a fragmented, supply-driven towards an integrated demand-driven system is outlined.

1.1.3 The transition of the LTC system

The transition program argued that a transition from the fragmented to an integrated LTC system is needed (van den Bosch, 2010). **Fragmented** means that services are provided separately so that different providers deliver services that are insufficiently connected (van den Bosch, 2010). As a result, clients receive either more services than they need due to some overlap of services, or they receive not enough as some services are not connectable (van den Bosch, 2010). **Supply-driven system** means that the system supplies fixed services that are determined by policymakers and professionals and not the client (Beukema and Valkenburg, 2007). Beukema and Valkenburg provide a good description of the supply-driven system:

> "In the Netherlands the welfare state has a long-standing, deeply rooted supply-driven tradition. Policy-makers (and professionals) define the problems, formulate the solutions and shape the provisions. Often the basis for doing this is knowledge that is seen as more or less objective (compared with the knowledge of citizens) and general (compared with the specific context of citizens). Only in the process of policy delivery does the individual client become part of the picture. In this stage of policy delivery, the role of individual clients is limited. They are supposed to co-operate in a process that is not primarily based on their own definitions of problems, analyses and strategies, but on those formulated by the political process at a central level." (pp. 162-163)

The LTC system has to move away from a fragmented, supply-driven towards an integrated, demand-driven system to improve the quality of care and to increase the operational efficiency to assure LTC for everyone (e.g. Béland, et al., 2006; Beukema & Valkenburg, 2007; De Blok et al., 2009; van den Bosch, 2010). An **integrated care system** is defined as "an organized, coordinated, and collaborative network that links various care providers to provide a coordinated, vertical continuum of services to a particular patient population or community" (Enthoven, 2009, p. 284). The benefits are increased efficiency in delivering care, demand-driven care based on the clients' needs and an increase in care quality which is eventually fostering the prosperity of life (Durbin et al., 2006).

The diversion of demand for services towards homecare will foster the connection of specialists and professionals in networks which "cut across health institutions and provide a pathway of care for patients […]" (Blanken and Dewulf, 2010, p.39). Integrated approaches are needed since other mechanisms, like competition, fail to

improve the LTC quality. Competition is slowing down rather than accelerating innovative capacities (Putters and Frissen, 2006). While it fosters the market to keep care costs down, it does not mean that care quality is high (Garber, 2002). Governments around the world realize that the LTC system has to change. Incremental innovation programs continue to take place in Germany, Japan (OECD, 2013), the United Kingdom (Hendy et al., 2012) and the Netherlands (Øvretveit and Klazinga, 2013) to deal with the aforementioned problems. However, incremental innovations are primarily advancements of the existing system, but do not help to change it (van den Bosch, 2010; Oliver et al., 2012). It is of major importance to start new projects with radical ideas to keep up care quality at affordable prices (van den Bosch, 2010).

This research studies radical LTC innovations that aim at a transition from a fragmented, supply-driven system into an integrated, demand-driven LTC system to derive at a system that can handle an aging population, stabilizes LTC expenditures and solves the problems of the shortage of professionals. In the following, the theoretical perspective that was used to study the transition program and its innovations is outlined.

1.2   Introduction into transitions

More than ever, transitions are needed to deal with pressured systems such as the energy or the LTC system (STRN, 2010; Markard et al., 2012). Over the past fifteen years, predominantly four theories have been used to study transitions, namely: strategic niche management, transition management, the multi-level perspective and technological innovation systems (Markard et al., 2012)[1]. The ultimate goal is to develop a transition pathway towards a new sustainable system that constantly improves (Caniëls and Romijn, 2008; Geels, 2010). Examples of possible transition pathways were started in the transportation system trying to replace petrol engines with electric engines (Schot et al., 1994; Weber et al., 1999) or in the energy system, trying to replace coal with biomass (Raven, 2005; Hofman, 2005). However, neither of these examples succeeded in changing their respective system.

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[1] Here, the focus is on the first three theories while technological innovations systems is not considered as this thesis deals with socio-economic and not socio-technical systems. This is further outlined in section 1.2.1.

So far, sustainability transition scholars have primarily focused on the theoretical and empirical insights on setting up niches and conducting experiments rather than on the empowerment of niches (e.g. Schot et al., 1994; Weber et al., 1999; Hofman, 2005; van den Bosch, 2010). Even Geels (2006) retrospective example of the hygienic transition pathway from cesspools to sewer systems between 1840 and 1930 cannot be seen as a radical change of a system through a niche. He emphasizes that it "was not a niche-driven substitution process" as the change was driven by incumbent organizations who gradually changed the system over decades (p.1078).

In-depth empirical insights into the empowerment of niche-innovations gained through direct observations are missing (e.g. Weber et al., 1999; Raven, 2005; van den Bosch, 2010). Thereby, the empowerment is critical to a transition as it enables the change of systems, and yet it is the least developed concept in the transitions literature (Smith and Raven, 2012). But before this problem situation can be addressed in-depth, it is important to get a better understanding of how niches are created, how experiments are pursued and how niches could be empowered. Therefore, **strategic niche management**[2] (SNM) (1.2.1), **the multi-level perspective** (MLP) (1.2.2) and the theoretical insights into the **empowerment** of niche-innovations (1.2.3) are outlined.

1.2.1 The background of strategic niche management

Strategic niche management (SNM) is as an evolutionary theory that demonstrates how to change systems through niche-innovations (e.g. Schot et al., 1994; Kemp et al., 1998; Schot and Geels, 2008; Caniëls and Romijn, 2008a; Raven et al., 2010; Markard et al., 2012).

> **Evolutionary theory** attempts to "explain the movement of something over time, or to explain why that something is what it is at a moment in time in terms of how it got there; that is, the analysis is expressly dynamic. […] the explanation involves both random elements which generate or renew some variation in the variables in question, and mechanisms that systematically winnow on extant variation." (Dosi and Nelson, 1994, p.154).

Evolutionary theory in economics originated as a response to the static concept of neo-classical economics (Dosi and Nelson, 1994; Nelson and Winter, 2002). In neo-classical theory, industries are seen as homogenous and trade is taking place in

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[2] Closely related to transition management which is outlined at the end of section 1.2.1.

static markets in which supply and demand react to prices while participants are seen as rational actors having access to the same kind of knowledge (Dosi and Nelson, 1994; Nelson and Winter, 2002). Several radical economists from Vienna (e.g. Carl Menger, Eugen von Böhm-Bawerk, Ludwig von Mises, Friedrich Hayek) introduced the Austrian School which emphasized the importance of dynamics in economic processes while viewing participants as less rational.

By the 1990s, several evolutionary theories have emerged that deal with **economic change** (Dosi and Nelson, 1994; Nelson and Winter, 2002). According to Dosi and Nelson (1994) "particularly promising areas of application of evolutionary models include the nature of learning process; the mechanisms of adaptation, discovery and selection underlying economic growth; the theory of the firm and the dynamics of industrial organization." (p.169). Thus, evolutionary theory is a good starting point to study change processes in systems such as the LTC system. Niche-innovations have to be identified, selected and adapted based on the problems and needs of the LTC system. Kemp et al. (1998) define the goal of SNM as follows:

> "The primary aims of **strategic niche management** are stimulating learning about problems, needs and possibilities of a [system], building actor networks, alignment of different interest to a goal, altering the expectations of different actors and fostering institutional adaptations" (p. 186).

The aims of SNM can be used to deal with **societal challenges** (e.g. aging population, pollution) to fulfill "societal needs (e.g. the need for energy, mobility, healthcare and agriculture)" (van den Bosch, 2010, p.17). Thereby, SNM has been predominantly applied to show how technological innovations could help to deal with pressured socio-technical systems. (e.g. Schot et al., 1994; Kemp et al., 1998; Weber et al., 1999; Raven, 2005; Hofman, 2005). These studies were based on Nelson and Winter's (1977) work on technological systems and the theory of innovation, as well as Dosi's (1982) work on technological paradigms and technological trajectories.

In contrast, this thesis follows the demand of the Sustainability Transition Research Network (STRN, 2010) to expand the use of SNM to **socio-economic systems** such as LTC. The motivation is to deal with socio-economic challenges such as the pressures of an aging population and increasing healthcare expenditures. The main difference to a socio-technical system is that change is not achieved by socio-

technical innovations (e.g. biomass energy plant) but through socio-economic innovations (e.g. integrated, demand-driven care).

In SNM, experiments are crucial in exploring how the system could be changed (Caniëls and Romijn, 2008a; Schot and Geels, 2008). As such, SNM is closely related to Transition Management (TM) (Schot and Geels, 2008; Raven et al., 2010). As with SNM, TM views experiments as essential to change systems (Schot and Geels, 2008). However, the difference is that SNM can be described as an evolutionary approach whereas TM is a goal-oriented approach (Raven et al., 2010; Schot and Geels, 2008). As such, TM first forms a vision and then starts to experiment, while the opposite occurs in SNM which starts with experimenting, and then the vision evolves throughout the process (Schot and Geels, 2008). Recently, the two concepts have started to increasingly converge as reflected in the multilevel perspective (MLP) on transitions (Raven et al., 2010). In the following, it is outlined how systems can be changed through niche-innovations according to the multi-level perspective.

1.2.2 The multi-level perspective on transitions

The multi-level perspective (MLP) on transitions illustrates the relationship between niche-innovations, the existing system and its long-term external environment (Geels, 2002, 2004, 2010; Geels and Schot, 2007). Geels and Schot (2007) typology of a transition pathway is a good explanation on how niches evolve in the MLP and is shortly outlined next. The MLP constitutes of three levels, the niche level, the socio-economic systems level and the socio-economic landscape level.

Socio-economic landscape

 "The socio-[economic] landscape forms an exogenous environment beyond the direct influence of niche and regime actors (macro-economics, deep cultural patterns, macro-political developments). Changes in the landscape level usually take place slowly (decades)" (Geels and Schot, 2007, p.400). Gradually, there is increasing pressure on the socio-economic system due to changes in the socio-economic landscape which creates 'windows of opportunity' for new innovations. Socio-economic landscapes are hardly influenced by either systems or niche-innovations (Geels and Schot, 2007).

Socio-economic system

Raven (2005) provides a good outline on socio-economic systems which he refers to as regimes:

> "A socio-[economic] regime should be understood as a dynamic concept: rules (regulative, normative, and cognitive), embedded in human actors and [economic] systems and artefacts, provide structure and stability to [economic] development, but do not determine it" (p.31). "A socio-[economic] regime results in a socio-[economic] trajectory, the pattern that emerges from dominant practices in [economics], use, policy making, scientific research etc. This trajectory can be defined in terms of [economic] characteristics (e.g. productivity, efficiency), but also in terms of socio-economic characteristics (e.g. increasing demand)" (p.29).

Any system can be viewed as a socio-economic regime such as the financial or the LTC system. Changes in one system can affect other systems. Raven argues that the stability and structuration of systems is crucial to the development of niche-innovations. Basically, the more stable and structured the socio-economic system, the more difficult it is for a niche to emerge. It should be noticed that the system itself has emerged as a positive consequence to a problem (Raven et al., 2010). The systems need for structuration – which is a good aspect for the stabilization of the system – makes it less maneuverable and more resistant to change (Raven et al., 2010). Hence, niches are needed to change the system.

Niche-innovations

Niches are "a loosely defined set of formal and informal rules for new […] practices, explored in societal experiments and protected by a relatively small network of industries, users, researchers, policy makers and other involved actors" (Raven, 2005, p.48). Likewise, Geels and Schot (2007) and Kemp et al. (1998) argue that niches evolve out of radical innovations which are protected by small, dedicated actor networks. Niches can be described as the link between the variation and selection environment (Raven, 2005).

Unlike systems, niches cope with high levels of uncertainty about being selected in the future (Geels and Schot, 2007; Raven, 2005). This can be encountered by policymakers supporting niche-innovations (Caniëls and Romijn, 2008) as well as stakeholders who can try to protect their niches (Raven, 2005). A market niche might evolve as niche-innovations gain stability and structuration which eventually prospers the transformation of the existing system (Caniëls and Romijn, 2008).

Organizations can use niches in order to experiment with innovations while niches often come to existence due to entrepreneurial efforts (Raven et al., 2010).

In real life cases, differences between niches and systems might be blurry (Raven et al., 2010). Therefore, the researcher's perspective is "analytical, and not ontological" since practitioners have diverse views "on what they see as part of the niche, the regime and landscape" (Raven et al., 2010, p.6). "For a transition practitioner in action that means that the multi-level perspective is a useful tool for interpreting the world as he/she perceives it and to discuss and make explicit mutual relations and relative positions. […] an important contribution of the multi-level perspective to understanding transitions is the insight that transitions only occur through the fruitful coupling of developments at all three levels." (Raven et al., 2010, p.6). Next, it is outlined what the empowerment of niche-innovations encounters.

1.2.3 Empowerment

Niches are protected through, for instance, subsidies or regulative exemptions from the existing rules of the system to be able to experiment with radical innovations. Empowerment is a vital process of the protection. Generally, the ***concept of protection*** consists of shielding, nurturing and empowering experiments (Smith and Raven, 2012). *Shielding* is concerned with protecting niche-innovations from selection pressures of the existing system (Smith and Raven, 2012). *Nurturing* deals with actions that support the development of the niche-innovations such as initiating a project by forming a network, as well as planning, executing, and learning from experiments (Smith and Raven, 2012). Finally, *empowerment* is the increasing structuration and stabilization of niche-innovations so that these become dominant practices being able to change or replace the existing system (Schot and Geels, 2008; van den Bosch, 2010; Smith and Raven, 2012).

Smith and Raven distinguish between two different types of empowerment. The first is the fit and conform empowerment which means that a niche-innovation is taken out of its protected space and is fitted into the system by conforming to the existing rules of the system. The goal is to radically change the system from the inside. The second is the stretch and transform empowerment, which means that the niche is enlarged, building a parallel system to eventually transform and replace the existing system. Van den Bosch (2010) refers to the empowerment of niche-innovations as the scaling-up of niche-innovations. *Scaling-up* deals with "[…]

moving sustainable practices from experimentation to mainstream" (p.68). "The mechanism 'scaling up' is defined as embedding the experiment in dominant ways of thinking (culture), doing (practices) and organizing (structure), at the level of a societal system." (van den Bosch, 2010, p.68).

Nevertheless, as outlined in the beginning, empirical insights into the empowerment are limited. Only one out of the 26 projects in the transition program started to scale-up as the subsidy stopped (van den Bosch, 2010). Hence, research is needed to understand why other projects in the transition program did not empower. In the following, the theoretical framework is summarized and illustrated in Figure 1.1 which highlights the interaction between the three levels and their relation to the empowerment.

1.2.4 Theoretical framework

Figure 1.1 illustrates the theoretical framework of transitions. In this thesis, it is argued that the socio-economic landscape puts pressure on the socio-economic LTC system by means of an aging population and increasing costs (red arrow) which in turn creates 'windows of opportunity' for LTC innovations (yellow arrow). While the system continues to develop through incremental innovations (blue arrows), the niche is formatted as networks are created to foster niche developments. These niches provide new opportunities to deal with the increasing landscape pressure and can get empowered into or even alter the existing socio-economic system (green arrows) whereas other niche-innovations fail and will not be empowered (purple arrows).

It should be noticed that many other established functions and institutions in the socio-economic system need to be changed to derive a complete transition towards a new system. Here, the focus is on the initial efforts of LTC projects to empower their niche-innovations into the system as the transition program ended while the complete transition of the system is out of the scope of this thesis due to the time needed for such a transition. The specific focus in this thesis is on the empowerment of niche-innovations.
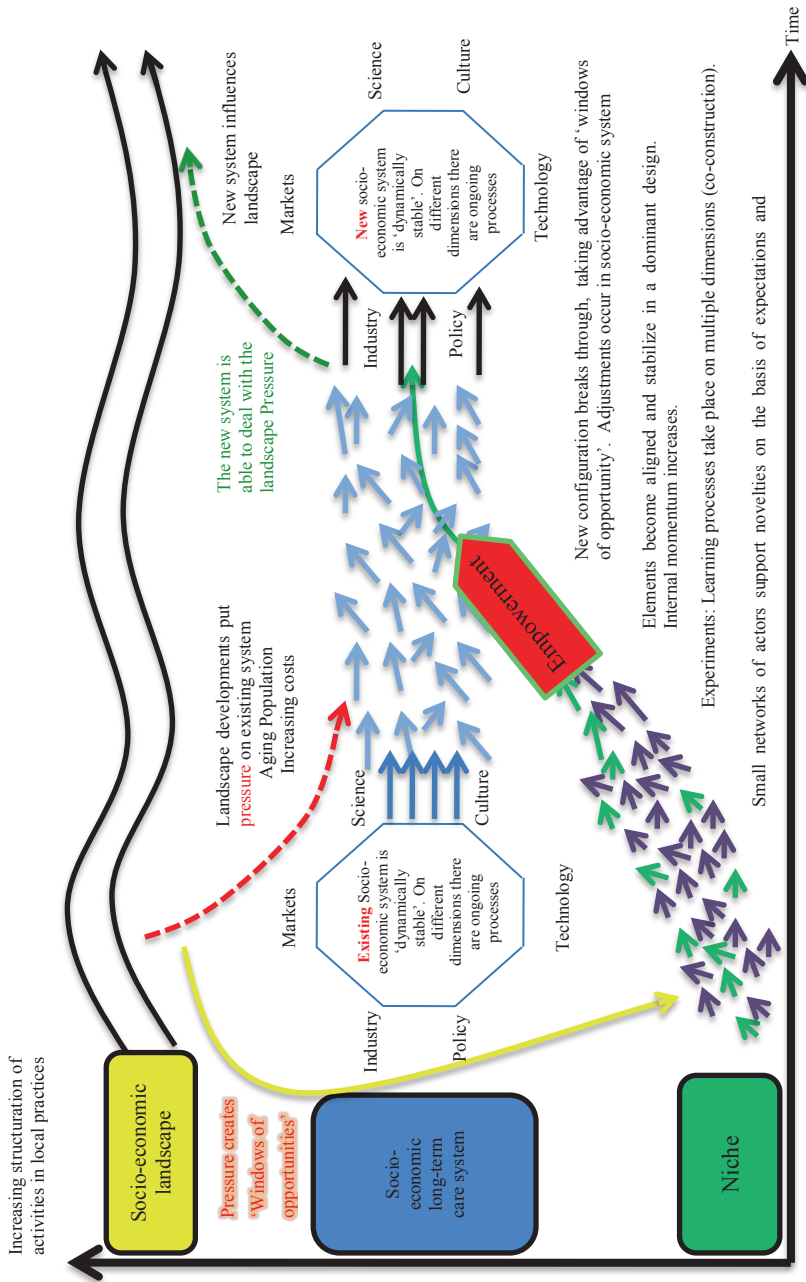
Figure 1.1 The Multi-level Perspective on Transitions in Long-term Care

(Based on: Geels & Schot, 2007)

1.3   Problem statement

As outlined in section 1.1, the transition program was introduced to change the LTC system as the system has been facing growing pressures. But previous literature fails to highlight how to change it (e.g. Beukema and Valkenburg, 2007; van den Bosch, 2010). Simultaneously, transition scholars demand research on socio-economic systems like the LTC system (STRN, 2010). Yet, they only provide limited empirical insights into the empowerment of niche-innovations while it is not shown how to develop strategies that help to empower niches (e.g. van den Bosch, 2010; Loorbach and Rotmans, 2010). Hence, the aim of this study is twofold: (1) to support a strategy formation process that helps to empower niche-innovations and (2) to identify the barriers to empowering niche-innovations. The second aim is further divided into three sub-goals, studying the barriers to empowering niche-innovations (2.1) in a single organization, (2.2) in an organizational network and (3) in the LTC system. The problem statement is:

How can a strategy formation process be supported to empower niche-innovations and what are the barriers to empowering niche-innovations in the long-term care system?

To answer the problem statement, five research questions are formulated:

1. How can a _strategy formation process_ be supported to empower niche-innovations in long-term care?
2. What are the barriers to empowering niche-innovations in a long-term care _organization_?
3. What are the barriers to empowering niche-innovations in a long-term care _organizational network_?
4. What are the barriers to empowering niche-innovations in the long-term care _system_?
5. What are the barriers to _protecting_ niche-innovations in long-term care?

To make the MLP a useful theory to study the change of systems, and before starting new niche-innovations that will fail as many previous ones did (e.g. Weber et al., 1999; van den Bosch, 2010), it is necessary to understand why niche-innovations fail to empower. Once important barriers are identified, researchers and practitioners can use the lessons learned to advance the empowerment of future niche-innovations.

1.4   Research design

The *transition program* itself and *three niche-innovation projects* from the program were studied using different research methods to answer the research questions. Here, it is shortly outlined how the research questions were answered while detailed descriptions can be found in the chapters ahead. During 2010 and 2011, *niche-innovation project 1* was studied to answer research questions 1-3. Simultaneously, the *transition program* was studied on the program level to answer research question 4. Finally, *niche-innovation projects 2 and 3* were studied retrospectively in 2012 to answer research question 5. Table 1.1 provides an overview of the research design which is thoroughly outlined subsequently.

Table 1.1 Overview of research design

Parts	Title	Research question addressed	Book chapter	Project
Part I Action Research (2010)	Lessons learnt in applying action research to support strategy formation processes in long-term care	1	2	Niche-innovation project 1
Part II Longitudinal, qualitative studies (2010-2011)	The Barriers to Nurturing and Empowering Long-term Care Experiments – Lessons learnt to advance future long-term care projects	2	3	
	The organizational perspective on transitions and the barriers to empowerment	3	4	
	The Barriers to Govern Long-Term Care Innovations – The paradoxical role of subsidies in a transition program	4	5	Transition program for long-term care
Part III Retrospective Cross case analysis (2012)	The Dutch Transition Approach to Revitalize Community-Care: Enabling Alternative Futures in Long-term Care	5	6	Niche-innovation projects 2 and 3

Project 1 was launched by a *network* consisting of a care organization for elderly, an organization for mentally-disabled people, a project development group, a network firm and a research institute for applied research. They experimented with niche-innovations such as demand-driven care, information technology in LTC and community care. The goal was to move from the supply-driven system to a

demand-driven system. Therefore, the experiments should have been empowered into **(1)** *the elderly care organization and* **(2)** *into an integrated area and LTC project of the organizational network*. The integrated project aimed at building a new district that is constructed around the ideas of the niche-innovations (e.g. demand-driven care, community care). The author of this thesis was involved as an action researcher to support the strategy formation process. Like project 1, *projects 2 and 3* took part in the transition program and dealt with demand-driven and community care. In both projects, networks were formed to nurture community care experiments and to empower them in new integrated area and LTC projects similar to project 1.

From a methodological perspective, this thesis can be divided into **three parts**:

1. Action research and strategy formation for empowering niche-innovations
2. Qualitative research on the barriers to empower niche-innovations
3. Retrospective cross-case analysis on the protection of niche-innovations

In all parts, the data were analyzed using NVivo, a qualitative data analysis software that allows to organize, compare and code data (e.g. Bazeley, 2007). In spite of the cross-case analysis, the constant comparative method to qualitative data analyses was used to code the data (e.g. Boeije, 2002, 2010). In the following, each part is introduced.

Part I: Action research and strategy formation for empowering niche-innovations

The first part was used to answer research question 1. The goal was to pursue *action research* in project 1 to support the strategy formation process that empowers the niche-innovations into the integrated project. In the state of flux we are in today, action research is specifically useful to research alternating processes (Sekaran, 2003) as well as solving societal challenges such as aging (Huang, 2010). Action research is the ideal methodology for the experimental nature of projects (Kock and Lau, 2001). Its major advantage is that it does create knowledge for both, researchers and practitioners while the scholar actually affects decision making through participation (Sekaran, 2003). In 2010, the action research approach has enabled the researchers to support practitioners to start forming a strategy for empowering the niche-innovations in an integrated project. However, the impact of the action research approach was limited as the project was cancelled in 2011. Hence, the barriers to the empowerment had to be identified.

Part II: Qualitative research on the barriers to empower niche-innovations

The second part (2010-2011) was used to answer research questions 2, 3 and 4. In 2011, project 1 was cancelled and the transition program ended without empowering the niche-innovations. Thus, the goal of this research was to identify the barriers to empower the niche-innovations (1) into the elderly care organization, (2) into the organizational network and (3) into the LTC system. It should be noticed that Part II overlaps with Part I. Yet Part II is primarily *a longitudinal, qualitative study* rather than action research.

Unlike in 2010, the decision making processes to empower the barriers into the organizations, the organizational network and the system in 2011 were beyond the influence and participation that is necessary to conduct action research. In action research the researchers and practitioners have to cooperate to co-create knowledge (Huang, 2010). Qualitative research, on the contrary, is "*about* practice, not *with* practitioners" (Huang, 2010, p.94). Here, knowledge was not co-created so that Part II is about practice. The main driver was to identify the barriers to the empowerment. Notably, qualitative and action research partly use the same data collection methods such as conducting interviews, collecting documents and participating in meetings (Huang, 2010).

Part III: Retrospective cross-case analysis on the empowerment of niche-innovations

The third part was used to answer research question 5. Therefore, a retrospective **cross case analysis** of two niche-innovation projects (projects 2 and 3) was conducted to identify what kind of barriers other projects in the transition program were facing. In so doing, it was possible to study the complete concept of protection which includes shielding, nurturing and empowering niche-innovations. Eisenhardt's (1989) building theory from case study research was used to identify the barriers. This included selecting cases, collecting and analyzing data and shaping propositions.

1.5   Chapters

This thesis is divided into seven chapters. **Chapter 1** is this introduction. **Chapter 2** illustrates the limits of applying action research to support the strategy formation process to empower the niche-innovations in project 1. **Chapter 3** identifies the barriers to nurturing and empowering niche-innovations into a LTC organization. **Chapter 4** deals with the barriers to empower the niche-innovations into an integrated project of an organizational network. **Chapter 5** deals with the transition program to identify the barriers to govern the empowerment of the niche-innovations into the system. **Chapter 6** is concerned with the retrospective cross-case analysis of projects 2 and 3. Finally, **Chapter 7** concludes on chapters 1 to 6. Next, chapters 2-6 are shortly introduced.

Chapter 2: Lessons learnt in applying action research to support strategy formation processes in long-term care

Hitherto, action research failed to highlight approaches that can be used on the strategic level of organizations to support strategy formation processes (e.g. Beukema and Valkenburg, 2007; van den Bosch, 2010). Here, a generic action research approach was used to support the strategy formation process to empower the experiments in an integrated LTC project. While the approach helped to start of the strategy formation process in 2010, the empowerment efforts were cancelled in 2011. The chapter shows how difficult it is to apply action research on the strategic level of organizations.

Chapter 3: The Barriers to Nurturing and Empowering Long-term Care Experiments – Lessons learnt to advance future healthcare projects

So far, there is quite some literature on the shielding and nurturing of experiments (Weber et al., 1999; Schot and Geels, 2008; van den Bosch, 2010). However, it has to be studied what happens when projects move from nurturing experiments to empowering them (Smith and Raven, 2012). This chapter is dealing with the barriers to nurturing and empowering experiments. The barriers were identified by participating in project 1, collecting documents and conducting interviews. It is illustrated how the experiments fail to move from being nurtured in the niche to being empowered into the elderly care organization.

Chapter 4: The organizational perspective on transitions and the barriers to empowerment

This chapter deals with the question which barriers hinder the empowerment of the niche-innovations into the integrated project of the organizational network. The chapter starts with proposing to take on an organizational perspective on transitions. The organizations are not just part of the system, but they can be considered as a sub-system of the LTC system. The niche-innovations were placed outside the scope of both, the system and the organizations and therefore needed to be empowered in both levels, the systems- and the organizational-level. The core focus is identifying the barriers to empowerment into a joint strategy of the organizational network.

Chapter 5: The Barriers to Govern Long-Term Care Innovations – The paradoxical role of subsidies in a transition program

Even though today's LTC challenges are well articulated, policymakers have difficulties in addressing these challenges and finding solutions (van den Bosch, 2010; Oliver et al., 2012). The system does not change despite all kinds of initiatives of and investments in incremental innovations (van den Bosch, 2010; Oliver et al., 2012). The question here is if and how radical innovations affect policymaking. Hence, the barriers to govern the empowerment were identified in a longitudinal study of the transition program. It is highlighted that niche-innovations do not have to be translated one to one to new policies. But policymakers have to be willing to learn from the innovations to advance future policymaking. Too often generalized policies fail to deal with the context specificity of local environments. Thereby, power relationships with and in the ministry function as barriers to the empowerment as well as the subsidy focus of projects.

Chapter 6: The Dutch Transition Approach to Revitalize Community-Care: Enabling Alternative Futures in Long-term Care

To study a single case (project 1) was important to get in depth insights into the empowerment. Yet more cases are need to find out if these are challenged by similar or other barriers to make inferences about future niche-innovation projects. In a cross-case analysis, the barriers to protecting (shielding, nurturing and empowering) community care innovations were identified. Unlike in project 1, projects 2 and 3 show that the role of regulative uncertainty and the spreading of

ideas are crucial for the empowerment. As long as the lessons learned are neither translated into new regulations or if the lessons learned are not spread to other communities, future niche-innovations cannot be empowered.

1.6   Structure of the thesis

In the following, chapters 2 to 7 are presented. Chapters 2 to 6 represent **scientific papers** that have been published or are in the submission/ review process in international peer-reviewed, scientific journals. A preliminary analysis of each paper was presented at a distinguished conference in the field of LTC and/ or sustainability transitions. Chapters 3 and 5 have been published in peer-reviewed scientific journals. Chapters 2 and 6 are is under review by scientific, peer-reviewed journals. Chapter 4 has been revised to be resubmitted. Preliminary versions of chapters 4 and 6 have been published in conference proceedings. At the beginning of each chapter, information is provided on the status of the paper. Due to different formatting requirements and referencing styles of journals, the papers are adjusted to a single style for this thesis while a single reference list can be found at the end of this book. Finally, a conclusion is derived in chapter 7.

Chapter 2

Lessons learned in applying action research to support strategy formation processes in long-term care networks[3]

Abstract

This paper demonstrates how we applied action research to support a strategy formation process in a subsidized long-term care network that aimed at scaling-up experiments. Previous research has developed numerous action research frameworks to support experiments in various domains. But it does not highlight how to apply action research on the strategic level of organizational networks. Hence, we used a generic action research framework consisting of four steps: (1) identifying the problem situation, (2) planning a solution, (3) taking action and (4) reflecting on the action. The results show that we were able to use the practitioners as co-researchers to contextualize the strategy formation process, thereby transforming intrinsic concerns of individual practitioners into explicit concerns of the network. This was possible as the researchers were trusted and seen as co-practitioners that simultaneously moderated between practitioners. The strategy formation process approach used in this study helped the practitioners to visualize and to create a common ground for discussing the process. Moreover, a strategy workshop helped to create a shared vision as well as commitment to scaling-up the experiments. However, the results also show that the key barrier, the lack of executive commitment was only identified at the end of the subsidy. In conclusion, there is potential for using action research on the strategic level of organizational networks, but therefore executives have to be engaged. Further research is needed to identify the full potential of applying action research on the strategic level.

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[3] An earlier version of this chapter was submitted, accepted and presented at the International Conference for Sustainability Transition (IST) in Copenhagen, Denmark in 2012. In present form, it is under review by an international, peer reviewed journal. In the text it is referred to Authors 1, 2 and 3 which are Hendrik Cramer, Geert Dewulf and Hans Voordijk respectively.

2.1   Introduction

In this paper, it is shown how we applied *action research* (AR) to support the *strategy formation process* (SFP) of an organizational network that experimented with long-term care (LTC) innovations. More than ever, the LTC system is under pressure due to an aging population and increasing expenditures (van den Heuvel, 1997; De Blok, et al., 2009; Blanken & Dewulf, 2010; United Nations, 2010). Around the world, national programs are initiated to deal with these problems including Japan, the Netherlands and the United Kingdom (e.g. Loorbach and Rotmans, 2010; OECD, 2011; Chrysanthaki, 2013). Thereby, moving away from a fragmented, supply-driven towards an integrated, demand-driven LTC system is seen as a possible solution for changing the system to assure long-term care for everyone (e.g. Béland et al., 2006; Beukema & Valkenburg, 2007; van den Bosch, 2010).

One of these national programs was the Dutch *transition program* for LTC. It initiated and financed 26 projects throughout the Netherlands to experiment with care innovations such as demand-driven and community care. The goal was to first provide the projects with the space to experiment and then to develop strategies to scale-up the experiments so that these become mainstream practices in the system. While there are already quite some insights into the execution of experiments, there is much less known about forming strategies that lead to the scaling-up of experiments into the system (e.g. Weber et al., 1999; Hommels et al., 2007; Caniëls and Romijn, 2008a; Schot and Geels, 2008; van den Bosch, 2010; Smith & Raven, 2012). Particularly, empirical insights into the scaling-up of experiments are needed (van den Bosch, 2010; Smith & Raven, 2012). To find empirical insights into the scaling-up and to support strategy formation processes, authors 1 and 2 were engaged as ARs in one of the transition program projects.

The project was initiated by a network that consisted of five organizations. The network experimented with innovations such as demand-driven and community care to radically change LTC delivery practices from supply-driven to demand-driven care. The ultimate goal was to scale-up the experiments into an *integrated area and LTC delivery project* in which people can grow old irrespective of being healthy or requiring LTC services. Therefore, the network wanted to form a strategy that demonstrates how the experiments can be scaled-up in the integrated project. However, at the end of the transition program the experiments of the underlying network were not scaled-up in the integrated project as the CEO of the

most important organization did neither participate in the AR approach nor support the SFP.

It is not uncommon that action researchers have problems with applying AR on the strategic level of organizations (e.g. Beukema and Valkenburg, 2007; van den Bosch, 2010). A problem is to engage top managers in a way that they are actively participating in AR activities (Beukema and Valkenburg, 2007; van den Bosch, 2010). Thereby, it is not clear why exactly the managers did not want to support either the action researchers or the projects to form strategies for the future (van den Bosch, 2010). Beukema and Valkenburg (2007) emphasize that managers view researchers as experts providing guidelines and facts on how to implement an innovation rather than jointly implementing an innovation. Another problem for applying AR on the strategic level of organizations is that executives tend to dominate SFPs, not encountering the perspectives of others (Johnson et al., 2010).

While previous action researchers dealt with change in a single organization (e.g. Beukema and Valkenburg, 2007; van den Bosch, 2010), the focus here is on a strategic network which aimed at changing LTC delivery practices by scaling-up experiments. As we do not know how to apply AR to support SFPs in strategic networks, the question is: *How can action researchers support a strategy formation process of an organizational network that aims at scaling-up experiments in an integrated area and long-term care delivery project?*

In the following, literatures on AR and the SFP approach are introduced. Next, the LTC innovation project is presented followed by a description of how we pursued AR in the project. Finally, the findings are discussed and a conclusion is derived including this paper's limitations and recommendations.

2.2 Action research

There are various action research (AR) frameworks that can be used in practice (e.g. Burns, 2014; Checkland, 1991; Dick, 2009; McKay and Marshall, 2001). While there are streams of AR in specific domains such as youth work or educational AR (Dick, 2009; Flessner and Stuckey, 2014), this paper departs from several generic AR frameworks to test AR on the strategic level of networks. These generic frameworks aim at continuous action-reflection cycles including steps such as identifying a problem situation, planning and taking action and reflecting on the action (e.g. Checkland, 1991; McKay and Marshall, 2001; Chiu, 2003; Beukema and Valkenburg, 2007). Thereby, Burns (2014) argues that "different approaches to action research should not be seen as unconnected" (p.5). Rather AR can make use of the different approaches to deal with specific problem situations (Burns, 2014). The question is, however, how exactly other action researchers can use these frameworks and methods in other contexts? Dick (2009), for instance, not merely expects, but also arrogates further action research in new fields of study in which new methodologies emerge according to the research situation. Thereby, scholars have to explicitly illustrate their research agendas to enable "the systematic management of complex research processes" (Chiu, 2003, p.168).

We followed the basic AR framework illustrated in Figure 2.1. The key steps are identifying the problem situation, planning a solution to the problem situation and taking action by pursuing the solution, and by reflecting on the action to find out if the problem situation is solved or if further AR cycles are needed (e.g. Checkland, 1991; McKay and Marshall, 2001; Chiu, 2003; Beukema and Valkenburg, 2007).
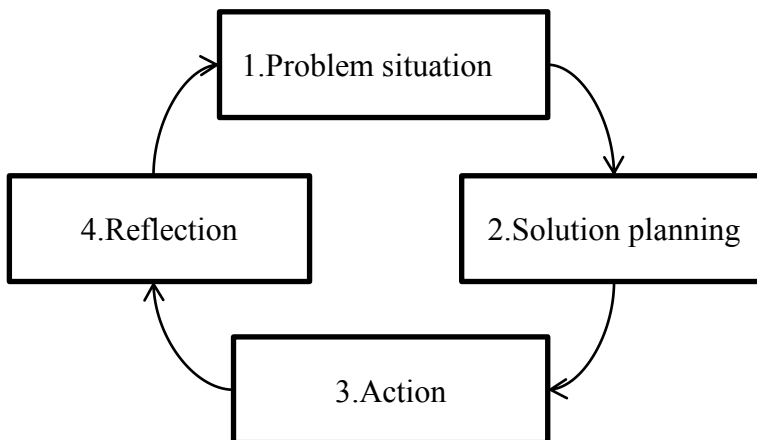
Figure 2.1 Action Research Framework

In particular, we follow McKay and Marschall's (2001) insights that they gained from other generic AR frameworks developed by Susman and Evered (1978), Burns (1994) and Checkland (1991) which in turn are similar to the approaches of Beukema and Valkenburg, (2007) and Chiu (2003). At first, the (1) *problem situation* has to be identified which should be relevant to both, practitioners and researchers (McKay and Marschall, 2001). The action researcher has to find out about "the nature of the problem and the problem context, who the problem owners are, key stakeholders in the problem solving process, historical, cultural, and political components of relevance, and so on." (McKay and Marschall, 2001, p.50). Secondly, the ARs, possibly with practitioners from the project, enter the (2) *solution planning* based on the problem situation followed by taking out the (3) *action* that was planned in step 2 (McKay and Marschall, 2001). As the outcomes are monitored and evaluated, ARs and practitioners (4) *reflect* on the actions to find out if the problem situation is solved, or if another AR cycle has to entered to update the problem situation, plan a solution, take action and reflect on the process (McKay and Marschall, 2001). The AR cycle is repeated until the problem situation is solved.

The basis for the AR approach here lies in the fundamental core of AR, namely the actions and reflections of both, researchers and practitioners. Researchers and practitioners have to constantly discuss the research design to emphasize the participative role of the researcher in the project as well as the participative role of the practitioner as co-researcher (Meyer, 2000; Chiu, 2006; Huang, 2010). In so doing, all participants have to be seen as equal members of the project (Meyer, 2000). In accordance with Chiu (2006), Huang (2010) emphasizes the importance of reflexivity between researchers and practitioners during the research process. Hence, the SFP can be enhanced, if participants continuously incorporate and reflect on the different perspectives on the SFP itself to detect flaws that would be otherwise be overlook by a single perspective. In the following section, the SFP approach used in this study is introduced.

2.3 Strategy formation process

Despite the theoretical insights into the scaling-up of experiments, in-depth empirical insights are missing while new strategy formation processes (SFP) are needed that can be followed to scale-up experiments (van den Bosch, 2010). Hence, we propose to pursue a *SFP approach*. Basically, strategy "[can be defined] as a pattern in a stream of decisions or actions" to support decision making (Mintzberg and McHugh, 1985, p.161). It enables networks to position themselves into the economic environment (Porter, 1981). Strategy formation "is a sequential set of analyses and choices" (Barney and Hesterly, 2008, p.5) which projects have to make to scale-up their experiments (van den Bosch, 2010). Since the underlying project deals with the scaling-up of experiments into an integrated *area* and LTC delivery project, an adapted SFP approach from the strategic planning literature was used. The SFP approach (Figure 2.2) was developed for integrated urban planning in which the different domains can be leading or incorporated (e.g. care delivery, energy supply). It is a dynamic approach where the sequence is context specific and not necessarily chronological such that users can jump from one step to another (de Kort, 2009).

We adapted the approach from de Kort and added the visions and expectations of actors as a step. Unlike de Kort (2009), we focused the approach around the visions and expectations which is one of the core aspects of pursuing the LTC experiments (van den Bosch, 2010). Thus, step 1 is the reference step for all other steps. The key actors initiate (step 2) a new SFP by motivating other actors to join the network. These are needed to provide legitimacy, so the experiments get selected by the system (Smith and Raven, 2012). In step 3 the network is formed to derive at a joint strategy that realizes the visions and expectations of the stakeholders. A stakeholder analysis has to be pursued to identify relevant stakeholders outside the existing network. Step 4 is used "to identify and clarify the externally imposed formal and informal mandates placed on the project organization, so that the 'musts' and 'don'ts' are precisely known." (de Kort, 2009, p.169). In step 5, the network forms a joint mission statement. Steps 6 and 7 are used to analyze the external and internal environment (strength, weaknesses, opportunities and threats (SWOT) analysis). Step 8 is applied to identify the strategic issues, e.g. alliance structures or financing. In step 9, a joint strategy has to be formed which has to be adopted (step 10) and implemented (step 11). Finally, the strategy has to be reexamined to see if the steps were planned properly (step 12) and if the visions and expectations were met (Step 1).
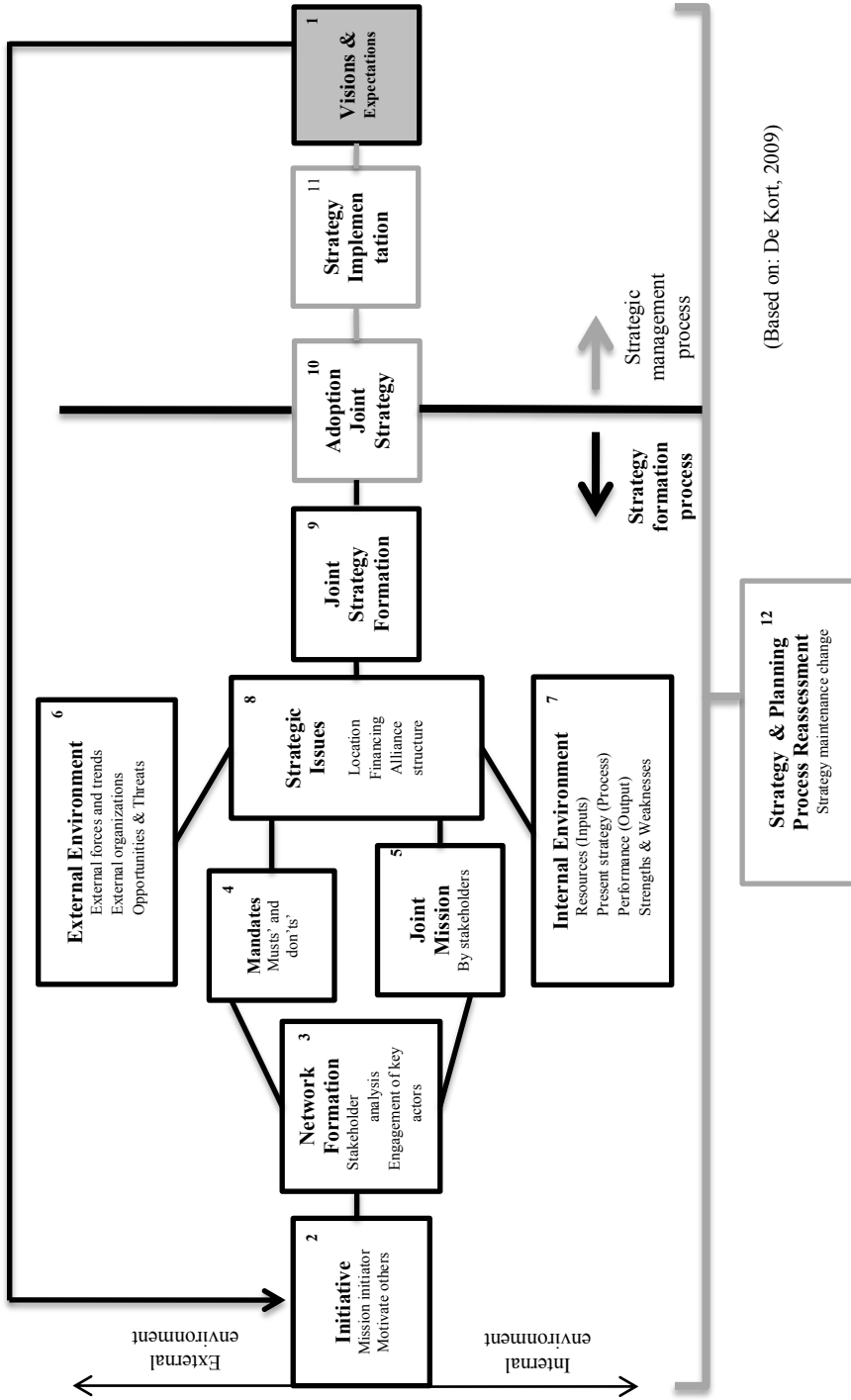
Figure 2.2 Strategy Formation Process Approach

(Based on: De Kort, 2009)

Strategic management process

Strategy formation process

1 Visions & Expectations

11 Strategy Implementation

10 Adoption Joint Strategy

9 Joint Strategy Formation

8 Strategic Issues — Location, Financing, Alliance structure

7 Internal Environment — Resources (Inputs), Present strategy (Process), Performance (Output), Strengths & Weaknesses

6 External Environment — External forces and trends, External organizations, Opportunities & Threats

5 Joint Mission — By stakeholders

4 Mandates — Musts' and don'ts'

3 Network Formation — Stakeholder analysis, Engagement of key actors

2 Initiative — Mission initiator, Motivate others

12 Strategy & Planning Process Reassessment — Strategy maintenance change

External environment

Internal environment

2.4 Long-term care innovation project

In 2007, a LTC innovation project was initiated to experiment with radical LTC delivery practices to enable affordable and high quality services. The project was conducted by a network that consisted of an *organization for the elderly*, an *organization for mentally disabled people*, a *project development group*, a *network firm* and a *research institute for applied research*. The network was financed by the *transition program for long-term care* which in turn was initiated by the Dutch ministry of healthcare. The ultimate goal of the project was to derive at a transition from the old, classical LTC model to a new model.

The old model focused on large nursing homes that were developed without encountering the community. It cut off social connections by the time a client had to go to a nursing home. The center of attention were the care provisions and not the client as an individual. The new LTC model emphasizes that the client is in the center of attention and that the professionals are there to help the client to receive the care that client wants. Therefore, LTC has to be integrated with housing and well-being. Instead of large nursing homes, small scaled housing should enable clients to stay in their social community. This asks for a cultural shift concerning the clients, the professionals and the community members as well as the management of LTC organizations. To test these ideas, three experiments were planned in 2009 and implemented in 2010.

Experiment 1 dealt with information technology (IT) in LTC. A client portal was set up which enabled nursing home and home care clients to improve their communication with professionals. Experiment 2 dealt with community care. The goal was to revitalize a community trying to set up new links between neighbours and enhance the communication structure in the community. This should enable clients to stay at home as long as possible. Experiment 3 dealt with changing a nursing homes' supply-driven culture of delivering care into a demand-driven culture. Moreover, the nursing home started to cooperate with a home for people with mental disabilities across the street to find out if elderly and mentally-disabled people build up socially valuable connections, increasing the quality of life for both groups. Eventually, the idea was to scale-up the experiments in an *integrated area and LTC delivery project* at a new location with new houses and an infrastructure that supports the ideas of the experiments. Several villages with potential areas were discussed to realize the integrated project. But in 2011, after the SFP was started, the integrated project was cancelled.

2.4.1 Project structure

The project structure was divided into a steering committee to govern the project, a consortium team to supervise the experiments and a business case team to develop a business case that illustrates how the experiments can scale-up into the integrated project. The business case was required by the transition program. Therefore, a pre-defined template was provided that should help to illustrate how to scale-up the experiments. Throughout the project it turned out that the template was too abstract and static to be used in practice. It was primarily completed to comply with the requirements of the transition program. The steering committee met every three months. Some of the steering committee members were also members of the consortium team which scheduled monthly meetings to support the learning process of the experiments.

The key actors of the project were the innovation director of the elderly care organization who was also the head of the steering committee and the CEO of the organization of the mentally disabled people. The other three organizations supported the project through their consultants. The research institute supported the professionals to write project reports for the transitions program while the network firm provided tools and trainings to pursue the experiments. The project development group was particularly interested in the integrated project having its expertise in area development projects.

2.4.2 Involvement of action researchers

Related to the innovation project, the transition program also financed the research activities of the action researchers. The researchers were involved to help the project participants to scale-up the experiments as they did not know how to do so. While the subsidy was granted in 2008 and the project was planned and structured in the years 2008 and 2009, the action researchers only got involved during the implementation and evaluation of the experiments in 2010. The first author joined the project and started to participate in the steering committee, the consortium team as well as in two of the three experiments. The second author also joined the project and became a member of the steering committee. The third author was not involved as an action researcher, but reflected on the project as an external observer based on the information provided by authors 1 and 2.

The action researchers (authors 1 and 2) started to participate in the given project structure. Their role was to support the strategy formation process to scale-up the experiments in an integrated project. How exactly they should support the SFP was

not determined beforehand and had to crystallize throughout the participation in the project. The actors that were involved in the innovation projects are listed in Table 2.1. The explanation why certain people were interviewed is provided in the results section 2.5. Figure 2.3 illustrates the structure and the general idea of the project.

Table 2.1 Overview of actors

Group	Role	Key actors
Steering committee	Governing the project	1. Innovation director elderly care organization [a] 2. CEO mentally disabled care organization [a] 3. Consultant 1 Project Development Group [a] 4. Consultant 1 Research Institute 5. Consultant 1 Network organization 6. Program team manager 1 7. University member 1 (Author 2) 8. University member 2 (Author 1) 9. Overall project manager
Consortium team	Supporting the learning process from the experiments	1. Innovation director elderly care organization [a] 2. CEO mentally disabled care organization [a] 3. Manager 1 mentally disabled care organization [a] 4. Consultant 2 Project Development Group [a] 5. Consultant 2 Research Institute [a] 6. Consultant 3 Research Institute 7. Consultant 3 Network organization 8. Program team manager 1 9. University member 2 (Author 1) 10. Overall project manager
Business Case Development	Developing a business case for the integrated area and healthcare delivery project	1. Consultant 3 Research institute 2. Manager 1 elderly-care organization 3. Manager 2 elderly-care organization 4. Manager 2 mentally-disabled care organization [a] 5. Overall project manager
[a] **Interviewed**		

Figure 2.3 Integrated Area and Long-term Care Delivery Project

Integrated Project 2011-201?

Normal Housing

Demand-driven Home Care

Community Center

Assisted Living Communities

Experiments (2009-2010)

Strategy Integrated project

Experiment 1 IT in Healthcare

Experiment 2 Community-care

Experiment 3 Demand-driven care

2.5   Results

As we started to participate in the project as action researchers to support the SFP, we followed the generic AR framework depicted in Figure 2.1. Eventually, we went through three AR cycles before the project got cancelled. Each cycle consists of the four steps described in the AR framework. That means, we went through twelve steps to support the SFP which are described in the following.

2.5.1   Action Research Cycle 1

Step 1.1: Identifying problem situation (January – August 2010)

At first, the problem situation had to be identified. Data was collected through interviews, documents, and participation. The first author conducted seven interviews with project participants of the steering committee and the consortium team. The two key actors of the project, the innovation director and the CEO of the organization for mentally-disabled people were interviewed to understand their perspective on the project. Other interviewees were chosen based on availability. Not all participants had to be interviewed due to data saturation. The interviews were semi-structured, using descriptive questions such as 'What is the project about?' as well as structural questions such as 'What are the barriers of the project?' (e.g. Spradley, 1979). Documents were collected according to availability and were used for the analysis as well as the notes that were taken during the participation in the steering committee and the consortium team.

The collected data had to be analyzed. The first step was to code a single interview, followed by the other interviews. Each interview was coded through a line-by-line analysis and information from previous interviews was used for the follow-up interviews. The sequence of coding the interviews was done chronologically, according to the date of the interview. Next, the resulting fragments and codes were compared with the subsequent interviews. The data was also compared with the documents and observations during the meetings. Triangulation of data was applied to improve the validity of the comparison (Miles and Huberman, 1994).

We started with open coding to identify the problem situation. The questions we ask ourselves were: "What is going on here? What is it about? What is the problem? What is observed here? What is the person trying to tell? What does this term mean?" (Boeije, 2010, p.99). The data revealed that the project participants were not starting the SFP. A problem was, for instance, that they did not know how

to cooperate after the transition program. The innovation director outlined in the interview:

> One of the biggest problems is that you work with several stakeholders. How do you cooperate with all the stakeholders in the future [by the time the transition program has stopped], despite the fact that it is going fine right now?

Another problem was that the business case team did not manage to highlight how the experiments can be scaled-up in the integrated project while there were different opinions on when to scale-up the experiments:

> Innovation director: … if we do not create the drive to actually implement [the integrated area], then we keep discussing it for another three years. Then we keep thinking about it every time [we meet up] and then nothing happens.

> Manager 2 mentally disabled care organization: I find the pace of [scaling-up the experiments in an integrated project] too fast.

Here, the AR approach enabled to transform intrinsic concerns into explicit statements. Manager 2 was not daring to explicitly address her concern regarding the pace of scaling-up the experiments in the meetings. She felt more comfortable to address her concerns to the action researcher who was using the information discretely and anonymously to address them later during the SFP. Another problem that surfaced during 2010 was that the project was lacking support from non-involved, yet powerful actors in the two LTC organizations (see Table 2.2). The innovation director argued that they should have included their perspectives on the project:

> [Director 2] is controlling and thus is ambivalent [regarding the project]. [Director 2] is controlling and wants to keep control. And now it is the other way around, you have to let go. … it also has to do with yourself being involved in the development. [Director 2] always wants to recognize something of herself. We should have [included the director more].

At the start of the project the engagement of the powerful actors was not considered as the project participants thought that the innovation director had the commitment in the organization and the power to take decision for and against the scaling-up of the experiments. Yet the innovation director had no decision power to enable projects. It should be noticed that the elderly-care organization had been the biggest organization of the project with the resources to start an integrated project.

Therefore, the other organizations were dependent on the elderly care organization to go through with the project. Especially the increasing magnitude of the integrated project required the commitment of the regional directors as potential villages were located in their managed regions. Hence, they have been able to take decisions for and against the project. But their commitment was lacking as they did not know much about either the project nor the experiments.

In conclusion, the problem situation was that the project was facing several uncertainties regarding the scaling-up of the experiments. This included the uncertain future cooperation of the different organizations, the uncertain timeframe regarding the scaling-up of the experiments and the resistance of non-involved, yet powerful actors.

Table 2.2 Overview of key non-involved actors

Group	Role	Key actors
Managerial actors from the LTC organizations	Key decision makers in the LTC organizations, not involved in the network	1. CEO elderly care organization [a] 2. CFO mentally disabled care organization [a] 3. Regional director 1 elderly care organization [a] 4. Regional vice-director 1 elderly care organization [a] 5. Regional director 2 elderly care organization [a]
[a] **Interviewed**		

Step 1.2: Solution planning (August 2010)

A solution planning meeting was scheduled with the innovation director of the elderly care organization, the CEO of the organization for the mentally-disabled and the two action researchers to discuss the problem situation. The two practitioners were emphasizing their optimism that the action researchers would help them with the SFP. It was emphasized that the engagement of the non-involved, powerful actors was crucial to drive the SFP forward as they could take decisions for and against it. The action researchers proposed to use the *SFP approach* and to hold multiple workshops with both, the project participants and the non-involved actors. The first workshop was seen as an ideal way to engage the non-involved actors and to start the SFP, deriving at a shared vision and reaching consensus on how to scale-up the experiments. In the meeting minutes of the solution planning, the description of the goals of the action researchers read as follows:

> [The action researchers] should be seen as moderators [of the workshop]. [The goal of the workshop is to] enhance the strategic conversation, to plan for the future, being prepared for different, possible scenarios … to deal with uncertainties, … to develop a common understanding [among the actors]…, and to actively think about the strategy development. … The workshop should provide guidance and structure ... [and] is primarily concerned with the uncertainties about the future and disagreements among actors. … Multiple workshops [should take place] every six months [to succeed with the SFP].

As it is unlikely to form a strategy in a single workshop (Johnson et al., 2010), follow-up workshops should have helped to advance and finalize the SFP. However, further workshops did not take place as the project was cancelled in 2011. This is further elaborated in section 2.5.3. For the first workshop, the innovation director and the CEO preferred to have a workshop with merely actors of the LTC organizations since they perceived these as the only key stakeholders in the integrated project. Hence, actors of the other organizations were not included in the workshop. During the meeting, a list was made with the relevant actors that had to be invited to the workshop. From the innovation project, this included the CEO and managers 1 and 2 of the organization for the mentally-disabled people and the innovation director. The non-involved actors that had to be invited were the CEO and the regional directors 1 and 2 of the elderly care organization as well as the CEO of the elderly care organization's construction company, and the CFO as well as manager 3 and 4 of the organization for the mentally-disabled people. Before the workshop could take place, the perspectives of the non-involved actors had to be considered. Additional interviews were needed which were used to encounter the non-involved actor perspective and to outline the purpose of the workshop.

Step 1.3: Action 1 (October – November 2010)

The researchers sent around an invitation to the selected participants of the workshop. The first author conducted interviews with five non-involved actors to confront them with the scaling-up of the experiments (Table 2.2). Also, the purpose of the workshop was outlined during the interviews. Theoretical coding was applied to code all data available according to the steps of the SFP approach. The data from the first cycle was re-analyzed according to the SFP approach. The non-involved actors confirmed several of the key issues that were identified in step 1. The non-involved actors, for example, had problems to understand the project:

Regional vice director: The [overall project manager] knows that the [regional director] and I had difficulties to understand the innovations in the beginning. What is the value of it? Why are we doing this?

Regional director 1: That, I would like to now. Do you know [how the integrated project will look like]?

CFO mentally-disabled care organization: I do not have an up to date picture of the total project. … I am not really involved.

Moreover, the non-involved actors were worried about the future cooperation of the two LTC organizations:

CEO elderly care organization: "Imagine that it will take another five years before there is a cooperation with the mentally-disabled care organization while there is another organization that makes an offer and says we would actually like to start [a project] with you. It is difficult, because you want to be a reliable partner to someone you possibly going to work with.[…]"

CFO mentally disabled care organization: "Well, [the cooperation between the two organizations only has a future] if you have reached complete consensus on the board level."

Hence, the workshop had to generate a common understanding among the actors and to create commitment for the scaling-up of the experiments.

Step 1.4: Reflection 1 (November - December 2010)

The reflection on the first cycle was done by the researchers and was concerned with the problem situation which was confirmed by the various data sources. The proposed solution was well received by the practitioners during the interviews as they were looking forward to participate in the workshop. The action was successful in terms of supporting the engagement of the non-involved powerful actors for the workshop. The reflection on AR cycle 1 goes over to step 2.1 of the second AR cycle, thereby, updating the problem situation.

2.5.2 Action Research Cycle 2

Step 2.1: Updating problem situation (November - December 2010)

As perspectives of both practitioner groups (involved and non-involved) have been identified, choices had to be made about which problems to discuss during the workshop. Since there was only limited time for the workshop (two and a half hours), the researchers were not able to address all steps of the SFP. The steps that were coded extensively gave an indication on which steps to focus on in the workshop as these codes were bothering the practitioners more than other codes (see Table 2.3). According to the data, these were the most relevant topics for the discussion in terms of the number of times the topic was addressed during interviews and meetings. In Table 2.3, the "Sources" are the number of data sources that revealed a certain code and the "References" is the number of times a certain code was mentioned by the data sources.

On the basis of the coding and our observations, we interpreted and discussed the data and agreed to address the following nine key problems during the workshop: (1) the lack of a shared vision among the project participants and the non-involved actors, (2) uncertainty about which location to choose to build the integrated area and long-term care delivery project (as shown in Figure 2.3); (3) uncertainty about the demand for elderly and mentally disabled care at the desired location and the possibility to mix the two different client groups; (4) uncertainty about the availability of professionals that can delivery care to both groups; (5) uncertainty about how to realize the experiments in the integrated project; (6) uncertainty about which external stakeholders to work with; (7) uncertainty about which alliance structure to choose and how to finance the project; (8) uncertainty about when to start the integrated project; and (9) uncertainty about why the two long-term care organizations should cooperate together.

Especially important was the code 'Vision'. The project participants and the non-involved actors had to develop a shared vision on the integrated project before any other problem could be addressed. Thus, the workshop had to be started with creating a shared vision which is in line with the SFP approach described in Figure 2.2. How the workshop was planned is described in step 2.2.

Table 2.3 Codes before the workshop

Codes	Sources	References
External environment - Opportunities & Threats - LTC	8	16
External environment - Opportunities & Threats - Clients	12	21
External environment - Opportunities & Threats - Small-scaled housing	3	7
External environment - Opportunities & Threats - Volunteers	9	19
Initiative	7	15
Internal environment - Strengths and weaknesses - Experiments	11	19
Internal environment - Strengths and weaknesses - Professionals	10	29
Mandates	5	10
Mission	1	2
Network formation	14	36
Reassessment	1	1
Strategic issue - alliance structure	9	27
Strategic issue - competition	1	1
Strategic issue - finance	12	30
Strategic issue - flexibility	1	2
Strategic issue - location	15	21
Strategic issue - scope	9	15
Strategic issue – time (when?)	8	11
Vision	18	57

Step 2.2: Solution planning 2 (November – December 2010)

The preparation of the workshop had to be thoughtfully planned since its structure can influence the direction and outcome of the discussions (Jarzabkowski & Seidl, 2008; Johnson et al., 2010). Strategy workshops are particularly designed to deal with SFPs with a strong focus on engaging and committing top level managers to the process (Johnson et al., 2010). We followed Johnson et al. (2010) prescribed workshop procedure to organize the workshop. According to Johnson et al. (1) the purpose of the workshop has to be clear, (2) the location of the workshop should take place outside the everyday working place, (3) specialists should moderate the workshop, (4) there should be a clear structure of the workshop by using "strategy tools and concepts" (p.1593), (5) everyone should be able to share his or her view, and (6) there should be no hierarchy in the workshop.

To comply with this procedure, the discussion was based on a specific location for the integrated project that was under review by the steering committee (similar to Figure 2.3). This together with the clear outline presented by author 2 at the beginning of the workshop resulted in the fact that there were no further questions with regard to the purpose of the workshop. The workshop took place at the holiday farm of the organization for the mentally-disabled and lasted two and a half hours. For all participants, this was outside their everyday working place. Hence, the workshop was a special event making participants feel privileged over others, generating commitment to the purpose of the workshop (Johnson et al., 2010). The action researchers moderated the workshop focusing on the SFP while trying to give everyone a chance to participate and to assure that hierarchy was avoided.

The workshop was postponed twice since the CEO of the elderly care organization was not able to join. Shortly before the third scheduled date, the CEO had to cancel on the workshop due to other duties. The innovation director and the CEO of the mentally-disabled care organization agreed to go through with the workshop to not lose time as the transition program was about to end. The CEO of the elderly care organization should have been consulted afterwards by the innovation director.

Step 2.3: Action 2 (December 2010)

The second author started the workshop by introducing the purpose of the workshop. Then, the first author gave a short review on the experiments and then guided the discussion according to the SFP approach. A PowerPoint presentation was used to illustrate the SFP approach including the key statements of the actors while a flipchart was used to write down what the participants said during the workshop. The researchers gave each participant the possibility to express their thoughts. The researchers were legitimized by the CEO of the organization of mentally-disabled people and the innovation director of the elder-care organization as they were very font of the strategy workshop in advance. The discussion prior to the strategy workshop with the CEO and the innovation director is seen as a key event for creating legitimacy according to Johnson et al. (2010). All participants, with one exception, were actively involved, sharing their different views as well as spreading their concerns about the scaling-up of the experiments (Table 2.4). The workshop enabled a focused and honest discussion. The strategy workshop was videotaped and transcribed.

Table 2.4 Strategy workshop participants

#	Participant	# of comments during the workshop	Actor groups
1	Innovation director of the elderly care organization [a]	22	Project participants (72 comments)
2	CEO mentally-disabled care organization [a]	39	
3	Manager 1 mentally-disabled care organization [a]	2	
4	Manager 2 mentally-disabled care organization [a]	9	
5	Regional director 1 elderly care organization [a]	14	Non-involved actors (73 comments)
6	Regional director 2 elderly care organization [a]	20	
7	CEO of the elderly care organization's construction company	18	
8	CFO mentally-disabled care organization [a]	8	
9	Manager 3 mentally-disabled care organization	13	
10	Manager 4 mentally-disabled care organization	0	
	[a] **Interviewed**		

The participants were confronted with the most relevant steps of the SFP that were highlighted by the analyses of AR cycle 1. Throughout the workshop, the non-involved actors became supportive, willing to scale-up the experiments in an integrated project. The workshop enabled them to exchange their visions and expectations. Director 2, for instance, started to argue with "our vision" demonstrating commitment to the vision. Also the CEO of the mentally-disabled care organization stressed that they shared a common vision.

> Regional director 2 elderly care organization: "But I think that you will have to start with our vision. …
>
> CEO mentally disabled care organization: … Let's say, we have a vision and we want [to do something in village 'A' or 'B'] according to our project plan, ….

Furthermore, it was highlighted that further discussions were needed to develop a strategy. Examples are which alliance structure should be chosen or who builds and finances the building. Nevertheless, they believed that it was possible to mix the two client groups while also finding professionals who can deliver demand driven care and take care of both client groups. Moreover, consensus was reached regarding the further planning. First, a project plan for the scaling-up of the experiments should be developed. Then, the alliance structure and the financing can be discussed based on the project plan. Table 2.5 illustrates the nine most relevant issues related to the SFP that were identified and discussed in AR cycles 1 and 2.

Step 2.4: Reflection 2 (January 2011)

Together with the innovation director, the action researchers reflected on the second AR cycle. The strategy workshop was perceived to be successful in terms of aligning the vision of the workshop participants and in addressing key challenges in starting the SFP to scale-up the experiments. The innovation director experienced that the workshop created commitment among the workshop participants to continue with the SFP. The meeting minutes read as follows:

> [Regional directors 1 and 2] want to realize the [integrated project] sooner rather than later.

Yet a new problem arose. While the innovation director conveyed that the board is excited about the project, commitment was still lacking. The problem situation had to be updated once more, hence we entered a third AR cycle.

Table 2.5 Key topics during AR cycles 1 and 2

	Key topics	**AR Cycle 1** (Key topics before the workshop)	**AR Cycle 2** (Responses during the workshop)
1	Vision	No shared vision - **Regional vice director:** "The [overall project manager] knows that the [regional director] and I had difficulties to understand the innovations in the beginning. What is the value of it? Why are we doing this?" - **Regional director 1:** "That, I would like to now. Do you know [how the integrated project will look like]?" - **CFO mentally-disabled care organization**: I do not have an up to date picture of the total project. … I am not really involved	Shared vision - **Regional director 2 elderly care organization**: "But I think that you will have to start with our vision. […] - **CEO mentally disabled care organization**: "[…] Let's say, we have a vision and we want [to do something in village 'A' or 'B'] according to our project plan, and let's stay away from our, forget about our organizations […].
2	Strategic issue – Location	Not really clear why it is necessary to have a certain locations. Villages A, B and C were continuously discussed as possible locations for the integrated area. - **CEO of the organization for mentally disabled people:** "It begins by having a good location and possibilities. And then, together, you sketch a plan that is tailored to that location. And then it is pretty decisive; is the area located close to the city, or close to the village. It has to be a good location."	Clarity why these locations. Preferably village A. - **Regional director 2:** "[Village A] is for us a very explicit location to realize something, because we see that there is a shortage of care […]" - **CEO care organization for mentally disabled people**: "And the nice thing about the [village 'A'] is, to our perception, and we have looked at several locations, is that there is a whole area development taking place […]

3	External environment – Clients	Is there demand for care and does it work with the different client groups? - **CFO care organization for mentally disabled people:** "[The elderly and the mentally disabled people] should not live together. This is too much confrontation [with each other]" - **Regional director 1**: "Look, it is uncertain to me if the connection between mentally disabled people and elderly [people] is profitable. […] The connection between mentally disabled people, elderly [people] and normal people in the village, I am not sure if that will work."	No doubts about the demand for care. Buildings should be shared by both groups. - **CEO mentally disabled care organization**: "In [the village 'A'] there seems to be a shortage of mentally disabled care provision." - **Regional director 2 elderly care organization**: "The care administrative office also indicated that there is a need for elderly care facilities." - **CEO of the elderly care organization's construction company**: "[…] This is, of course, also about realizing something together on a day to day basis. And the people who are going to live there, if they are going to live there for 15 years of for two years is actually not really relevant. It is indeed about having a facility with support. […] and that's where I see the cooperation." - **Innovation director:** "And there you should be able to find each other. Not so much in the demand for care, but the everyday live, living together, social cohesion."
4	Internal environment – Professionals	What kind of professionals are needed to deliver care to both client groups? - **CFO mentally disabled organization:** "The personnel has to have affinity to [deliver care] to both groups. Each group has a professional and the there is a flying keeper running around. […]. So how do you cooperate in a building? You have to carefully think about that. I haven't done this so far. That is the risk of the project. You should not let the professionals invent the [healthcare delivery for both groups]. You have to supervise and stimulate them. Or you will have a floor with elderly care and another with mentally disabled care, but I guess that this is not the idea." - **Regional director 2 elderly care organization**: "Can the professionals also do more for the [mentally-disabled people than we have experienced in the experiments] and vice versa?"	No doubts about having professionals who can deliver care to both groups - **Regional director 1 elderly care organization**: "We have [trained] a number of employees to work in small scaled housing projects. Beforehand, we thought that 30% would [quit], but it is not that bad." - **Manager 3 mentally disabled care organization**: "Yes. People sometimes have to get used to such an idea." - **Regional director 1 elderly care organization**: "Getting used to, and supervising, and training and coaching and putting a lot of energy into it. I think then only 5%, maybe 10% will quit, but not more." - **Innovation director**: "Yes, you also have to see how much energy was put into it. You have been busy with this for years."

5	Internal environment – Experiments	How can the experiments be realized in the integrated project? - **Regional director 2 elderly care organization**: "The [experiments] have at least forced us to look differently [at healthcare delivery practices]." - **Innovation director**: "All the things that you come across [in the experiments], the barriers and similar things, these are important [to understand] how these evolved and how you have solved them. And that is actually a concrete result that [can be used for] the integrated project." - **CEO mentally disabled care organization**: "You can absolutely learn [from the experiments] as we do within our organization."	Use the experiments as lessons learnt for the integrated project. Yet not very detailed. - **CEO mentally disabled care organization**: "I see [the experiments] more as lessons learnt. That's how you have to see it. We should not try to connect all the things and then put them under one roof. We have to make a new project plan where you can [connect the lessons learnt in the experiments]. Thereupon, you have to make a project plan. . And actually, the business case is sort of…" - **Regional director 2 elderly care organization**: "Well, what I also find important: [The experiments] are detached components. But, it can also have a [spreading] effect. Hence, things can spillover. If you want to have more voluntary care and engage people then you have got the ICT client portal. Then, it is simple to just bring things together, because one thing has a lot of advantages for the other. I think that this is what you have to search for." - **Innovation director**: "Yes. You can see that [experiment 3 – which also got in contact with other [experiments] – they also want the client portal. Hence, also for the [integrated project] you should make a separate project plan together with the local stakeholders. Hence, from vision to implementation."
6	Network formation – Other stakeholders	Which other stakeholders are needed to realize the project? - **Innovation director:** "Yes, you need a lot [of stakeholders], because you actually want to work integral. Then you have social foundations, the bakery, […]. Hence, everyone who plays a role on all these domains, schools, working places, thus all these actors."	Some stakeholders were mentioned such as the municipality. Most important was to find a stakeholder that finances the project. Further discussions were needed. - **CEO mentally disabled care organization**: "We have an enormous problem over there. The land costs €300 per square meter according to the municipality. Hence, you need someone that is willing to pay for the land. […]. You will have to find someone [to finance it]." - **CFO mentally disabled care organization**: "An investor." - **Innovation director**: "Or somebody else." - **CEO of the elderly care organization's construction company**: "Private investors, developers, but also other parties that own land [over there]."

| 7 | Strategic issues
– Alliance structure & Finance | Not clear which structure and how to finance the integrated area.

- **Manager 1 mentally disabled care organization**: "Is [the integrated project] something that has to be developed under the flag of the mentally-disabled care organization or under the flag of the elderly care organization, or are we going to develop a new jurisdictional structure, a foundation or [something else]?"
- **CFO mentally disabled care organization:** "[…] Yet you do not now with which situations you will be confronted. It could become a financial disaster [at those two locations we are working on…]. Then I would be worried about starting other projects [...]. We will not do it like that".
- **Innovation director:** "Well, the financing [is a problem]". We already said that it will be partly financed by the […] municipality. However, not a single municipality is waiting for it. We could sell it of course, but the municipality is responsible for the budget and the expenditures. Hence, they are not [going to welcome us with open arms], particularly not now with the credit crisis. […]. Hence, this is the financial barrier." | The participants did not want to discuss either the alliance structure or the financing.

- **Regional director 1 elderly care organization**: "Well, I have seen several presentations. Immediately, it was about a building or a jurisdictional form. Then I think that it is totally not interesting. People want to work together and that is important."
- **CEO mentally disabled care organization**: "But I mentioned this for a reason. Look, this is about, I have done this kind of projects in all kinds of ways and then it becomes a vision and ideas and creating something nice. [Then] it moves to the lawyers, financial [accountants], and then into a morass. How are you going to deal with that as a team? Then you derive at [all kinds of] complaints."
- **CEO of the elderly care organization's construction company**: "Actually, you should not bother our board with this. Let it grow bottom-up. Yet this is a bit difficult with property development. In [experiment 3] you can see that something is developing over there. In our [organization] as well as at other organizations you can see things developing. But if the management is dealing with it, yes, then it becomes a difficult discussion." |
| 8 | Strategic issue
– When | Many different expectations when to realize the project.

- **Innovation director:** "[…] if we do not create the drive to actually implement [the integrated area], then we keep discussing it for another three years. Then we keep thinking about it every time [we meet up] and then nothing happens."
- **Manager 2 mentally disabled care organization**: "I find the pace of [scaling-up the experiments in an integrated project] too fast."
- **CEO mentally disabled care organization**: "[…] There are not so many big spaces where you can build [such a project]. Automatically, you have to [consider that] it for sure takes five, six, seven years before you can open the first house. […] "
- **Regional director 2 elderly care organization**: "I mean, if the [transition program] stops in January, and we don't do anything with it in February, it will have disappeared in February." | Finish the experiments and start making a plan

- **CEO mentally disabled care organization**: "[…] we first have to finish the story, the project [plan]. Otherwise it will [not work]. […] Hence, we have to just make the project plan for location x. If it becomes [village 'B', or village 'A'], or who knows what, [village 'D']. But you certainly need to have a sound [project plan]."
- **Innovation director**: "I think that this is important. Now, we have got the vision. And at the end of January, we will have the evaluation documents [of the experiments] ready. And the step we are doing now is to make a plan for location x."
- **CEO mentally disabled care organization**: "Then make it for the [village 'A'], just in your mind."
- **Regional director 1 elderly care organization**: "Making a plan, yes." |

| 9 | Network formation – Future cooperation | Why do the two organizations need each other? How to cooperate in the future?

- **Innovation director:** "One of the biggest problems is that you work with several stakeholders. How do you cooperate with all the stakeholders in the future [by the time the transition program has stopped], despite the fact that it is going fine right now?"
- **CEO elderly care organization:** "Imagine that it will take another five years before there is a cooperation with the mentally-disabled care organization while there is another organization that makes an offer and says we would actually like to start [a project] with you. It is difficult, because you want to be a reliable partner to someone you possibly going to work with.[…]"
- **CFO mentally disabled care organization:** "Well, [the cooperation between the two organizations only has a future] if you have reached complete consensus on the board level." | They need each other to have enough demand for facilities in small villages. To keep up the cooperation, next steps are planned.

- **Regional director 2 elderly care organization**: "If you look at [village 'B': there, we could do something together, [something] we would not do on our own."
- **CEO mentally disabled care organization**: "That actually a good point. I think we would not build our own [small scaled housing project] in [village 'A']. The same holds for [village 'B'].
- **Innovation director**: "We agreed to have a meeting about developing the project plan in the second or third week of January. And then we should have an evening with the steering committee and the board [of the elderly care organization]. And then you should be quite quickly start with the project plan."
- **CEO mentally disabled care organization**: "In my opinion, it would be good that we in this line (CEO mentally disabled care organization, innovation director, regional director 1 and 2 of the elderly care organization) get together so we can make a proposal for the board of [the elderly care organization] as well as for my own management team. We will just say that our idea is that we finished [the transition project] and we have a number of final products and that we can stop or we can give it a structure in one or two projects. Our proposal is to do that. Forming a steering group […] and a project group and a project leader. And we think that it will cost that much money. And [ask them] if there is commitment for it? And we will do it for location [x] with a number of scenarios in the first quarter of next year. Backhandedly, we should keep in contact with [the villages 'A' and 'B'] etc. But, in case you have a project plan after the first quarter, we have to make a choice. Are we going to do it this way, or the other way, what are the barriers […]." |

2.5.3   Action Research Cycle 3

Step 3.1: Updating problem situation (January 2011)

While the SFP was started and key issues were addressed in AR cycle 2, another problem still had to be solved. The board of the elderly care organization had to be engaged and convinced to scale-up the experiments in the integrated project. In particular the CEO of the elderly care organization. In a meeting with the innovation director it was revealed that the CEO still had to be engaged to create commitment. One of the problems was that there were doubts that the project can be realized with the network. The meeting minutes outline:

> [The mentally-disabled care organization] lags behind. Especially with their capacity. [Managers 1 and 2] know what happens in [their organization and in the integrated project], but they cannot manage it all by themselves. … Even though [the CEO of mentally-disabled care organization] wants to [realize the integrated project], he has to commit the people in his organization. It is not entirely clear where we are going. Everyone has to be able to tag along.

Step 3.2: Solution planning (January 2011)

In order to commit the CEO of the elderly care organization, the innovation director suggested to have a meeting with the two action researchers and the CEO of the elderly care organization to provide an overview on the project from a research perspective. The innovation director was hoping that this would add further credibility to the project so that the CEO would support it.

Step 3.3: Action 3 (January 2011)

A meeting with the CEO, the innovation director and the two action researchers took place. The researchers outlined the status quo of the project including an analysis of the workshop and the challenges that the network is facing in scaling-up the experiments. Yet this was more informing the CEO rather than working with the CEO. The CEO had doubts about the network being able to realize the project. The CEO's view was written down in the meeting minutes as follows:

> The added value is almost only for the fact of working together, doing something together. [Doing it together is not more] economical … You cannot slowdown in the middle of the process that has to be clear in advance. You have to know that if someone exits that you can easily continue. [The elderly care organization needs the mentally-disabled care organization] to create commitment from the municipality.

To create commitment among the two LTC organizations, the CEO suggested to have a meeting with the CEO of the mentally-disabled care organization first.

Step 3.4: Reflection 3 (January – June 2011)

The outcome of the meeting between the two CEOs was not revealed. Eventually, the subsidy stopped and the network slowly dispersed in 2011. The CEO of the elderly care organization actively stopped the cooperation in the network in June 2011. Even though we have been able to engage powerful actors on the strategic level, neither we nor the innovation director has been able to engage the most powerful player, the CEO of the elderly care organization. Neither at the time of the workshop, nor in 2011 was it possible to engage the CEO. A key problem was that the perspective of the CEO was not sufficiently encountered from the beginning of the project. The CEO should have been engaged earlier into the project since the CEO was able to go through with the project or to stop it.

The question is if the action researchers should have identified this flaw earlier in the project. One problem was that we only got engaged in the project in 2010 while the network already started in 2007. Too much emphasis was put on the niche and the network whereas the organizational perspective was neglected until the end of the year 2010. This goes in line with the expectation that the innovation director created enough commitment and had enough power for pursuing and scaling-up the experiments. But he was merely conveying the message that the CEO is interested in the project, but not saying that the CEO is committed. The three AR cycles including all twelve steps accompanied by the key results are summarized in Table 2.6.

Table 2.6 Key results of the AR approach

Steps		Goal	Mode of action by action researchers	Key results
Action Research Cycle 1	1.1	Identifying problem situation (January – August 2010)	- Participated in meetings - Collected documents - Conducted interviews	- Uncertainty about the future cooperation of the network as the transition program ends - Uncertainty about timing the scaling-up of the experiments in the integrated project - Lacking commitment from non-involved, powerful actors
	1.2	Solution planning 1 (August 2010)	- Prepared a meeting with the innovation director and the CEO of the mentally-disabled care organization to confront them with the problem situation	- The action researchers suggested to use the SFP approach and to hold a strategy workshop to engage the non-involved actors and to align the different visions on scaling-up the experiments. - The innovation director and CEO were confident in the suggested approach and provided a list for participants of the workshop
	1.3	Action 1 (October – November 2010)	- Engaged non-involved actors for the strategy workshop	- The non-involved actors were lacking information about the project. Further uncertainties were identified. - Non-involved actors committed themselves to participate in the strategy workshop
	1.4	Reflection 1 (November – December 2010)	- Internal discussion among the researchers about steps 1.1 – 1.3.	- (1.1) Key problems were identified - (1.2) Solution was well received by practitioners - (1.3) Non-involved actors committed themselves to participate in the workshop
Action Research Cycle 2	2.1	Updating problem situation (November – December 2010)	- Continued internal discussion about which topics to address during the workshop	- Identified nine key topics to be discussed during the workshop based on the analysis according to the SFP approach
	2.2	Solution planning 2 (November – December 2010)	- Prepared the strategy workshop using Johnson et al. (2010) strategy workshop method	- (1) Purpose of the workshop: creating a shared vision about the scaling-up of the experiments - (2) Location: Holiday farm of the mentally disabled care organization - (3) Workshop moderation: Action researchers divided tasks for their actions during the workshop - (4) Strategy tools: Used the SFP approach - (5) Collaborative discussion: Making sure that everyone can participate in the discussion - (6) Avoiding hierarchy: Trying to offset hierarchy through moderation
	2.3	Action 2 (December 2010)	- Moderated strategy workshop	- Equal participation of involved and non-involved actors (Table 2.4) - Managed to create a shared vision and commitment for scaling-up the experiments among the workshop participants (SFP helped to structure the discussion) - CEO of the elderly care organization did not take part in the workshop.
	2.4	Reflection 2 (January 2011)	- Meeting with the innovation director to reflect on AR cycle 2	- (2.1) Key topics were properly identified according to the discussion in the workshop - (2.2 – 2.3) Workshop was successful in terms of committing the participants to the scaling-up of the experiments. Yet the CEO of the elderly care organization had to be committed.

	3.1	Updating problem situation (January 2011)	- Continued: Meeting with the innovation director to reflect on AR cycle 2	- Innovation director reveals that it will be difficult to commit the CEO of the elderly care organization.
Action Research Cycle 3	3.2	Solution planning 3 (January 2011)	- Prepared the meeting with the CEO of the elderly care organization	- Action researchers agreed with the innovation director to outline the status quo of the innovation project from a research perspective to the CEO
	3.3	Action 3 (January 2011)	- Outlining the innovation project to the CEO of the elderly care organization	- CEO was revealing doubts about the possibility to realize the project. - CEO first wanted to have a meeting with the CEO of the mentally-disabled care organization before taking a decision
	3.4	Reflection 3 (January – June 2011)	- Internal discussion among the researchers about steps 3.1 – 3.3.	- (3.1) Underestimated the lack of commitment of the CEO of the elderly care organization - (3.2 – 3.3) The lack of commitment was identified too late. The other problem was the wrong expectation about the power position of the innovation director in the elderly care organization.

2.6   Discussion

The purpose of this study was to apply AR to support the SFP of a network in a LTC innovation project. As there is no specific AR framework to be used for SFPs in strategic networks, we used a generic AR framework (Figure 2.1). The three AR cycles helped us to triangulate reflections as we reflected on the insights of both practitioner groups while they reflected on our reflections. The project participants also reflected on the insights of the non-involved actors and vice versa. By doing so, the participants reflected on the action researchers' analyses through their responses to the confrontation in meetings, interviews and the workshop. This way, we have been able to use the practitioners as co-researchers while we as action researchers functioned as co-practitioners during 2010. In AR, this reflexivity on the underlying topic is needed to advance the decision making process for the future (Chiu, 2006; Huang, 2010) and to create knowledge for both, science and practice (Meyer, 2000).

Similar to the studies of Beukema and Valkenburg (2007) and van den Bosch (2010), the results here provide further evidence for the difficulty to engage top level managers into the AR approach. We were successful in terms of engaging top-level managers of both LTC organizations into the AR approach, such as the regional directors of the elderly care organization or the CFO of the mentally-disabled care organization. However, we were not able to support the engagement of the most powerful actor, the CEO of the elderly care organization. In the end, the scaling-up of the experiments into the integrated project failed.

Retrospectively, it can be argued that it was realized too late that the engagement of the CEO was lacking. From the AR perspective, the question is if we as action researchers should have been engaged earlier in the project? This might have led to an earlier realization of the lack of engagement of the CEO as we help practitioners to reflect on the project and to identify flaws in the project. The project planning already started in 2007 while we were only engaged in 2010. Future AR approaches have to find out when researchers have to be engaged to successfully support SFPs. We propose that action researchers have to be engaged on the strategic level of organizations from the beginning of a project to successfully support the SFP, being able to structure the process and detect flaws in the project.

Notwithstanding, the AR approach was not completely unsuccessful. Our participation in the project enabled those actors involved in the workshop to develop a shared vision and to reduce the uncertainties in realizing the integrated project. With the engagement of practitioners into the problem situation and solution generation we were able to create what Beukema and Valkenburg (2007) call "a common ground for cooperation" (p.174). In AR cycle 1, for example, it was important to thoroughly discuss the problem situation with the key actors involved to get a shared understanding of the problem situation and plan a solution. Thereby, one of the problems was the lack of engaging powerful actors that were needed to realize the integrated project.

Loorbach and Rotmans (2010) stress that context specific participation is needed to advance experiments, but they do not highlight *how* to engage relevant actors for scaling-up experiments. In this case, the interviews enabled the non-involved actors to reveal their concerns about the project. The input of these actors resulted in new uncertainties regarding the SFP that were not identified before. Particularly the unshared vision about the integrated project resulted in resistance to scale-up the experiments.

Beukema and Valkenburg (2007) stress that "a dialogue about assumptions" is needed to start an experiment (p.165). Similarly, a dialogue was needed to discuss the scaling-up of the experiments and align the visions of the different actors. Yet the results show that the practitioners faced difficulties in starting or even structuring the SFP. In AR cycle 2, the confrontation with the SFP approach made them aware of the complexity of the SFP. At the same time, using Figure 2.2 in the workshop structured and simplified the SFP approach, being a very useful strategy tool. The practitioners experienced the SFP approach to be very useful in

articulating and framing their ideas. It also enabled the researchers to get a deeper understanding of the obstacles that the practitioners face to form a strategy to scale-up the experiments. The reflexivity of the participants was enhanced as tools such as the PowerPoint presentation and the flip chart kept reminding the practitioners of the responses that were given before and during the workshop. Nevertheless, the workshop also stressed that the SFP has to start with the commitment on the board level of the organizations. Yet AR cycle 3 has demonstrated that it was not possible to create commitment on the board level.

Finally, the results show that the problem situation is multifaceted. It can be distinguished between a *generic problem situation* which in this case was the networks' challenge to start the SFP and more *specific problem situations* that are more dynamic and change through the course of the actions taken. Thereby, the specific problem situations are part of the generic problem situation such as engaging powerful actors in AR cycle 1 or creating a shared vision in AR cycle 2 or creating commitment in AR cycle 3. As such, the generic problem situation is the basis for pursuing the AR approach while the specific problem situations need to be solved to solve the generic problem situation. The AR approach is useful in dealing with both, the generic and the specific problem situations. Yet the action researchers were engaged too late so that a specific problem situation (lack of commitment from CEO) could not be dealt with.

2.7 Conclusion

Despite the failure of the project, it can be concluded that the AR approach has been a useful approach to identify the problem situations in the LTC organizational network, to support the engagement of non-involved, powerful actors into the SFP and to structure and simplify the SFP for practitioners. Non-involved actors are not necessarily against scaling-up experiments as seen in van den Bosch's (2010) study on transition experiments. Rather, they want to be engaged in the process being able to influence the outcome of the SFP. AR can help to identify the problem situation and communicate between project participants and non-involved actors. Thereby, reflexivity is increased through the AR cycles.

Four key lessons have been learned in this study to support SFPs in future LTC organizational networks. (1) action researchers should *participate* in the project from the beginning to identify problems early on and to guide the SFP. (2) Interviewing actors and pursuing continuous actions and reflections are needed to identify and deal with the problem situations. Thereby, action researchers can

support SFPs of practitioners by transforming intrinsic concerns disclosed in interviews in explicit and structured concerns that are anonymously presented and discussed in workshops. The close participation of the action researchers with the practitioners creates trust in the research activities being able to address uncomfortable uncertainties in the network that otherwise would not be mentioned. (3) The SFP approach was perceived to be very useful by the practitioners to highlight flaws in the project and to guide the discussion. The SFP approach can be used to create what Beukema and Valkenburg (2007) call "a common ground for cooperation" (p.174). (4) Strategy workshops as used in this study are very useful to confront key actors with the problem situation and engage them in the solution planning. While these implications seem to be rather simplistic they can become critical to succeed with future AR approaches in supporting SFPs. The key implications are summarized in Table 2.7.

Table 2.7 Key implications for future action research

Lesson	Tools of the action researcher	Implications for future action research
1	Participation	- Action researchers have to participate in innovation projects from the beginning to guide the SFP and to identify flaws in the process.
2	Anonymization of interviews	- Make intrinsic concerns of practitioners explicit to the network
3	Strategy formation process (SFP) approach	- Practitioners find the SFP approach useful for structuring the strategy formation process as it helps to guide the process and visualize flaws in the process - Enables a common ground for discussing the scaling-up of experiments
4	Strategy workshops	- Enables action researchers to confront practitioners with conflicts and problems in the project - Enables the development of a shared vision among workshop participants - Creates commitment for the scaling-up of experiments

There are several limitations to be addressed in this study. One of the limitations is that we have merely been able to pursue one workshop to discuss the first set of key topics. Further research should focus on other experiments to identify the potential of the AR approach and support SFPs to not only start, but to actually form strategies to scale-up experiments. Another limitation is the possibility of an observer bias which we have tried to offset by inter-observer reliability checks (Sekaran, 2003) between the first two authors while the third author was reflecting

on the observations as an external observer not involved in the project. Future research has to exploit the potential of applying AR in organizational networks in order to support SFPs that aim at scaling-up experiments.

Chapter 3

The Barriers to Nurturing and Empowering Long-term Care Experiments: Lessons learnt to advance future healthcare projects[4]

Abstract

The objective of this study is to explore the barriers to nurturing and empowering subsidized long-term care experiments that try to deal with today's long-term care challenges such as an aging population and increasing healthcare costs. Nurturing is the process of planning, implementing and learning from experiments. The empowerment process deals with stabilizing experiments into the existing long-term care system. This is a qualitative study of a network that nurtured and tried to empower three long-term care experiments which were subsidized by a ministerial transition program (2009-2011) in the Netherlands. In total, 14 open-ended, semi-structured interviews were conducted. Further data was collected through participation, collecting documents and pursuing a focus group. The findings revealed eight barriers to nurturing and empowering the experiments. During the planning of the experiments, top managers and consultants were (1) *lacking time*, (2) *ignored the local context* and (3) *did neither engage* project managers nor professionals. At the start of the experimentation, project managers and professionals were *lacking* (4) *motivation*, (5) *time* and (6) *support* while there was (7) *no sense of urgency* to experiment. Finally, there was (8) *no commitment* from the top managers during the empowerment of the experiments. In conclusion, future projects have to try to avoid these barriers. Otherwise, time, money and energy is lost in overcoming these barriers which are needed to deal with today's long-term care challenges.

Key Words: Empowerment, nurturing, project management, strategic niche management, subsidy, sustainable transition.

3.1 Introduction

Today, developed country's healthcare systems face two major problems, increasing healthcare costs (Moreira, 2011) and an aging population (De Blok et al., 2009; United Nations, 2010) resulting in a growing demand for healthcare services[4] and the restructuring of healthcare organizations (Verleye and Gemmel, 2011). Therefore, a transition is needed which means moving away from a fragmented, supply-driven towards an integrated, demand-driven healthcare system in order to improve the quality of care and increasing operational efficiency to assure long-term care for everyone (Béland et al., 2006; Beukema and Valkenburg, 2007; Enthoven, 2009; De Block et al., 2009; Moreira, 2011).

However, trying to change a system in a short period of time is overly ambitious (Truffer, 2004; Caniëls and Romijn, 2008a; van den Bosch, 2010). According to strategic niche management (SNM) change starts with initiatives on the local level pursuing experiments that might become more stable, being able to change the system in the long run (Truffer, 2004; Raven, 2005; Hofman, 2005; van den Bosch, 2010). Yet previous literature mainly focused on the overall change processes and less on the individual experiments.

An exemption is Loorbach and Rotmans' (2010) study on transition management in long-term care.[5] They provide evidence for two successful experiments that started to scale-up. These experiments took part in a Dutch transition program for long-term care which also enabled another 24 niche-innovation projects that were running between 2007 and 2011. Unlike Loorbach and Rotmans' examples, many other experiments were not successfully nurtured and empowered. Hence, the question is why they were not successfully nurtured and empowered. Nurturing is the process of planning experiments, managing stakeholder expectations, supporting learning processes and organizing social networks that support the experiments. The empowerment process deals with scaling-up the experiments such that they become dominant practices in the existing long-term care system without requiring any further subsidies (Smith and Raven, 2012). Loorbach and

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[5] SNM is closely related to Transition Management (TM) (Raven et al., 2010). As with SNM, TM views experiments as essential to change systems (Schot and Geels, 2007). However, the difference is that SNM can be described as an evolutionary approach whereas TM is a goal-oriented approach (Schot and Geels, 2008; Raven et al., 2010). TM first forms a vision and then starts to experiment, while the opposite occurs in SNM which starts with experimenting, and then the vision evolves throughout the process (Schot and Geels, 2008). Recently, the two concepts have started to increasingly converge (Raven et al., 2010).

Rotmans (2010) provide some direction for future research emphasizing that the themes *power* and *people* seem to be critical during transitions and therefore need to be further scrutinized.

This is in accordance to Grin (2008) who points out that there is more to learn from change processes if the emphasis is put on "the level of micro politics and individual actors" (p.72). Similarly, van den Bosch (2010) argues that future healthcare research should focus on individuals to understand how change is achieved in experiments. Taking on the perspectives of individuals enables the researchers to get a better understanding of the ongoing processes (Goulding, 2005) such as the nurturing and empowering of experiments. Therefore, this study explores the barriers to nurturing and empowering experiments by taking on the perspectives of the different actors involved. The findings should help future experiments to avoid those barriers to be able to change long-term care practices. Hence, the following research question is formulated: *What are the barriers to nurturing and empowering subsidized healthcare experiments that aim at changing the long-term care practices?*

This is a qualitative study that takes on the different actor views on the management of the experiments. Strategic niche management (SNM) is used as a theoretical framework to study the experiments. The remainder of the paper is structured as follows. Next, the theoretical background of strategic niche management is outlined briefly. This is followed by the research methodology including the case description. Then, the results are presented and discussed. Finally, a conclusion is derived.

3.2   Theoretical Background

A niche is a space in which networks can experiment with radical innovations while being protected from the selection environment of the healthcare system through subsidies or regulative exemptions (Raven, 2005; Schot and Geels, 2008). In SNM, experiments are used to advance the niche-innovations over time such that at some point the experiments get more structured and stable to be scaled up which means that the selection environment (e.g. long-term care system) selects one or several of the experiments so that these become dominant practices in the system (Geels and Schot, 2007; Raven et al., 2010). Here, we specifically try explore the barriers to managing the experiments by following the managing process over time as the experiments are situated in a niche context.

Experiments in niches are protected by for instance governmental exemptions or subsidies (Smith and Raven, 2012). Thereby, Smith and Raven divide the concept of protection into three properties, namely, shielding, nurturing and empowerment. Shielding is concerned with protecting the experiments from the selection environment. Nurturing are the "processes that support the development of the path-breaking innovation." (Smith and Raven, 2012, p.1027). Empowerment is concerned with the stabilization of the experiments so they get selected by the selection environment and/ or they even change the selection environment (Smith and Raven, 2012). Here, we particularly focus on the nurturing and empowerment processes.

During the nurturing phase, experiments are needed to advance the niches as they "help researchers [to] define problems, discover user preferences, explore possibilities for changing the innovation, and learn how future experiments should be set up. They are especially useful at the very early stages of learning, when there are many uncertainties about the potentials and impacts of an innovation." (Raven, 2005, p.37) However, empirical insights into the nurturing process in long-term care is limited (van den Bosch, 2010). The same holds for the empowerment processes (Weber et al., 1999; Raven, 2005; van den Bosch, 2010). Therefore, it is important to study the barriers to nurturing and empowering experiments.

Moreover, little is known about the different perspectives of the various actors in experiments (Grin, 2008'van den Bosch, 2010; Loorbach and Rotmans, 2010; Jørgensen, 2012). Van den Bosch asks for more research that "elaborate[s] on the role of individuals in […] experiments" (p.238) which is in accordance with Grin (2008) who asks for more insights on the micro-level processes. Thereby, individual actor perspectives are necessary to comprehensively understand the ongoing nurturing and empowering processes (e.g. Goulding, 2005). Consequently, this study explores the barriers to nurturing and empowering long-term care experiments by taking on the different actor perspectives.

3.3 Research Methodology

3.3.1 The Experiments

The data was gathered from a longitudinal research of a Dutch niche-innovation project that consisted of three long-term care experiments and was funded by the Dutch Healthcare Ministry. The project originated out of a network that consisted of an elderly-care organization, a mentally-disabled care organization, a project development group, a network firm and a research institute for applied research. In 2008, the network applied for the transition program and finally received a subsidy for the years 2009 and 2010.

The alliance nurtured three experiments which tried to radically[6] change long-term care practices. The key challenges for the experiments were to cope with an aging population which results in an increasing number of clients while professionals become scarce at the same time. Another challenge the healthcare organizations were facing has been the increasing costs for professional care. Consequently, the future challenge of healthcare organizations is to deliver cost efficient healthcare for more clients with less professionals while trying to keep or even improve the quality of care.

The first experiment *'IT in healthcare'* dealt with the development and implementation of an electronic client portal that nursing home and homecare clients could use to access and alter their care provisions. The idea of the elderly care organization was to connect the client portal with the electronic client dossier that was developed simultaneously for the whole organizations. The goal of the client portal was that clients can look into their client records, make new appointments and exchange messages with professionals and family. Thereby, the relationship between the client and the professional should have been changed from supply-driven to demand-driven care. So far, the professional delivered a specified service. Now, the client had the possibility to demand the services he or she actually needs. This way the planning of the healthcare services could be outsourced to the clients. In total, twelve clients took part in this experiment. Four home care clients, four small-scaled housing clients and four nursing home clients.

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[6] The transition program perceived all 26 niche-innovation projects to be radical and able to change the long-term care system.[10,13] How the different projects were chosen can be found in van den Bosch's[10] thesis on transition experiments.

The second experiment *'community care'* dealt with the revitalization of a fragmented community. The goal was to develop new connections between residents and clients as well as among the residents to improve the social cohesion in the community. That way, community care could reduce professional care. The residents start to care about each other while they engage in voluntary work to help the clients in the community taking of 'work' from the professionals. As a result, the same amount of professionals can take care of a larger amount of clients. Eventually, it reduces the costs per client while the social cohesion increases the quality of life of the clients.

The third experiment *'delivering demand-driven care'* also dealt with the change from supply-driven to demand-driven care. Similar to experiment 1, the goal was that the professionals start to listen to the clients' needs rather than delivering a fixed set of services. The difference was that it was happening in a nursing home, face to face. There were a range of ideas such as letting the client chose how long to sleep in the morning or when to serve breakfast. Another goal of this experiment was to enable the interaction between elderly and mentally-disabled care clients. The mentally disabled-care organization has had a location across the nursing home of the elderly care organization. The idea was that both can benefit, as for example the elderly could read books for the mentally-disabled while mentally-disabled can help the elderly by driving them around in the wheel chair or helping to cook. As such, both have been volunteers improving the quality of life for all while easing off the workload of the professionals. Other activities were also taken out such as music nights and barbeques.

The experiments were designed by the concept team in 2009 and monitored by the consortium team and governed by a steering committee in 2010. Additionally, a business case team was installed to write a business case based on the experiments which could be used for future projects. All four teams consisted of consultants and higher management members while each experiment was taken out by one project manager, several professionals and additional consultants to support the nurturing and empowerment processes. The general project structure is illustrated in Figure 3.1.

```
┌─────────────────────┐  ┌─────────────────────┐
│  Transition Program │──│  Steering Committee │
└─────────────────────┘  └─────────────────────┘
                                    │
              ┌──────────────────────┐  ┌──────────────────────┐
              │ Overall Project Manager │  │  Project Supervisor │
              └──────────────────────┘  └──────────────────────┘
                                    │
              ┌──────────────────────┐  ┌──────────────────────┐
              │ Concept-team (2009) / │──│  Business Case Team │
              │ Consortium-team (2010) │  └──────────────────────┘
              └──────────────────────┘
                                    │
     ┌──────────────┬──────────────┴──────────────┐
┌──────────────┐ ┌──────────────┐ ┌──────────────┐
│ Experiment 1 │ │ Experiment 2 │ │ Experiment 3 │
└──────────────┘ └──────────────┘ └──────────────┘
```
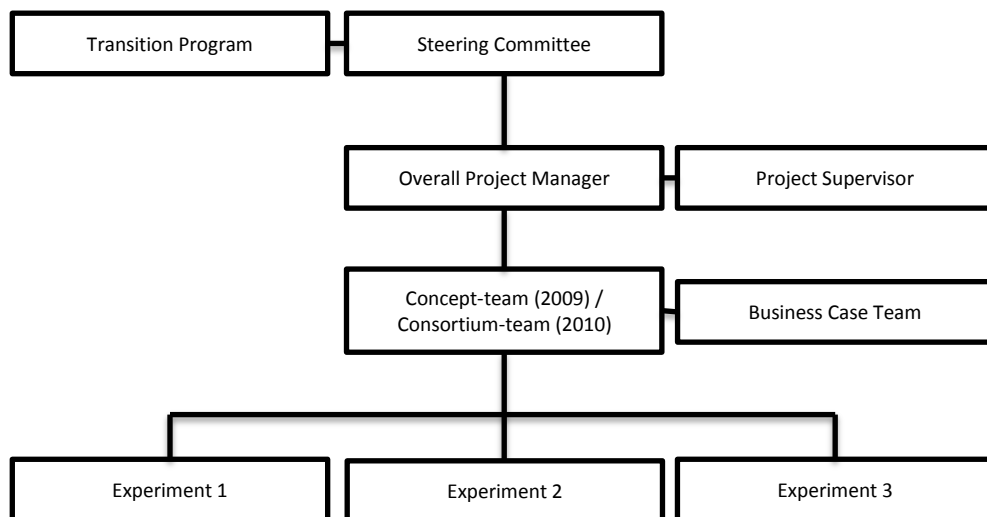
Figure 3.1 Project Structure

In the end, all three experiments failed to become more structured and stabilized. In the results and discussion section it is outlined which barriers to nurturing and empowering the experiments arose and hindered the change of the long-term care practices.

3.3.2 Data Collection

In 2010, the first author joined the different project teams such as the consortium team and the steering committee as well as the experiment teams. In total, 14 ethnographic interviews were conducted which were taped and transcribed. This included higher management members, project managers and consultants. The interviews were open and semi-structured, using descriptive, structural and contrast questions (Spradley, 1979). Descriptive questions enable the interviewee to provide his or her view on the underlying topic. An example of a descriptive question was for instance: What is the transition project about? A structural question helps the interviewer to "understand how informants have organized their knowledge" (Spradley, 1979, p.60). An example is: What are the barriers of the project? Or: Are there any other barriers to the experiments? Finally, contrast questions helped to "find out what an informant means by the various terms used in native language" (Spradley, 1979, p.60). A contrast question for instance was: Do you think that you planned too much or was it a conflict between the stakeholders?

In May 2011, a focus group session took place to reflect on the experiments and validate the analysis of the data that was gathered throughout the experiments. A focus group is a group discussion which enables the interaction among the participants in order to "help [them] to explore and clarify their views" and to understand "how they think and why they think in that way" (Kitzinger, 1995, p.299). In accordance with previous research, the focus group was semi-structured and open-ended (Sofaer, 1999). Additionally, secondary data was collected to analyze the experiments such as official documents, meeting minutes and final evaluation reports. Further information about the interviews, the focus group and the data sources are accessible in the *Appendix*. The interviewees and focus group participants are listed in Table 3.1.

Table 3.1 List of interviewees and focus group participants

Organization	Concept team (2009)	Consortium Team (2010)	Experiments (2010)	Steering committee (2010)	Business case team (2010)
Elderly care organization	1. Innovation director (project supervisor) [ab]	1. Innovation director [ab]	1. Project manager 1 [a] 2. Project manager 2 [a] 3. Project manager 3 [ab] 4. Professional 1 [b] 5. Professional 2 [b]	1. Innovation director [ab]	1. Manager 1 2. Manager 2
Mentally disabled-care organization	2. Manager 1 [ab]	2. CEO [a] 3. Manager 1 [ab]		2. CEO [a]	3. Manager 2 [ab]
Project development group	3. Consultant 2 [ab] 4. Consultant 3 (Overall project manager) [ab]	4. Consultant 2 [ab] 5. Consultant 3 [ab]		3. Consultant 1 [a] 4. Consultant 3 [ab]	4. Consultant 3 [ab]
Network firm	5. Consultant 3	6. Consultant 2		5. Consultant 1	
Research Institute	6. Consultant 2 [a] 7. Consultant 3	7. Consultant 2 [a] 8. Consultant 3		6. Consultant 1	5. Consultant 3
Transition program		9. Program team manager 1 [ab] (&2)		7. Program team manager 1 [ab] (&2)	
University		10. University member 2		8. University member 1 9. University member 2	
[a] **Interviewed** [b] **Participated in the focus group**					

3.3.3 Data Analysis

The qualitative data analysis software NVivo was used as a tool to analyze the data. NVivio enables the researcher to store, organize and code the data in order to analyze it with respect to the research question (Bazeley, 2007). Triangulation by source and method were applied to validate the data to be able to assure accurate interpretations by checking for the consistency of findings (Miles and Huberman, 1994; Yin, 1999). Based on Boeije's constant comparative method, six steps were followed to analyze the data (Boeije. 2002):

Step 1: The comparison within a single interview: The analysis started with a line-by-line analysis of the interview with the innovation director who was the key actor as he was also the *head of the steering committee* as well as *the project supervisor*. During the coding, the researchers were looking for answers to questions like: "What is the problem here?" or "What is the person trying to tell?" (Boejie, 2010, p.99) Thereby, the coding was not entirely open. Rather a combination of open and axial coding was pursued by using a priori constructs of SNM such as *managing visions and expectations*, *forming a network*, or *learning* (Schot and Geels, 2008). The codes that could not be assigned to a priori construct were named according to the action, process or barrier that it represented. For instance, several members of the project had problems with the consultants so that this was coded as the *problems with consultants*.

Step 2: Comparison between interviews with the same group: Three other interviews with steering committee members were compared to the outcomes of step 1. Existing codes were substantiated while new codes were formed if a text fragment could not be assigned to any of the existing codes or to the a priori constructs.

Step 3: Comparison with groups with different perspectives: Five interviews with members of the consortium team, the business case team and the experiments have been compared with the outcomes of steps 1 and 2.

Step 4: Comparison with other data: Axial coding was used to find out if the data was coded appropriately and if enough evidence was generated to support the codes (Strauss and Corbin, 2007). Several cluster analyses by word and coding similarity were conducted to support the categorization of the codes by looking at the differences and similarities of codes. Additional data in form of documents and meeting minutes were used to substantiate the emerging categories.

*Step 5: Comparison with the focus group: S*elective coding was used to establish links between the categories to answer the research question (Strauss and Corbin, 2007). More data was needed to further substantiate the links between the categories and to explore if new categories have emerged. Therefore, the focus group was used to confront the participants with the preliminary results. Existing results were verified and further background information was gathered.

Step 6: Comparison with interviews held after the transition program ended: Finally, the results were compared with four interviews with the overall project manager and the three project managers of the experiments to find out how the experiments were empowered.

3.4   Findings & Discussion

The analysis revealed four different phases with eight key barriers to nurturing and empowering the experiments. For each barrier, a proposition was formulated that can be used for future research and long-term care projects alike. The different phases were labeled according to the nurturing and empowerment processes. The nurturing process was divided into three partial processes, the (1) *planning of the experiments*, the (2) *intended start of the experimentation* and the (3) *actual start of the experimentation*. The fourth phase was the (4) *empowerment phase* which reveals the barriers that hindered the empowerment of the experiments. The phases, barriers and propositions are listed in Table 3.2.

Table 3.2 Phases, barriers, literature and propositions

Phase	View / Barriers	Comparison with SNM	Comparison with project management literature in and outside healthcare	Propositions
Nurturing Phase 1: Planning experiments	**Barrier 1: Lack of time** Managers experienced time pressures resulting in an insufficient planning of the experiments	- Need for space and time to experiment[10,13]	- By not taking the time needed, projects are prone to fail solving actual problems while the quality of healthcare delivery is likely to decline.[34] - 'Top management should spent time reviewing the plans and programs in proportion to the costs and potential […]'[35]	To successfully plan experiments, managers need to spent sufficient time to discuss and evaluate the experiment plans.
	Barrier 2: Neglecting context Concept team developed a conceptual plan for the experiments ignoring the institutional context of the actual experiments	- 'Each transition project is unique in terms of context and participants and therefore requires a specific contextual and participatory approach.'[13]	- Contexts and change processes are very much dependent on each other.[37] - Context has to be suitable for the change process.[38]	To successfully plan experiments, conceptual planners have to engage local actors to understand the local institutional context.
	Barrier 3: Lack of engagement Key actors were not engaged leading to a poor planning of the experiments	- Context specific participation is necessary.[13]	- It is important to engage professionals into change process to include their knowledge and to continuously monitor the change process.[37] - Stakeholder engagement during planning phases enable an advanced understanding of possible outcomes, properties and conditions that would otherwise be overlooked.[40,41]	To successfully plan experiments, the key stakeholders (those who are directly affected by the experiments) need to be engaged in the planning process from the beginning to create commitment for the project.
Nurturing Phase 2: Intended experimentation	**Barrier 4: Lack of motivation** Project managers and professionals were lacking motivation to conduct the experiments.	- 'Motivation' is one of the key process criteria for successful experimentation.[10] - Motivating does not mean persuading. If an actor or stakeholder is not motivated to experiment, the network should consider leaving those actors out to avoid a slow down or a failure of the project.[9]	- Motivated employees are needed to achieve change processes.[34,37] - Motivation is listed among the key performance areas of hospitals.[42] - Motivation is dependent on other factors as, for example, the lack of time can have a severely negative impact on the motivation of employees.[33]	To successfully nurture experiments, top managers need to motivate both, internal actors (e.g. professionals) and external actors concerned (e.g. community members).

Nurturing Phase 2 (continues): Intended experimentation	**Barrier 5: Lack of time** Project managers and professionals did not receive enough time and attention from top managers to conduct the experiments.	- Time pressure can result in poor learning outcomes[11] which could end up in misleading conclusions.	- This lack of time is especially negative for the experimentation, because professionals get into a 'treadmill' meaning that they experience huge work pressures that hinder them to be creative.[33] - Many innovation projects fail to properly estimate the project duration leaving little space and time to experiment.[33,43]	To successfully nurture experiments, top managers need to provide enough time for and devote attention to the project managers and professionals. The more time pressure, the less likely that managers and professionals are creative and that second-order learning will take place.
	Barrier 6: Lack of support Project managers and professionals did not receive enough support from top managers to conduct the experiments.	- SNM outlines the need for external support from governments, users and other stakeholders to successfully experiment.[9,11] Thereby, organizations need to be committed and make sure that resources are available to support the niche-innovations.[15]	- Managers have to support and motivate others to advance the change processes. Support is needed, because the involved actors would otherwise resist the change as the new way of working goes against their existing routines.[36] - Without the support of the top management, employees lose interest in the project and show little creative thinking.[33]	To successfully nurture experiments, the experiments should not contradict or be in the way of prioritized organizational strategies. Otherwise, the niche-innovations lack the support needed to actually experiment.
Nurturing Phase 3: Actual experimentation	**Barrier 7: Sense of urgency** Until the monetary pressure of the ministry, there was no sense of urgency for the top managers to conduct the experiments.	- Sense of urgency can be intensified by either governments[11] or by private organizations.[12] - If there is no pressure, many organizations are driven by current economic success, not sensing the urgency to change by ignoring long-term structural challenges.[11]	- The sense of urgency has to be shared by top managers to devote important resources to projects (Biehl, 2007) - Project managers "[have] to create a sense of urgency to align team members towards completing a common (ambitious but realistic) goal, while at the same time allowing time for crucial reflection processes." (Eppler & Sukowski, 2000, p.336).	To successfully nurture experiments, the sense of urgency is needed as it results in the motivation of as well as the support and time for the actors involved, Without the sense of urgency, no experimentation will take place.

| Empowerment Phase 1: Stabilization of experiments | **Barrier 8: Lack of commitment** As the subsidy ended, the top managers did not show any commitment in the continuation and stabilization of the experiments. | - Contemporary SNM research does not highlight the importance of commitment to experiments during the empowerment of niche-innovations. One reason for this can be the lack of cases that demonstrate the actual empowerment of experiments in everyday practices.[9,10,20]
 - Organizational leaders need to be convinced about the innovation in order to push it through the organization irrespective of other people's doubts and remaining uncertainties.[12] | - Commitment is needed to succeed with change processes.[36] Thereby, project managers can influence the commitment and the continuation of change processes if they show commitment themselves.
 - Commitment includes the willingness to take risks and to change existing practices which at the same time requires a comprehensive understanding of the context and content.[39] | To successfully empower experiment, key actors need to be committed to the content of the niche-innovations. Otherwise, the experiments are prone to fail as subsides are lifted away. |

In the following, the barriers are discussed with not only strategic niche management literature, but also with project management literature in and outside the domain of healthcare. The reason is that SNM is a relatively new concept that has been developed over the past 15 to 20 years (Markard et al., 2012). Therefore, it only provides limited insights into the planning, implementation and evaluation (which are part of the nurturing and empowering processes) of experiments, particularly in healthcare (STRN, 2010). Hence, SNM can be advanced using insights from project management literature.

3.4.1 Nurturing Phase 1 – Planning experiments in 2008 and 2009

Barrier 1: Lack of time

The experiments were planned by the consultants and higher management members of the elderly care organization and the mentally disabled-care organization while none of the other key actors were engaged such as the project managers of the experiments or the professionals. The first barrier to planning the experiments was the lack of time of the top management members. The problem was that they had to do it next to their ongoing work activities. A good example is given by manager 1 of the mentally disabled-care organization who outlines how difficult it was to organize the meetings with all the different managers and consultants. By using the word "drama" she emphasized the negativity associated with the project meetings.

> "Your daily work will result in nothing. [The CEO of the mentally disabled-care organization] can say, [Manager 1], you are allowed to work on the project for one day per week. That doesn't work. … That also has been a drama to get people together. [The secretary] always had to spent a lot of time on it, because it just demanded so much time. And you have to do it next to your work."

As the managers had to do it next to their work, they experienced increasing time pressures to get their job done. The problem was that they got demotivated to plan the experiments. Generally, time is needed to be creative and nurture the experiments (Loorbach and Rotmans, 2010). While it is not known how much time is needed to be creative to come up with niche-innovations, there is evidence that time pressures can result in the frustration of managers (Amabile et al., 2002). This in turn can lead to a 'postpressure cognitive paralysis' which means that managers are not only frustrated during the meetings, but also the days after the meeting leading to a loss of creativity (Amabile et al., 2002). Yet creativity was actually needed to plan the radical long-term care experiments.

Moreover, by not taking the time needed, projects are prone to fail solving actual problems while the quality of healthcare delivery is likely to decline (Young and Ballarin, 2006). It should be noted that "top management should spent time reviewing the plans and programs in proportion to the costs and potential […]" (Garrity, 1963, in Young and Ballarin, 2008, p.10). However, this was not done. Eventually, the time pressure not only frustrated the managers and led to a poor

planning of the experiments, but also led to a delay of the experimentation. The time to experiment became shorter and shorter as the planning had to be altered and aligned to the local context which was initially ignored by the concept team.

Proposition 1: To successfully plan experiments, managers need to spent sufficient time to discuss and evaluate the experiment plans.

Barrier 2: Neglecting institutional context

According to manager 1 of the mentally disabled-care organization, especially the incorporation of consultants was problematic, since they did not know much about the local healthcare delivery processes:

"I think that in the first year in which we had meetings with the project development group, the network firm and the research institute, that we had a lot of meetings. But especially with people that did not really know what it is actually about. And that was very time consuming. […] we have been gathering together a lot, talked about care while it was lost time in retrospect. […] with the research institute, researchers were sitting at the table. And they really come from another planet compared to us. They should just have joined at a later point [of the experiments]. They can have great contributions, but not at the time of [planning the experiments]. We have lost a lot of time until the moment that we said: 'What are we actually doing over here?' We have to stop with this, because everyone was reluctant to go to [the meetings]."

In general, each individual niche-innovation project is dealing with a specific context which "requires a contextual and participatory approach" (Loorbach and Rotmans, 2010, p.243). By this means, local actors have to participate in the nurturing process to be able to encounter context specific information into the planning process. This is in accordance with van Raak et al. (1999) who emphasized the importance of considering the institutional context during change processes. In their case, the institutional context (defined by 'external factors' and the 'local situation') hindered the change processes. Here, the specific local context was ignored by focusing too much on the conceptual idea instead of the actual experiments. This was revealed by consultant 3 of the project development group:

"[The conceptual idea] was not communicated very well. That is probably related to the fact that I do not speak the [professional] language. [We] continued with the conceptual thinking for too long."

Contexts and change processes are very much dependent on each other (Loorbach and Rotmans, 2010; Tataw, 2012). As such, the context has to be suitable for the change process (Pavlova et al., 2009). Hence, the context needs to be evaluated before starting the change process. In the underlying case, the general context seemed to be suitable to experiment with radical healthcare innovations. But the concept team did not compare its assumptions with the actual local situation. The problem is that the local context can diverge from the assumptions so that important aspects are neglected. To avoid this from happening, especially those actors embedded in the local context should be engaged to plan the experiments.

Proposition 2: To successfully plan experiments, conceptual planners have to engage local actors to understand the local institutional context.

Barrier 3: Lack of engagement

The actors that were directly affected by the experiments (e.g. project managers, professionals, community members) were not engaged in the planning. Only by September 2009, the first project managers and the professionals got engaged to start the experimentation. Yet the content was not sufficiently communicated to them. This led to a delay of the actual experimentation for several months so that nothing happened before 2010. Project manager 1's response to the question *who planned the experiment* was:

"It came from the [concept]-team. I did not know anything about the project till the moment that they passed it on to me. […] I didn't really understand it completely. […] it wasn't communicated to me satisfactorily. […] But maybe I haven't picked it up properly." Later in the interview she emphasized the lack of communication with the consultant: "[…] I had a chat with [a consultant from the research institute]. The role of [the consultant] has been quite ambiguous to me for a while. [The consultant] is working for [the research institute] and is purely supporting us. But [the consultant] is not the driver of this [experiment]. Yet that is what I thought, but it seems like I have to be the driver."

The lack of engagement was also evident in the other experiments. For instance, the project manager of experiment 2 had no problems to get acquainted with the experiment despite the fact that he was not engaged during the planning. The general idea was communicated well and fitted into his daily working practices. However, the experimentation did not start in 2009 and failed to do so until July 2010. The biggest problem was not engaging the community members. The project manager said during a meeting:

> "We should have involved the [community members] from the beginning. We lost quite some time to first understand what was going on and second, to convince the [community members] to cooperate and participate in the [experiment]."

The project manager further explained that the community was divided into many different groups with various stakeholders. He was unsure if it is the right community to start such an experiment. In experiment 3, regional director 2 was not engaged even though the experiment took place in her region. This lack of engagement resulted in the lack of support for the project manager to experiment. Project manager 3 outlined her difficult situation:

> "[…] my director has not really received the idea of the […] program and the content of the project so that I do not have the space that I would need. In general, the professionals will not start to do crazy things. They just want to change little and valuable things which is for the benefit of everyone. […]"

So far, previous literature on niche-innovations emphasizes that social networks have to be formed and that expectations have to be managed (Schot and Geels, 2008), but it fails to highlight the significance of strategically planning the experiments. Although Loorbach and Rotmans (2010) stress that context specific participation is necessary, they do not disclose how and who to engage into a niche-innovation project. Here, SNM can learn from the methods of stakeholder engagement. Gable and Shireman point out that many organizations fail to engage key actors at the beginning of a project through false or even no planning at all (Gable and Shireman, 2005). Then, throughout the project they learn from it and try to correct the course of action by informally engaging key actors as seen in the underlying experiments (e.g. lack of engaging the project manager and the professionals in experiment 1, the community stakeholders in experiment 2 or the

regional director in experiment 3). This can be avoided by engaging the key actors during the planning phase. Previous research also highlights that stakeholder engagement during planning phases enable an advanced understanding of possible outcomes, properties and conditions that would otherwise be overlooked (Bourne and Walker, 2005; Adams et al., 2011). Thereby, projects are able to "build trust" and reach "consensus on the organization's future" (Pavlova et al., 2009, p.64).

More specifically, Tataw (2012) outlines the importance of engaging professionals into change process: "upfront and open discussion of change with health professionals addressing fear issues such as loss of professional autonomy and economic harm [as well as the] involvement of frontline health professionals in the planning, implementation and constant review of the change process" (p.144) is needed to successfully experiment with niche-innovations and to change existing institutional practices.

Without engaging the professionals, the change process will fail. Thereby, the engagement of professionals in the planning, implementation and evaluation of change processes should depend on if they are directly or indirectly affected by the experiments (Pavlova et al., 2009). If they are indirectly affected, their engagement can be seen as an additional workload that hinders the experimentation rather than enhancing it (Pavlova et al., 2009). Thus, only those professionals who are directly affected should be engaged throughout the planning process. This also helps to avoid engaging too many people so that the process is not slowed down. Here, however, the professionals, the community stakeholders as well as regional director 2 were directly affected and therefore should have been engaged in the planning of the experiments.

> **Proposition 3:** To successfully plan experiments, the key stakeholders (those who are directly affected by the experiments) need to be engaged in the planning process from the beginning to create commitment for the project.

3.4.2 Nurturing Phase 2 – The intended start of the experimentation in 2009

Barrier 4: Lack of motivation

Due to the barriers during the planning phase, other barriers arose during the intended start of the experimentation such that the nurturing process stagnated. One of the barriers that hindered the intended start of the experimentation was the lack of motivation which was evident in experiments 1 and 2. Previous research has already highlighted that motivation can drive the nurturing processes (Raven, 2005; Hofman, 2005). Thereby, motivation is dependent on other factors as, for example, the lack of time can have a severely negative impact on the motivation of employees (Amabile et al., 2002). According to Young and Ballarin (2006) motivation is "a process that helps to generate a commitment to work toward achieving superior performance, and that rewards employees for behavior that is in the organization's best interest" (p.185). Here, the network's interest was to nurture the experiments to change long-term care practices. Yet the project manager of experiment 1 described how difficult it was to sustain committed to the project and simultaneously motivate others to it:

> "A problem is to ensure the continuation of the project and to motivate the people to continue. That is a huge problem. […]. Hence, I think nothing really happens and that is really sad. Sometimes I find it really troublesome."

In the beginning, the client portal did not work due to software problems. By the time the problems were fixed, new problems arose such as limited functionality. For example, the only thing clients were able to do was writing messages to nurses and family. Other problems included very long start-up times or that the font size of the client portal layout was too small for the elderly to read.

In experiment 2, the lack of engagement during the planning phase created a certain level of ambiguity about the roles of the various stakeholders and the content of the experiment which disabled the experimentation for ten months. In the evaluation report, the community's lack of motivation is described as follows:

> "In the beginning there was not enough drive within the community to collaborate among the [community center], the municipality, the community board and the welfare organization. There is a lack of communication about the [experiment] and uncertainty persists about who is doing what."

Generally, it is known that motivated employees are needed to achieve change processes (Young and Ballarin, 2006; Tataw, 2012). The importance of motivation is also highlighted by Trotta et al. (2012) who listed it among the key performance areas of hospitals as well as by van den Bosch (2010) who listed 'motivation' as one of the key process criteria for successful experimentation.

Here, the level of motivation is extend as described by Young and Ballarin. Instead of limiting it to the motivation of employees within the healthcare organizations, other external actors, such as the community members in experiment 2, also need to be motivated to commit and participate in the community care development. However, there are certain limits that a niche network has to consider. Motivating does not mean persuading. If an actor or stakeholder is not motivated before or during the experimentation, the network should consider leaving those actors out to avoid a slow down or a failure of the project (Caniëls and Romijn, 2008a).

> **Proposition 4:** To successfully nurture experiments, top managers need to motivate both, internal actors (e.g. professionals) and external actors concerned (e.g. community members).

Barrier 5: Lack of time
Similar to the planning of the experiments, there was a lack of time to nurture the experiments 1 and 2. The managers and professionals had to do it next to their ongoing work activities. This was especially highlighted by professional 1 of the elderly care organization:

> "[…] if, at a certain moment space is given in terms of time [to experiment], but I will not be replaced, then my work will just continue. Hence, on the days I come back, I will experience a greater workload, because you can only spread it over three days [instead of five]."

This is especially problematic, because professional 1 did not experience that the experiment was important to the organization. Amabile et al. (2002) emphasize that creative thinking is unlikely if the importance of the project is not well communicated while the time pressure to get the work done is high. Thereby, time pressure can result in poor learning outcomes (Raven, 2005) which could end up in misleading conclusions. In the underlying case, the network failed to acknowledge the importance of providing the time and space to experiment. This was argued by consultant 4 of the research institute:

"And another problem that played a role […] I think is that [the elderly care organization] did not […] provide enough time [in a way] that people can really have the time to do this. It all had to be done [next to the daily work]. And that's how it works in practice, I can imagine it. […] Maybe, if there had been more time to think about it, and to call people that want to talk about it [that more would have been achieved]. This kind of initiatives were missing."

This lack of time is especially negative for the experimentation with niche-innovations, because professionals get into a 'treadmill' meaning that they experience huge work pressures that hinder them to be creative (Amabile et al., 2002). Yet creativity is needed to nurture experiments (Loorbach and Rotmans, 2010). This could be one of the reasons why many experiments fail as employees have to do it next to their work, not being able to become creative. This is linked to a more general problem, as many innovation projects fail to properly estimate the project duration leaving little space and time to experiment (Amabile et al., 2002). But how much time is actually needed to nurture experiments? And are there only negative effects associated with time pressure?

According to Rycroft and Kash (2002) "time pressures reinforce the path dependence of local learning" (p.27). Hence, if the participants are under time pressure, it will result in local learning which would have been a desirable outcome in the underlying case. In SNM this is called first-order learning (Raven, 2005; Schot and Geels, 2008). However, this will become a disadvantage when the experiments have to be empowered, because it requires learning beyond the local context. This is called second-order learning which means learning about how the lessons learned in the experiments could be translated to general rules and policies (Schot and Geels, 2008).

Future projects will have to find the right balance between creating enough time and not too much time to nurture the experiments to allow for focused and reinforced local learning. Once experiments get closer to the empowerment, more time is needed for learning outside the local context. So far, time management during the experimentation has been neglected in SNM. The results demonstrate that it needs more attention in the future to improve the nurturing process.

Proposition 5: To successfully nurture experiments, top managers need to provide enough time for and devote attention to the project managers and professionals. The more time pressure, the less likely that project managers and professionals are creative and that second-order learning will take place.

Barrier 6: Lack of support

The lack of support was especially evident in experiments 1 and 3. In experiment 1, neither an IT consultant was engaged during the planning nor was there enough support from the assigned IT consultant during the intended start of the experimentation. This resulted in many technical limitations of the client portal which hindered its proper usage. In experiment 3, there was neither support from the regional director even though she was responsible for the nursing home. The project manager of experiment 3 outlined that even the few professionals who tried to do be innovative were "called off":

> "[Being innovative] is a competence we would like our professionals to have. However, if you are adventurous you will be called off. Hence, we say that we want it, but we actually do not really want it, because it is awkward and inconvenient."

This outcome of experiment 3 is supported by van den Bosch (2010) who highlights in one of her studies that one barrier was that professionals felt insufficient support and trust from, and communication with, the top management. Notwithstanding, the results here are equivocal. In experiment 1, the professionals were very much trusted with their nurturing processes. Nevertheless, they were indirectly lacking managerial support as no additional resources in terms of technical support were granted to get the problems with the client portal fixed.

The results coincide with Van Raak et al. who argue that managers have to support and motivate others to advance the change processes (van Raak et al., 1999). They pointed out that support is needed, because the involved actors would otherwise resist the change as the new way of working goes against their existing routines. In experiment 1, however, the problem was that some professionals were interested in the experiments, but the lack of support was a barrier to nurture the experiments. Without the support of the higher level management, employees lose interest in the project and show little creative thinking (Amabile et al., 2002). It can be concluded that the professionals were hindered to be creative owing to the lack of managerial support.

More generally, SNM outlines the need for external support from governments, users and other stakeholders to successfully nurture experiments (Raven, 2005; Caniëls and Romijn, 2008a; Loorbach and Rotmans, 2010). Thereby, organizations need to be committed and make sure that resources are available to support the nurturing of the experiments (Schot and Geels, 2008; Loorbach and Rotmans, 2010). But how is this actually done? Research in healthcare shows that healthcare organizations can chose diverging strategies depending on their visions. Therefore, they need to coordinate their support activities and resources according to their strategic vision (van Raak et al., 1999; Young and Ballarin, 2006; Tataw, 2012). In the underlying case, the experiments were not seen as organizational priorities as for instance the client portal in experiment 1 was merely an add up to the electronic client dossier. The resources necessary were not available to actually experiment with the client portal. Therefore, the following proposition is formulated:

> **Proposition 6:** To successfully nurture experiments, the niche-innovations should not contradict or be in the way of prioritized organizational strategies. Otherwise, the niche-innovations lack the support needed to actually experiment.

3.4.3 Nurturing Phase 3 – Actual start of the experimentation in 2010

Barrier 7: Sense of urgency

Since the network failed to start the experiments, the transition program was threatening to take away the subsidy. The pressure was growing, because they had doubts about the realization of the experiments throughout 2010. The situation stayed unchanged although the network submitted detailed information about the current state of affairs of the experiments as well as an updated planning of the implementation. The network failed to create the sense of urgency to experiment. The meeting minutes of the first steering committee meeting in 2010 reads as follows:

> "Last Wednesday, we […] received a report [from the program-team of the ministry which indicated] that they were not satisfied, and that their doubts have not vanished despite the information about the current state of affairs."

As a consequence, the steering-committee created a sense of urgency to successfully start the experiments. The experiments were pushed by organizing more meetings and discussions with the key actors. Foremost, they tried to

motivate others to participate as well as creating space and providing support to the professionals. Eventually, members of the steering-committee presented the progress of the experiments to the transition program of the ministry. By June 2010, the transition program was convinced about the project and assured the funding till the end of 2010.

Looking at the SNM literature, it can be seen that the sense of urgency is needed to nurture experiments (Raven, 2005; Hofman, 2005; Caniëls and Romijn, 2008a). The sense of urgency can result from environmental pressures (Caniëls and Romijn, 2008a) such as an aging population. Thereby, the sense of urgency can be intensified by either governments (Raven, 2005) or by private organizations (Hofman, 2005). If there is no pressure, many organizations are driven by current economic success, not sensing the urgency to change by ignoring long-term structural challenges (Raven, 2005). Similarly, the underlying experiments were only nurtured when the government pressured the steering-committee which created the sense of urgency. Before, the existing practices were prioritized by the healthcare organizations.

According to the project management literature, the sense of urgency has to be created by top managers and project managers to devote the necessary resources to the project (Eppler and Sukowski, 2000; Biehl 2007). Without the sense of urgency, projects are likely to fail (Biehl 2007). Thereby, project managers have to be careful to balance the sense of urgency to realize the project and the time and space to reflect on the project processes to properly realize the project (Eppler and Sukowski, 2000). If, for instance, the sense of urgency is too strong so that the project manager rushes through the nurturing processes (e.g. building a social network or learning from the experiments) without reflecting on the other actors' perspectives, the experiments will not succeed as seen in the underlying project. In the following, it is shown how the sense of urgency, enabled through monetary pressure, provided motivation and time and support to actually experiment.

The active engagement of relevant actors created enough motivation, time and support to nurture the experiments. As Amabile et al. emphasized, the sense of urgency creates a feeling of importance and encouragement and thus leads to employees being creative (Amabile et al., 2002). Project manager 1 said for instance:

"[…] we had a [first] meeting with all project managers of all projects. I have to say that this really helped me [meaning] that I am not the only one."

Also the professionals and the community stakeholders felt the sense of urgency and slowly got more excited about the experiment creating a certain drive to experiment. Suddenly, managers and professionals took the time to experiment. Project manager 1 emphasized:

"I think it is a nice project. Hence, I am basically working on it every day. Either in my mind, via mails, or right now I am working on a quarterly report for my director. Then the subject automatically comes to the forefront, then I am again busy with the transition program. Thus, it is something that I continuously pay attention to."

Moreover, managers and professionals finally received the support needed. The project manager requested the help of a new IT consultant. She pointed out:

"Only on the last minute the [IT consultant] joint the project-team." Later on she argued that the "IT [consultants] should have done everything to [set up the client portal], then it maybe would have started in a better way."

Eventually, the rising pressure from the transition program forced the project manager 2 to engage community workers in order to establish the experiment more vigorously within the community (building a social network) by discussing and sharing their goal with the key members of the community (managing expectations). At that point, the innovation director directly joined the project to support the project manager and create a sense of urgency. The project manager 2 pointed out:

"The talks with the different stakeholders actually continued till [the innovation director] was ringing the bell and said that according to him the community does not really proceed. Back then [the innovation director] got into the struggle as a big fish [saying that] 'now we are going to sit at the table with the stakeholders. Now we are finding out if a declaration of intent is actually [possible and if] we will support it all together.' Then it worked out."

Experiment 3 was also receiving the support needed eventually. As the pressure from the program-team was mounting, the experiment had to be pushed.

Discussions between the innovation director, the project manager and the regional director clarified the intentions of the experiment so that the regional director got more engaged throughout 2010. The innovation director tried to explain the problematic situation in experiment 3:

> "A huge problem is that [this project aims at] essential changes [of healthcare delivery practices]. […] the professionals get more freedom and space which means that the [director] has to let go. This is solved now, but it took quite some time to get there. […]."

Interestingly, the time available to nurture the experiments did not change. But the attitude towards the experiments and the importance changed. This is what Amabile et al. call the 'protected creativity time' meaning that the project managers and professionals believe that the experiments are important, creating a certain focus on the niche-innovations while protecting it from the everyday practices (Amabile et al., 2002). This is basically the idea how it should be done in SNM. Niches are protected spaces (Raven, 2005; Schot and Geels, 2008). Therefore, the protection has to include the time professionals spent experimenting. Eventually, the network developed a vision on future healthcare delivery practices (e.g. Figure 3.2).

> **Proposition 7:** To successfully nurture experiments, the sense of urgency is needed as it results in the motivation of as well as the support and time for the actors involved, Without the sense of urgency, no experimentation will take place.
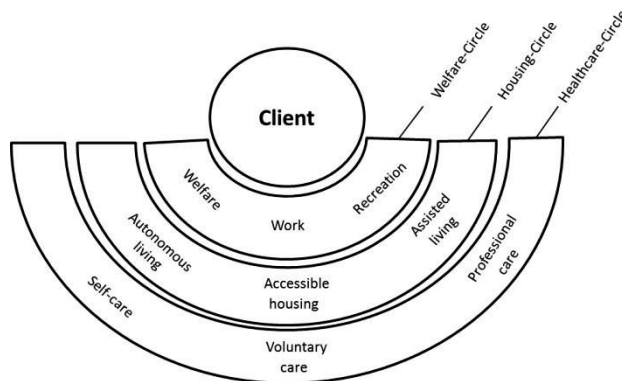
Figure 3.2 Vision on Long-Term Care (TaVW, 2011)

3.4.4 Empowerment Phase – Stabilization of experiments in 2011

Barrier 8: Lack of commitment
At the beginning of 2011, the funding by the government stopped. In May 2011, during the focus group it seemed as if the commitment was there to empower the experiments. However, actually maintaining the experiments during everyday practices has eventually failed by September 2011. In experiment 1, the main reasons were the technical limitations and other priorities such as the electronic client dossier that has been developed. This dossier in turn was linked to the client portals' implementation throughout the whole organization which is going to take much more time than expected. The project manager outlined:

> "[The client portal] is part of our long-term care plan which states that the client portal is requested and needs to be implemented in a certain timeframe."

Nevertheless, the matter has not been urgent enough to be a highly prioritized target by the elderly care organization. In 2011, nobody has picked up the experiments to spread the lessons learned across the organization. Likewise, experiment 2 was lacking commitment, particularly from the community. Nobody was willing to take the lead while all of them wanted to be part of the community. According to the majority of the key stakeholders, the volunteers of the community should have taken over the leadership role. However, the biggest problem was to find committed daily board members for the community center that trigger the community to continue innovating. Project manager 2 said:

> "After ending the project we met up with the municipality, the housing association, the welfare organization, the board members of the community center and the chairman of the community to talk about; what has to be done in order to actually roll out and extend [the community's revitalization]? And then we actually quite quickly decided that if we want to develop something over there that it has to start with the daily board members of the [community center]. […] we have jointly concluded that the current daily board members […] failed to develop a vision that extends the current activities. [Even worse,] some daily board members of the community center stopped so that there are not enough people. [In order to find adequate daily board members] they tried to announce vacancies in the community paper, but there is no reaction on it."

The former project manager was confident that they are going to find adequate board members who are committed to the community, but that this is going to take time. Experiment 3 has also not been able to empower itself into the daily practices even though there was commitment and enthusiasm at the end of 2010. Back then, the regional director finally supported the actions to change the long-term care practices:

> "We definitely want to continue with [the experiment]. But the guaranty lies, of course, low in the organization. There is [the place] where it has to happen. Hence, it is not the director who can make it. But I can create the conditions […]."

During the focus group, project manager 3 was also very confident about the empowerment of the experiments. However, this changed during 2011. It seemed that neither the regional director nor the board provided the conditions to empower the experiments in order to change the long-term care practices. In September 2011, the project manager pointed out that there was a lack of commitment and support from the elderly care organization:

> "[…] as long as the board does not encounter [the lessons learned] in the organizational [operations], and [as long as it does] not transfer responsibilities towards the [professionals], then nobody is going to pick it up. […] It is very difficult [for professionals to change long-term care practices] while being swayed by the issues of the day, [not having the support of the organization]."

By the time the subsidy stopped, the sense of urgency and the commitment from key actors slowly vanished. Participants of experiments 1 and 2 argued that time was needed before the experiments empower. However, it is questionable if the outcomes have been sufficient enough for immediate exploitation or if the incentives to continue with the experiments have not been lucrative enough. It is clear that the created sense of urgency by the transition program was not sustainable throughout 2011.

Contemporary SNM research does not highlight the importance of commitment to experiments during the empowerment of niche-innovations. One reason for this can be the lack of cases that demonstrate the actual empowerment of experiments in everyday practices (Weber et al., 1999; Caniëls and Romijn, 2008a; van den Bosch, 2010). Organizational leaders need to be convinced about the innovation in order to

push it through the organization irrespective of other people's doubts and remaining uncertainties (Hofman, 2005). Particularly during the empowerment, committed leaders are needed who are determined and have the legitimacy to change and spread the sense of urgency to encourage the development of the niche-innovations. Commitment includes the willingness to take risks and to change existing practices which at the same time requires a comprehensive understanding of the context and content (Gable and Shireman, 2005).

Equally, Van Raak et al. (1999) point out the importance of commitment to succeed with change processes. Thereby, project managers can influence the commitment and the continuation of change processes if they show commitment themselves. Contrary to van Raak et al. case, the commitment was not lacking at the start of the change process, but once the subsidy was lifted away and the network was on its own. Hence, it is questionable if the healthcare organizations were really committed to the niche-innovation project. It seemed that the incentive was mainly driven by the subsidy rather than the content. In the end, the barriers to nurture the experiments first slowed down the experimentation and eventually hindered their empowerment.

> **Proposition 8:** To successfully empower experiments, key actors need to be committed to the content of the niche-innovations. Otherwise, the experiments are prone to fail as subsides are lifted away.

3.5 Conclusion

3.5.1 Implications for practice

The close participation of the first author in combination with the semi-structured interviews enabled the researchers to get deep insights into the barriers to nurturing and empowering long-term care experiments. This study provides valuable lessons to advance both, the nurturing and empowerment of empowering long-term care experiments and SNM literature. First of all, the project has shown how difficult it is to nurture and empower experiments that aim at changing long-term care practices. The problems started during the planning of the experiments. Here, managers were lacking time and consultants were neglecting the institutional context while the actual actors concerned such as the project managers, professionals and community stakeholders were not engaged. Too much time was spent on planning the experiments. To enhance the nurturing of experiments in

future niche-innovation projects, the local context has to be considered while planning the experiments. This requires the engagement of project managers, professionals and other actors concerned so that the planning includes the knowledge of the local context.

This has to be followed by nurturing the experiments in a way that a sense of urgency is created. Higher management actors have to encourage project managers and professionals to experiment by highlighting the importance of the nurturing process to the organization. Thereby, professionals have to be protected from everyday practices, since they need enough time and space to be creative so they actually drive the nurturing process forward. Here, projects can learn from Amabile et al. (2002) who emphasize the importance of time and space to be creative and to come up with innovative ideas which is the essential core of SNM. Failing to do so can result in the lack of motivation, time and support which will hinder the continuation of the nurturing process as seen in the underlying case.

It is also crucial that the sense of urgency is not solely generated from the outside (e.g. transition program). The sense of urgency has to be intrinsically driven, from within the healthcare organizations. Hoogma already argued that experiments most likely succeed if the interests of the actors' are not purely financial (Hoogma, 2000). Otherwise, any nurturing and empowerment processes are destined to fail as the commitment and sense of urgency will vanish as soon as the subsidy stops. Consequently, commitment is particularly needed when the subsidy is lifted away which in turn requires the empowerment of the experiments.

3.5.2 Implications for SNM and further research

Contemporary SNM literature fails to incorporate strategic planning processes in experiments. In particular, methods of stakeholder engagement are missing. This includes extended discussions about the communication of roles and responsibilities of key stakeholders, the need for a balance between a sense of urgency and time to experiment and the need for commitment during the nurturing and empowerment process. Although the long-term care experiments have provided first insights into these discussions, future research should elaborate on the link between the nurturing and empowerment processes of experiments, and the strategic planning processes as well as the methods of stakeholder engagement. In so doing, it might be interesting to also learn from strategic process management

which is in a quest to get further insights into ex-ante and ex-post decision making behavior of individuals in processes (Hutzschenreuter and Kleindienst, 2006).

Creativity in nurturing and empowerment processes can be another field of interest for SNM, because niche-innovations require creative thinking. Actors need the time and space to play with concepts and ideas that result in innovative practices that did not exist before (Amabile et al., 2002). Niche-innovation projects might be able to adapt the nurturing processes if our understanding of how creative thinking is triggered in experiments is improved. Future research should elaborate on this.

Finally, the shielding processes need to be scrutinized in future research. The shielding of niche-innovation projects has to be improved, ensuring that healthcare organizations not primarily join for monetary incentives. One idea is to have co-financed subsidies or purely regulative shielding in order to protect those organizations that have created both, a sense of urgency and commitment. This could have positive effects on the nurturing and empowerment processes as the commitment is not entirely driven by the subsidy. Future research has to find out if, for example, co-financed subsidies enhance the nurturing and empowerment processes.

3.5.3 Limitations

There are several limitations of this study. Foremost, the results are based on a single, longitudinal case study. Hence, it is impossible to make bold generalizations regarding the barriers to nurturing and empowerment of experiments. Each barrier was particularly crucial in a specific phase, but not in other ones. Future research has to find out if this is true in other projects as well or if a certain barrier arises in multiple phases. Nonetheless, the results here provide some first insights that might be helpful to avoid making the same mistakes in future projects.

Another limitation is the possibility of an observer bias of the first two authors who might have misinterpreted the observations (Sekaran, 2003). To control for this it was checked for inter-observer reliability (Sekaran, 2003) between the first and second author. Furthermore, a respondent bias might have occurred due to the presence of the researchers in the experiments (Sekaran, 2003). However, according to Sekaran this is particularly evident in the very early phases of projects and during short projects while the participants get used to the researchers in long-term observations.

Furthermore, the perspective of the client was not incorporated. It would be interesting to find out in how far they were affected by the barriers to nurturing and empowering the experiments and how they perceived the end of the project. More research is needed to answer these questions. Generally, more research is needed to validate these outcomes and to advance the theoretical insights in SNM. Especially the empowerment processes have to be scrutinized. It seems rather likely that more barriers will arise during the empowerment processes if the top management is committed to the experiments. Thus, future research has to study the nurturing and empowerment processes in other projects.

Acknowledgements/ Source of Funding

Chapter 4

An organizational perspective on transitions and the barriers to empowerment[7]

Abstract

This study takes on an organizational perspective to empirically explore the barriers to empowering niche-innovations. A niche amounts to a protected space in which actor networks can experiment with innovations without being constrained by the rules of the regime. Empowering is concerned with moving the niche beyond the protective space, being able to challenge and change regimes. The multi-level perspective on transitions distinguishes between the landscape-, the regime- and the niche-level. The landscape pressures the regime and creates windows of opportunities for niches which in turn can become empowered to change the regime. What is missing is an organizational view on the multi-level perspective. Hence, the barriers to empowering the niche-innovations into organizational strategies were explored in a longitudinal, qualitative study. The analysis resulted in seven barriers. These included the foreclosure of existing and potential alliances, power struggles between niche and organizational actors and ongoing organizational restructuring processes. Eventually, the niche-innovations were not empowered. In conclusion, niche actors have to form networks that possess necessary resources and capabilities to possibly empower niche-innovations. Therefore, the organizational perspective has to be considered when starting the niche and not just before the end of the subsidy.

Keywords

Niche, Organizational perspective, Strategy, Actors, Empowerment, Protection.

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[7] A preliminary analysis of the chapter was presented and published at the HaCIRIC (The Health and Care Infrastructure Research and Innovation Centre) Conference 2011 in Manchester, United Kingdom. The paper is available in the conference proceedings. Currently, the paper is about to be re-submitted.

4.1   Introduction

Research on sustainability transitions is required, because existing regimes such as the energy system, the transportations system or the healthcare system are pressured by for instance increasing pollution (Markard et al., 2012). Examples of enabling a transition are provided in the energy system, trying to replace fossil fuels with renewable energy sources (e.g. Raven, 2005; Hofman, 2005) or in the transportation system, trying to replace combustion engines with electrical engines (e.g. Schot et al., 1994; Weber et al., 1999). Van den Bosch's (2010) thesis on transition experiments is one of the rare examples that deal with sustainability transitions in the long-term care. Over the past 15 years, various researchers have already developed theoretical frameworks and approaches to study sustainability transitions.[8] However, research on transitions is still in the early stages of development while it has been predominantly applied in the energy, transportation and water system (Markard et al., 2012). Empirical analyses based on the transition theories in other domains such as the healthcare system are needed to advance the insights into transitions (Sustainability Transitions Research Network (STRN), 2010; Markard et al., 2012). In so doing, the goal here is to advance the theoretical and empirical insights into transitions. Thereby, this paper draws attention to two shortcomings of the transitions literature: (1) the lack of empirical insights into the *empowerment* of niche-innovations (Smith and Raven, 2012) and (2) the lack of considering the *organizational perspective* in transitions (Markard et al., 2012).

Hitherto, there are no empirical insights on how to empower niche-innovations (Weber et al., 1999; Hommels et al., 2007; Schot and Geels, 2008; Caniëls and Romijn, 2008a; van den Bosch, 2010; Smith and Raven, 2012). One problem is that most studies on niche-innovations focus on the initiation of networks and the execution of the experiments, with less known about the subsequent process steps such as the empowerment of niche-innovations (e.g. Weber et al., 1999; Hommels et al., 2007; Schot and Geels, 2008; Caniëls and Romijn, 2008a, 2008b; Smith and Raven, 2012). In fact, many experiments dissolve at the end of the experimentation period, with neither follow-up experiments, or projects, nor strategies being developed (e.g. Weber et al., 1999; Hommels et al., 2007; Schot and Geels, 2008) nor institutional changes achieved (Smith and Raven, 2012) so that regimes did not change.

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[8] See Markard et al. (2012) for an in-depth overview of the different theoretical frameworks. They elaborate on four essential theoretical frameworks to study sustainability transitions, namely, transition management (TM), strategic niche management (SNM), multi-level perspective (MLP), and technological innovation systems (TIS).

One problem is that previous transitions research neglected the importance of considering the organizational perspective in transitions. When other cases talk about empowering niche-innovations into the system they imply that these are, at least partly, embedded in the existing organizational structures (e.g. Kemp et al., 1998; Raven, 2005; Schot et al., 1994; van den Bosch, 2010; Weber et al., 1999). Supposedly, other niche-innovations have been confronted with the empowerment from the niches into the organizations. For example, in Schot et al. (1994) study on electric vehicles in the automobile industry, research and development departments experimented with niche-innovations which then had to be empowered in the organization. They highlight that the "main barrier in the case of electric vehicles is the scale of use and production. A small scale not only implies high production costs of vehicles and infrastructure, it also means that for instance a network for services and maintenance is less likely to be organized." (p.1073). Yet this was not further considered in transition studies as the primary concern was the empowerment of the niches into the systems (e.g. Geels and Schot, 2007; Smith and Raven, 2012).

Therefore, this study proposes a different level of analysis by considering the empowerment from the niche into *organizations* instead of the regimes. This results in two different empowerment contexts, (1) one that empowers the niche-innovations from the niche into organizations and (2) a second one that empowers the innovations from the niche or the organizations into the system. Markard et al. (2012) already suspected that more in-depth studies would "result in conclusions for innovation management at the organizational level" (p.962). It can be argued that niche-innovations have to be empowered into both, organizations and regimes. In so doing, niche actors can use mechanisms to empower niche-innovations into the regime for empowering them into the organizations. They can, for example, convince organizational actors through lobbying and promoting the niche-innovations. This is what Smith and Raven (2012) describe as "inserting the niche into broader policy discourses about institutional reforms for sustainability" (p.1033). This can be adjusted to the organizations, inserting the niche into broader *managerial* discourses about *organizational* reforms for sustainability.

Apparently, previous niche-innovations failed to empower niche-innovations into either the organizations or the regime (e.g. Kemp et al., 1998; Raven, 2005; Schot et al., 1994; van den Bosch, 2010; Weber et al., 1999). Thus, it is important to understand why niche-innovations fail to empower. Here, we are particularly

interested in why niche-innovations do not empower into organizations and organizational networks as previous research has not considered this context. The key question is: *What are the barriers to empowering niche-innovations into organizational networks?*

To answer the research question, the empowerment is studied in a long-term care (LTC) niche-innovation project. The project was part of a transition program for LTC that was initiated and subsidized by the Dutch healthcare ministry. Unlike previous studies which have retrospectively analyzed niche-innovations (e.g. Kemp et al., 1998; Raven, 2005; Weber et al., 1999), this research is based on a longitudinal study. The advantage was that the empowerment of the niche-innovations was studied over time. In so doing, qualitative data were gathered to answer the research question. Next, the organizational perspective on transitions is outlined. Then, we describe how the empowerment of the niche-innovations was studied. Subsequently, the results are presented and discussed before the conclusions are drawn. Finally, the limitations of this study and the recommendations for further research are addressed.

4.2   Theoretical framework

4.2.1 The organizational perspective on transitions

As outlined in the introduction, we take on an organizational perspective to look at transitions. So far, this perspective has received limited attention in the transitions literature (Markard et al., 2012). It is important to realize that niches are not only placed outside of systems, but also outside organizational structures (Cramer et al., 2014). By this means, niches are located in a space that is protected from both, the system and organizational structures (Cramer et al., 2014). Form an organizational perspective, this also means that the niche can be seen as part of the external environment. Generally, organizations look into their external environment to identify opportunities and threats for their organization, then forming strategies that link internal strengths and weaknesses to the external environment to minimize threats and exploit opportunities (Barney and Hesterly, 2008; Grant, 2006; Mintzberg & McHugh, 1985; Porter, 1981). Consequently, the niche can be viewed as an opportunity or as a threat to the organization in strategy formation processes.

Similar to a regime, organizations contain their own concept of regulative, normative and cognitive rules within the boundaries of the regime's rules.

"Examples of regulative rules are regulations, standards, laws. Examples of normative rules are role relationships, values, behavioural norms. Examples of cognitive rules are belief regimes, innovation agendas, problem definitions, guiding principles, search heuristics." (Geels and Schot, 2007, p.403). The rules can vary across organizations as different organizations have different rules and structures. We argue that this context specificity has to be considered when trying to empower niches into the organizational strategies irrespective of the domain that is studied.

To find out how organizations perceive niches, Grant's (2006) framework for strategy analysis is used which links organizations with their external environment through organizational strategies. Organizations are defined by their "goals and values, resources and capabilities, [and their] organizational structure and systems." (Grant, 2006, p.12). Similar to the definition of a regime in the transitions literature (e.g. Geels and Schot, 2007; Raven, 2005), Grant outlines that the "external environment of [organizations] comprises the whole range of economic, social, political, and technological factors that influence a [organization's] decisions and its performance." (p. 13). The external environment influences organizational strategies. "The task of […] strategy, then, is to determine how the [organization] will deploy its resources within its environment and so satisfy its long-term goals, and how to organize itself to implement that strategy." (Grant, 2006, p.13). In this study, the external environment is viewed as the multi-level perspective on transitions (MLP) which is presented next.

4.2.2 Multi-level perspective and the empowerment of niche-innovations

The MLP on transitions distinguishes between three levels: the socioeconomic landscape level, the socio-economic regime level, and the niche level (Geels and Schot, 2007). The landscape level represents long-term developments such as an aging population or climate change that cannot directly be influenced by the niche or regime level. It can put pressure on the socio-economic regime as, for example, an aging population is putting pressure on the socio-economic healthcare regime.

A *socio-economic regime* can be described as "a dynamic concept [of] rules (regulative, normative, and cognitive), embedded in human actors" (Raven, 2005, p.31). Owing to the landscape pressures (e.g. an aging population) the socioeconomic regime (e.g. the healthcare regime) slowly destabilizes and creates windows of opportunities for niche-innovations (Geels and Schot, 2007). A *niche*

is a protected space in which networks can experiment with radical innovations with the goal of changing the socio-economic regime (Raven, 2005). Regimes are relatively structured and stable in comparison with niches which are surrounded by high levels of uncertainty resulting in less stability (Geels and Schot, 2007). Government programs can protect niches against the regulative rules of the existing regime as well as against competition through granting exemptions from regulative rules and subsidies which also increase the stability of niches (Caniëls and Romijn, 2008a; Hommels et al., 2007).

Eventually, niches can be empowered by engaging regime actors through lobbying and second-order learning processes (e.g. learning about regulative, normative and cognitive rules of the system to change them) which result in a more structured and stable niche that can change or replace the existing regime (Geels and Schot, 2007, Smith and Raven, 2012). As outlined in the introduction, there are no empirical insight into the empowerment of niche-innovations. A problem is that researchers overly focused on shielding (e.g. subsidizing niches) and nurturing experiments (e.g. forming networks, pursuing and learning from experiments) such that we do not know how these experiments can be empowered to change the systems (Hommels et al., 2007; Smith and Raven, 2012). In response, Schot and Geels (2008) suggest to extend research on the empowerment of niche-innovations with a particular focus on how protection is provided. This is in line with Smith et al. (2010) who argue that research should focus on "the process by which niche-innovations move beyond the initial protective space. That is, how are learning-by-doing experiences transferred beyond the niche context? How do practices (embedded configurations) replicate, scale up, or translate into other application contexts?" (p.445). This study particularly scrutinizes the barriers to empower niche-innovations into organizations. Figure 4.1 illustrates the organizational perspective on the multi-level perspective on transitions.
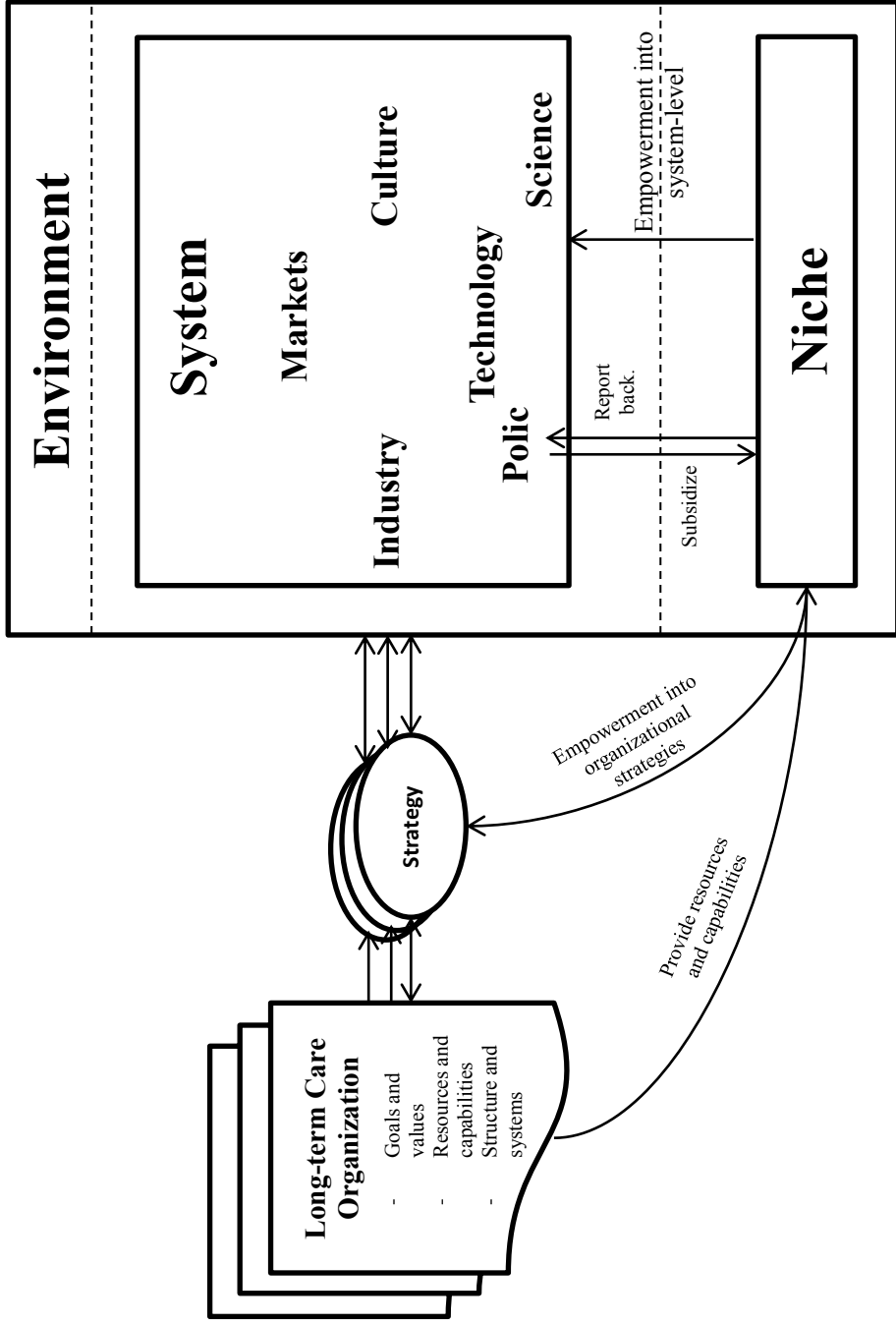
Figure 4.1 The organizational perspective on the multi-level perspective on transitions

4.3   Research methodology

4.3.1 Case domain

So far, most research on sustainability transitions has been dealing with the energy system, the transportations system or the water system which are pressured by for instance increasing pollution (Markard et al., 2012) whereas transitions research on the healthcare system has been almost neglected. Consequently, in their mission statement, the STRN calls for research that uses the theoretical frameworks and approaches to study sustainability transitions in healthcare (STRN, 2010). For that reason, this paper aims at advancing the insights into transitions by empirically exploring the empowerment of niche-innovations into organizational strategies.

Envisioned empowerment

To be able to answer the research question we studied an organizational network that participated in the Dutch *transition program* for long-term care[9]. The program wanted to deal with today's LTC system which is pressured by an aging population (e.g. De Blok, et al., 2009; United Nations, 2010) increasing LTC expenditures (Pavolini and Ranci, 2008) and the scarcity of care professionals (Bettio and Verashchagina, 2010). Simultaneously, the regime is being confronted with pressures to increase the quality of care and design tailor-made solutions (Blanken and Dewulf, 2010). In response, governments need to provide conditions that enable transitions toward new sustainable regimes.

The network we studied consisted of an elderly care organization (eCare), a mentally-disabled care organization (mdCare), a project development group (*PDG*), a network firm (*NF*) and a research institute for applied research (*RIAR*). The vision of the network was to experiment with radical LTC innovations and empower them into an *integrated area and LTC delivery projec*t to cope with aforementioned problems. The idea was that people can live at home or in their

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[9] The Dutch Ministry of Health, Welfare and Sport initiated a *transition program* for LTC that enabled 26 assorted niche-innovation projects throughout the Netherlands. The data illustrated here were gathered from one of the niche-innovation projects. The transition program ran from 2007 to 2010 and was part of the "AWBZ Covenant 2005-2007", financed by the AWBZ (Algemene Wet Bijzondere Ziektekosten - the Exceptional Medical Expenses Act in English) which is the national insurance scheme for LTC (van den Bosch, 2010; p.155). As such, €90 million were invested in long-term care innovations including the transition program (van den Bosch, 2010). The transition program aimed to stimulate radical innovations that would help to accommodate the pressures, such as an aging population. Providing space, experimenting, and creating a vision of future LTC provision were key aspects of the transition program. The program's expectations were that the niche-innovation projects would learn from experiments in order to start changing the system.

community as long as possible through delivering demand-driven care, suitable housing facilities, and voluntary care. As, for instance, volunteers take over simple care activities or clients take over planning responsibilities, professionals have more time to delivery professional care to more clients.

Initiation and network governance of the niche-innovation project
In 2004, *PDG, NF* and a small elderly care organization (*eCare-small*) formed a network to deliver integrated LTC. In 2006, the network's efforts were put on hold as eCare-small merged with another, larger elderly care organization (*eCare-large*) which resulted in *eCare*. In 2007, given the existence of a Dutch transition program, *mdCare* and *RIAR* were asked to join the *network* to apply for a subsidy of the Dutch transition program. In 2008, the transition program granted the network a two year subsidy for the years 2009 and 2010. As such, the transition program financed the niche-innovation project while the organizations provided facilities and manpower.

The niche actors formed a steering committee which governed the niche-innovation project while a consortium team supported the experiments' learning processes. Besides, a business case team was set up to develop a business case for future integrated LTC projects. NF was represented by two consultants in these teams while the other organizations each had three representatives in the three teams. ECare, represented by their innovation director, was the key stakeholder in the network. Due to their size, having more employees, clients and revenues than mdCare, and by providing the space and facilities to experiment, they were the driver of the project. The different roles and the size of the organizations are listed in Table 4.1.

Table 4.1 Summary of the network stakeholders

#	Name	Role in network	Total # of employees	Total # of clients	Revenues in million €
1	eCare	- Providing locations for experiments - Secretary role of the network	>5000	>8000	Between 170-200
2	mdCare	- Providing insights into demand-driven care and small-scaled housing	>1000	500-600	Between 40-50
3	PDG	- Adding the area development component for the integrated project	/	/	/
4	NF	- Adding contacts and tools	/	/	/
5	RIAR	- Adding research expertise	/	/	/

Experiments

The network conducted three experiments (niche-innovations) that addressed IT in LTC, community care and the delivery of demand-driven care. Even though they were taking place in eCare, the experiments – including the managers, professionals and clients – were separated from the everyday organizational structures, being in a protective space supported by the network. Next to the experiments, the network evaluated existing small-scaled housing projects and developed a business plan for possible future small-scaled housing projects that combine elderly and mentally-disabled care.

In the '*IT in LTC'* experiment, the network set up and experimented with a client portal that enabled homecare and nursing home clients to receive insights into and manage their LTC provision through exchanging messages with professionals. This experiment aimed at fundamentally changing the relationship between the client and the professional. The goal was to enable clients to take over the planning of their own LTC provisions from home to give more responsibilities to clients and simultaneously ease of the planning efforts of the professionals. By this means, professionals had to listen to their clients' needs rather than just providing care. In the beginning there were many problems with the software (slow, limited functionalities) as well as with the hardware (many elderly are not used to computers). Throughout the experimentation, the usability was improved.

The '*community care*' experiment considered a fragmented community. The goal was to revitalize the community to improve its social cohesion as well as to enable people to stay in their own homes as long as possible, even if they needed care. This has been very difficult at first, because the residents have been used to live a very individualistic life. It took time to engage many residents into community activities and to revitalize the community center. Towards the end of the experimentation, the residents became much more engaged.

The experiment on '*delivering demand-driven care*' was about changing the culture from supply-driven into a demand-driven LTC delivery. Professionals were asked to start listening to the clients' needs rather than providing a standard form of LTC that was dependent on the medical indication which in turn was determined by their insurance policy. This was perceived to be very radical so that many professionals resisted this change at first. In fact, it was very difficult for both, the professionals and the clients, because they had to change their behavior. The

professionals were confronted with the difficulty to switch back and forth between the experiments that took place in one department while they had to obey the rules of the organization in the other departments. NF organized special trainings for the professionals to help them to develop a demand-driven culture. In the end, the professionals were very enthusiastic with this new way of working, such that they wanted to only work in the niche.

Another part of this experiment was dealing with the interaction between mentally-disabled and elderly clients. MdCare has had a location across the eCare location. Before the experiment, there was no contact between these two locations. They organized various activities (music nights, barbeques) to bring these two groups together. This established connections between them. For example, some elderly clients were reading books to the mentally-disabled, or one mentally-disabled client went to the nursing home to help preparing dinner. Another mentally-disabled client regularly came over to the nursing home to smoke a cigarette. This resulted into new insights in the compatibility of the two client groups.

Strategy formation in the network
To form a strategy for empowering the experiments into the integrated project, the innovation director and the CEO of mdCare perceived eCare and mdCare as the only real stakeholders while the other stakeholders in the niche were viewed as supporters of the niche. They perceived the experiments to be successful which also continued in their local contexts during the first half of 2011. At the end of 2010, a workshop was organized with the niche and organizational actors of eCare and mdCare to form a joint strategy among the niche and the two organizations for empowering the experiments into an integrated area and LTC delivery project. Several areas for empowering the niche-innovations in an integrated project were evaluated. One of them was an industrial area that was about to be transformed into a residential area with more than 200 new houses. Yet the niche actors and the two LTC organizations were not able to form joint strategy. Next, we describe how the data were gathered and analyzed in order to be able to understand why the empowerment of the niche-innovations into a joint strategy failed.

4.3.2 Data collection

Data was gathered through conducting ethnographic interviews, collecting documents and participating in meetings. To this end, the first author participated in the network by becoming a member of the steering committee as well as of the consortium team at the beginning of 2010. The second author was also a member of the steering committee. The first author was able to gain deeper insights and clarify doubts through casual exchanges during meetings, phone calls, and e-mails as well as by gaining access to documents. Further, the first author also participated in operational-level project meetings related to the experiments.

The first author carried out fourteen semi-structured, open-ended interviews which were held, recorded and transcribed in Dutch. Since the empowerment of niche-innovations is concerned with changing culture, practices, and structures (e.g. Smith and Raven, 2012; van den Bosch, 2010), ethnographic interviews were conducted. "Ethnography is the work of describing a culture. The essential core of this activity aims to understand another way of life from the native point of view. […]. Rather than studying people, ethnography means learning from people." (Spradley, 1979, p.3). Here, culture "refers to the acquired knowledge that people use to interpret experience and generate social behavior." (p.5). Spradley further argues that "the essential core of ethnography is [this] concern with the meaning of actions and events to the people we seek to understand." (p.5). Applying this viewpoint here, different actors from the niche and the organizations were interviewed in order to take on their perspectives and understandings of what happened before and during the intended empowerment of the niche-innovations.

The interviewees were chosen based on their importance to the process and included both niche and organizational actors (Table 4.2). Nine of these interviews were conducted with the key members of the niche and another five interviews were conducted with organizational actors who were not participating in the niche-innovation project. They were important due to their power to take decisions for and against the continuation of the niche-innovations. These included the CEO of eCare and the CFO of mdCare.

In addition, a workshop with eCare and mdCare took place at the end of 2010. The workshop was facilitated by the first two authors and addressed the empowerment of the niche-innovations by learning from the experiments in order to develop a strategy for an integrated area and LTC delivery project. The workshop was based

on the observations, interviews, and documents gathered throughout 2010. The workshop was videotaped and transcribed. The data collection is summarized in Table 4.2.

Table 4.2 Data collection and overview of actors

Group	Role	Key actors
Niche Actors		
Niche-innovation project - Steering committee	Governing the project	1. Innovation director eCare [ab] 2. CEO mdCare [ab] 3. Consultant 1 PDG [a] 4. Consultant 1 RIAR 5. Consultant 1 NF 6. Program team manager 1 [a] (& 2) 7. University member 1 8. University member 2 9. Consultant 3 PDG [a]
Niche-innovation project - Consortium team	Supporting the learning process from the experiments	1. Innovation director eCare [ab] 2. CEO mdCare [ab] 3. Manager 1 mdCare [ab] 4. Consultant 2 PDG [ab] 5. Consultant 2 RIAR [a] 6. Consultant 3 RIAR 7. Consultant 2 NF 8. Program team manager 1 [a] (& 2) 9. University member 2 10. Consultant 3 PDG [a]
Business case team	Developing a business case for the integrated healthcare delivery project	1. Consultant 3 RIAR 2. Manager 1 eCare 3. Manager 2 eCare 4. Manager 2 mdCare [ab] 5. Consultant 3 PDG [a]
Organizational Actors		
Powerful actors from the organizations	Key decision makers in the LTC organizations	1. CEO eCare [a] 2. CFO mdCare [ab] 3. Regional director 1 eCare [ab] 4. Regional vice-director 1 eCare [a] 5. Regional director 2 eCare [ab]
[a] **Interviewed** [b] **Participated in the workshop**		

4.3.3 Data analysis

NVivo, a qualitative data analysis software (e.g. Bazeley, 2007), was used to organize and code the data so as to be able to answer the research question: w*hat are the barriers to empowering niche-innovations into organizations?* A clear analysis procedure enables one to better examine the quality of analysis (Boeije, 2002), and ours is outlined below. Triangulation was used to improve the analysis: "triangulation is supposed to support a finding by showing that independent measures of it agree with it or, at least, do not contradict it." (Miles and Huberman, 1994, p.266). Based on Miles and Huberman, three kinds of triangulation were applied in our analysis. The first was method triangulation, achieved by participating in meetings, interviewing actors, and collecting and reviewing documents. The second was triangulation by data source: observing and interviewing different actors, at different times and in different places. The third was triangulation by researcher, with the first two authors being able to discuss their observations and check inter-observer reliability (e.g. Sekaran, 2003) while the third author was able to reflect on the process by not being engaged.

The organizational perspective was used as a starting point for the analysis. A priori constructs were the characteristics of organizations (Grant (2006): goals and values, resources and capabilities, structures and systems) which were used for eCare, mdCare as well as the niche. As the niche was placed outside the organizations, it was seen as an external entity having its own goals, values and structures. In accordance with Boeije (2002), the first step was a "comparison within a single interview" (p.395) which was conducted with the innovation director of eCare, who was also the head of the steering committee. He was the central figure of the network and therefore a good starting point in analyzing the data. A line-by-line analysis helped to define the different fragments. Here, it was important to determine whether the fragments of the codes were meaningful, while also judging if the codes were relevant for answering the research question (e.g. Boeije, 2010). The codes were taken from the literature if the fragments fitted the existing concepts. Otherwise, the codes were given names as they were identified in the data. This fragment is then compared with other fragments of the interview to see if there is more evidence of the issue referred to in the derived code (e.g. Boeije, 2002).

The second step is to compare the fragments and codes with those from the other interviews that were conducted between March and May 2010. This involved both open and axial coding: exploring if new codes emerge and substantiating existing codes. Further, the axial coding was used to see if the fragments of the codes were correctly coded (e.g. Strauss and Corbin, 2007). The third step was to compare the codes from the interviews with the documents, observations, and meeting minutes. Again, new codes emerged and existing ones substantiated. Further, an attempt was made to reach a more abstract level of understanding by forming categories and sub-categories based on the codes.

Subsequently, a more focused data collection period between May and November 2010 allowed the us to obtain information about the organizational context and about the interaction of the niche- and organizational-level. The interviews with the organizational actors enabled a comparison with the existing categories. These actors were not engaged in the niche, but had to be engaged to empower the niche-innovations. Additionally, several cluster analyses, by code and wording similarity, were carried out to explore the relationships between the various codes and to either subdivide or merge the codes where possible into categories and sub-categories to reach a higher level of abstraction. Next, it was checked whether the derived categories had sufficient detailed fragments or if additional data were needed. The final coding procedure is selective coding to determine those categories that are important for answering the research question (Boeije, 2010). Additional data from the workshop, the final meetings, and project evaluation reports were used to verify the codes. Data collection continued until no new evidence was found such that saturation had been achieved (e.g. Suddaby, 2006). Finally, the coding procedure is summarized in Table 4.3.

Table 4.3 Summary of the coding procedure (based on Boeije, 2002)

Step	Type of Comparison	Analysis activities	Aim	Questions	Results
1	Comparison within the interview with the innovation director of eCare.	Open and axial coding; - Line-by-line analysis - Determine if the fragments of the codes are meaningful - Judging if the codes are appropriate for answering the research question	Explore codes and develop categories to answer the research question. Use the organizational characteristics as guidance.	"What is going on here? What is it about? What is the problem? What is being observed here? What is the person trying to tell? What does this term mean?" (Boeije, 2010, p.99).	Code tree Conceptual profile
2	Comparison between interviews within the same group - that is niche actors who share an experience.	Open & Axial Coding - Explore new codes - Substantiate the existing codes and categories - Create or subdivide categories	Conceptualization of the subject	Is A talking about the same as B? What do the interviews reveal about the category? What combinations of concepts occur? What interpretations exist for this? What are the similarities and differences between the interviews?	Expansion of code words Description of concepts
3	Comparison of other data such as observations, meeting minutes, and documents.	Triangulation by method	Enriched information	What do the meeting minutes and documents say about the derived codes and categories? Are there similarities or differences? Are new codes emerging?	Verification of provisional knowledge of interviewees
4	Comparison with interviews from groups with different perspectives. Here, organizational actors that are not engaged in the niche	Triangulation by sources	Complete picture and enriched information	What do the niche actors say about certain themes and what do organizational actors say about the same themes? What themes appear within niche actors and not in the organizational actors and vice versa? Why do they see things similarly or differently? What nuances, details, or new information do the organizational actors supply about the niche actors?	Verification of provisional knowledge of interviewees Additional information
5	Comparison with a workshop and additional data from the final meetings and the evaluation reports.	Selective Coding - Summarizing the relationships - Finding consensus in the interpretations	Conceptualization of barriers and understanding of the interactions between niche and organizational actors	How do niche and organizational actors view the empowerment? Are there contradictions/agreements between them? What are the main barriers and how are they resolved?	Conceptual profile of barriers Inventory of central issues

4.4 Results

In total, seven barriers to empower niche-innovations into the joint strategy of the organizational network (eCare & mdCare) were identified based on the three characteristics of organizations (goals and values, resources and capabilities, organizational structures and systems). These barriers were the (1) *conflict in timing the empowerment,* the (2) *lack of mutual understanding* to empower the niche-innovations, (3) *cultural differences* between the organizations, the (4) *lack of resources*, a (5) *conflicting organizational restructuring* of eCare, (6) *power struggles* between niche and organizational actors, and the (7) *increasing network complexity* as the niche network had to be embedded in the existing organizational networks. The barriers and the propositions that are derived in section 5 are summarized in Table 4.4. The core concepts and illustrative data are presented in the appendix in Table A4.1. In the following, the barriers to empowering niche-innovations into the joint strategy of the organizational network are presented.

Table 4.4 Summary of barriers and propositions for future niche-innovation projects

Charac-teristics	Barrier	Niche	eCare	mdCare	Propositions
Goals & Values	Barrier 1: Conflict in timing the empowerment	Ambivalent goals in achieving the empowerment. The niche actors did not agree on a shared timeframe to realize the project.	Aiming at a growth strategy, starting new projects quickly. Yet eCare actors are doubting the sophistication of the niche-innovations.	Aim at stabilizing the current situation. The organization is growing too fast.	Proposition 1: To empower niche-innovations, the protection of niches has to be lifted away in accordance with the sophistication of the niche-innovations and not according to a pre-defined schedule determined by policymakers.
	Barrier 2: Lack of mutual understanding	The niche actors thought that eCare and mdCare were font of the niche and the integrated project.	Organizational actors had difficulties in understanding the goal and value of the integrated project	Organizational actors did not really know what going on in the niche	Proposition 2: To create a mutual understanding between niche and organizational actors during the empowerment, they have to exchange, debate and align their goals and values about the empowerment of the niche-innovations.

	Barrier 3: Cultural differences	The idea of the niche was in conflict with the values of eCare. LTC is delivered bottom-up, viewing the client at the center of all activities.	Spends a lot of time planning and evaluating before taking action. LTC is delivered top-down, viewing the services at the center of all activities.	Quickly taking decisions to react to changes in the environment. LTC is delivered bottom-up viewing the client at the center of all activities.	Proposition 3: To avoid cultural conflicts during the empowerment, cultural differences between niches and organizations as well as across organizations need to be acknowledged as part of the transition by both, niche and organizational actors.
Re-sources & capabilities	Barrier 4: Lack of resources	Had no resources and capabilities other than those provided by the organizations and the transition program.	Worried about financing a capital intensive integrated project	Lack of finances and manpower to realize the integrated project due to other ongoing projects	Proposition 4: To empower niche-innovations, niche networks have to make sure that enough resources and capabilities (e.g. finances, labor capacity) are available before the empowerment process is started.
Organizational Structures & Systems	Barrier 5: Conflicting organizational restructuring	Niche actors were not fully aware of the ongoing processes in eCare.	Recent merger resulted in current organizational restructuring and internal focus.	/	Proposition 5: To empower niche-innovations, niche networks have to encounter and monitor ongoing organizational developments.
	Barrier 6: Power struggles	Niche actors were worried about the power imbalance of the innovation director in the niche and in eCare.	The innovation director has lost his powerful position in the organization due to the merger, not being able to take decisions.	/	Proposition 6: To avoid power struggles between niche and organizational actors during the empowerment, powerful organizational actors have to be engaged into the niche before and not while the protection is lifted away.
	Barrier 7: Increasing network complexity	The niche network was set-up outside the organizational structures of eCare and mdCare.	Was facing conflicts with PDG of the niche network while being worried to foreclose alliances with other organizations by entering the niche network	/	Proposition 7: To avoid the foreclosure of alliances during the empowerment, the niche network should not contradict existing organizational networks from the outset.

4.6.1 Goals and Values

Conflict in timing the empowerment

The problem was that the various actors had different goals about *when* to realize the empowerment. Thereby, the timing of the empowerment was much more dependent on the end of the subsidy rather than the sophistication of the niche-innovations. This created a sense of urgency that was not necessarily in line with the sophistication of the niche-innovations:

> Manager 2 of mdCare said: "I find the pace of [empowering the niche-innovations in an integrated project] too fast. … If you don't watch out, you're going to skip all kinds of steps. … I understand that we want to realize the [integrated area], but we don't have the necessary experience of combining mentally-disabled care clients with elderly care clients …"

The various niche actors had different goals when to empower the niche-innovations. Particularly the consultants of PDG felt the sense of urgency to quickly start the integrated project while the members of the LTC organizations were hesitant. While the innovation director wanted to timely realize the project, the mdCare niche actors perceived the pace of empowerment as too early:

> Consultant 2 PDG: "My dream is that we have two locations where we really start to realize the [integrated LTC project] after the first of January 2011 [… so that clients] can be placed in it in 2012. ..."

> Innovation director: "[…] I think within five years we have to be happy to have realized the [integrated LTC project]. […]. It takes time."

> Manager 1 mdCare: "It's all going too fast. It's nice to already talk about it. That you brainstorm about it. But, it is going too fast to develop all that."

On the organizational level, the actors of eCare aimed at a growth strategy, trying to realize new projects as soon as possible while the CFO of mdCare was outlining that they would not start any new projects soon:

> Regional director 2 eCare: "Within [our organization] we have the desire to expand. We are looking for different locations for [realizing nursing homes] and home care [services] …"

CFO mdCare: "[We (mdCare) are currently working on two small-scaled housing projects at two different locations which] are the only places where we are working in an innovative way. The experiences will be used for the rest of the organization. We are limiting ourselves to these two places since the management team does not want to take it a step further yet …"

Notwithstanding, the innovation director of eCare and the CEO of mdCare wanted to start a joint strategy formation process towards empowering the niche-innovations into the integrated project. As they tried to move the niche-innovations out of the niche into a joint strategy of the LTC organizations, other barriers to the empowerment arose.

Lack of mutual understanding

There was a lack of mutual understanding between the niche and organizational actors regarding the value of the niche and the need for empowerment. By the time the organizational actors started to become engaged, it turn out that they had difficulties to understand what the niche-innovations were about:

Regional director 1: "The presentation that [the innovation director and the consultant 3 of the research institute] showed to the [regional director 2] and me, we perceived it as too vague. … If [the niche-innovations] have an added value is not clear to me... The idea that I understand from the presentation from [the innovation director] is that there are also people who just live in the area and that they do something together. But [how to get from] the different concepts to the complete concept is not clear to me. That's where I am losing it. What is it actually? … I also found that too many times other terms were used while we actually could say: old wine in new bottles. …"

Regional vice-director 1 eCare: "It is a terribly complex construction. If you plan a project it should be immediately understandable. [The niche-innovations] were explained several times, but it is too complex."

CEO eCare: "I don't know what you mean, because the [integrated project] has different meanings in our organization …"

CFO mdCare: "I do not have an up to date picture of the total project. … I am not really involved."

While the niche actors have been able to form a shared vision and learn from the experiments, the organizational actors only got confronted with the innovations at the end of the experimentation. For them, the niche was something new. This made it more difficult to empower the niche-innovations and was further intensified by the cultural differences between the organizations and the niche and between the organizations.

Cultural differences
The idea of the niche was in conflict with the values of eCare. The niche delivered LTC bottom-up, viewing the client at the center of all activities while the eCare delivered care top-down, viewing the services as central. The niche actors perceived that the niche-innovations were radically different from the ongoing organizational culture. The innovation director said:

> "The resistance is especially in the cultural change. Not so much in the mode of operation, but another way of thinking. That provides room for people, citizens, residents, but also professionals, whereas the focus was on control up until now."

Not all organizational actors agreed on this, having difficulties to change their mode of operation according to the values of the niche. Regional director 2, for instance, wanted to keep control while the goal of the niche was to let go of the control:

> Innovation director: "A huge problem is that [this project aims at] essential changes [of LTC delivery]. […] the professionals get more freedom and space which means that the [director] has to let go. …"

> Regional director 2: "[…] The structure [of the project] is not in alignment with respect to the people that are responsible for the project. And that is quite troublesome. […] It can't be possible to do a project while the [regional director] doesn't know anything about it. …"

Moreover, mdCare had a very different organizational culture than eCare. They already delivered demand-driven care while having a flat governance structure and looking for long-term client relationships. ECare, on the other hand, had a supply-driven cultural, interested in market share while having a hierarchical governance structure. Hence, the two organizations faced cultural differences hindering the

empowerment of the niche-innovations in a joined, integrated project. Manager 2 of mdCare literally highlighted this:

> "That is also a big difference between the two organizations, [mdCare] is really [energetic]; we have an idea and we are going for it! … At [eCare] you first work out and calculate the planning on paper. Hence, it is a complete different way of approaching it … There is, for sure, a cultural difference [between the two organizations]."

The CEO of eCare stressed this as well. The CEO reinforced the notion of being a "commercial player" while being convinced that mdCare had to change.

> "[The CEO of mdCare] is also a professional, not only delivering care, but also being a commercial player. Otherwise other players will come. [Mentally-disabled care] is organized in close connection with the client, small-scaled etc. There has to be a change, and [the CEO of mdCare] knows this."

Yet the CEO of mdCare had a different view, differentiating the two types of organizations:

> "You have a completely different market. [A client] comes to us to live and lives there for 25 years. And the home care and nursing home care has much more to do with [commercial organizations] while the competition in our market is very different. At our [organization] it is about going into a relationship with each other … That is a completely different type of care in fact. …"

The niche, eCare and mdCare all three were not able to align their goals and values for the integrated project. Thereby, the niche was dependent on the organizations requiring their resources and capabilities which is emphasized next.

4.6.2 Resources and capabilities

Lack of resources

MdCare had not enough manpower to go through with the project. Being occupied with two other projects, they could not have started with a third one in the near future. This was emphasized by various actors:

> CEO mdCare: "[mdCare] as a provider of mentally-disabled care does not have so much capacity. We, for instance, do not have a director such as [the innovation director of eCare]. Hence, we just do it next [to our everyday work]. Thus, we are a small player in the [market]."

> Manager 2 mdCare: "We have to go [step by step], also because our organization cannot do it. You cannot suddenly get a [handful] of employees and supervisors etc. [to realize a new project]. You cannot do it just like that. Now, we also have to do this just [next to our work]."

> Innovation director eCare: "[mdCare] is lacking behind. Especially on their capacity. [Manager 1 and manager 2 of mdCare] know very well what happens within [mdCare] and in the project, but they cannot do it alone. One reason is also the projects that are ongoing at [mdCare]."

Yet this was not only true for the manpower. Also financial resources were missing. During several discussions and interviews it also became evident that the network needed financial resources and investors to realize the empowerment. Before the workshop, the response from the CEO of eCare to the question whether it was possible to empower the niche-innovations in an integrated project was:

> "It is such a huge project that we have to ask ourselves if we are [going too far with this project]. […] I don't have sufficient [knowledge about the whole project to say] if it is realizable or not. The only thing I can say about this is that if you continue to deal with [the idea of such a huge project] you're losing a sense of reality and the question is if this is desirable. […]"

Similarly, the CFO of mdCare was not seeing the possibility to co-finance the empowerment of the niche-innovations as she indicated that other ongoing projects could become financial disasters. She was worried about taking too much financial risks starting yet another project:

"It could become a financial disaster [at those two locations we are working on…]. Then I would be worried about starting other projects [...]. We will not do it like that. … two of those projects we can take care of, I think. But then our space to play is over."

When the subsidy stopped, further financial resources were needed in order to empower the niche-innovations. Yet the organizations were either not willing to or not able to finance the empowerment.

4.6.3 Organizational structures and systems

Conflicting organizational restructuring

Due to the historical context, eCare had many ongoing, internal processes that took away focus from outside projects such as the niche-innovations. ECare's organizational structure was undergoing change as a result of the merger. Rather than using the niche, the CEO of eCare focused on the inside of the organization. The CEO was dealing with the same problems and posed similar solutions to the niche:

"[Since] half a year we have had several round the table meetings […] where we talked to people in the organization about where our organization should be heading to, what the bottlenecks are, and where [they] think it can be done better. […] it's about a long-range plan for the organization. … if we want to strengthen the relationship between our clients and our employees, then we have to leave more competences low in the organization. Professional responsibility has to be taken. And the structure is not allowed to be impeding …"

The organizational restructuring required a lot of resources and commitment from the organization leaving little space for other developments such as the niche-innovations. The niche neglected that the ongoing organizational developments demanded a lot of organizational resources and capabilities. The CEO did not perceive the niche as part of the organization:

"I think that [the niche] is a success, because [the innovation director told me] that it was a success. If you ask me if it is sufficiently embedded in the organization, if we are going to [use the niche] inside the organization, [if we] know what it is, and [if] it also feels like [that the niche] is something from us, then I think it is less [successful]."

The underlying problem was the merger of eCare-small and eCare-large required a new organizational structure of eCare. To do so, the CEO was hired in 2009 while the niche was already started in 2007. The CEO described the situation as follows:

> "We realized – I have not been working here for long – that we run and initiate a lot of projects … [but these projects] disappear … also because we cannot implement them … [A problem is that] the directors do not really know what is being developed. Sometimes not even the board knows it … That is not good. That is not good for the representation of the organization. And then we talk about big projects and not about small initiatives … you talk about things that affect the whole organization."

Being concerned with the organizational restructuring also resulted in power struggles in eCare. This is outlined in the following.

Power struggles

The innovation director had no decision power in eCare while he was the head of the steering committee in the niche, taking important decisions regarding the niche-innovations. Hence, he was dependent on the decision-makers in eCare (e.g. CEO and the regional directors) to empower the niche-innovations. Other organizational actors did not know much about the niche-innovations until the end of 2010. Thus far, they were not engaged in the niche. Both, the CEO and regional director 2 of eCare outlined that they did not like this situation. The latter preferred to be engaged from the beginning, because one of the experiments and one of the discussed locations for empowering the niche-innovations were located in the director's region. Since the director was not engaged and did not know much about the project, she initially did not want to empower the niche-innovations in an integrated project. This created power struggles between her and the innovation director:

> "I also, several times, talked to [the innovation director] about the structure [of the project]: 'you are [running the project], but it is about my [region]'. And that doesn't mean that I don't want to give away competences, but if I will realize something at [location x] and I don't know about nothing, yes, then it becomes a very difficult [situation]. …"

The power struggles in eCare can be traced back to the merger out of which eCare emerged in 2006. The merger took place between a smaller (eCare-small) and a larger elderly care organization (eCare-large). The innovation director had a powerful position in eCare-small. The formation of the network for the niche-innovations already started before the merger between PDG and eCare-small while the application for the transition program took place before the reorganization of the newly formed eCare organization. The ongoing reorganization has then changed the position of the innovation director who was anything but happy with the changes. He did not have the space he was used to and the new organizational structure of eCare frustrated him:

> "[…] generally, I actually think that smaller organizations are better at [innovating] and are more decisive than [larger ones]. … Now, [as a result of the] merger, we have all kinds of disadvantages with the large organization, … The resulting slowdown is also a result of the increasing bureaucracy. … It's much more difficult to get something done. In the old [eCare-small] situation, we would have already started. … And the culture is different. … And at [eCare-large] everything has to be good. And at [mdCare], it is also allowed to fail and that is also part of experimenting and innovating. Thus, small organizations with such a culture score better."

This explains the contradicting power relations, because his function in the niche network was similar to the one he had in eCare-small whereas he was confronted with a loss of power in eCare. Othe niche actors described the innovation director's power position:

> Consultant 3 of PDG: "[The innovation director] has received a different status in the organization so that he became part of the staff department and thus [had less power to quickly] push things through."

> Manager 1 mdCare: "You can see a big difference between the organizations. [The innovation director] is an enormously driven man who really [believes in the niche-innovations] and who found a good [equivalent] in the [CEO of mdCare]. But [the CEO of mdCare] delegates everything downwards and engages us in the content. But I never see anyone from eCare [besides the innovation director]. […]. He is not taking care of engaging other eCare people. He cannot do that, because he is not the executive. … They have constructed this very complicated."

This was further substantiated by the CEO of eCare who argued that the contradictions between the niche and the organization lie in the organizational restructuring:

> "I think [the difficult relation between the niche and eCare] is partly caused by the merger, and partly by the limited function of strategy and innovation, which is especially far away from the structure of the organization …"

As the niche was far away from the organization, the effort to try to form a joint strategy between the niche and the two organizations resulted in an increasing network complexity foreclosing possible alliances.

Increasing network complexity

As the niche network left its isolated space it made the network structure much more complex as many other organizations started to be affected by the empowerment of the niche-innovations. For example, a reason why the CEO of eCare did not want to continue with the network was the negative experience with PDG in another project. Therefore, any future cooperation with PDG was not favored. This was intensified, because PDG wanted to start as soon as possible with the integrated project. This resulted in frustration on both sides. The increasing complexity is also embedded in the structure of eCare. They had a subsidiary focusing on real estate management (REM). The problem was that REM has been a competitor and an alliance partner of PDG at the same time. In one of eCare's projects, the co-operation ended in a conflict of interests. REM was not engaged in the niche network. But they could have become a network stakeholder in the integrated project. Yet the constellation was not clear to the CEO of eCare in January 2011. The CEO, for instance, did not know what the role of PDG was going to be in the project:

> "The role [of PDG] is not completely clear. [Are they a] project developer? An investor? A process supporter?"

At the same time, the conflict between REM and PDG was about to escalate in terms of a potential lawsuit. This led to the frustration of PDG. They tried to set up a meeting to solve the issues in December 2010 and January 2011. Yet several times these meetings were cancelled on short notice. As a result, PDG felt let down and mistreated being a network partner in the niche. The innovation director was aware of it and outlined that eCare cannot take a decision right away:

"The field of tension with [PDG], that is understandable […]. [ECare] has to make choices, but these have to be well thought through."

Realizing this "field of tension", another barrier surfaced. Existing alliances of the LTC organizations can contradict the alliance in the niche leading to a foreclosure of future alliances. Both, eCare and mdCare were not able to cooperate with each other in all geographical regions as they had other ongoing alliances with competing organizations. There were but a few locations suitable for both organizations to empower the niche-innovation in an integrated project. Nonetheless, the CEO of eCare was worried to be stuck in the niche network, not being able to exit it anymore foreclosing alliances with other organizations:

CEO eCare: "Imagine the cooperation with [mdCare] will take another five years before [we start], but then there is another organization that is offering [to cooperate], who says that it would be nice […] to start something with you."

Consultant 2 PDG: "[Regional director 2] is positively minded [towards cooperating with mdCare]. But, she also has arrangements with [mdCare 2, a competitor of mdCare]. She has to call what she wants. Bring it on the table. If she does not want to do it with [mdCare], [they] can do it alone with other provides. […] the [CEO of mdCare] also has arrangements [in another city]."

In the end, the seven barriers hindered the empowerment of the niche-innovations into a joint strategy of the organizational network. Figure 4.2 illustrates the relation between the organizations and their environment and the barriers to empowerment.

Long-term Care Environment

Long-term Care System

Markets

Culture

Science

Technology

Industry

Policy

Empowerment into long-term

Report back.

Subsidize

Niche-innovation project

- Goals and values
- Resources and capabilities

Barriers to empowerment
1. Conflict in timing the empowerment
2. Lack of mutual understanding
3. Cultural differences
4. Lack of resources
5. Conflicting organizational restructuring
6. Power struggles
7. Increasing network complexity

Joint Strategy

Empowerment into the strategy of the organizational network

Provide resources and capabilities

eCare
- Goals and values
- Resources and capabilities

mdCare
- Goals and values
- Resources and capabilities

Figure 4.1 Barriers to empower niche-innovations into a joint strategy of an organizational network

4.7 Discussion

In the end, the niche-innovations did not move beyond the niche context. It started with the subsidy of the transition program which enabled a network that was isolated from the LTC organizations. This enabled them to experiment with radical innovations, but resulted in subsequent barriers when the niche-innovations had to be empowered. As the transition program's subsidy ended, the niche had to empower the innovations into a joint strategy of the organizational network. However, once the niche leaves the isolated space, niche and organizational actors start to interact such that many unforeseen barriers to empowerment came to the surface. The core barriers and the propositions are summarized in Table 4.4. In the following, the barriers are discussed.

4.8.1 Timing the empowerment of niche-innovations

A general problem was the late engagement of organizational actors which resulted in a misalignment goals and values between the niche and the LTC organizations. Thereby, the short term goals of eCare and mdCare were very different from each other as eCare wanted to quickly expand while mdCare wanted to consider a much longer timeframe in realizing new projects. Simultaneously, the niche actors were ambivalent regarding when to empower the niche-innovations into an integrated project. An explanation can be that the subsidy was taken away too early as the niche-innovations were not sophisticated enough. Within the transitions literature, it is generally argued that subsidies should be gradually withdrawn (Caniëls and Romijn, 2008a; Schot and Geels, 2008). Nevertheless, Raven's (2005) study on biomass showed that gradually withdrawing subsidies did not ensure the continuation of the experiments. Similarly, many experiments in the transport system have also not continued once a subsidy was withdrawn (Weber et al., 1999). Hence, the question is if there is a good moment to withdraw a subsidy?

Geels and Schot (2007) argue that the time to empower is related to the sophistication of the niche-innovations. They claim that this is not fully objective as niche and regime actors view the readiness and timing differently. Geels and Schot suggest four indicators that enable niche actors to judge whether a niche is ready and sophisticated enough to be empowered: "(a) learning processes have stabilised in a dominant design, (b) powerful actors have joined the support network, (c) price/performance improvements have improved and there are strong expectations of further improvement (e.g. learning curves) and (d) the innovation is

used in market niches, which cumulatively amount to more than 5% market share." (p.405).

Translated to the underlying case, the niche-innovations were partly not ready to be empowered: (a) the lessons learnt in the experiments were assessed and written down in evaluation reports so that other projects could use them, but it can be questioned if the niche actors were able to speak of a dominant design. (b) powerful organizational actors such as the CEO of eCare were not engaged while the actors had different goals regarding the integrated proejct. (c) A business case was developed that highlighted how the empowerment could be financially viable. Yet it was perceived as too vague to be accountable when the experiments ended. (d) The niche-innovations did not leave the initial protected space so that we can hardly say that they gained any market share. Thus, it can be argued that the empowerment into a joint strategy of the organizational network was started too early considering the niche context. The timeframe was set by the policymakers rather than the sophistication of the niche.

> Proposition 1: To empower niche-innovations, the protection of niches has to be lifted away in accordance with the sophistication of the niche-innovations and not according to a pre-defined schedule determined by policymakers.

4.8.2 Mutual understanding between niche and organizational actors

Generally, there has to be a mutual understanding between the niche and organizational actors about the empowerment of the niche-innovation in a joint strategy. Therefore, actors need to learn about the goals and values of the niche. According to transitions scholars, second-order learning has to take place to empower the niche-innovations as actors start to question the rules of the regime (e.g. Hoogma, 2000; Raven, 2005)[10]. However, second-order learning has to be preceded by first-order learning to understand the characteristics and functionality of the niche-innovations (Hoogma, 2000; Raven, 2005). Here, regional director 1 outlined that he is not sure if the niche-innovations "have an added value" (e.g. lack of first-order learning) which explains why he also does not understand how "the different concepts [form] the complete concept". As long as the organizational

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[10] Similar to Argyris (1976) single-loop and double loop models, the sustainability transitions literature differentiates between two types of learning: first-order learning and second-order learning (Hoogma, 2000). First-order learning deals with learning about the niche-innovations through experimentation (Raven, 2005). Second-order learning deals with learning about questioning the regulative, normative and cognitive rules in order to change them (Raven, 2005).

actors do not learn about the goals and values of the niche-innovations they cannot be empowered.

But how do organizational actors learn about the niche-innovations? Of course, they have to be engaged, yet this has to be mediated through a dialogue that allows the niche and organizational actors to exchange their goals and values. Consequently, niche actors have to repeat what they have been doing when they started the niche which required the exchange of visions and expectations (e.g. Raven, 2005; Schot and Geels, 2008; Weber et al., 1999). Most likely, the organizational actors, once engaged, want to bring in their own ideas. This should be seen as an advantage as a continues dialogue can result in an increasing sophistication of the innovations bringing them closer to be empowered.

Proposition 2: To create a mutual understanding between niche and organizational actors during the empowerment, they have to exchange, debate and align their goals and values about the empowerment of the niche-innovations.

4.8.3 Cultural differences during the empowerment of niche-innovations

Changing cultures is an important part of niche-innovations (van den Bosch, 2010). Culture is "the sum of shared images, norms and values (paradigms) that together constitute the perspective from which actors think and act. Changes in culture comprise shifts in thinking, mental models and perceptions" (van den Bosch, 2010, p.38). So it is not surprising that there were cultural differences between the niche and organizational actors. In that sense, the niche actors did not properly manage the expectations of organizational actors regarding the cultural differences between the niche and the organizations, as well as across the organizations. The niche and the organizations had their own cultural values which were not considered for the empowerment. Therefore, the following proposition is formulated:

Proposition 3: To avoid cultural conflicts during the empowerment, cultural differences between niches and organizations as well as across organizations need to be acknowledged as part of the transition by both, niche and organizational actors.

4.8.4 Resources and capabilities for the empowerment of niche-innovations

The availability of resources in organizations is seen as a condition to empower the niche-innovations (Musiolik et al., 2012). Musiolik et al. argue that enough resources are available when an organization joins a network. However, here it was not the case as mdCare did not have the manpower to empower the niche-innovations in an integrated project. Consequently, we not only have to consider the adaptive capacity of the regime to incorporate niches (Geels and Schot, 2007; Jørgensen, 2012), but also the adaptive capacity on organizations.

In transitions, it is accepted that experiments are allowed to fail in order to learn from their mistakes (Raven, 2005; Schot and Geels, 2008; van den Bosch, 2010). Here, the niche actors perceived the experiments as successful. But, there was no financial commitment from the organizations to empower the niche-innovations. One explanation is that the organizations were occupied with other projects (e.g. mdCare) or simply find the empowerment too extensive (e.g. CEO eCare). Another explanation could be that organizational actors were not engaged and therefore did not 'own' the results of the experiments. However, would they have been financially committed to the empowerment simply by being engaged earlier? Maybe, the empowerment was simply not sufficiently lucrative to justify its continuation. The niche failed to commit organizational resources and capabilities to the empowerment.

> Proposition 4: To empower niche-innovations, niche networks have to make sure that enough resources and capabilities (e.g. finances, labor capacity) are available before the empowerment process is started.

4.8.5 Organizational restructuring affecting the empowerment of niche-innovations

From an organizational perspective, there are all kinds of ongoing activities taking place. The niche actors have to be aware of the ongoing developments in the organizations to place the empowerment into organizational strategy formation processes at the right time. The historical context also had an impact on the niche such as the merger that resulted in eCare. These historical events on the organizational level worked against the empowerment. ECcare was primarily

focused on internal processes not being able or willing to form a joint strategy with the niche and mdCare.

> Proposition 5: To empower niche-innovations, niche networks have to encounter and monitor ongoing organizational developments.

4.8.6 Powerful actors affecting the empowerment of niche-innovations

Power struggles are not unusual in transitions. Geels (2010) outlines that actors as groups on the regime can use their power to dominate the niche and protect their regime. The same applies here on an individual level as the regional director 2 tried to protect her organizational space against the niche. The question is how and when to engage powerful organizational actors? Smith and Raven (2012) provide insights into local-global agency and the politics of empowerment highlighting the importance that niche actors engage regime actors through lobbying and other promotion activities. In order to convince the organizational and regime actors, the niche actors have to stress the seriousness of the pressures on the system (Jørgensen, 2012; Smith and Raven, 2012). While niche actors already developed a deeper understanding of the niche, questioning the rules of the system and playing outside the organizational and regime structures, organizational and regime actors are either "rule-followers" of the system or "game players" within the boundaries of the system (Jørgensen, 2012, p.998). To be able to change this, Smith and Raven argue that not all niche actors have to promote the niche-innovations, but the ones with a certain power position. Simultaneously, they argue that not just one single actor can empower the niche-innovations.

The strategy formation literature provides some insight into the relationship between engagement of CEOs and their commitment (e.g. Grant, 2003; Dooley et al., 2000; Frentzel et al., 2000; Hamel, 1996)[11]. For instance, Frentzel et al. (2000) argue that commitment from CEOs is needed during various stages of the process, but that they do not necessarily need to be engaged throughout the whole process. This means that the CEO of the elderly care organization should have been engaged during the different stages of the niche-innovation process rather than just

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[11] The SNM literature highlights that powerful actors need to be engaged to empower niche-innovations (e.g. Geels and Schot, 2007; Smith and Raven, 2012). But, there are no insights into when powerful actors should be engaged or how they learn from the niche-innovations. Thus, the strategy formation literature can provide some understanding when to engage powerful regime actors to empower the niche-innovations.

at the end of the process. Furthermore, Hamel (1996) emphasized that change is not always top-down or bottom-up. Here, he stresses that, in top-down approaches, CEOs need to engage organizational members in the change rather than imposing change; whereas, in a bottom-up approach, those instigating changes need to engage CEOs who can then provide legitimacy to the change processes.

This is supported by Hofman (2005) who has shown that CEO-driven niche-innovations lead organizational members to resist change, and this results in a lack of commitment. Another view is highlighted by Grant (2003) who suggests that strategy formation can be seen as a "planned emergence" (p.513) and may be viewed as a dialogue in which strategic direction is provided top-down, while strategic planning is a bottom-up process based on the strategic direction. In either case, a CEO needs to be habitually engaged to provide legitimacy to the empowerment of the niche-innovations. Key actors need to be engaged so that they understand the project and are committed (e.g. Adams et al., 2011; Gable and Shireman, 2005). Consequently, organizational actors have to be timely engaged and learn about niche-innovations in order to empower them.

> Proposition 6: To avoid power struggles during the empowerment, powerful organizational actors have to be engaged into the niche before and not while the protection is lifted away.

4.8.7 Network complexity during the empowerment of niche-innovations

In the transitions literature, conflicts are seen as a necessity to advance the niche and derive at a transition (Geels and Schot, 2007; Jørgensen, 2012). Conflicts are particularly occurring when the niches actors try to empower the niche-innovations (Smith and Raven, 2012) as niche and regime actors have different interests (Farla et al., 2012; Jørgensen, 2012; Markard et al., 2012; Schot and Geels, 2008; Smith et al., 2010). It can be argued that the conflicts of interests between niche and regime actors is a predictable outcome in niche-innovation processes as "independent 'outside positions' do not exist" (Schot and Geels, 2010, p.549). This means that each actor is most likely operating in the interest of the niche, organization or regime that he or she is engaged in, trying to defend or protect it against the other niches, organizations and regimes.

Contemporary literature on strategic networks and stakeholder engagement can help to deal with this conflict. Strategic networks literature emphasizes that networks continuously change depending on the environmental context, and that new networks emerge constantly (e.g. Gulati et al., 2000; Kash and Rycoft, 2000 & 2002; Koch, 2003, Larson, 1991; Rycoft and Kash, 2002). Thus, once the niche-innovations move from the niche context into the organizational context, the network structure changes. As such, methods for assessing stakeholder engagement stress that networks need to continuously monitor the roles and power relationships of the different actors so that they are able to deal with the changing network structures (Bourne and Walker, 2005) as well as the competing expectations.

Conflicts of interest, however, not merely lie between the niche and organizational actors, but also between the organizational actors themselves once the niche-innovations are about to be empowered as we have seen in the underlying case. Thereby, the niche did not affect the outside world. Only when the niche-innovations had to be empowered, the network complexity started to influence the niche. Unlike on the niche-level, eCare would probably not have started to cooperate with mdCare or PDG in their existing organizational context due to conflicting interests.

ECare was afraid of foreclosing alliances with existing and other potential LTC organizations by cooperating with mdCare. Jørgensen (2012) emphasizes that regimes are confronted with many inner tensions that disable change due to "historically detached socio-technical or socio-political networks fighting for dominance on their own." (p. 999). Applied to the organizations here, this means that eCare and mdCare have been active in different alliances that evolved historically. This has to be considered in future niche-innovation projects:

Proposition 7: To avoid the foreclosure of alliances during the empowerment, the niche network should not contradict existing organizational networks from the outset.

4.9   Conclusions

4.9.1 Contribution to transitions

This paper has taken an organizational perspective to look at the MLP on transitions. Previous research has neglected this by viewing the organizations in niche networks as niche actors (e.g. Smith and Raven, 2012). Here, the niche actors were legitimized by the organizations to set up a niche outside the organizational structures, constituting a network that was acting as an independent entity with its own goals and values. Hence both, the regime protected (e.g. subsidies, regulative freedom) and the organizations protected (e.g. resources and capabilities) the niche-innovations. This study particularly focused on the empowerment of the niche-innovations into a joint strategy of the niche and two LTC organizations instead of focusing on the empowerment from the niche to the system. The magnitude of the organizational perspective is emphasized by the fact that without the empowerment of niches into organizations, the transition is destined to fail.

Viewing niches and organizations as separate entities is crucial for understanding why niche-innovations fail to empower, or better, how niche-innovation could possibly be empowered. The examination of the organizational perspective provided a detailed understanding of the interaction between niche and organizational actors. To date, the transitions literature has largely overlooked the importance of the organizational perspective. For the MLP to be a suitable framework for studying regime shifts, more attention has to be drawn towards the individual organizations concerned with the niche. Thereby, researchers have to understand how organizational actors learn about the niche-innovations, explore the different interests of the niche and organizational actors and focus on the way protection can be lifted away during the empowerment of the niche-innovations. Research is needed to find out how to move from the niche into strategies of organizational networks.

Moreover, the results reinforce the claim that the end of the protection (subsidy) plays a critical role, specifically the lifting away of the protection (end of subsidy). It created a sense of urgency to empower the niche-innovations even though they were lacking sophistication so that it was the wrong timing for empowerment. Future research has to find out how and when researchers and practitioners can claim that the niche-innovations have reached an adequate level of sophistication to be empowered.

4.9.2 Implications for niches

Niche actors have to think about the empowerment far in advance of the subsidy ending. Here, they have to *engage organizational actors* before the end of the experimentation phase in order to enable a dialogue to exchange their goals and values regarding the empowerment. This early engagement would most likely *reduce power struggles* and enhance learning processes through the organizational actors becoming acquainted with the experiments. Organizational actors need to be able to *understand the lessons learnt* in the niche. Particularly second-order learning is important as it includes thinking about how organizational rules could be changed. It would also enable networks to identify increasing network complexities in advance as the niche and organizational actors could discuss how other *alliances* of the organizations would be affected by the niche and if organizational structures and systems have to change for the empowerment. In doing so, niche actors could overcome the barriers to empowerment such as conflicting organizational restructuring processes, power struggles and increasing network complexities.

Moreover, ignoring ongoing developments in the organizations can result in unpleasant surprises for the niche. When niche actors develop the niche-innovations they have to evaluate if the organizations are able to deal with them in terms of *capacity limitations* as resources and capabilities are scarce. If these are not available, the niche-innovations are most likely to fail. Finally, it can be concluded that organizational actors have to be engaged earlier to forego organizational and network complexities. Here, the empowerment did not fail because of the niche-innovations, but because of the way the niche was organized and managed, namely completely *isolated* from the organizations ignoring important organizational characteristics.

4.9.3 Limitations and Recommendations

The first limitation is that the analysis is limited to a single case, which makes it difficult to generalize the outcomes. Important is the acknowledgement of the organizational perspective in transitions. As organizations differ, it can be expected that barriers differ as well across organizations. Therefore, niche actors have to monitor organizational goals and values, resources and capabilities, and organizational structures and systems to identify barriers to empowerment early on. A future comparison of several niche-innovation projects would help to determine

if the findings are typical. Here, future research should further focus on learning processes in niche-innovation projects as a route to advancing the empowerment. A key question could be how and when to engage organizational actors to achieve successful learning processes, to overcome power struggles and to avoid network complexities.

Another limitation is the possibility of an observer bias owing to the involvement of the first and second authors in the project studied (e.g. Sekaran, 2003). It is accepted that these researchers could have influenced the project through their engagement. However, this potential is limited as they were viewed as regular participants, somewhat similar to the consultants that were participating. Moreover, the third author was not involved in the project and was therefore able to provide an unbiased review of the process.

Finally, research could focus on the subsidization of niche-innovation projects to identify when, how, and for how long a project should be subsidized while simultaneously exploring the conditions under which niche-innovations are sophisticated enough to be empowered. Currently, it seems that the withdrawal of a subsidy is tied to the empowerment. Finally, research is needed on how to enable the empowerment of niche-innovations into both, the system and the organizations to actually derive at a transition.

Acknowledgements

Chapter 5

The Barriers to Govern Long-Term Care Innovations: The paradoxical role of subsidies in a transition program[12]

Abstract

This study deals with the governance of a transition program (2007-2011) that tried to radically change a fragmented, supply-driven long-term care system into an integrated, demand-driven system to deal with an aging population. The transition program was subsidized by the healthcare ministry and enabled 26 projects throughout the Netherlands. The idea was to first experiment with innovative long-term care practices outside the system and then to scale-up these innovations to change the system. However, previous research does not highlight examples of long-term care innovations that scaled-up. Hence, the goal is to explore the barriers to govern the scaling-up of the long-term care innovations. The barriers were identified by participating in the program and interviewing ministry, program and project actors. The core barrier was the *lack of commitment* to the empowerment. It resulted from the *subsidy focus* of the projects and the *lack of protection* of the innovations, and from *conflicts of interests* and *power struggles* on the ministry-level. A transition program requires more than providing a subsidy. Policymakers have to learn from innovations outside the system in order to change it. Simultaneously, projects should not be entirely subsidized, otherwise there are no incentives to scale-up the innovations.

5.1   Introduction

Today, policymaking plays a crucial role in shaping future long-term care delivery practices. Even though the challenges such as an aging population, reducing costs and improving the quality of care are widely conferred, they continue to puzzle developed countries long-term care systems (van den Bosch, 2010; Oliver et al., 2012). Governments around the world initiate new care policies and programs to develop innovations that deal with the aforementioned challenges (OECD, 2011). Examples are new community care policies in Germany, Japan (OECD, 2011) and Israel (OECD, 2011), as well as health and social care improvement programs in the Netherlands (Øvretveit and Klazinga, 2013) and telehealth experiments in the United Kingdom (Hendy et al., 2012).

However, new policies and innovation programs that allow networks to innovate within the existing system merely result in incremental advancements of the care system without being able to actually solve the above-mentioned problems (van den Bosch, 2010; Oliver et al., 2012). Niche-innovations are needed to enable a transition from our current system towards a new and sustainable system that is able to deal with today's challenges (van den Bosch, 2010). Niches are protected spaces outside the existing system which allow networks to experiment with radical innovations, e.g. innovations that break with the rules of the system (Schot and Geels, 2008). It is necessary that policymakers learn from these niches in order to question and change the rules of the system (Smith and Raven, 2012).

Nevertheless, little is known about the use of niche-innovations in long-term care (van den Bosch, 2010; STRN, 2010). Therefore, we study the governance of a Dutch transition program for long-term care to provide new insights for policymakers and future policy programs. There is an increasing need to change the long-term care system (van den Heuvel, 1997; Beukema and Kleijnen, 2007). The Netherlands has one of the most expensive long-term care systems in Europe (Pavolini & Ranci, 2008). The system has to change which means moving away from its fragmented, supply-driven towards an integrated, demand-driven long-term care system (Béland et al., 2006; Beukema and Valkenburg, 2007; Enthoven, 2009; De Blok et al., 2009). Patients have to get used to self-determination and deal with the responsibilities while care providers have to get used to communicate with, and listen to, patients. A problem to implement such an approach is the misalignment of long-term care policies and long-term care delivery (Beukema and Valkenburg, 2007). A well-intended policy does not necessarily lead to good long-

term care delivery. In the end, neither policies nor care providers on *their own* will be able to change the system (Enthoven, 2009). A transition program is need to jointly change it.

Van den Bosch (2010) provides first insights into the subsidization and support of the transition program that initiated 26 niche-innovation projects between 2007 and 2008. However, we do neither know how lessons learned in a transition program help to enhance policymaking nor how to govern the change of a system [8]. In fact, many previous transition programs actually failed to change systems (Weber et al., 1999; Raven, 2005; Schot and Geels, 2008). Hence, research on the scaling-up of niche-innovations is needed [8]. Smith and Raven refer to the scaling-up as the *empowerment* of niche-innovations which is the increasing structuration of niche-innovations such that these can change systems (Smith and Raven, 2012). The goal is to identify the barriers to govern the empowerment of niche-innovations. If policymakers do not know what hinders the empowerment, any future transition program is bound to fail. The research question is: *What are the barriers to govern the empowerment of niche-innovations that aim at changing the long-term care system?*

Next, the theoretical background of sustainability transitions is outlined. Then, a case description, the data collection methods and data analysis procedures are highlighted. Subsequently, the results are illustrated followed by the discussion section. Finally, a conclusion is derived.

5.2   Theoretical Background

To change the long-term care system, the rules of the system have to be changed. A *socioeconomic system,* can be described as "a dynamic concept [of] rules (regulative, normative, and cognitive), embedded in human actors […]" (Raven, 2005, p.31). "Examples of regulative rules are regulations, standards, laws. Examples of normative rules are role relationships, values, behavioural norms. Examples of cognitive rules are belief systems, innovation agendas, problem definitions, guiding principles, search heuristics." (Geels and Schot, 2007, p.403). Owing to external pressures (e.g. aging population) the socioeconomic system (e.g. long-term care system) slowly destabilizes and "creates windows of opportunities for niche-innovations" which in turn can change the system (Geels and Schot, 2007, p.400). To do so, niche-innovations need to be empowered (Smith and Raven, 2012).

Smith and Raven (Smith and Raven, 2012) distinguish between two kinds of empowerment. The first is called *fit and conform* and the second is called *stretch and transform* empowerment (Smith and Raven, 2012). The former fits the niche-innovation into the system and conforms to the rules, trying to be able to change the rules from the inside. The latter is trying to stretch the niche-innovation to enable a parallel system and then transform and replace the existing system to end up with a new system with new rules (Smith and Raven, 2012). It is emphasized that *institutional reforms* are needed to change a system and *political capacity* is needed to spread niche-innovations so that the system becomes sustainable (Smith and Raven, 2012).

According to literature (Kemp et al., 1998; Schot and Geels, 2008; Caniëls and Romijn, 2008a; Smith and Raven, 2012) there are five important building blocks for niche-innovations: the various *visions* and *expectations* of key actors about their roles and responsibilities and the development of the niche-innovation, the *network* which needs to be formed to promote and articulate the requirements of the niche, setting up *experiments* and to *learn* from the experiments to sharpen the vision and adapt the expectations based on what is learned. Learning has to be divided into *first-order learning* which is learning about the innovation in the local context, and *second-order learning* which is learning on the systems-level questioning the existing rules (Hoogma, 2000).

5.2.1 Protection – Power – People

Protectionism is important for developing niche-innovations. Niches have to be protected through, for instance, subsidies (Schot and Geels, 2008). Otherwise they would be at the mercy of the system with only slight chances of being selected due to their early stage of the development (Smith and Raven, 2012). Yet niche actors can be inclined to use subsidies as a competitive advantage over rivals if the protection is kept for too long (Smith and Raven, 2012). Then, niche actors have no incentive to empower niche-innovations as they want to keep the benefits of the subsidies (Smith and Raven, 2012). Likewise, system actors can protect their system by trying to reinforce the existing rules that favor their modes of operating (Smith and Raven, 2012).

Studies are needed that focus on the individual actors involved since these have been ignored in previous transition research (Grin, 2008; van den Bosch, 2010; Jørgensen, 2012). Oliver et al. (2012) emphasize the importance of individuals to

policymaking since they decide "how, where and what evidence is used" (p.102). Thereby, the themes *power* and *people* need to be studied to understand how transitions work (Loorbach and Rotmans, 2010). Different niche and system actors have different *interests* leading to controversial debates and disputes (Jørgensen, 2012). Yet *consensus* and a *shared recognition* between niche and system actors is needed to empower niche-innovations (Jørgensen, 2012). In that sense, "empowerment is a political process" in which the different actors inhered different levels of power (Smith and Raven, 2012). Thereby, *lobbying* and *promoting* the niche-innovations is necessary to manage expectations and create commitment to change the rules of the system (Smith and Raven, 2012). Empirical research is needed to understand the different interests of actors involved and to find what hinders the empowerment (Smith and Raven, 2012).

5.3 Materials and methods

5.3.1 Case background

The goal of the transition program

The goal of the transition program was the transition from a supply-driven to a demand-driven long-term care system (van den Bosch, 2010). Niche-innovations were chosen based on their the potential to accommodate the pressures such as housing problems, cost control and societal integration, as well as inefficient organization and coordination of service providers, declining service quality and above all, the problem of aging (Enthoven, 2009; van den Bosch, 2010). Taking care is capital intensive and time consuming. The pressure results in new, innovative forms of delivering long-term care which are needed to secure the quality of care that citizens receive today. Policy changes within the long-term care system divert the demand for services towards home care while they also foster the connection of specialists and professionals in networks which "cut across health institutions and provide a pathway of care for patients" (Blanken and Dewulf, 2010, p.39).

The governance of the transition program

A *program team* was installed to govern (select, supervise, support and structure) the projects which in turn was governed by the *transition manager* of the ministry who was responsible for long-term care innovations. The transition manager visited project sites and participated in several transition program meetings. The program team consisted of three managers who came from different consultancies with different areas of expertise. *Program manager 1* has been an expert on long-term care delivery governing the content. *Program manager 2* focused on the big picture, the transition of the system trying to support the projects in changing the system. *Program manager 3's* focal area was the development of business cases helping the projects to develop a social business case that highlights the social benefits of the projects. The managers were aware that some experiments can and are allowed to fail in order to learn from them (van den Bosch, 2010).

Right from the beginning, there were tensions between the program team and the ministry (van den Bosch, 2010). The ministry wanted to quickly innovate and solve problems such as reducing the scarcity of professionals. In contrast, the transition approach of the program team was aiming at a transition of the long-term care system in the next 20 to 30 years in which the experiments were seen as the start of the transition (van den Bosch, 2010). Despite the discrepancies on the pace of innovation, the ministry's State Secretary was in line with the program team to fit and conform the niche-innovations into the existing system to change it through "the modification of existing policy regulations, the adoption of successful innovations in the regular (financing) system and the principle that innovations in healthcare will replace old practices." (van den Bosch, 2010, p.174).

The projects

The various projects (Table 5.1) consisted of one or more long-term care organizations that cooperated to experiment with niche-innovations. Since it was a fully financed program, the organizations, represented by their *board of directors*, only had to provide the facilities and the space for the *project managers* and *professionals* to experiment. But the directors themselves were not directly involved.

The projects experimented with all kinds of niche-innovations such as integrating area and care delivery to build an infrastructure that allows people to stay in their community as long as possible while it also promotes voluntary care. Other niche-innovations concerned developing new community care approaches or using

information technology to enable elderly people to stay at home rather than being institutionalized in a nursing home. The overall vision was that preventive actions through investing into social well-being can reduce the need for expensive professional care while it simultaneously puts the client in the center of the care system.

Empowerment and the innovation program

In 2011, the transition program ended and the protection was lifted away. The projects were confronted with empowering the niche-innovations within the existing system. Several projects requested further help from the ministry for the empowerment. The *innovation program*, which was initiated by the ministry in 2009, offered support through manpower (coaches). The innovation program was not related to the transition program. It focused on *incremental* long-term care innovations. It has been supporting organizations that wanted to change, exchange knowledge, get access to tools and join symposia and workshops on incremental innovations. The organizations did not have to pay money for the support. But joining the program had to lead to organizational changes that are irreversible and make the organization sustainable in the system. The niche-innovation projects had the possibility to take part in the innovation program. The limitation, however, was that the empowerment had to take place without questioning the rules of the existing system. Figure 5.1 illustrates the relation of the programs, organizations and the ministry.

Table 5.1 Niche-innovation projects* (Source: van den Bosch, 2010, p.166 and p.179)

#	Project name	Short description
1	Assertive Community Treatment (ACT) for young people in Rotterdam:	Multi-disciplinary and outreaching ACT-teams support youngsters with psychiatric problems
2	Transmural network STEM	Starting up a societal dialogue about dying
3	WEIS in the neighbourhood	Improving the quality of life in districts
4	District care ("Buurtzorg")**	Innovative autonomous teams of district nurses
5	Permanently better	Providing care to long-term psychiatric patients in their own environment (with FACT method)
6	Case manager dementia	Case managers who support people with dementia to live at home as long as possible
7	At home with dementia	One point of support for treatment and counselling in all phases and aspects of dementia
8	Smart Caring Community (Omkeer 2.0)	Developing an ideal social support system in a city district and rural area
9	Video networks – a plan for scaling-up	Further developing and scaling up "telecare"
10	Meeting place Prinsenhof	A self-organised district meeting place for senior citizens and disabled people
11	From harness to summer dress /doing less… achieving more	Realising a break-through in dominant mindset and working practices of care professionals
12	"Dementelcoach"	Providing support (by telephone coaching) to informal care providers of people with dementia
13	Village health centre	Introducing district nurses to realize small-scale 24-hours home care in a village
14	Giving meaning to life as business	Developing a new business model to support clients with fundamental questions about life
15	"Tailor made" care by lifestyle monitoring	Developing new care arrangements based on the monitoring of activity patterns of the elderly at home
16	Work for "experience experts" ("ervaringsdeskundigen")	Integrating the knowledge and experience of former psychiatric patients in mental care teams
17	The free rein	Creating a challenging and inspiring learning/ working/ care environment
18	Presence (radical connection from zero to a hundred)	Learning communities of 'present' care providers with attention for and commitment to their clients
19	Telecare for new target groups	Applying telecare technology to support migrants, mentally disabled and psychiatric clients
20	Good neighbours wanted	Developing individual living arrangements for mentally disabled people in new district in Almere
21	Early, continuous and integral	Developing care chains for integrated support of disabled or chronically ill children and their parents
22	Twente approach "well cared for" living	Developing new sustainable business models to improve care for the elderly and the physically disabled
23	Societal learning places	Enabling clients with psychiatric background to provide (housing) services in elderly care
24	Care home for Islamic Turkish and Moroccan elderly people	Developing an expertise centre and multi-cultural home for the Islamic Turkish and Moroccan elderly
25	Being your own director with schizophrenia	Developing a care programme for people with schizophrenia that stimulates self management
26	Imagination as working method	Transferring imagination method to improve communication with elderly people with memory problem

*The projects were selected by the program team based on the following eight selection criteria: "1. Connection to persistent problem, 2. Connection to themes and solution directions, 3. Plausible and well-substantiated, 4. Motivation, 5. Ability, 6. Radically innovate, 7. Growing potential and learning potential, 8. Added value" (van den Bosch, 2010, p.165).
** This project that has been able to fit and conform their niche-innovation into the existing system. However, the other projects have not been able to do so at the end of the transition program since they needed regulative changes in the system. As such, the transition program has not been able to change the rules of the system. In this study, we try to explore why the transition program has not been able to govern the change of the rules of the system to empower the niche-innovations.
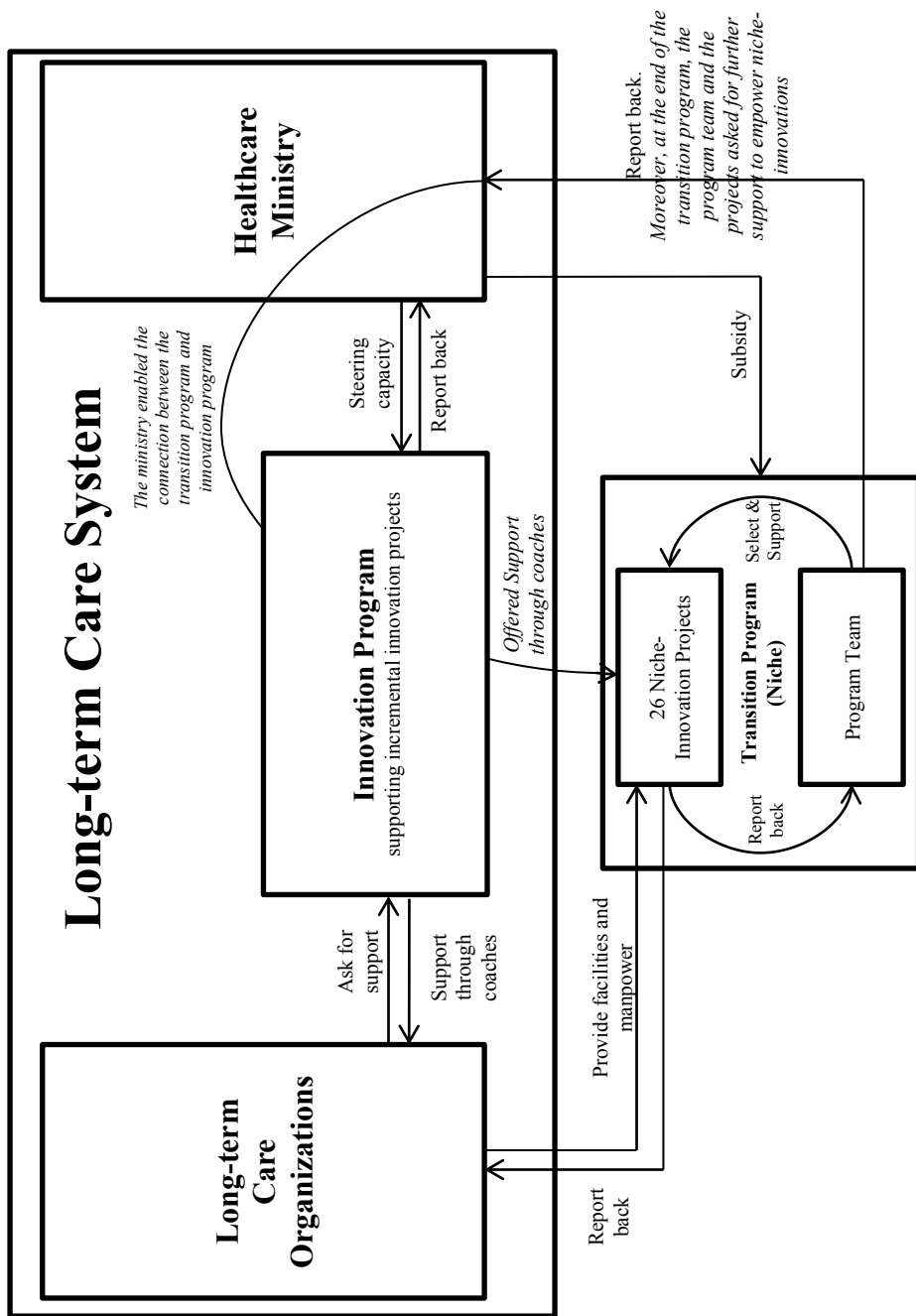
Figure 5.1 Overview of the relation between the programs, the organizations and the ministry

5.2.3 Data collection

This is a longitudinal, qualitative study that analyzes the perspectives of, (1) the ministerial, (2) the program, and (3) the project managers. The first author collected data by participating in the transition program, conducting interviews and collecting documents to answer the research question. In total, the first author participated in eight meetings (Table 5.2).

Table 5.2 Participation in transition program meetings 2010/2011

#	Meetings	Participants	Purpose	Date
1	Transition program meeting 1	- Niche-innovation project managers - Program team managers and supporters	Project manager meeting: discussion on the progress of the experiments.	June 17th, 2010
2	Transition program meeting 2	- Niche-innovation project managers - Program team managers and supporters	Project manager meeting: discussion on the progress of the experiments.	June 30th, 2010
3	Transition program meeting 3	- Niche-innovation project managers - Program team managers and supporters	Project manager meeting: discussion on the progress of the experiments.	September 23rd, 2010
4	Transition program meeting 4	- Niche-innovation project managers - Program team managers and supporters	Project manager meeting: discussion on the progress of the experiments.	October 28th, 2010
5	Transition program meeting 5	- Niche-innovation project managers - Program team managers and supporters	Project manager meeting: discussion on the progress of the experiments.	December 16th, 2010
6	Transition program meeting 6:	- Niche-innovation project managers - Program manager 1	Conscience-raising evening: Rather than discussing the outcomes and the future of the experiments, this meeting focused on the barriers: discussing the things that should not hinder the experiments.	January 13th, 2011
7	Transition program meeting 7: National Symposium	- Niche-innovation project managers - Representatives of related long-term care organizations - Program team managers and supporters - Ministerial managers - Branch organizations	Final meeting with all transition program projects including project presentations and a panel discussion.	February 17th, 2011
8	Innovation program workshop	- Niche-innovation project managers - Program team managers - Ministerial managers - Innovation program team	Workshop: innovation program as a possible platform for empowering the niche-innovations.	April 12th, 2011

The first author conducted six semi-structured, ethnographic interviews (Spradley, 1979). At the beginning of each interview, the purpose of the interview was outlined. With all six interviewees, it was agreed that the interview would be used without quoting the interviewers name. The questions were formulated around the governance of the empowerment. Ethnographic interviews were used, because they help to understand the behavior of individuals (Spradley, 1979).

Author 1 followed Spradley's (1979) instructions to conduct ethnographic interviews which include three steps: (1) outlining the *explicit purpose* of the interview (2) providing *ethnographic explanations* about the research project as well as explaining why the interview should be recorded, and (3) asking *ethnographic questions* including descriptive, structural and contrast questions (pp.55-68). A descriptive question was for instance: 'What is the goal of the transition program?' A structural question was: 'What can you say about the continuation and stabilization of the niche-innovations in the long-term care system?' A contrast questions was: 'What is the difference between the transition and the innovation program?' These questions led to further questions such as: 'What is going to happen next with the niche-innovation projects?' or 'What is the impact of the lessons learned on policymaking?'

Two interviews were conducted with the ministerial managers who were key representatives of their respective programs and were able to take decisions for and against projects as they could promote them in the healthcare ministry for future policymaking. Two program team managers were interviewed who were involved in the initiation, supervision and continuation of the niche-innovations. Finally, interviews were conducted with two project managers of two distinct projects. Additional interviews were not needed as the responses were consistent across the six interviews and were congruent with the observations during the meetings.

5.2.4 Data analysis

Four steps were followed to analyze the data (Table 5.3). Boeije's constant comparative method for analyzing qualitative interviews was used (Boeije, 2002). The first step was the (1) comparison with a single interview. A line-by-line analysis was conducted on the interview with program manager 1 who was a central actor of the transition program being familiar with each project as well as with the two ministerial managers. Open and axial coding were used to code the fragments.

Table 5.3 Coding Procedure (Boeije, 2002)

	Type of Comparison	Analysis activities	Aim	Questions	Results
1	Comparison within a single interview. Here: Program manager 1	- Open and axial coding; - Line-by-line analysis - Determine if the fragments of the codes are meaningful - Judging if the codes are appropriate to answer the research question	Explore codes and develop categories to answer the research question	"What is going on here? What is it about? What is the problem? What is observed here? What is the person trying to tell? What does this term mean?" (Boeije, 2010).	- Code tree - Conceptual profile

2	Comparison between interviews within the same group that is actors who share the same experience. Here: Program manager 2.	- Open & Axial Coding
		  - Explore new codes
		  - Substantiate the existing codes and categories
		  - Create or subdivide categories
			Conceptualizing of the subject	Is program manager 2 talking about the same as program manager 1? What does the interview reveal about the category? What combinations of concepts occur? What interpretations exist for this? What are the similarities and differences between the interviews?	- Expansion of code words;
					- Description of concepts

3	Comparison of interviews from groups with different perspectives but involved with the subject under study. Here: Transition manager (Ministerial actor 1) and Innovation manager (Ministerial actor 2) as well as Project managers 1 and 2.	- Triangulation by sources
		
		- Selective Coding
		  - Summarizing the relationships
		  - Finding consensus in the interpretation
			Enrich the information and conceptualizing of barriers	What do the program managers say about certain themes and what do the ministerial and project managers say about the same themes? What themes appear within the program managers and not in the ministerial and project managers and vice versa? Why do they see things similarly or differently? What nuances, details or new information do ministerial and project managers supply about the ministerial managers?	- Verification of knowledge of interviewees.
					- Conceptual profile of barriers
					- Inventory of central issues

4	Comparison with observations and documents.	- Triangulation by method	Complete picture and enrich information.	What do the meeting minutes and documents say about the derived codes and categories? Are there similarities or differences? Are there new codes emerging? Is the conceptualization of the barriers supported?	- Verification of knowledge of interviewees - Additional information

A Priori constructs from the transitions literature were used to code the data such as *protectionism, power, expectations, visions, learning, and interests* (Schot and Geels, 2008; Caniëls and Romijn, 2008a; Smith and Raven, 2012; Jørgensen, 2012). Text fragments that could not be coded accordingly received a new code name. The second step was the (2) comparison between interviews within the same group. That is actors who share the same experience. Thus, the interview with program manager 2 was coded. It was tried to find further evidence for existing codes as well as identifying new ones. The goal was to advance the categorization and start the conceptualization of the barriers.

Next, (3) the interviews were compared with groups that have different perspectives on the niche-innovations. This is called triangulation by source as different perspectives are considered to find out if new evidence supports or contradicts the preliminary results (Miles and Huberman, 1994). The responses of the ministerial managers and project managers 1 and 2 were compared with the responses from the program managers. The goal was to enrich the data and to finalize the conceptualization of the barriers. Finally, (4) the results were compared with the observations in the meetings and the documents of the programs to verify the results from the interviews and to find out if more information was needed. This is called triangulation by method as the direct observations and the various documents are different data collection methods.

5.3   Results

In total, five barriers to govern the empowerment of the niche-innovations were identified. The core barrier was the *lack of commitment* to the empowerment which resulted from the other four barriers, the *subsidy focus* of projects, the *lack of protection* of the niche-innovations, the *conflict of interests* between the transition and innovation program, and the *power relationships* with and in the ministry. The barriers and the most relevant text fragments are shown in Table A5.1 in the appendix.

5.3.1 Lack of commitment to the empowerment

The transition program was lacking commitment from both, the organizations and the ministry. It was especially visible during the transition program's symposium, and during the workshop of the innovation program. The project managers that wanted to continue were lacking support from their board of directors who demanded further subsidies. And the ministry did not show commitment to the empowerment leaving it up to the project managers. This was substantiated during the workshop as the innovation manager emphasized that their program supports projects that want to be the driver of the empowerment:

"It is important that they themselves want to continue. If they want to do it themselves then everything is possible, and we within the [innovation program] will work particularly together with long-term care organizations that really want to renew themselves [within the existing system]. And that is what we can help them with. At the point when they say they are no longer interested, we will not force them to do so."

The continuation of the projects was questionable. Program manager 1 emphasized that the innovation manager did not favor the transition program. Also the project managers were disappointed with the support of the innovation program. Project manager 1 said:

"[During the workshop of the innovation program] it became clear that, indeed, the expectations were not fully met and that there was also a risk, a cancellation risk for the experiments. And there was a lot, and I found that also a bit funny, a lot of criticism on the innovation program. To me it was such a bureaucratic behavior […]. It was not about renewal or continuation. It was also a bit of: 'You should especially not try to say something positive about [the transition program]. […]"

Since the lack of commitment is a rather obvious explanation of the failure to govern the empowerment, we took a closer look at the data and identified another four barriers that explain the lack of commitment. Two barriers were concerned with the project level and the other two with the ministry level.

5.3.2 Project level barriers

Subsidy focus of projects

A key barrier was that the projects were too focused on getting subsidies rather than on the possibility to empower the niche-innovations. The problem is that once a project manager of an organization is aware of a subsidy, he/she will apply for it no matter if it fits to the organizational vision. This is possible, because boards of directors are not questioning fully subsidized projects. No commitment is needed, being able to easily reject the niche-innovations once the subsidy stops. The negative impression of subsidies in the long-term care sector was emphasized by program manager 2:

> "That is the dementia of the care [sector]. There is such a subsidy addiction in the care [sector] that one is always wondering: 'can I organize [another] little subsidy now?' Yet they have something really [valuable] in their hands [with the niche-innovations]."

Hence, it becomes difficult to govern the empowerment if the projects are primarily interested in subsidies. Program manager 1 argued that they should have asked for commitment from the board of directors of the organizations:

> "I think it is important [to note] that subsidized projects have often succeeded, but when the subsidy stops, then they just disappear. […] At the end of the subsidy [the CEO] should not simply say: 'yes, I have a problem; I don't have any more money.' […] This is also my own fault, we did not [ask] for sufficient commitment from the board of directors."

The focus on the subsidy distracted projects to focus on the content of the niche-innovations. Besides, the program team and the ministry were holding contrary views on how to protect the projects.

Lack of protection

Another barrier to govern the empowerment was the immediate exposure of the niche-innovations to the system as the transition program ended. There was a disagreement between the transition manager and program manager 1 on when to lift away the protection to expose the niche-innovations to the selection environment. The transition manager pointed out that the Ministry can only help to initiate the niche-innovations, but that it is up to the projects to empower them:

> "At a certain point you have to, so to say, create the conditions and maybe also quit the leading role to hand [the process] over to others. […] At a certain moment you have to really step out and say: 'now you have to do it yourself!' And there is no intermediate way."

Holding a contrary view, program manager 1 argued that subsidies should not be immediately withdrawn, but need to be gradually withdrawn from a project:

> "I don't believe in subsidized projects anymore. […]. Three years is very short to [succeed]. […] Some things just need a little longer, but that needs to happen with steadily less [subsidies]. If you are not careful, each project is going to ask for more [subsidies]."

Program manager 1 was aware of the 'subsidy focus' of the projects but still opted for a gradual withdrawal so that the projects have time for the empowerment. But, the ministry enforced an immediate withdrawal of the subsidy at the end of the transition program. Without any protection from either the ministry or the organizations, the niche-innovations were left alone not being able to empower.

5.3.3 Ministry level barriers

Conflict of interests between ministerial programs

There was a conflict of interest between the two ministerial programs. The innovation manager did not understand the idea of the transition program. He argued:

> "You know, what really happened in the [transition program], most of it can just lead to results within the regular context. Therefore, the system does not have to change. […]"

However, structural financing and regulative changes were required as the existing system did not support the new way of delivering long-term care. According to program manager 2, the visions and expectations of the innovation program were contradicting with those of the transition program:

"We said that the client is central. They said that the continuation of the organization and the care functionalities are central. We said that we wanted to radically innovate across the borders of the long-term care [system]. However, this [(innovation program)] is really within the system. […]. That is a huge limitation [for the projects]. We said we want to learn, we want to identify the limits of the long-term care system, [exploring] the systematic barriers, and that is what we are also looking for. They say no, we are going to look at what we can do within the existing [system]. […] I also said to [the manager of the transition program] that I felt that [the two programs] are going [into completely opposite directions …]."

Due to the different interests, power relationships were crucial to support the programs' interests.

Power relationships in and with the ministry
The transition manager had less power than the innovation manager. The latter was close to the parliamentary secretary of state being able to manage expectations and build networks to enforce the innovation program's interests. Even though being font of the projects, the transition manager was not able to promote them in the ministry. Program manager 1 outlined the difficult situation within the Ministry:

"[The transition manager] is not strong enough within the ministry. [The innovation manager] is much closer to the leaders above them. […]. [The innovation manager] has always been close to the parliamentary secretary of state who is linked to new [innovations]. […] Nevertheless, [the transition manager] is a supporter of the content […]. However, [the transition manager] is less daring when it comes to standing up in the Ministry. Hence, [the transition manager] is careful. Thus, if they want to have juridical advice then [the transition manager] goes to the juridical department. He is not going to say: 'I think it is like that!'. You can feel it. […]. If you do not look out the [whole thing] will collapse."

Further evidence for the power struggles was provided by the transition manager who emphasized the conflicting interests between the two programs:

> "I perceive [the differences between the two programs] as a problem because of what [program manager 1] calls the schoolyard effect – the informal space to play is lacking [in the innovation program]."

Despite disagreeing with the innovation manager, the transition manager did not reveal this conflict of interests during the workshop of the innovation program. The problem was that the intention of the ministry was to experiment with the niche-innovations, but not to significantly change the rules of the system. It was difficult for the transition manager to take a different position, despite being font of the projects. Similarly, the innovation manager had to represent the goals of the ministry, not showing any interest in changing the rules. The transition manager was backing up the innovation manager, saying that they cannot quickly change the rules of the system. Rather, the organizations should have shown more commitment to the empowerment and dare to change despite the existing power structures:

> "I think that one of the most important points is that there is commitment within the organizations. Yet the commitment for the project with the organizations is still unstable as well as the relation with the manner by which they are getting paid through the care administration office or the way in which we regulated the financing [of long-term care]. That is very contradictory. And the resulting incentives are contradicting the way the experiments delivered care. And the latter I absolutely cannot change at the moment, [but it is in progress]. The only thing I can say is: 'Look, there are people […] that, despite the problems, just do what they want. But the majority is completely led by [the rules] or think that it is supposed to be like that. They are not going against it. Hence, you also need rebellious people […] to drive [the change] forward."

Consequently, the projects had more power than they themselves realized to empower the niche-innovations. In the following, the results are discussed.

5.4 Discussion

In this section, the results are discussed. There are three sub-sections: 5.1 is discussing the lack of commitment, 5.2 discusses the project level barriers and 5.3 discusses the ministry level barriers.

5.4.1 Commitment and empowerment

The program team and the project managers were committed to the empowerment. It was the ministry and the boards of directors of the organizations which were not committed to the empowerment. This lack of commitment was surprising to the projects. The problem is that actors can raise expectations without being able to provide much evidence for a sketched vision (Jørgensen, 2012). The transition program, mediated by the program team, sketched the vision of being able to change the long-term care system, creating the expectation that the projects are crucial frontrunners. While this expectation was successfully conveyed to the projects, the transition program did not successfully promote this vision to the system. Yet this is vital to fit and conform the innovations into the system (Smith and Raven, 2012).

The fundamental dilemma is the conception of the niche which is placed outside the existing system (see Figure 5.1). The niche allows the ministry and the organizations to experiment without fearing any immediate consequences for the system. Hence, favorable niche-innovations can be separated from unfavorable ones. But, the niche also allows organizations and the ministry to pretend some goodwill to change existing structures while they in fact do not really try to change. Despite the niche actors, no one was willing to learn from the niche-innovations implying that the system actors did not want to change. Van den Bosch outlined that the freedom to experiment was limited as there was a lack of political commitment (van den Bosch, 2010). This means that the transition approach was not successfully conveyed to the relevant actors such as the policymakers and organizational directors.

5.4.2 The project level and empowerment

The projects expected further subsidies as the transition program was fully financed by the ministry. It created the expectation among the organizations that additional subsidies would be provided by the ministry for the empowerment. Yet the ministry was clear from the beginning that the projects had to continue on their own after the end of the subsidy. The projects believed to be important frontrunners in changing the system. It was primarily the program team that propagated the transition, not the ministry. The program team told the projects that they are frontrunners who can change long-term care bottom-up so that the system will change accordingly. Yet the program team and the projects failed to engage the ministry and the organizational directors into this vision.

It seemed as if the subsidy was more important than changing the system. Demanding further subsidies is a contradiction to the empowerment, because a niche-innovation can only be empowered if the subsidy is lifted away (Geels and Schot, 2008). According to Smith and Raven, the subsidy focus of organizations is particularly evident during the empowerment (Smith and Raven, 2012). Organizations that are protected have little interest to actually empower niche-innovations and rather try to continue receiving subsidies. To not fall in this trap of "protectionism" the subsidy has to be lifted away at some point (Smith and Raven, 2012, p.1031). That way, ministries can separate *actual niche-innovations* that can change systems from *pseudo niche-innovations* that are poorly constructed and only exist to receive subsidies. Not doing so will diminish the chance of empowerment as participants lack commitment to empower.

Nevertheless, it is not clear when to lift away the protection (Geels and Schot, 2008). The transitions literature argues that the protection has to be gradually withdrawn (Schot and Geels, 2008; Caniëls and Romijn, 2008a; Smith and Raven, 2012). In the transition program, the protection was governed too extreme. At first, the projects were protected too much as they were fully subsidized whereas at the end of the program, the subsidy was withdrawn immediately. Ministries have to find a better balance between subsidizing too much and too little.

That is, however, a challenging task, because it is neither clear for how long niche-innovations should be protected nor how to gradually withdraw the protection (Smith and Raven, 2012). Many subsidies merely cover short timeframes so that project managers have difficulties to establish networks that sustain in the system (Mur-Veeman et al., 1999). Another challenge is to find the right balance between

changing the rules of the system and avoiding favoring niche actors, e.g. organizations that developed the niche-innovations (Smith and Raven, 2012). Other organizations should have the time to get acquainted with the niche-innovations to be able to adapt their long-term care practices. Otherwise, incumbent organizations will not be committed to the empowerment trying to use their power to oppose the niche-innovations. A key challenge to govern the empowerment is to balance the protection in a way that it gives system actors and niche actors' equal chances to build up actor networks and to learn from the niche-innovations.

5.4.3 The ministry level and empowerment

The conflict of interest can be explained by the way the ministry dealt with niche-innovations. Despite financing the projects, a big problem was the ministry's "[…] short-term, result driven political expectations […]" which ended in the requirement that "'a successful innovation can be incorporated in the regular system'" (van den Bosch, 2010). This is in line with Dutch policymaking which favored incremental innovations since the early 1990s (Mur-Veeman et al., 2003). Yet it is a contradiction to the transition program since the idea is to change the system, not to reinforce it. The ministry was reluctant to support radical changes, merely willing to "modi[fy] policy regulations [that] concern only temporary measures to support small-scale experimentation." (van den Bosch, 2010). Thus, second-order learning, which concerns learning about the system, was neither ex-ante nor ex-post to the projects supported at the policy level.

There are different interest groups attached, amongst others, the long-term care organizations, the niche actors and the ministry. The question is: can we unify these groups for the greater goal of a sustainable system? Most likely not, because system changes go along with sacrifices for the incumbent organizations who therefore will oppose any changes. Thereby, niche actors will lobby for the changes, not only for the sustainable system, but also for their own benefit.

Power relations become very crucial as powerful actors decide which future pathway is going to be chosen (Oliver et al., 2012). Presumably, the incumbents will be more powerful than the niche actors, and thus will avoid any change as long as they have to sacrifice. Paradoxically, the incumbent organizations and the ministry created their own opposition by providing the facilities, the manpower and the subsidy to develop the niche. The question is: 'how to deal with this paradox and what to do with the unequal power relationships?

A transition is susceptible if actors who govern the transition do not encounter imbalanced power structures between niches and systems (Voss et al., 2009). The power of actors has influence on the empowerment as some actors are more powerful than others to steer expectations and developments in a certain direction (Coenen et al., 2012). Thereby, individuals choose which knowledge to use in times of change (Oliver et al., 2012). Here, the innovation manager, representing the innovation program, chose for innovations that work within the system. Originally, it was not planned that the innovation program supports the projects. As the innovation program got involved, the expectations were not sufficiently managed. The expectations of the projects were to receive further subsidies or help with changing the financing structure of the system. Contrarily, the innovation program expected that the projects would cooperate to align the experiments with the system and change their organizations' accordingly. Consequently, the transition and innovation program were not able to align their expectations leading to the frustration of all actors involved.

Finally, the impact of individuals should not be overestimated. Different health and social care programs have shown that the impact of program managers and researchers on policymaking is limited for two reasons: (1) decisions are taken on a yearly basis while scientific evaluations of health programs take two to three years before they are finished, and (2) frequently changing personnel in the ministry is making it difficult to build up personal relationships (Øvretveit and Klazinga, 2013). Similarly, the experiments had just finished so that the evaluations were limited to that specific point in time. In the end, the barriers hindered the transition program to govern the empowerment of the niche-innovations.

5.5 Conclusion

This research highlights the importance of studying individual actors in niches and systems and provides insights for policymakers to advance future transition programs. Particularly when niche-innovations get empowered, the interactions between niche and system actors have to be scrutinized to avoid making the same mistakes again. This study has provided first empirical insights into the barriers to govern the empowerment of niche-innovations. Even though the identified barriers seem rather simplistic, they were significantly influencing the empowerment. Considering the ever greater challenges of our systems, we believe that governments around the world will pursue more transition programs to radically

change towards sustainable systems. The implications in Table 5.4 can be useful in setting up other transition programs in and outside the Netherlands.

Table 5.4 Summary of barriers to govern the empowerment of niche-innovations

#	Barriers	Implications for policymakers	Governance level
1	Lack of commitment	- Create commitment to learn from successes and failures - Manage actor expectations regarding the responsibilities each actor has to take during the empowerment of the niche-innovations. This requires a continuous dialogue between ministerial actors, board of directors, project managers, professionals and citizens. The results here show that a program team can function as a mediator between the different groups, but that they cannot force them to participate.	Project and Ministry level
2	Subsidy focus	- Do not enable fully-subsidized projects, but opt for co-financed projects to ensure a certain level of commitment. - Long-term care organizations and policymakers have to view subsidies as a means to change the long-term care system, not as an end in itself.	Project level
3	Lack of protection	- Gradually withdraw the protection. Since there are no guidelines on how to do this, policymakers should try different ways to advance their knowledge on the lifting away of subsidies. More needs to be learned on how to protect the niche-innovations throughout their development. Protecting niche-innovations at the beginning of the process by providing a subsidy is not enough to enable the change of a system.	
4	Conflict of interests	- Learn from transition programs despite conflicting interests with other programs to detect flaws in the system - Enable connections between programs that have similar interests and visions in case the programs are dependent on each other.	Ministry level
5	Power relationships	- Enable a learning culture in the ministry to forego existing power relationships.	

Notably, empowerment does not mean that niche-innovations have to be translated one to one to new policies. Rather, policymakers have to find new ways to learn from niche-innovations to derive at a sustainable system. The overemphasis on subsidizing niche-innovations results in the ignorance to look at their utilization. Policymakers and organizations have to change their short-term focus on immediate evaluations and their illusion of empowering successful pilot projects by copying them elsewhere. Instead, they have to consider a more diversified and dynamic process of utilizing niche-innovations, putting greater emphasis on spreading ideas and providing freedom to adjust for contextual differences.

This study has several limitations such as the limited generalizations that we can make regarding transitions in long-term care since we only have been able to

follow one transition program. Another limitation was that the participation in ministerial meetings was not possible and insights into the power structures were limited to those disclosed in the interviews and observed in the meetings. Future research has to find more evidence on how decisions are taken in the ministry, how they are legitimized, and how power structures are influencing these decisions.

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Chapter 6

The Dutch Transition Approach to Revitalize Community-Care: Enabling Alternative Futures in Long-term Care[13]

Abstract

Increasingly, countries around the world view community-care as one of the key components in moving toward a sustainable long-term care system that can deal with today's challenges such as aging and increasing costs. According to the Dutch transition approach, protected spaces are required where actors can experiment with community-care innovations without being exposed to the pressures of the system. However, previous approaches failed to change the system. The goal of this paper is to provide insights into the barriers to protecting community-care innovations that aim at aim at a transition toward an alternative long-term care future. Two community-care experiments (2007-2011) were studied. Data were gathered through conducting interviews and collecting documents. In total, eleven barriers and four core themes were identified. The barriers included granting subsidies without having organizational or political *commitment*, supporting networks that underestimated the *size* of the community-care innovations, and *regulatory uncertainty* - not knowing the rules of tomorrow and ignoring the reality that it takes time to *spread the lessons learnt* in systems. The conclusion is that community-care innovations need to pay less attention to subsidies and focus more on learning from experiments, spreading ideas, and creating commitment from policymakers so that alternative futures are enabled.

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6.1 Introduction

Today's long-term care (LTC) systems are under pressure due to aging populations and increasing costs (Costa and Sato, 2012; De Blok et al., 2009; Loorbach and Rotmans, 2010; van den Bosch, 2010) as well as a shortage of personnel (De Blok et al., 2009; van den Bosch, 2010). This calls for a transition toward a more sustainable LTC system that is able to deliver high quality care at affordable prices to future societies (Loorbach and Rotmans, 2010; van den Bosch, 2010). Various authors (e.g. Costa and Sato, 2012; De Blok et al., 2009; Lee et al., 2009) have stressed that LTC should be centered on the client rather than being supply-driven. The quest for demand-driven care is paired with clients being given increasing responsibility for managing their LTC provisions (De Blok et al., 2009; South et al., 2010) including their social network in the community. Socially embedded clients, it is argued, require less care while support from other community members will reduce the workload of professionals (van den Bosch, 2010).

Around the world, many countries are addressing the challenges of their LTC systems by experimenting with community-care innovations that try to show alternative LTC futures (OECD, 2013). Community-care is viewed as one of the key components in dealing with the abovementioned challenges. Thus, national LTC programs have started to enable experiments for developing new community-care services and policies (van den Bosch, 2010; OECD, 2011). Examples can be found in Japan and Germany who have introduced new policies targeting community-based care (OECD, 2011) Similarly Israel is trying to strengthen community-based care to reduce the pressure on the system (OECD, 2012) The UK has run experiments based on remote care (Chrysanthaki et al., 2012) to reduce care expenditures and enable residents to stay in their community.

In addition, community-care experiments and policies have been established to reduce the welfare dependency of citizens through enabling extensive access to care services and offering autonomy to choose which services to purchase (Scourfiled, 2007; Pavolini and Ranci, 2008; Costa and Sato, 2012). For many decades, the UK has been debating how to reduce the welfare dependency of citizens, and similar trends can be seen in other countries such as Germany, France, and the Netherlands (Pavolini and Ranci, 2008). However, there are limits to any reduction in welfare dependency. The welfare state was created to particularly support those citizens that have not been able to help themselves (Chrysanthaki et al., 2012). Besides, many previous efforts to advance LTC services through

community-care failed to reduce costs, and simply added new structures to the system (Pavolini and Ranci, 2008).

Care activities cannot all be undertaken by lay people in the community as people with severe disabilities or diseases require professional care (Ryan et al., 2006). Even though do-it-yourself and community-care have advanced rapidly in the last decade due to many new technologies that enable self and community-care (Costa and Sato, 2012), there are criticisms that we are going too far in avoiding professional care (Ryan et al., 2006). Experiments are needed to find out how to better integrate and balance self, voluntary, and professional care (Ryan et al., 2006; Costa and Sato, 2012) and how to change the system (van den Bosch, 2010).

This paper deals with the barriers to pursuing community-care experiments that try to integrate self, voluntary and professional care to change the LTC system. It departs from the *Dutch transition program* for LTC (2007-2011) which enabled 26 niche-innovation projects to change the system. Niches are protected spaces where actors can experiment with radical innovations (Weber et al., 1999; Raven, 2005; Schot and Geels, 2008; Caniëls and Romijn, 2008a; 2008c; van den Bosch, 2010; Lopolito et al., 2011; Smith and Raven, 2012; Markard et al., 2012). The transition program was financed by the AWBZ (Algemene Wet Bijzondere Ziektekosten - the Exceptional Medical Expenses Act) which is the national insurance scheme for LTC (van den Bosch, 2010, p.155). In total, €90 million were invested in LTC innovations including the transition program (van den Bosch, 2010). The program was based on the transitions thinking that originated in the Netherlands in the 1990s and has become increasingly international with the formation of the sustainability transitions research network (Markard et al., 2012). Over the past 15 years, research on transitions has become ever more important to show alternative futures that can deal with the challenges of our socio-economic systems, such as our LTC systems (Markard et al., 2012).

Loorbach and Rotmans' (2010) claim that the transition program was "the first step in creating the necessary conditions at the regime level for scaling up the successful experiments" (p.242). However, many of the 26 projects did not scale-up at the end of the transition program. Hence, the projects were not able to start a transition toward an alternative future of the LTC system. While the transition program looked promising throughout the experimentation (Loobrach and Rotmans, 2010) it failed to live up to its expectations once the program ended.

Research is needed to find out why they were not scaled-up and how transitions toward alternative futures of the LTC system are enabled.

To study niche-innovations, the concept of protection is needed (Smith and Raven, 2012). It has three properties: 1. *shielding* innovations from the selection pressures of a system through subsidies or regulative exemptions; 2. *nurturing* the innovations through building networks, sharing and exchanging visions and expectations, and experimenting with innovations in order to learn from them; and 3. *empowering* innovations by removing the shielding and taking actions to increase their competitiveness so that they can be adopted by the system or even change it (Smith and Raven, 2012). The empowerment is also referred to as the scaling-up of experiments (van den Bosch, 2012; Smith and Raven, 2012). It is the least developed property in transitions literature (Smith and Raven, 2012).

A key challenge is to make the niche-innovations competitive in the system once the shielding is taken away (Smith and Raven, 2012). This requires the support of system actors who in turn fear to lose influence on the system as alternative futures challenge existing power structures and comfort zones of incumbent organizations (Smith and Raven, 2012). While Smith and Raven (2012) argue that niche actors need to lobby for the empowerment of the innovations to enable alternative futures, empirical evidence on how this is done or what actually happens during the empowerment is lacking.

Regardless of the theoretical insights into the protection of niche-innovations (Smith and Raven, 2012) and despite all the efforts to change the LTC system (van den Bosch, 2010; OECD, 2011, 2012; Chrysanthaki et al., 2012), previous experiments have often failed to become sufficiently structured to deal with the challenges facing LTC systems (Pavolini and Ranci, 2008; Loorbach and Rotmans, 2010; van den Bosch, 2010). As it is unknown why exactly LTC experiments fail to scale-up (van den Bosch, 2010) and to enhance our understanding of the relationship among the three protection properties and their impact on the transition (Smith and Raven, 2012), empirical insights are needed (van den Bosch, 2010; Smith and Raven, 2012). In response, this paper describes the results of two community-care experiments which were protected (shielded, nurtured and empowered) by the transition program. The goal is to generate new insights into the protection of experiments to formulate propositions that help future experiments to change systems so that not only today's society, but also future societies receive affordable LTC services. The main question addressed in this

paper is: *What are the barriers to protecting community-care experiments that aim at a transition toward an alternative future of the long-term care system?*

In the following section 2, we first outline the two community-care experiments that we studied. In section 3, the research methodology is introduced. Subsequently in section 4, the barriers to the community-care experiments are presented. This is followed by the discussion of the results in section 5. Here, the propositions for future community-care projects are formulated that should help to enable alternative futures. Finally in section 6, a conclusion is provided including the limitations of this study and recommendations for future research.

6.2 Community-care experiments

Given the early stage of this research with regard to theoretical and empirical insights into community-care innovations aimed at changing the LTC system towards a better future, we apply case study research in seeking an answer to the research question (Eisenhardt, 1989). It allows to first study individual experiments and then compare multiple experiments to identify differences and similarities to eventually formulate propositions for future community-care innovations (Eisenhardt, 1989). We studied two community-care experiments that were part of the transition program. Details of the experiments are provided in Table 6.1. We use the term mentally-disabled people as an equivalent to the term "people with intellectual disabilities" which is used in some countries. This does not include people with mental illnesses such as depression.

Table 6.1 Overview of the experiments

Experiments	Name	Key Stakeholders	Goal
Experiment 1	**Integrated Project**	Care organization for the mentally-disabled	Planning and starting a new integrated area and long-term care delivery project that enable the inclusion of mentally-disabled people into society.
		Social Housing Corporation	
		Project Development Group	
		Residents Association	
Experiment 2	**Community Center**	Social Housing Corporation	Establish a sustainable community center with a special focus on enabling long-term care delivery to elderly and mentally-disabled people not only today, but also in the future.
		Residents Association	
		Care organization for the mentally-disabled	
		Care organization for the elderly	

6.2.1 Experiment 1: The Integrated Project

In 2007, the Integrated Community Care Experiment was initiated by a care organization for those with mental disabilities that wanted to enable their clients to be embedded in society. An underlying problem was that their clients often have only a few social roles compared to other people. Socially valued roles were seen as being a volunteer or having a job. Frequently, those with mental disabilities only have the role of being a patient, living in a nursing home and merely joining activities tailored toward them. As a result, their social network is relatively limited to contacts with the family, professionals, and other people with mental disabilities. A goal has been to embed their clients in society, to enable them to take on more socially valuable roles, and to focus less on them as clients receiving professional care. In 2007, the subsidy by the transition program was granted.

The care organization's core endeavor was to plan and start a new *Integrated Area and LTC Delivery Project* in which clients would be socially integrated in a neighborhood where it would not matter if someone had a mental disability. They wanted to develop a community with 130 houses for 300 residents with prices ranging from €135,000 to €450,000. These residents would include young and old people, people with and without handicaps, single or married, healthy or unhealthy. The idea was that, by focusing on wellbeing and social cohesion, the residents would take care of each other, thereby reducing the need for professional care for those with mental disabilities and so easing the pressure on the LTC system. Consequently, both mentally-disabled people, represented by their guardians, as well as potential residents were invited to several meetings to discuss the project.

In 2008, the care organization attracted a social housing corporation to the project. Later, a project development group also became a partner in the network. The idea was that the social housing corporation would build inexpensive housing for people with low incomes while the project development group builds more upmarket houses to socially balance the neighborhood as well as to cover the costs of the land. It was not easy to get the project development group engaged, they wanted to support the project but indicated from the beginning that they would only continue if the price of the land set by the municipality was acceptable. In 2009, the municipality held a competition to develop a building lot in the city. The network was successful, as the municipality perceived the idea of an integrated area and LTC delivery project as convincing and futuristic. However, there was one condition to be met before starting construction: the network had to accept the land price set by the municipality. In 2010, a residents association was formed so that the future residents could formally be seen as a network partner and so in a position to further promote their interests.

6.2.2 Experiment 2: The Community Center

This experiment was located in an existing community with the aim of achieving a sustainable *Community Center* with a special focus on elderly and mentally-disabled people. The largest problem to address was the growing isolation of residents and the increasing demand for professional help. To counter this trend, their future vision was to build a community center that was open to all residents and functioned as a meeting place to reinforce social cohesion. To make this economically viable, the idea was that volunteers and the clients themselves would run the community center with professionals providing guidance. There were around 1200 houses around the proposed community center providing a target group of more than 3000 residents.

Initially, a social housing corporation with many properties in the area wanted to renovate several buildings in the community. In response, numerous residents of the community took an initiative and confronted the social housing corporation with the view that while they were pleased about the renovation, but more had to be done with regard to infrastructure and care-friendly housing so that residents could grow old in the community. A residents association was set up by and for the residents to be able to represent their interests. The social housing corporation took the requests of the residents seriously and invited other stakeholders that dealt with

LTC and wellbeing to join the project. Eventually, one care organization for the elderly and one for the mentally-disabled joined the project.

The three organizations started to invest in the project. The organization for the mentally-disabled sold one of their former nursing homes to the social housing corporation. This building was located in the center of the community and an ideal access point for the residents. The social housing corporation renovated the building so that it could become a proper community center. The community center was opened in 2007, with subsidies (shielding) provided by the municipality. In the same year, a subsidy from the transition program for LTC was granted and provided further support in realizing the project.

The community center has 900m² of floor area of which half has been rented out to a healthcare center consisting of a dermatologist, a physiotherapist, a pedicurist, and an orthopedic technician. Some of the other 450m² has been let to the LTC organizations for use as offices. Another part was rented to the social housing corporation themselves who use the space for the facility manager. The remaining space has been used as a meeting place for the residents, including a reception area, a café, a lounge, a kitchen, a bar, a combined hobby space and classroom, a consultation room, and a garden.

6.3   Research methodology

6.3.1 Building theory from case study research

We used Eisenhardt's (1989) building theory from case study research (Table 6.2) to answer the research question. The various steps are described below.

Table 6.2 Building Theory from Case Study Research (based on: Eisenhardt, 1989, p. 533)

Key tasks	#	Step	Activity	Reason
Getting started	1	Getting Started	Definition of research question: What are the barriers to protecting community-care experiments related to changing the healthcare system? A priori constructs from strategic niche management	Focuses efforts Provides better grounding of construct measures
Data collection	2	Selecting Cases	Neither theory nor hypotheses Specified population (Projects from the Dutch transition program for long-term care) Theoretical, not random, sampling. Two experiments identified that particularly focused on experimenting with community-care innovations.	Retains theoretical flexibility Constrains extraneous variation and sharpens external validity Focuses efforts on theoretically useful cases –those that replicate or extend theory by filling conceptual categories
	3	Crafting Instruments and Protocols	Multiple data collection methods. Collecting documents, visiting community-care sites and conducting interviews.	Strengthens grounding of theory by triangulating evidence
	4	Entering the Field	Overlap data collection and data analysis, including field notes Flexible data collection methods. First analyzing documents and then confronting participants with the results during interviews.	Speeds analysis and reveals helpful adjustments to data collection Allows investigators to take advantage of emergent themes and unique case features
Data analysis	5	Analyzing Data	Within-case analysis Cross-case pattern search, comparing the Integrated Project with the Community Center. The bases for the comparison are the barriers identified during the within-case analysis.	Gains familiarity with data and preliminary theory generation Forces investigators to look beyond initial impressions and see evidence through multiple lenses
	6	Shaping propositions[a]	Iterative tabulation of evidence for each construct Replication, not sampling, logic across cases Search evidence for the "why" behind relationships	Sharpens construct definition, validity, and measurability Confirms, extends, and sharpens theory Builds internal validity
	7	Enfolding Literature	Comparison with conflicting SNM and community-care literature Comparison with similar SNM and community-care literature	Builds internal validity, raises theoretical level, and sharpens construct definitions Sharpens generalizability, improves construct definition, and raises theoretical level
	8	Reaching Closure	Theoretical saturation when possible	Ends process when improvements become marginal

[a] We formulate propositions rather than hypotheses because we have only compared two community-care experiments. Propositions are formulated in a broader way than hypotheses that establish specific links between variables. Since this is only the first step in studying community-care experiments, propositions are better suited as they are not limited to specific variables. Further research is needed to test these propositions in order to derive more generalizable outcomes.

6.3.2 Getting started (Step 1)

The starting point of the analysis is the research question: *What are the barriers to protecting community-care experiments that aim at a transition toward an alternative future of the long-term care system?* Several *a priori* constructs have been taken from the transitions literature. In this study, the community-care experiments/innovations are seen as niche-innovations. A niche is a protected space in which networks can experiment with radical, path-breaking innovations that can change systems, as opposed to incremental innovations that change practices within a given system Weber et al., 1999; Raven, 2005; Hofman, 2005; Schot and Geels, 2008; Caniëls and Romijn, 2008a; 2008c; van den Bosch, 2010; Lopolito et al., 2011; Smith and Raven, 2012; Markard et al., 2012). In other words, niche-innovations are protected from the selection environment of the existing system through subsidies or exemptions from regulatory rules (Caniëls and Romijn, 2008a; 2008c). As such, the concept of protection plays a crucial role in transitions (Schot and Geels, 2008; Smith and Raven, 2012) as outlined in the introduction. Here, the three protective properties of *shielding, nurturing, and empowering* (Smith and Raven, 2012) are the three *a priori* constructs used to identify barriers to community-care innovations.

6.3.3 Data collection (Steps 2-4)

This research amounts to a retrospective case study that primarily uses documents to explore the two community-care experiments. Additionally, seven interviews were conducted to validate the analysis of the documents. Most of the documents were obtained from either the transition program's platform or the projects' websites. Additional documents were provided by the project managers. For the Integrated Project, two interviews were conducted with former project managers. There were two managers since the first left the care organization during the experimentation period and was replaced. In addition, the director of the care organization was interviewed as well as the municipality councilor responsible for building lots. For the Community Center project, the former project manager was interviewed along with one representative from the care organization for the elderly and one representative of the care organization for the mentally disabled. The lead author of this paper went to the projects for the interviews, and to tour the communities to become familiar with the experiments. The interviewees are listed in Table 6.3.

Table 6.3 Schedule of semi-structured interviews

Experiment	#	Interviewee	Organization	Role of interviewee	Date of interview
Integrated Project	1	Manager 1	Care organization for the mentally-disabled	First project manager of the Integrated Project	16.03.2011
	2	Manager 2	Care organization for the mentally-disabled	Second project manager of the Integrated Project	09.08.2012
	3	Director	Care organization for the mentally-disabled	Initiated and supported the Integrated Project	12.09.2012
	4	Councilor	Municipality	Spatial planning for the Integrated Project	22.10.2012
Community Center	5	Manager 1	Independent consultant	Former project manager of the Community Center	31.07.2012
	6	Manager 2	Care organization for the mentally-disabled	Coached volunteers in the Community Center	14.08.2012
	7	Manager 3	Care organization for the elderly	Manager of the Community Center	14.08.2012

6.3.4 Data analysis (Steps 5-8)

The data analysis started with the Integrated Project and sought, by coding documents, to identify the barriers to protecting the community-care innovations. The three *a priori* constructs outlined above were used to code the data. A line-by-line analysis helped to identify text fragments that were relevant in answering the research question. The same procedure was applied to analyze the Community Center project. Triangulation by method (Miles and Huberman, 1994) was applied when coding the interviews. To give an example; the evaluation report of the Community Center indicated that there was a lack of structural financing to continue the project. Consequently, other documents were studied to find further evidence of this and to confirm the financial situation. Finally, the interviewees would be confronted with the analysis of the documents to remove any remaining doubts. In a subsequent analysis, the two experiments were compared in terms of their results. Here, steps 6 to 8 of Eisenhardt's approach were applied as the results were discussed in relation to existing literature while propositions for protecting future niche-innovations were formulated.

6.4   Results

Overall, the Integrated Project faced five barriers and the Community Center six barriers to shielding, nurturing, and empowering the community-care innovations. These ranged from the financial crisis up to regulatory uncertainty. The results are summarized in Table 6.4 and are outlined in the following.

Table 6.4 Summary of results

Properties	Core themes	Integrated Project	Community Center	Propositions for enabling transitions toward alternative futures in long-term care
Shielding	Commitment	**Barrier 1: Subsidy without commitment** - Lack of strong commitment either from the organizations or from the policy level. - Due to the lack of commitment, the subsidy financed an unsustainable vision that was based on unmet expectations that the municipality would lower the land price.	**Barrier 1: Subsidy without political engagement** - The transition program subsidy covered losses and forced the network to develop a social business case. - No strong commitment from the policy level.	**Proposition 1** To enable transitions toward alternative LTC futures, projects primarily need to be politically shielded, through engaging national policy actors in the niche-innovation process to learn from the experiments, and less shielded financially.
Nurturing	Size	**Barrier 2: Financial crisis** - Given the financial crisis, there was a strong emphasis on the expectation that the municipality would lower the land price even though the municipality was not signaling any room for negotiation. - The business case was too optimistic as there were insufficient potential residents willing and able to buy the houses. - Too many parallel projects **Barrier 3: Unbalanced vision** - Too much focus on quantity rather than quality. The Integrated Project was overemphasized leaving the actual vision to one side. This focus also neglected the importance of establishing connections between residents with and without mental disabilities.	**Barrier 2: Lack of demand** - There was insufficient demand for the facilities in the Community Center that were available for rent. More activities were needed to increase the occupancy rate.	**Proposition 2:** The larger a community-care experiment in terms of stakeholders concerned and financial resources needed, the more time is needed to empower the experiment and enable a transition toward an alternative future of the LTC system.

			Barrier 3: Lack structural financing - Dutch long-term care financing does not cover costs related to wellbeing. Such benefits can only be assigned to society in general, not to specific institutions. Barrier 4: Regulatory uncertainty - Prevailing regulatory uncertainty due to political instability.	Proposition 3: For future community centers to become empowered, thereby enabling a transition toward an alternative LTC future, regulations have to ensure that the social benefits are quantified and mutualized among the financing stakeholders
Empowering	Regulations	-		
	Spreading ideas	Barrier 4: Dissolving network - The network almost dissolved while the experiment was being nurtured. Only a few residents and one of the directors still adhered to the original vision. Barrier 5: Lack of time and space - The care organization for the mentally-disabled re-initiated the project at another location. It is not yet clear whether this will be successful. Transitions need time, and a transition program of two years does not provide the time and space required.	Barrier 5: Diverging contexts - Trying to replicate the Community Center elsewhere showed that realization requires the commitment of residents. Barrier 6: Lack of time and scope - The former project manager empowered the lessons learnt from the experiment in other projects. This was outside the timeframe and the scope of the transition program.	Proposition 4: Empowerment is bound to be unsuccessful if only quantitative scaling, that is directly copying innovations to other communities, is considered. The empowerment process needs to focus on spreading the lessons learnt to enable a transition toward alternative futures rather than on just duplicating innovations.

6.4.1 The Integrated Project – within case analysis

Barrier 1 (barrier to shielding): A subsidy without commitment

In 2008, the Integrated Project applied and then became part of a transition program for LTC. As such, the experiment became shielded by the transition program, receiving a subsidy of around €580,000 for 2009 and 2010. By taking part in the transition program, they were also required to develop a social business case that could be used to upscale the project and copy it elsewhere. Despite these conditions, the policy-level actors failed to show either a strong interest in the project or a strong commitment to learning from the project. The stakeholders themselves did not have to show any commitment at this stage despite showing interest in community-care innovations.

Barrier 2 (barrier to nurturing): *Financial crisis*
The dispute between the network and the municipality about the cost of the land became a critical factor when the financial crisis started to affect building projects across the Netherlands. Since the network had won the competition for the building lot in the city, the network thought they could negotiate the price of the land with the municipality. Later, when the network tried to engage in discussions with the municipality's councilor, the network's expectations were not met as the municipality did not see the price as negotiable. Consequently, in January 2010, both the project development group and the social housing corporation withdrew from the project making it difficult for the remainder of the network to finance the Integrated Project.

Toward the end of 2010, the care organization feared losing business as care activities were taken over by volunteers. Simultaneously, the organization was confronted with financial pressures resulting from a combination of too many parallel projects and the financial crisis. The original business case was looking overoptimistic with insufficient potential house purchasers. The problem was twofold: due to the financial crisis, the real estate market was very slow and some potential residents were worried that they could not sell their existing houses while others were no longer eligible for a mortgage. Hence, some potential residents could not or no longer wanted to commit themselves to the project.

Barrier 3 (barrier to nurturing): *Unbalanced vision*
The network failed to get their priorities right owing to an unbalanced vision that emphasized quantity in terms of creating a large community to deliver new services rather than quality in terms of improving community-care by building links between mentally-disabled people and other community members. The network was preoccupied with financing the Integrated Project and largely ignored how people could live together in a neighborhood irrespective of their disabilities. As a consequence, there was a lack of good connections between the potential residents with mental disabilities and those without. The ones without were worried that they would have to permanently take care of those with mental disabilities.

Barrier 4 (barrier to empowerment): *Dissolving network*
By 2011, the network had essentially dissolved, leaving only the residents association. Once the subsidy stopped, the care organization stopped its financial support of the residents association. Consequently, this also started to dissolve.

Barrier 5 (barrier to empowerment): *Lack of time and space*

In 2012, the care organization for the mentally-disabled had sufficiently recovered from the financial pressures of 2010 and 2011 to restart the project. The CEO asked the director to re-initiate it, and the latter was still convinced of the merits of the Integrated Project. However, the location and the other stakeholders had moved on and it remains to be seen if the project will be realized. It is said that transitions need time, and here a transition program of two years did not provide the time or space needed.

6.4.2 The Community Center – within case analysis

Barrier 1 (barrier to shielding): *A subsidy without political engagement*

The Community Center was faced with a lack of political engagement. It had been dependent on subsidies and donations to avoid running at a loss. In total, the network had received donations of €260,000. Further, for 2007 and 2008, they received an annual exploitation subsidy of €50,000 from the municipality plus a yearly subsidy of €15,000 for supporting volunteers. Additionally, for 2007, 2008, and 2009, they received an annual care infrastructure subsidy of €25,000. Nevertheless, they built up a deficit of more than €1.1 million over the period from 2007 to 2009. For this reason, they applied and finally received a subsidy from the transition program for LTC to balance these losses.

By participating in the transition program, the network was aiming to learn from this experiment. The network had to develop a social business case that would explain how the Community Center could continue into the future without a subsidy. It was also expected to outline how other communities could develop similar community centers. The ministry limited its efforts to financing the experiment.

Barrier 2 (barrier to nurturing): *Lack of demand*

A problem that was not solved by the Community Center was the failure to cover the rent for the residents' meeting place as there were never enough activities planned to generate sufficient income. It was unclear how to rent out some of the space. Even though usage had been increasing over time, uncertainty remained as to whether it would be possible to increase rent-generating activities.

Barrier 3 (barrier to empowerment): *Lack of structural financing*

It had not been possible to empower the Community Center. One problem was the financing structure for the Dutch LTC system. Generally, only costs directly related to care are covered, not those related to wellbeing. The project could show that the wellbeing of the residents improves, and that the Community Center enables them to live in their known social environment, and that, as a result, the residents require less professional care. The network estimated that this reduced the wider community's LTC costs by €0.8 million between 2007 and 2009. Further, the work of the volunteers was seen as a contribution to society worth €1 million based on the number of hours that the volunteers had put in. However, administratively, the care organization is not able to receive financial recognition for these contributions.

Barrier 4 (barrier to empowerment): *Regulatory uncertainty*

The network started to lobby in an attempt to ensure that the Community Center continued, emphasizing the importance of the center's social benefits. They tried to outline their experiment to Parliament, as well as to the government, in order to change the financing system. Further, they successfully engaged the municipality to continue financing the Community Center beyond 2009.

It remains to be seen if the financing structure of the Dutch LTC system changes or if other modes of financing become available. There is also uncertainty regarding the political situation in the Netherlands due to frequent changes of government. The most recent election resulted in a change of government, and so the expected changes in the Dutch LTC financing structure, which should have become effective in 2013, have been either cancelled or put on hold [24]. Time will tell if the Community Center becomes empowered.

Barrier 5 (barrier to empowerment): *Diverging contexts*

The network tried to develop another community center in a different community based on the lessons learnt from the underlying project. A problem here was that the organizations tried to implement the new community center in a top-down manner. Unlike the experiment here, the residents of the other community were not the driver of the new project. As a consequence, there was much less commitment which made it harder to engage the municipality and other stakeholders. Further, the CEOs of the LTC organizations involved did not want to finance another community center that would again make losses. In the end, they failed to establish another community center.

Barrier 6 (barrier to empowerment): *Lack of time and scope*

Even though the experiments were not empowered in the sense of replicating the community center in other communities, the experiment was empowered in terms of spreading the lessons learnt to other LTC and infrastructure projects. This empowerment was initiated by the project manager who left the community center once the transition program stopped. As an independent consultant, the former project manager used the experiment's underlying ideas in new, smaller community-care projects. Here, the project manager emphasized that the projects should not use subsidies, so as to avoid becoming over-reliant on them, and instead find ways to empower such experiments that avoid the problems that occur when a subsidy stops. This kind of empowerment, spreading the lessons learnt through individuals, was not encountered in the transition program. It took place beyond the timeframe and the scope of the transition program.

6.5   Discussion – Cross-case analysis

Based on the results, four core themes appeared to be crucial to community-care innovations: 'commitment', 'size', 'regulations', and 'spreading ideas'. The three protective properties are now described in accordance with their occurrence in the core themes (e.g. commitment with shielding). The cross-case analysis highlights the key similarities and differences between the two experiments and also discusses the findings in terms of supportive and conflicting literature. Finally, propositions are formulated for each core theme to enhance future experiments that aim at alternative futures of the LTC system. It should be noted that these propositions are based on only two experiments and that more evidence is needed to confidently generalize the outcomes and provide support for the formulated propositions.

6.5.1 Shielding and commitment

In literature, shielding is used to protect niche-innovations from existing selection pressures through, for example, regulatory exemptions or subsidies (Smith and Raven, 2012). Here, both experiments were heavily dependent on receiving subsidies to shield them from the LTC system. However, the ministry's engagement and commitment was weak as their willingness to learn was limited by the boundaries of the existing system. Thus, the ministry essentially only functioned as an enabler of a transition program that was limited in time, space, and scope. Unlike the Integrated Project, the Community Center had the advantage that its funding came from several sources in addition to the transition program.

The municipality was especially committed and funded the project before and after the transition program. The funding of the Integrated Project heavily focused on pure external financing and, thus, dependent on others.

The two experiments have shown that how community-care innovations are shielded is critical to their nurturing and empowerment. What we have seen is that subsidies become the driver of community-care innovations but provide no other incentives to actually change the system. That could explain why many previous niche-innovations failed to become empowered (Weber et al., 1999; Raven, 2005; Hofman, 2005; Schot and Geels, 2008). The paradox is that a subsidy first enables an innovation but then disables it when the subsidy is removed because the subsidy becomes the organization's core incentive. Hence, an important question is whether and how a subsidy could be structured to empower innovations beyond the period of subsidy.

In the transitions literature, it is argued that protection should gradually be withdrawn so that niche-innovations are given time to become empowered within the existing system (Schot and Geels, 2008; Caniëls and Romijn, 2008a). This is similar to what is happening with the community center project where the municipality is continuing to finance the Community Center in the hope that the financing structure of the LTC system changes.

However, the project managers of the two experiments have argued that the community-care innovations should rely much less on subsidies, and ideally run without any subsidy to enable an alternative future. Schot and Geels (2008) outlined the dilemma facing policymakers: "protection is needed to enable the nurturing of niche-innovations, [but they also indicate that policymakers should] not protect too long and too much." The question is then how long does it take for a system to change and how much money has to be invested before this happens? Generally, there seems to be an overly strong focus on shielding innovations through subsidies while what seems to be actually needed is greater commitment, both from policy and from project managers, to learn from experiments and change the system. On this basis, we advance the following proposition:

> *Proposition 1:* To enable transitions toward alternative LTC futures, projects primarily need to be politically shielded, through engaging national policy actors in the niche-innovation process to learn from the experiments, and less shielded financially.

6.5.2 Nurturing and size

The nurturing of niche-innovations involves forming networks, sharing and exchanging visions and expectations, and learning from the experiments (Schot and Geels, 2008; Caniëls and Romijn, 2008a; Loorbach and Rotmans, 2010; van den Bosch, 2010). In the Integrated Project, the visions and expectations were much less articulated compared with the Community Center which had a clear vision and wanted to learn from the experiment. The Community Center's network was much stronger than that of the Integrated Project. The stakeholders in the former were willing to invest their own time and money despite the barriers they were facing. The network of the Integrated Project was unstable since there was insufficient demand for all the proposed houses while the care organization was overwhelmed with all the projects in which it was involved. Eventually, all the stakeholders left the network as they became affected by the financial crisis.

An explanation for the different outcomes may be that the Community Center project was smaller in terms of the financial resources needed and the required number of stakeholders compared to the Integrated Project making it easier to overcome the barriers. To date, the relevance of project *size* has not been discussed in the transitions literature. However, looking at the project management literature, there is evidence that larger projects (those with more than one hundred activities) have more problems in meeting deadlines than smaller projects (Belassi and Tukel. 1996). Here, Belassi and Tukel (1996) are arguing that the uniqueness of activities increases the complexity of a project and therefore more time is required to realize the project. This can be translated to our studied experiments where the Community Center had fewer activities, less complexity, due to a smaller number of stakeholders, and required less financial resources than the Integrated Project. Given that more time is needed to realize larger community-care projects, the following proposition is formulated:

Proposition 2: The larger a community-care experiment in terms of stakeholders concerned and financial resources needed, the more time is needed to empower the experiment and enable transition toward an alternative LTC future.

6.5.3 Empowering and regulations

Empowering niche-innovations is concerned with increasing their competitiveness so that they can survive within, or even change, the existing selection environment without the need for shielding (van den Bosch, 2010; Smith and Raven, 2012). As such, the regulations of a system have to change (Schot and Geels, 2008; Loobrach and Rotmans, 2010). In our study, only the Community Center highlighted problems with the existing regulatory system. A possible explanation for this is that the Integrated Project network dissolved while the Community Center's was striving for empowerment. The network stakeholders in the Community Center project were fully committed to the project and received further financial support from the municipality. Nevertheless, it still faced major uncertainties over future financing due to regulatory uncertainties.

The regulatory uncertainties in the Netherlands are predominantly caused by the ever-changing rules. This is coupled with the need for cutbacks to reduce national LTC expenditures that has been increasing due to the care coverage offered to elderly people, which is one of the highest in Europe (Pavolini and Ranci, 2008). To enable an alternative future of the LTC system, future regulations need to be evaluated on more than monetary benefits. An example was given when the Community Center tried to highlight its social benefits. More research is required to find out how, for instance, social benefits could be mutualized. Despite the limited evidence from our experiments, the following proposition is formulated:

> ***Proposition 3:*** For future community centers to become empowered, thereby enabling a transition toward an alternative LTC future, regulations have to ensure that the social benefits are quantified and mutualized among the financing stakeholders.

6.5.4 Empowering and spreading ideas

Evaluating the two experiments immediately after the transition program emphasized two barriers: 'time and space' and 'time and scope'. Even though both experiments failed to become empowered immediately after the nurturing process, this does not mean that the community-care innovations will never enable alternative futures. Transitions need time (Schot and Geels, 2008; Caniëls and Romijn, 2008a; Loorbach and Rotmans, 2010; Markard et al., 2012), but the transition program for LTC failed to provide this time by only shielding the

projects for two years. The Integrated Project was re-initiated in 2012 but this was only after a hiatus of one and a half years after the transition program ended.

Similarly, the Community Center has continued to lobby in an attempt to empower the community-care innovation by obtaining structural financing. While Loorbach and Rotmans (2010) claimed that the conditions for empowerment were created by the transition program, the Community Center shows that the ministry did not learn from the experiment while the project was nurtured. Once structural financing is in place, the network is confident that it can replicate the Community Center concept to change the system toward an alternative future. Further, the general idea of the Community Center concept is slowly becoming empowered as the former project manager spreads its ideas to other projects in different contexts that do not require subsidies.

Finally, the two experiments show various forms of empowerment taking place despite the barriers. It depends on how one looks at empowerment: it can take place in many ways, through an individual project manager spreading the ideas to other, unrelated projects or through quantitatively spreading innovations across an organization. Due to the "context-specificity", projects cannot be copied one by one to a new context (Loorbach and Rotmans, 2010, p.243). As such, empowering can also be understood in terms of lessons learnt and ideas spread as seen with the project manager of the Community Center and also with the director of the Integrated Project who re-initiated the project. Thus, the experiments show that empowering innovations is possible despite the barriers, but only if a lengthy timeframe is considered. In the longer term, transition programs could change the way people think about the LTC system.

> ***Proposition 4:*** Empowerment is bound to be unsuccessful if only quantitative scaling, that is directly copying innovations to other communities, is considered. The empowerment process needs to focus on spreading the lessons learnt to enable a transition toward alternative futures rather than on just duplicating innovations.

6.6 Conclusion

This study shows that the protection provided to community-care innovations is not only dependent on forming strong networks, exchanging visions and expectations, and learning from experiment (Weber et al., 1999; Raven, 2005; Schot and Geels, 2008; Caniëls and Romijn, 2008a; 2008b; Loorbach and Rotmans, 2010; van den Bosch, 2010; Lopolito et al., 2011; Smith and Raven, 2012; Markard et al., 2012), but is also dependent on the way policymakers, project managers, and researchers look at the innovations. To date, the literature has overlooked the importance of how niche-innovations are empowered and how shielding and nurturing influence empowerment (Schot and Geels, 2008; Loorbach and Rotmans, 2010; Smith and Raven, 2012). The two experiments studied have shown that focusing on shielding community-care innovations through subsidies leads to poor nurturing and empowerment processes hindering the transition toward an alternative LTC future.

We identified eleven barriers and four core themes that appear to be crucial in community-care innovations. These can help us to think about how alternative LTC futures can be achieved. The first core theme is the need for *commitment*. Innovations not only need to be shielded financially, but also through the engagement in and commitment of policy and organizational actors to second-order learning, that is questioning existing rules and learning how the system could change (Hoogma, 2000). The two experiments ran as long as they were being subsidized, and learning was limited to first-order learning, that is learning within the local context (Hoogma, 2000). Second-order learning did not take place as policymakers were not actively involved and the experiments did not get empowered.

The second core theme is the *size* of the experiment since larger experiments are more likely to fail if the timeframe is limited. The size of the community-care experiments was ignored by the networks. Thereby, the Integrated Project did not focus on the essential core, establishing connections between residents. The third core theme concerns the *regulation* of the LTC system which needs to be adapted to reflect lessons learnt in experiments so that future community innovations can be adopted by other LTC organizations in the system. Finally, community-care experiments do not have to be primarily empowered in the quantitative sense of copying them to other communities. It is more important to take the lessons learnt and *spread* them (our fourth theme) to other communities so that they can enhance the innovations in customizing them to other contexts, thereby slowly deriving at

an alternative LTC future that is able to deliver affordable care to our aging population. We found that the project managers who had learnt from the experiments had been trying to move forward to second-order learning by finding ways to empower the lessons learnt into other community projects.

This research has several limitations. Foremost, the limited number of experiments means that we are offering little more than some initial insights, and that this research has to be extended to find more evidence. Future research should compare additional community-care innovations to shape hypotheses on how subsidies should be granted and then withdrawn in a way that enables niche-innovations to become empowered. Future experiments should also consider the core themes so as they avoid making the same mistakes again in order to advance change in the LTC system. As already noted, community-care will never entirely replace professional care as clients will always require a certain degree of professional care (Ryan et al., 2006). This has to be considered in future community-care innovations. Finding an appropriate balance between self, community and professional care remains one of the biggest challenges facing policymakers. Future studies can use the transition approach to show alternative futures that potentially change the LTC system to assure LTC for both, our existing and future societies.

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Chapter 7

Conclusions and Discussions

Today's challenges of an aging population (Beukema and Kleijnen, 2007; United Nations, 2010), the increasing costs of the system (Pavolini and Ranci, 2008; OECD, 2013) and the scarcity of professionals (Bettio and Verashchagina, 2010; van den Bosch, 2010) keep pressuring the socio-economic long-term care (LTC) system. Hence, the system has to change from a fragmented, supply-driven system into an integrated demand-driven system (Beukema and Valkenburg, 2007; van den Bosch, 2010). In doing so, radical innovations are needed that can change the system (van den Bosch, 2010; Loobrach and Rotmans, 2010). However, previous research does not highlight how to change the system by pursuing radical innovations (van den Bosch, 2010; Loobrach and Rotmans, 2010). This thesis is the first empirical study on the barriers to empowering radical innovations in the LTC system. The identified barriers can help to advance future radical innovations to be able to empower them and change the LTC system.

The theoretical outset of this thesis is the multi-level perspective on transitions (Geels and Schot, 2007) which consists of a landscape level representing the long-term developments such as an aging population, the socio-economic system that consists of regulative, normative and cognitive rules, and the niche level which is the protected space to experiment with radical LTC innovations. In order to change the system, the niche-innovations have to be empowered into the system (Smith and Raven, 2012). By this means, the protection of the niche has to be lifted away, the niches have to become more structured and stabilized so that they can empower into and/ or replace the system to be able to deal with the pressures of the landscape level (Smith and Raven, 2012).

However, the empowerment of niche-innovations is the least developed concept in the transitions literature so that empirical research on the empowerment is needed (e.g. Weber et al., 1999; van den Bosch, 2010; Smith and Raven, 2012). The results are a first indication of the obstacles that hinder the empowerment. This study uses the MLP (Geels and Schot, 2007) and the concept of empowerment (Smith and Raven, 2012) to identify the barriers to empowerment and to formulate implications to overcome them in the future. Nevertheless, broad generalizations

that positivistic scientists are looking for cannot be made and were not the motivation of this study. Rather, the lessons learned in this thesis can help to advance future niche-innovations projects, realizing that we cannot escape the context specificity of local projects and the diversity of human beings. The previous five chapters provided answers to the initial problem statement:

How can a strategy formation process be supported to empower niche-innovations and what are the barriers to empowering niche-innovations in the long-term care system?

In this chapter, a conclusion on the findings of the previous six chapters is formulated. At first (7.1) a conclusion is derived on each individual research question (RQ). Secondly (7.2) the scientific contribution is highlighted, followed by (7.3) the societal contribution and (7.4) the methodological contribution of this research. Finally, (7.5) the limitations of this thesis and (7.6) the recommendations for future research are outlined.

7.1 Concluding remarks on the research questions

Research questions 1 to 5 have been addressed in chapters 2 to 6 respectively. Based on the perspective of the niche, niche-innovations have to be empowered into (1) organizations, into (2) organizational networks and into (3) the LTC system. Figure 7.1 illustrates three layers of empowerment. The key steps and results of this thesis as well as key propositions for future niche-innovation projects are summarized in Table 7.1 and are further elaborated subsequently.
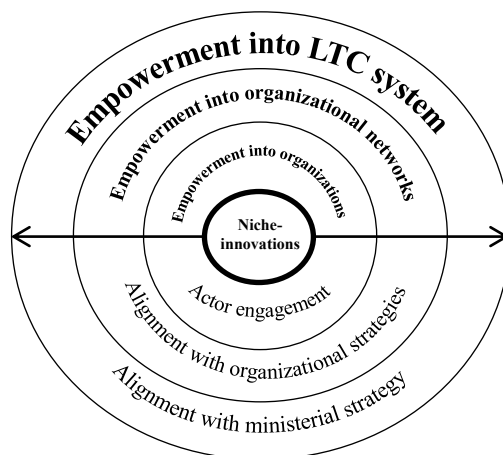
Figure 7. 1 The different layers of empowerment

Table 7. 1 Overview of the key findings

Chapter		Step	Key results	Propositions
Part I	2	Action Research	- The generic AR approach enabled the researcher to make intrinsic concerns explicit - The project got cancelled due to the lack of commitment from the top of the organization.	To successfully pursue action research in future niche-innovation projects, the action researcher has to be involved in the project from the beginning under the condition that the top of the organization commits to the action research approach.
Part II	3	Empowerment into organizations	- During the planning of the experiments the local context was ignored. - The professionals were not engaged from the beginning of the project, lacking motivation, time and support to nurture the experiments. - There was not commitment from the top of the organization to continue the experiments as the subsidy ended.	To successfully nurture and empower niche-innovations into organizations, professionals need to be engaged, motivated and supported by top of the organization throughout the whole project.
	4	Empowerment into organizational networks	- The organizational perspective on niche-innovations had been neglected in transitions. - Different organizations have differing cultures and diverging organizational strategies leading to inter- and intra-organizational conflicts that are contradicting the niche developments - Niche-innovations were started by new alliances that led to increasing network complexities once they tried to empower the niche-innovations.	To successfully empower niche-innovations, the organizational perspective has to be considered to acknowledge cultural differences, to monitor ongoing organizational developments and to avoid the foreclosure of alliances.
	5	Empowerment into the LTC system	- The niche-innovation projects were too focused on the subsidies rather than the actual change of the system. The projects only continued as long as they were subsidized. Powerful organizational actors did not support the niche-innovations. - There were conflicts of interest and power struggles in and with the ministry about the empowerment of the niche-innovations. The niche actors were the least powerful actors so that the empowerment was not further supported as the subsidy ended.	To successfully empower niche-innovations, powerful actors have to be engaged who view the subsidy as a means to an end and not just an end in itself. The powerful actors need to learn from the experiments to change the system.
Part III	6	Comparative study	- Like project 1, projects 2 and 3 faced a lack of commitment from the top of the organization to empower the niche-innovations. - The network of project 2 slowly dissolved as the financial crisis started to affect new building projects - The network of project 3 lacked structural financing and faced regulative uncertainties - Projects cannot be simply copied from one context to another	To successfully empower niche-innovations, regulations have to be adjusted while the spreading of niche-innovations has to be adjusted to the context of application.

7.1.1 Part I Action research and the formation of strategies to empower niche-innovations

The initial goal of this thesis was to support the strategy formation process in project 1 to empower the niche-innovations in an integrated area and LTC project. An *action research approach* in combination with a strategy formation process approach was used in response to research question 1:

- RQ1: How can a *strategy formation process* be supported to empower niche-innovations in long-term care?

So far, literature has not highlighted how to apply action research on the strategic level of organizations and networks (e.g. Beukema and Valkenburg, 2007; van den Bosch, 2010). Challenges to do so included the resistance of top managers to participate as co-researchers and co-create knowledge (Beukema and Valkenburg, 2007) as well as dominant executives that do not encounter the insights of their subordinates (Johnson et al., 2010). A generic action research approach in combination with a strategy formation process approach was used to support the strategy formation process in niche-innovation project 1.

The action research approach in this thesis departed from existing action research frameworks (e.g. Checkland, 1991; McKay and Marshall, 2001; Chiu, 2003; Beukema and Valkenburg, 2007). Action research is particularly useful as it allows researchers to use practitioners as co-researchers and vice versa (Meyer, 2000; Chiu, 2003; Huang, 2010). First, the action researcher collects and analyses information from the practitioners. Then, the practitioners are confronted with the findings of the analysis in project meetings or workshops which means that the practitioners reflect on the findings resulting in additional information for understanding the situation.

The action research approach can be used to support strategy formation processes to empower niche-innovations by *identifying* problem situations, *generating* solutions, *taking action* and by *reflecting* on the action. In project 1, the continuous action research cycles enabled the practitioners to start the strategy formation process by engaging non-involved powerful actors, by forming *a shared vision* about the empowerment and by *reducing the number of uncertainties*. Notwithstanding, it was merely possible to start the strategy formation process as the project got cancelled in 2011. Future research has to explore the full potential of the action research approach to eventually empower niche-innovations.

7.1.2 Part II Qualitative research on the barriers to empower niche-innovations

As project 1 was cancelled and the transition program ended without empowering the niche-innovations, the barriers to empowerment were studied. Three *longitudinal, qualitative case studies* were pursued to answer research questions 2, 3 and 4. Choosing for longitudinal, qualitative research is motivated by the fact that it generates in-depth insights into change processes (van de Ven and Huber, 1990) being able to comprehend the little nuances and the hidden agendas of actors. Conducting longitudinal studies requires researchers to decide which cases to study, how and which data to collect and how much time to spend on the project side (van de Ven and Huber, 1990). The first RQ was:

- RQ2: What are the barriers to empowering niche-innovations in a long-term care *organization*?

Here the goal was to understand why the niche-innovations did not move from being nurtured to being empowered in the elderly care organization. Until today, there is little empirical research available into this process. One could expect that if a niche-innovation is successfully nurtured, then it should be empowered too. In theory, it is stated that to empower niche-innovations, they need to be successfully nurtured first (Schot and Geels, 2008). This is not easily done as a radical change from a fragmented, supply-driven to an integrated demand-driven system takes time (Beukema and Valkenburg, 2007). The following implications can help to avoid facing the same barriers in future projects.

Conceptual planners have to spent *sufficient time* to properly plan the experiments. To come up with radical innovations requires a certain level of creativity. This *creativity* is activated if conceptual planners, professionals and managers do not feel strong work pressures while feeling forced to come up with something new (Amabile et al., 2002). So far, the way in which creativity is enabled and used to nurture niche-innovations has been neglected in the transitions literature. Yet creativity should play a central role in transitions that depart from radical ideas. Future research has to elaborate on this to advance and use creative capabilities in niche-innovation projects. Also the *size of experiments* is critical to the success of nurturing experiments. Bigger does not mean better. The larger an experiment, the more likely it will fail. Experiments should start on a small scale and then become larger.

Moreover, professionals and operational project managers need to be engaged early on to create the motivation to experiment. The *engagement* also helps to encounter the context specificity of local experiments. An idea on paper may turn out to be completely different from the actual context. Hence, the context has to be considered early on, otherwise the experiments have to be re-planned causing a delay of the implementation and results in the frustration of professionals. Here, the transitions literature could learn a lot from strategic planning processes (e.g. Hutzschenreuter and Kleindienst, 2006) which involve management tools such as stakeholder engagement tools (e.g. Gable and Shireman, 2005) that enable the communication of roles and responsibilities of projects.

Furthermore, higher level managers have to *motivate, support and provide time* to professionals and project managers to be creative while experimenting. Here, the same holds as for the planning of the experiments. Another important aspect is the need to stress the *sense of urgency* and the importance of the work of the professionals and project managers to the organization and the LTC system, otherwise the progress is only marginally as the professionals and managers do not feel valued for the extra work they put in.

- RQ3: What are the barriers to empowering niche-innovations in a long-term care *organizational network*?

The barriers to empower the niche-innovations in the integrated project of the organizational network were studied parallel to studying the barriers to empower the niche-innovations into the elderly care organization. The difference here is that the network of project 1 jointly aimed at empowering the niche-innovations in an integrated area and LTC delivery project. As they failed to do so, the question was why they failed. The findings for RQ3 provide some answers.

As the niche was placed outside the LTC organizations, different barriers emerged as the niche actors tried to empower the innovations. Examples are the increasing network complexity and the lack of mutual understanding between niche and organizational actors. In project 1, the LTC organizations had their own strategic agendas so that there was no space to empower the niche-innovations into their organizations. While the niche was experimenting, the organizations kept developing as well. The project has shown that a merger of the elderly LTC organization with another LTC organization outside the project resulted in a complete change of focus, from the outside to the inside as the restructuring

process demanded necessary resources that were not available for the niche. Similarly, the LTC organization for the people with mental disabilities had other ongoing projects, lacking capacity to empower the niche.

A problem was that the LTC organizations allowed their niche actors to cooperate with competitors of their existing network partners in the system. Hence, if an organization supports a niche, it has to make sure that the chosen network partners *do not foreclose the cooperation* with existing organizations. Otherwise, the cooperation in the niche can lead to conflicts in the network resulting in the failure to empower the experiments into the organizations. Thereby, network partners have to be chosen that are willing to accept and learn from *diverging organizational cultures*.

Moreover, organizations have to carefully evaluate if they are capable to not only support the start of the niche, but also to empower it. Organizations have to ask themselves if *ongoing internal processes* contradict with the niche activities and if they possess the *financial resources and capabilities* to empower the niche in the organization and in other integrated projects. Thereby, the historical context influences the way the organization deals with change. Finally, *powerful actors have to be engaged* in the setting up and nurturing the niche to learn from the experiments and to empower them. If these implications are not considered, it is unlikely that a niche will empower. Then the question is: why should policymakers change the rules of the system if organizational networks themselves are not capable or willing to empower the niche-innovations?

The implications go beyond the LTC system as the same could be valid for other systems such as the energy system (e.g. Raven, 2005; Hofman, 2005) or the transportation system (Schot et al., 1994; Weber et al., 1999). It would be interesting to take on the organizational perspective to look at previous cases (e.g. cases of Raven, 2005 or Weber et al., 1999) as well as future cases to explore the impact of organizations on transitions. This could lead to further insights into why previous niche-innovations failed to empower into their respective systems. Generally, the organizational perspective has to receive much more attention by transition scholars to enable the empowerment of future niche-innovations. Particularly, organizational commitment is to niche-innovations has to be further scrutinized. It can be proposed that the system will not change if organizations, despite their involvement in the niche, do not commit to change. Therefore, it is necessary to understand the motives and incentives that organizations have to

change or to keep the status quo. After all, it could change the way we look at transitions. The implications of the organizational perspective on transitions is further elaborated in section 7.2.

- RQ4: What are the barriers to empowering niche-innovations in the long-term care *system*?

RQ4 was studied since the empowerment also requires the efforts of policymakers to change the rules of the system (Smith and Raven, 2012). In this section, the focus is on the actions policymakers can take to govern the empowerment of future niche-innovations. Policymakers have to make sure that *powerful actors* from the LTC organizations and the ministry are committed. The *commitment* should create the willingness to learn from the niche-innovations in order to change the rules of the long-term care system. Thereby, it does not matter if a project fails or succeeds. If policymakers do not *commit to learning* from the niche-innovations, any future transition program is bound to fail as the subsidy is lifted away. Moreover, the ministry has to *create realistic expectations* with regard to the magnitude the possibilities of the transition program to support the empowerment. This includes expectations regarding the responsibilities of the niche, the LTC organizations and those of the ministry.

Secondly, policymakers have to choose projects based on their primary interest into the transition program. To do so, they should avoid giving out subsidies that fully finance niche-innovations. Otherwise, the ministry will reinforce the subsidy focus of the LTC organizations. Thirdly, policymakers have to consider to *gradually withdrawing the subsidy* of the niche-innovations rather than at one point in time as we have seen here. In the transition program, the projects were overprotected in the beginning whereas they were lacking protection at the end when the subsidy was taken away. Since we neither know when to start to withdraw the protection nor which timeline to consider, further research is needed. Fourthly, the ministry has to, despite contradictions with other programs in the ministry, make sure that programs have a chance to be empowered on the policy level. If different *ministerial programs are about to support each other*, they should have similar interest and visions about the future. Otherwise it will slow down the empowerment and lead to the frustration of actors involved in both programs.

Finally, the *power structures* in the ministry seem to be hindering the sharing of the lessons learned. There are many interests from many different actors so that most

likely those with the greatest power will decide how the system will continue to develop. Voss et al. (2009) emphasized the potential of transition management to change the system, but also warned that the status quo could prevail:

> "The coming years will be crucial for shaping the pathway of transition management as an innovation in governance. The process may be drawn back into the power games, paradigms and institutions of 'politics as usual'; or it may overcome teething problems and give shape to new actor networks and reflexive governance practices that develop some robustness and promise." (Voss et al., 2009).

To do so, the ministry has to *develop a learning culture* to avoid spending money on programs that will not be encountered in policymaking. To govern a transition program does not only mean enabling innovation projects, but also to learn from them and to figure out how these innovations could help to change the system. If the various actors concerned are not willing to learn and use their power relationships to protect their space, the system will stay unchanged. Most importantly, policymakers and LTC organizations have to *view subsidies as a means*, not an end. Here, both focused too much on the subsidy, sidelining the core focus, namely building powerful actor networks that want to learn how to change the long-term care system to make it sustainable.

7.1.3 Part III Retrospective cross-case analysis on the empowerment of niche-innovations

A *retrospective cross-case analysis* on two niche-innovation projects was pursued to explore the barriers to empowerment in other projects. To do so, Eisenhardt's (1989) "process of building theory from case study research" was applied (p.533). According to Eisenhardt, the approach is specifically useful for new research areas or "when a fresh perspective is needed" (p.549). In this thesis, a fresh perspective was needed to find out if the findings project 1 in are comparable to those of projects 2 and 3. This also enabled to study the protection (shielding, nurturing, empowering) as a whole concept. The following RQ was formulated:

- RQ5: What are the barriers to *protecting* niche-innovations in long-term care?

Eventually, similarities were identified such as the lack of commitment from organizations and policymakers to the niche-innovations or a dissolving network in project 2. Nevertheless, new insights were generated. For instance, *spreading the*

ideas of the niche-innovations rather than just trying to copy them one by one to other contexts is important to empower niche-innovations. Moreover, project 3 showed that *regulative uncertainties* can hinder the empowerment. All these insights can help to drive forward future niche-innovations. Further research is needed test these insights.

7.2 Scientific contributions

This thesis provides new insights into the sustainability transitions literature, predominantly for organizational perspective on transitions (7.2.1), the conceptualization of the niche (7.2.2) and the strategy formation processes in niches (7.2.3).

7.2.1 The organizational perspective on transitions

This thesis has demonstrates the importance of organizations to transitions which was not emphasized in the past (e.g. Geels and Schot, 2007; Schot and Geels, 2008; Markard et al., 2012; Smith and Raven, 2012; Farla et al., 2012). The organizational perspective on transitions distinguishes between the internal environment of organizations and their external environment, which are connected through organizational strategies that link internal strength and weaknesses to external opportunities and threats. In this case, the external environment is viewed as the multi-level perspective including the niche. Contrary to the idea of niche-innovations, the organizations in this study were not directly participating in niche. Rather, they provided space for professionals and managers to experiment with the niche-innovations. If the empowerment should succeed, niche-innovations first have to scale-up into organizations. Then, the efforts of the organizations should be to spread the ideas across the organization(s) while trying to engage policymakers to change the rules of the system. Therefore, the *organizational perspective* is crucial to the empowerment of niche-innovations.

As a result, there are *two empowerment contexts*, one in which the niches move from the niche into the organizations and the other one from the niche into the system. So far, research has elaborated on the latter context (e.g. van den Bosch, 2010; Smith and Raven, 2012) while the empowerment into organizations was not considered. This opens up new perspectives on the empowerment. Future research has to find out how niche-innovations can be empowered into organizations and if the empowerment into the two different contexts have to take place simultaneously or sequentially.

If it is sequentially, the question is in which context the empowerment has to take place first or if both ways are possible. This could lead to a bottom-up empowerment from the niche into the system, followed by a top-down, forced empowerment from the policymakers to the organizations. The other way would be a bottom-up empowerment from the niche to the organizations, followed by a bottom-up empowerment from the organizations to the system. For the niche actors this means that they have to try to engage both, organizational actors and policymakers to empower the niche either top-down or bottom-up or even simultaneously. More research is needed to answer these questions. Thereby, organizational theories could enrich the transitions literature by advancing the transition actors' understanding of organizational change processes since it can be expected that system changes go along with organizational changes and vice versa.

7.2.2 The conception of the niche

Literature argues that niches are created by actor networks consisting of, amongst others, organizations and policymakers who, in turn, are viewed as niche actors (e.g. Kemp et al., 1999; Raven, 2005; Geels and Schot, 2007). However, in this thesis, the 'participating' organizations were not participating in the niche. The organizations allowed project managers and directors to take part in the transition program as it was fully financed. In that way, the organizations provided manpower and facilities to the niche (see Figure 5.1, Chapter 5). Power structures among actors have been neglected in the past (Loorbach and Rotmans, 2010). Niches need the system (foremost organizations and policymakers) to be protected from the system. As such, they are isolated with no need to bother about the system. However, when the experiments mature and the protection is lifted away, the niche has to be empowered into the system or even replace it. Paradoxically, the system that enabled the niche will protect itself against the niche to not be replaced.

To deal with this paradox, *the conception of the niche* has to change. *Individual actors* involved are crucial to the empowerment. In the past, niches were pursued by actors without strong power positions. In the underlying cases, none of the powerful actors of the LTC organizations or policy level were directly involved in the niche. Yet being involved in the niche is a mind changing process in which radical visions are developed. But the powerful actors were not involved, making it difficult for them to understand the niche. If the powerful actors would support the empowerment it would mean that power structures are changing in favor of the

niche actors as they are conceptually ahead of the system actors. Hence, it is not surprising that powerful system actors do not support the empowerment. If powerful system actors are not willing to learn from the niche-innovations and change the system, experiments are merely a pseudo-responsible act of publicly pretending to change towards a sustainable system, while in fact, their intention is not to change.

To possibly empower niche-innovations in the future, this thesis proposes to change the conception of the niche into: 'a niche is a protected space in which *powerful actors* (organizational executives, powerful policymakers) *and non-powerful actors* experiment with radical innovations.' To find out if this alternative conception of a niche is worthwhile to consider, the following proposition has to be tested in future research: *The probability of empowering niche-innovations significantly increases if powerful actors are actively involved in shielding and nurturing the niche.* In case the proposition would be verified, niches would benefit from the active involvement of powerful actors.

7.2.3 Strategy formation processes in niches

Whereas strategic niche management primarily focuses on the protected space, the strategy formation process approach derived in chapter 2 (Figure 2.2) enables researchers and practitioners to encounter the selection environment of the system as the rules of the system are considered (e.g. mandates) as well as the internal and external environment of the network (e.g. SWOT analysis). Strategic niche management was missing a middle range theory, meaning a theory that is not only an abstraction of reality, but also close enough to reality in way that it is useful in local projects. The approach can be seen as useful middle range theory that transforms the theory of strategic niche management into very practical applications of local projects in which the vision of the future is central. It can be concluded that it is a promising approach to start the strategy formation processes in future niche-innovative projects.

7.3   Practical contributions to long-term care

Today, an aging population and increasing expenditures on care are pressuring our socio-economic long-term care (LTC) system requiring new practices of LTC delivery (Beukema and Valkenburg, 2007; van den Bosch, 2010). The transition program was a unique possibility to start changing the system. Yet it failed to live up to its expectations of being a crucial frontrunner in radically changing the system. This research has identified numerous barriers to the empowerment of LTC niche-innovations. The barriers can help to better understand niches, organizations and the LTC system and the ways they interact to change the system. The results have demonstrated that the change of the system is a challenging and long lasting process. To expect that the system can change in a short period of time is rather ambitious. Policymakers prioritize quick results and hard facts over learning and spreading ideas. Changing the system also means changing yourself, being open to new innovative ideas willing to learn from both, success and failure.

System actors have the wrong view on the utilization of niche-innovations. Efforts to fit and squeeze a successful experiment into another context one by one can easily lead to failure and result in misleading conclusions. Thereby, subsidies are viewed as an end and not as a means to derive at change. This is one of the biggest challenges for the LTC system to change. Organizations and policymakers are driven by subsidies rather than by innovations and the goal to derive at a sustainable system. This *subsidy culture* has to be altered to succeed with future LTC niche-innovations. Policymakers have to rethink how to subsidize niche-innovations, or even refrain from subsidizing them and think of other ways to incentivize organizations to change. Further research is needed to find out how to this can be done.

Future LTC projects can use the insights gained in this research to advance the empowerment of niche-innovations. For instance, researchers and practitioners can build on the action research approach and the strategy formation process approach that were applied in Chapter 2 and apply them in local projects to form and implement strategies that aim at empowering LTC experiments. Moreover, the implications and propositions formulated in chapters 3, 4, 5 and 6 have to be considered to avoid being stopped by the same barriers again. If researchers and practitioners continue to learn from niche-innovations and try to empower them, it might be possible to change the socio-economic LTC system in such a way that it able to deal with today's pressures.

7.4 Methodological contributions to transitions

In this thesis, the novelty of the action research approach lies in the level of application rather than the approach itself. So far, action research has predominantly been used on the operational level of organizations rather than on the strategic level of organizations (e.g. Beukema and Valkenburg, 2007; van den Bosch, 2010). The difference to the previous AR studies in LTC is that the focus here was immediately pointed to the strategy formation process. The role of the action researcher was to support the strategy formation process by identifying the problem situation and to generate solutions to the problems. The key task was the reflection on the practitioners using strategy tools such as strategy workshops and stakeholder engagement tools to advance the strategy formation process.

Even though it is not possible to draw bold generalizations, the approach can be further tested in other niche-innovation projects to exploit its full potential. Thereby, AR scholars can learn from the insights gained in this thesis. Two key factors that are crucial are the participation in the project from day one, and the commitment of the board of directors of the organizations to the AR approach. This is, however, more often than not highly political as the decisions of board of directors affect the whole organization. Since these decisions have far reaching consequences, directors and CEOs tend to keep a certain level of ambiguity and reservation towards change. Transition scholars have to acknowledge this when attempting to pursue AR on the strategic level of organizations.

7.5 Limitations

Due to the longitudinal nature of this thesis, the *generalizability* of the results is limited. This concerns the implications for future niche-innovation projects as well as the action research approach. The latter was only applied in project 1, but not tested in other projects. There are two constraints attached: (1) firstly, there is *limited amount of time* to conduct a longitudinal study. "The sheer labor intensity required to observe […] change process[es] over time limits a researcher's capabilities to study more than a few cases at a time" (van de Ven and Huber, 1990, p.216). To participate as an action researcher in niche-innovation project 1 took two years. (2) secondly, transition programs in LTC are a rarity. The transition program was a *unique opportunity* to study the empowerment. It will be seen if new transition programs will be started in the future.

To deal with the problem of generalizability, retrospective case studies can be conducted to find out if the results are re-occurring in other projects too (Leonard-Barton, 1990; in van de Ven and Huber, 1990). Yet there are two problems in doing that. Firstly, retrospective cases have to be comparable to the longitudinal case, and secondly, it is difficult to compare retrospective data with "real-time observations" (p.216). In this thesis the two problems are minimized as projects 2 and 3 are comparable to project 1 to a certain extent. All three cases took part in the transition program and dealt with niche-innovations in LTC that should have been empowered into the organizations as well as into new integrated projects. Furthermore, it was chosen to use the same a priori constructs to start the data analysis to depart from the same knowledge and keep comparability high. Despite some similarities of the findings, more projects are needed to generalize the findings.

A further problem that we addressed in the chapters before is the one of an *observation bias* (Sekaran, 2003) due to the close participation in the niche-innovations process. Being aware of the possibility of being biased, discussions took place with another action researcher involved as well as discussions with non-involved researchers. Besides, a *respondent bias* could have occurred as the researchers took part in the project (Sekaran, 2003). Yet Sekaran emphasizes that observation biases are more likely to take place in short lasting projects while practitioners get used to researchers in longer lasting projects as project 1.

Another limitation is that the *perspectives of the clients, patients and individuals in the communities* were not interviewed in this thesis. Even though the interaction between professionals, clients and community members itself was beyond the scope of this thesis, it is important to encounter their perspectives on the niche-innovations. The transition program was aiming at demand-driven care. Therefore, it is necessary to understand what the needs and desires of clients are. The professionals and project managers in the experiments used the clients' needs as a basis for changing LTC delivery. Nonetheless, future research has to pursue interviews with clients and participate in LTC delivery to get a holistic view on the niche-innovation processes.

7.6 Recommendations for future research

Foremost, this thesis is just the beginning towards a better understanding of the empowerment of niche-innovations in LTC. A lot more research on the empowerment is needed if pressured systems should be changed to enable alternative futures. *Action researchers* have to support niche-innovation projects and transition programs to actually move the innovations beyond the protected space and get empowered into the organizations as well as the system. The action research approach here has shown that continuous action research cycles in which researchers and practitioners keep reflecting on each other can drive niche-innovations forward. Yet this was only the start. Much more can be learned if researchers can participate in projects and policy programs in which powerful actors are involved and willing to learn from the niche-innovations. Thereby, action research on the policy level might help to advance second-order learning (e.g. learning how the rules of the system can change (Hoogman, 2000).

What is also needed is research on strategy formation processes in niche-innovation projects. Chapter 2 has illustrated that the strategy formation process approach is a promising way to empower niche-innovations in the future. While it was not able to explore its full potential in project 1, future studies can explore the possibilities of using the strategy formation process approach in action research. Thereby, Johnson et al. (2010) strategy workshop method is a promising tool to confronting niche and organizational actors with each other's perspectives and to derive at a shared vision. Further research has to find out if it is possible to run continuous strategy workshops to form a joint strategy based on niche-innovations, and if it possible implement and monitor that strategy thereafter.

Another stream of research has to focus on the empowerment of niche-innovations in multiple systems. While this could not be studied in this thesis due to the failed projects, future research has to encounter that the integration of LTC delivery affects and goes across system boundaries (e.g. Putters and Frissen, 2006; Geels and Schot, 2007). For instance, the empowerment of the experiments in project 1 into an integrated area and LTC delivery project requires the engagement and coordination with spatial planners of municipalities, as well as other stakeholders such as from the construction industry to build LTC friendly houses or from the information technology (IT) industry to include IT solutions that enable clients to stay at home as long as possible. In so doing, we might be able to deal with pressured socio-economic systems in the future.

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Appendix

Table A4.1 Summary of core concepts and illustrative data

Core concept 1 (Part 1)	Illustrative data
Goals & Values	The data shows the different goals and values of the niche and the two LTC organizations
- **Conflict in timing the empowerment**	The different actors had varying expectations with regard to when to empower the niche-innovations in an integrated project. - **Consultant 2 PDG:** "My dream is that we have two locations where we really start to realize the [integrated LTC project] after the first of January 2011 [… so that clients] can be placed in it in 2012. [We have to] start now. Time is valuable. … The concept is 80% finished. It has to be 90% plus 10% gambling. We can sign the contracts tomorrow. And the day after tomorrow [we can start building]. Then, we are finished in one and a half years." - **Innovation director:** "… I think within five years we have to be happy to have realized the [integrated LTC project]. … It takes time." - **Regional director 1:** "Look, the connection between the mentally-disabled and the elderly care sector: it is not clear to me if it is profitable. Not only in the transition program, but also with other co-operations. The connection between the mentally-disabled the elderly and the normal people that live in the neighborhood, that is not completely clear to me if that works or not." - **Regional director 2 eCare:** "Within [our organization] we have the desire to expand. We are looking for different locations for [realizing nursing homes] and home care [services]. …" - **Manager 1 mdCare:** "It's all going too fast. It's nice to already talk about it. That you brainstorm about it. But, it is going too fast to develop all that." - **Manager 2 mdCare:** "I find the pace of [empowering the niche-innovations in an integrated project] too fast. … If you don't watch out, you're going to skip all kinds of steps. … I understand that we want to realize the [integrated area], but we don't have the necessary experience of combining mentally-disabled care clients with elderly care clients …" - **CFO mdCare:** "[We (mdCare) are currently working on two small-scaled housing projects at two different locations which] are the only places where we are working in an innovative way. The experiences will be used for the rest of the organization. We are limiting ourselves to these two places since the management team does not want to take it a step further yet …"
- **Lack of mutual understanding**	The organizational actors did not understand the niche-innovations nor was there a mutual understanding about the goals of the organizations. - **Regional director 1:** "The presentation that [the innovation director and the consultant 3 of the research institute] showed to the [regional director 2] and me, we perceived it as too vague. … If [the niche-innovations] have an added value is not clear to me. … The idea that I understand from the presentation from [the innovation director] is that there are also people who just live in the area and that they do something together. But [how to get from] the different concepts to the complete concept is not clear to me. That's where I am losing it. What is it actually? … I also found that too many times other terms were used while we actually could say: old wine in new bottles. … I think that the world around us and during the time the transition program [was running] has changed so much that if the project has finished the environment could have completely changed again." - **Regional vice-director 1 eCare:** "It is a terribly complex construction. If you plan a project it should be immediately understandable. [The niche-innovations] were explained several times, but it is too complex." - **CEO eCare:** "I don't know what you mean, because the [integrated project] has different meanings in our organization. If you mean the [integrated area] that [the innovation director] is dealing with, it is the development and innovation of new housing. Do you mean that?" - **CFO mdCare:** "I do not have an up to date picture of the total project. … I am not really involved."

Core concept 1 (Part 2)	Illustrative data (Table A4.1 continued)
Goals & Values	The data shows the different goals and values of the niche and the two LTC organizations
- **Cultural differences**	It was difficult for the actors to envision a cooperation between two culturally different organizations and incorporating a culturally different niche
	- **Innovation director:** "The resistance is especially in the cultural change. Not so much in the mode of operation, but another way of thinking. That provides room for people, citizens, residents, but also professionals, whereas the focus was on control up until now. … A huge problem is that [this project aims at] essential changes [of LTC delivery]. … the professionals get more freedom and space which means that the [director] has to let go. This is solved now, but it took quite some time to get there. … still, the [regional director is a bit ambivalent]. She totally agrees with it, but she is also very controlling … [She] wants to know what is going on [in her region]."
	- **Regional director 2:** "… The structure [of the project] is not in alignment with respect to the people that are responsible for the project. And that is quite troublesome. … It can't be possible to do a project while the [regional director] doesn't know anything about it. That's a problem which we eventually have identified and that we have agreed to do differently. However, it's rather difficult to turn the situation around at the end of such a project."
	- **Manager 2 mdCare:** "That is also a big difference between the two organizations, [mdCare] is really [energetic]; we have an idea and we are going for it! … At [eCare] you first work out and calculate the planning on paper. Hence, it is a complete different way of approaching it … There is, for sure, a cultural difference [between the two organizations].
	- **CEO eCare:** "[The CEO of mdCare] is also a professional, not only delivering care, but also being a commercial player. Otherwise other players will come. [Mentally-disabled care] is organized in close connection with the client, small-scaled etc. There has to be a change, and [the CEO of mdCare] knows this."
	- **CEO mdCare:** "You have a completely different market. [A client] comes to us to live and lives there for 25 years. And the home care and nursing home care has much more to do with [commercial organizations] while the competition in our market is very different. At our [organization] it is about going into a relationship with each other. With your [organization] it is much more transitory, over two and a half years people died. That is a completely different type of care in fact. … But you have to realize that we indeed build a building for a group of people that is most likely going to live there for 14-15 years. And elderly care [providers] don't even know who is going to live there while being pressured by competition … We also face some competition, but that is something very different."

Core concept 2	Illustrative data (Table A4.1 continued)
Resources	Due to ongoing processes, both organizations were facing capacity limitations.
○ Lack of manpower	MdCare did not have the manpower to start any new projects - **CEO mdCare:** "[mdCare] as a provider of mentally-disabled care does not have so much capacity. We, for instance, do not have a director such as [the innovation director of eCare]. Hence, we just do it next [to our everyday business]. Thus, we are a small player in the [market]." - **Manager 2 mdCare:** "We have to go [step by step], also because our organization cannot do it. You cannot suddenly get a [handful] of employees and supervisors etc. [to realize a new project]. You cannot do it just like that. Now, we also have to do this just [next to our work]." - **Innovation director eCare:** "[mdCare] is lacking behind. Especially on their capacity. [Manager 1 and manager 2 of mdCare] know very well what happens within [mdCare] and in the project, but they cannot do it alone. One reason is also the projects that are ongoing at [mdCare]." - **CFO mdCare:** "… two of those projects we can take care of, I think. But then our space to play is over."
○ Lack of financing	The network needed someone to finance the empowerment in terms of an integrated project. - **CFO mdCare:** " … Yet you do not know with which situations you will be confronted. It could become a financial disaster [at those two locations we are working on…]. Then I would be worried about starting other projects …. We will not do it like that". - **Innovation director eCare:** " … later we need something that structurally finances [the project], because at some point the [subsidy] stops. Money steers a lot." - **CEO eCare:** "It is such a huge project that we have to ask ourselves if we are [going too far with this project]. … I don't have sufficient [knowledge about the whole project to say] if it is realizable or not. The only thing I can say about this is that if you continue to deal with [the idea of such a huge project] you're losing a sense of reality and the question is if this is desirable. …"

Core concept 3 (part 1)	Illustrative data (Table A4.1 continued)
Organizational structures & systems	The organizational structures of the niche and the two LTC organizations were impeding the empowerment.
○ **Conflicting organizational restructuring**	ECare was in the middle of restructuring the organization leaving little attention to outside processes as the niche. - **CEO eCare:** "[Since] half a year we have had several round the table meetings … where we talked to people in the organization about where our organization should be heading to, what the bottlenecks are, and where [they] think it can be done better. … it's about a long-range plan for the organization. During the last four to five months, I had a number of sessions to talk with [people] from the primary and the specific processes [to look for ways on how] the organization could [become more dynamic]. And, on the other hand, how the organization could win satisfied employees. I think this is an assignment for the future. Not only to win employees, but in order to keep them, we also need to become another kind of organization. … How do we get [this kind of] organization, how do we get more live in the organization? Not only now, but permanently in terms of self-confidence. That's how we talked about this. … during the last session we asked ourselves if the current structure is impeding this. We did not find a solution to that, but we have developed [two] scenarios. And it was clear, it came to the forefront in both scenarios, that if we want to increase job satisfaction, if we want to increase the self-confidence of employees, if we want to strengthen the relationship between our clients and our employees, then we have to leave more competences low in the organization. Professional responsibility has to be taken. And the structure is not allowed to be hindering. It might be that our organization has a layer more than needed to steer [the professionals]. Thus, this is how it is right now. … I think that [the niche] is a success, because [the innovation director told me] that it was a success. If you ask me if it is sufficiently embedded in the organization, if we are going to [use the niche] inside the organization, [if we] know what it is, and [if] it also feels like [that the niche] is something from us, then I think it is less [successful]. … We realized – I have not been working here for long – that we run and initiate a lot of projects … [but these projects] disappear … also because we cannot implement them … [A problem is that] the directors do not really know what is being developed. Sometimes not even the board knows it … That is not good. That is not good for the representation of the organization. And then we talk about big projects and not about small initiatives … you talk about things that affect the whole organization." - **Consultant 2 PDG:** "[eCare] is messy, huge, slow and not customer-oriented." - **Consultant 1 PDG:** "… the merger with [eCare large] partly changed the case. Stakeholders changed and the processes in such an organization."

Core concept 3 (part 2)	Illustrative data (Table A4.1 continued)
Organizational structures & systems ○ **Power struggles**	The organizational structures of the niche and the two LTC organizations were impeding the empowerment. The innovation director's power position in eCare changed after the merger so that he was not able to push through the project. - **Regional director 2:** "I also, several times, talked to [the innovation director] about the structure [of the project]: 'you are [running the project], but it is about my [region]'. And that doesn't mean that I don't want to give away competences, but if I will realize something at [location x] and I don't know about nothing, yes, then it becomes a very difficult [situation]. … I think the project has one flaw. The structure is not in alignment with the people who face the responsibilities. That is a really difficult [situation]. Well, [the innovation director] knows [a lot], he is really up to date about everything, but he has no responsibility whatsoever. That's nice if you're a project manager, but that is not handy if we talk about [how we take decisions in our organization]." - **Innovation director eCare:** " … generally, I actually think that smaller organizations are better at [innovating] and are more decisive than [larger ones]. This idea of the TPLC was based in [eCare small], not in [eCare large], because it already started before the merger. … Now, [as a result of the] merger, we have all kinds of disadvantages with the large organization, because it has become too logger. The resulting slowdown is also a result of the increasing bureaucracy. … It's much more difficult to get something done. In the old [eCare small] situation, we would have already started. … [eCare large] was much larger. Three times as large as [eCare small]. And the culture is different. Within [eCare large], the culture was that you first have to think before you do something. Hence, I have a whole bookcase with [potential] projects that are very well thought through. … But, nothing has ever been done with these projects in practice, while [eCare small] did it the other way around, they started too early with the projects. If three out of ten projects failed, then they said at [eCare small]: 'well, seven made it'. And at [eCare large] everything has to be good. And at [mdCare], it is also allowed to fail and that is also part of experimenting and innovating. Thus, small organizations with such a culture score better." - **Consultant 3 of PDG:** "[The innovation director] has received a different status in the organization so that he became part of the staff department and thus [had less power to quickly] push things through." - **Consultant 2 PDG:** "[The innovation director] is not in the position to take decisions." - **Manager 1 mdCare:** "You can see a big difference between the organizations. [The innovation director] is an enormously driven man who really [believes in the niche-innovations] and who found a good [equivalent] in the [CEO of mdCare]. But [the CEO of mdCare] delegates everything downwards and engages us in the content. But I never see anyone from eCare [besides the innovation director] … . He is not taking care of engaging other eCare people. He cannot do that, because he is not the executive. Hence, it is logical that it works like that. [The CEO of mdCare] says to me to just do it. That is something the [innovation director of eCare] cannot say to [the employees of eCare]. [He] is going into one direction, and the [regional director 2 … goes into the other direction, leaving [the professionals] in between. They have constructed this very complicated." - **CEO eCare:** "I think [the difficult relation between the niche and eCare] is partly caused by the merger, and partly by the limited function of strategy and innovation, which is especially far away from the structure of the organization … "

Core concept 3 (Part 3)	Illustrative data (Table A4.1 continued)
Organizational structure - **Increasing network complexity** ○ Conflicts within the network	The organizational structures of the niche and the two LTC organizations were impeding the empowerment. As the niche was about to be empowered, it started to concern other alliance structures that the organizations were in. REM, the real estate subsidiary of eCare, was working with PDG in another project which eventually resulted in a legal dispute between those two organizations. At the same time, the innovation director wanted to engage REM in the empowerment. This created some tensions in the network. - **Innovation director eCare:** "[REM] is a real estate [subsidiary of eCare]. The different roles are project development, [building the facilities and facility management]. Hence, a lot of buildings of [eCare] are from [REM], and they rent them to [eCare]. … Later, in January [2011], with the TPLC project, the question is which role they play in it. It could be that [PDG] is the project developer, and they [REM] will just build it. Thus, we still have to discuss it. … The field of tension with [PDG], that is understandable, they are a private business. … [eCare] has to make choices, but these have to be well thought out." - **CEO eCare:** "The role [of PDG] is not completely clear. [Are they a] project developer? [Are they a] project developer? An investor? A process supporter?" - **Last steering committee meeting:** "[The network] is waiting for the decisions of the [eCare] board. Irrespectively, [mdCare] is going through with the project even if [eCare] is taking a negative decision. The [eCare] board finds it important to first have clarity about the arrangements between [eCare and PDG] concerning the project [that REM did with PDG]. Considering the action of [eCare] in location [x], it is clear that [eCare] wants to continue with the rollout of the plans."
○ Foreclosure of alliances	eCare is afraid of foreclosing new alliances or jeopardize existing alliances if they cooperate with mdCare. - **CEO eCare:** "Well, we, eCare, think that an organization such as ours has less rights to exist if we are going through the world being isolated. We have to make sure that we are searching for cooperation. We think that this is a social responsibility. Healthcare is continuously becoming more expensive. … We also know that, regardless of the emotions, healthcare is in a situation where it is almost not affordable anymore. Something has to happen to keep the standard we have now. If that means that we contribute to that by cooperating with others, then we must do that. Then we also have a social responsibility. … Imagine the cooperation with [mdCare] will take another five years before [we start], but then there is another organization that is offering [to cooperate], who says that it would be nice … to start something with you." The CEO said at the beginning of 2011: "If [the CEO of mdCare] is not joining the project, then someone else will. [The CEO] knows this. … You have to know that if the other one exits that you can easily continue [with the project]." - **CEO mdCa:** "[eCare] has, of course, contact with other organizations. This can become a conflict if they work with [us]." - **Consultant 2 PDG:** "[Regional director 2] is positively minded [towards cooperating with mdCare]. But, she also has arrangements with [mdCare 2, a competitor of mdCare]. She has to call what she wants. Bring it on the table. If she does not want to do it with [mdCare], [they] can do it alone with other provides. … the [CEO of mdCare] also has arrangements [in another city]."

Table A5.1 Results: core concepts and illustrative data

Empirical themes	Illustrative data
Lack of commitment	Neither did the projects nor the ministry show a strong commitment to the empowerment of the niche-innovations.
	- **Innovation manager:** "I was not really engaged in the transition program. I am much more the neighbor. I am running a program that deals with the implementation of the program - the innovations - while the transition program is concerned with the development of innovations."
	- **Innovation manager:** "It is important that they themselves want to continue. If they want to do it themselves then everything is possible, and we within the [innovation program] will work particularly together with long-term care organizations that really want to renew themselves [within the existing regime]. And that is what we can help them with. At the point when they say they are no longer interested [in renewing themselves], we will not force them to do so."
	- **Program manager 1:** "[… the innovation manager] actually doesn't like the project, the (transition) program."
	- **Program manager 2:** "The [innovation program workshop] was very disappointing and that is something I don't say easily. I did not experience that the [innovation program] demonstrated that: 'we find that you are important'. […] I found it one-sided like: 'you provide us with your knowledge and then we are going to continue with it."
	- **Project manager 1:** "[During the workshop of the innovation program] it became clear that, indeed, the expectations were not fully met and that there was also a risk, a cancellation risk for the experiments. And there was a lot, and I found that also a bit funny, a lot of criticism on the innovation program. To me it was such a bureaucratic behavior […]. It was not about renewal or continuation. It was also a bit of: 'You should especially not try to say something positive about [the transition program]."
Subsidy addiction	Many long-term care organizations are more interested in the subsidy than the actual possibility to change the system
	- **Program manager 1:** "I think it is important [to note] that subsidized projects have often succeeded, but when the subsidy stops, then they just disappear. […] At the end of the subsidy [the CEO] should not simply say: 'yes, I have a problem; I don't have any more money.' […] This is also my own fault, we did not [ask] for sufficient commitment from the board of directors."
	- **Program manager 2:** "[…] simply that it is really important that the people [who do the projects] have the drive and power to do it […]. And then you need to quickly organize it such that those people get managerial support [from their CEOs] and get assistance from the primary organization. […]. Otherwise they will end up in no man's land."
	- **Program manager 2:** "That is the dementia of the care [sector]. There is such a subsidy addiction in the care [sector] that one is always wondering: 'can I organize [another] little subsidy now?' Yet they have something really [valuable] in their hands [with the niche-innovations]."
	- **Project manager 1:** "An important learning moment for me is that I actually became critical towards project subsidies, because project subsidies make people or organizations dependent and maybe passive as well. That is also a conscious decision, but that's how it is. […] And there is always a great cancellation risk, because: 'how are we going to continue now if there are no additional funds anymore?'"
	- **Project manager 2:** "It was too easy for the project. Hence, the subsidy has started something that actually did not have enough commitment from the organizations and the [residents] themselves. There should be projects, with no doubt, where [the subsidy] has been the [critical factor to realize the vision]. But in our case, it was too much the driver [of the project]. And we did not [feel the] necessity to invest in it ourselves. We did invest some time, but […] the commitment within the [long-term care organization] was too little. And also the commitments from residents and other partners were too little. If there wouldn't have been [a subsidy, the project] would not have started. And, I think, then it would probably have stopped already earlier. And I think you have to be more critical about what the organizations themselves have to invest."
Lack of protection	The program team and the transition manager disagreed on how to lift away the protection from the niche-innovation projects.
	- **Program manager 1:** "I don't believe in subsidized projects anymore. Back then my dream was, back when I started, it's not allowed to be a subsidy. We have to show that we are able to keep [the niche-innovations going] and [empower them]. Three years is very short to [succeed]. […] Some things just need a little longer, but that needs to happen with steadily less [subsidies]. If you are not careful, each project is going to ask for more [subsidies]."
	- **Transition manager:** "At a certain point you have to, so to say, create the conditions and maybe also quit the leading role to hand [the process] over to others. […] At a certain moment you have to really step out and say: 'now you have to do it yourself!' And there is no intermediate way".

	Table A5.1 continued
Empirical themes	Illustrative data
Conflict of interests	The innovation program wanted to keep the system as it is while the transition program wanted to change the long-term care system.
	- **Innovation manager:** "You know, that's what really happened in the [transition program], most of it can just lead to results within the regular context. Therefore, the system does not have to change. [...]. Well, based on the [transition program], no appealing points came directly to the forefront in order to change the rules.[...]. We are getting contacted by all kinds of long-term care organizations. Not only from the [transition program], but also through others who say that [we] have to do something about this, and this and this, and those rules. But the most part of the deliverables of the [transition program] can also be fitted into the existing context. They themselves might not think that way, but if I see what the deliverables are, everything can already be [realized] right now."
	- **Transition manager:** "The [innovation program] is much more concerned with [long-term care delivery] in practice compared to other [ministerial] programs in the past. But the difference with the [transition program] is that they indeed want to try it according to the rules and that they want to govern it through the [ministry]. I think this is a problem, because of what [program manager 1] calls the schoolyard effect – the informal space to play is lacking [in the innovation program]. I found it very nice that the program team did not tell me everything, that I didn't know everything, and I didn't need to know and the care administration office also doesn't need to know everything. The care administration office was allowed to know more than 1. That are good relations. If I need to know something, then on the basis of 'need to know'. And that is somewhat less the case with the [innovation program]. [...]
	- **Program manager 2:** "We [(transition program)] said that the client is central. They [innovation program] said that the continuation of the organization and the care functionalities are central. We [the transition program] said that we wanted to radically innovate across the borders of the long-term care [system]. However, this [(innovation program)] is really within the system. [...]. That is a huge limitation [for the niche-innovation projects]. We [(transition program)] said we want to learn, we want to identify the limits of the long-term care system, [exploring] the systematic barriers, and that is what we are also looking for. They [(innovation program)] say no, we are going to look at what we can do within the existing [regime]. [...] I also said to [the transition manager] that I felt that [the two programs] are going [into completely opposite directions ...]."
Power relationships	Unequal power relations in the ministry. The innovation program had more power than the transition program in the ministry. Moreover, the power relationship between the program team and the innovation manager was weak.
	- **Program manager 1:** "[The transition manager] is not strong enough within the ministry. [The innovation manager] is much closer to the leaders above them. [...]. [The innovation manager] has always been close to the parliamentary secretary of state who is linked to new [innovations]. [...] Nevertheless, [the transition manager] is a supporter of the content [...]. However, [the transition manager] is less daring when it comes to standing up in the Ministry. Hence, [the transition manager] is careful. Thus, if they want to have juridical advice then [the transition manager] goes to the juridical department. He is not going to say: 'I think it is like that!'. You can feel it. [The transition manager] and I also prepared [ourselves for the innovation program workshop] and I, together with [the transition manager went to the innovation program workshop]. I said to [the transition manager]: 'it is not up to me, Hence, you also have stand up. And you should actually take care that there will be a good start. Thus, you have to consult with [the innovation manager] how you are going do that.' Well, he was standing up at the beginning. He was telling his story and gave the [transition program to the innovation program]. Hence, considering [the transition manager's] behavior, he really did his best. [...]. [The innovation program] has still not taken any action to [continue the empowerment of the niche-innovations]. [...]. If you do not look out the [whole thing] will collapse. I find that very sad [...].
	- **Program manager 1:** "[...] one week before the [innovation program] meeting there were four enrollments. The first mail that I received from [the innovation manager] was: 'gripping that so few [...] project managers want to come. What does this mean?' Then I responded [...]: 'Well [innovation manager], what this actually means is that if we both find it important that they come that we both failed. Thus we both have to do our best to find out if more people will come. Hence, I don't try to get into a fight with [the innovation manager], but our foundation is built on the premise that many stakeholders are coming. Well, he is not used to this. He wants to hit it, stab it, and run away. [...]"
	- **Transition manager:** "I think that one of the most important points is that there is commitment within the organizations. Yet the commitment for the project with the organizations is still unstable as well as the relation with the manner in which they are getting paid through the care administration office or the way in which we regulated the financing [of long-term care]. That is very contradictory. And the resulting incentives are contradicting the way the experiments delivered care. And the latter I absolutely cannot change at the moment, [but it is in progress]. The only thing I can say is: 'Look, there are people [...] that, despite the problems, just do what they want. But the majority is completely led by [the rules] or think that it is supposed to be like that. They are not going against it. Hence, you also need rebellious people [...] to drive [the change] forward."

Around the world, long-term care systems are pressured by an aging population, increasing costs and the scarcity of professionals. Hence, policymakers, managers and researchers are looking for innovations to deal with these pressures in order to start a transition towards a sustainable system. This thesis provides insights into a Dutch transition program that aimed at changing the long-term care system. The findings particularly deal with the barriers to empowering niche-innovations such as the conflict of interests between niche and system actors.

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