

***Building Extension's Public Value***

**Workbook**

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# 1. PUBLIC VALUE

**Guiding questions:**

1. What is public value?
2. What is the purpose of the "public value approach"?

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## Public value approach

- Extension can explain the value of its programs to **direct participants**.
- **Public value**
  - The value of a program to those who do not **directly** benefit from that program.
- **Public value approach**
  - Identify and secure support for activities with strong public value.
  - Open the discussion about how to fund activities that do not have strong public value.
  - Provide some insight to the task of prioritizing Extension's work.

*"The Cooperative State Research, Education, and Extension Service (CSREES)...ensure(s) that...funding is used to address national concerns and benefit the public." -CSREES Strategic Planning and Accountability statement<sup>1</sup>*

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*"The public value approach is not just about the message; it's about doing the work that justifies the message." -Laura Kalambokidis, Associate Professor of Applied Economics, University of Minnesota<sup>2</sup>*

## 2. SKEPTICAL STAKEHOLDERS

**Guiding Questions:**

1. What do we mean by "stakeholders" within the public value approach?
2. Why is their support for Extension important?
3. Who are the stakeholders in your program?
4. What are their concerns?

**We need to respond to skeptical stakeholders who say:**

*I've seen the evidence that your Extension program is effective; I just don't think state/county funds should pay for it. In times of scarce public resources, I think the people who attend the programs should pay for them.*

*" Elected officials rarely are interested in how many people attended, that the participants rated sessions as positive, or even that participants hope to incorporate a new skill they learned. They want to know what programs cost and compare this to how they are beneficial to the economy or to their local budgets." -Karen Debord, Professor of Child Development, North Carolina State University<sup>3</sup>*



**Using the public value approach, our stakeholders are people who are affected by our program's outcomes, or help pay for our programs, but who are *not* program participants.**

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## 2.1 Stakeholders and Concerns

It is important to be aware of the stakeholders in a program, as well as their concerns. Within your group, choose an Extension program to discuss. Then compile a list of stakeholders for the program and the top two concerns each may have. Remember that the stakeholders in this case are people who are affected by, or have an interest in, the program, but who are not program participants. In particular, think of stakeholders whose support for the program is valued. For example, consider funders, members of the community in which the program takes place, or taxpayers in another part of the state.

Stakeholders	Concerns



Did other groups identify stakeholders or concerns that your group did not think of, but that also apply to the program you discussed?

### 3. CRITERIA FOR PUBLIC SECTOR ACTION

#### Guiding Questions:

1. Why is the public value approach based in public economics?
2. What is the role of the public sector in a market economy?
3. What are some criteria for public sector action?
4. How do private and public benefits of Extension program differ?
5. What is non-excludability, and why is it relevant to Extension programs?

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#### Public economics-based approach

**Question:** If, left alone, market forces will allocate scarce resources efficiently, why does the public sector provide goods and services?

#### Response:

- Markets work perfectly only under certain conditions.
- When markets fail, collective action can make society better off: the public sector can create **public value**.



A little bit of economics can be a dangerous thing! Remember that markets don't always work perfectly.

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#### Criteria for public sector action

- The public sector provides **information** that allows consumers and producers to make better choices.
- The public sector addresses a crucial concern about **fairness**.
- Consumers or producers **create benefits** for or **impose costs** on others.

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## 3.1 Information Gap

### Information gap

What is it?

- Consumers cannot make the best choices for themselves, because they have **incomplete** or **incorrect information** about something they might buy. The public sector provides **information** that helps consumers make the best choices for themselves.

Examples: nutrition information, payment schedules for consumer loans, yield outcomes for pest management tools.



Many Extension programs may be justified in part by an information gap, but Extension may want to reserve this argument for the strongest cases.

### Does the program address an information gap?

- Is there an information gap?
- Do other entities provide incorrect or incomplete information to consumers?
- Does the information gap pose significant dangers to consumers?
- Does the program direct consumers (and producers) toward activities that benefit others? Away from actions that harm others?
- Does the program provide information to people who do not have access to private information sources?
- Does the program make information available in a way that participants will **use it** and **act on it**?

*“Administrators must support a variety of ways of learning preferred by Extension staff and clientele.”—Nancy Franz, Professor of Extension Program and Curriculum Development, Virginia Tech<sup>4</sup>*



Why would someone give consumers incorrect or incomplete information?

## 3.2 Fairness and Justice

### Fairness and justice

What is it?

- Addressing a crucial concern about **fairness** can justify public funding. We may, as a community, agree that certain things should be available to everyone, regardless of their ability to pay.

Examples: food and nutrition programs, environmental quality.



Extension will not be effective in securing support for our programs, if we try to justify *all* programs on the basis of fairness.

### Does the program address fairness or justice?

- Is it available **only** to those who cannot purchase it on the private market?
- Do we collect a fee from those who **can** pay?
- Is there **broad agreement** in the community that this program should be provided to those who cannot pay?



It is crucial to know your community and its values. What Extension values, or what other communities value, may not align with the community in which your program takes place.



Think about the community in which an Extension program takes place. Do the community's values align with the objectives of the program? Have you ever experienced a disconnect between the program's goals and those of the community?

### 3.3 Public Benefits, Public Costs

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#### Consumers create public benefits

What is it?

- A consumer using a good or service **benefits** someone else besides the consumer and the seller.
- The consumer fails to fully consider the public benefit, and consumes **less** of the good than society desires.

Examples: shoreline management, youth development, septic system management.



Can it be Extension's role to inform people of the consequences of their actions?

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#### Producers create public benefits

What is it?

- Producing a good or service **benefits** someone besides the producer and the consumer.
- The producer fails to fully consider the public benefit and produces **less** of the good than society desires.

Examples: Main Street vitality, basic food science research.

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#### Mirror case to public benefits: public **costs**

What is it?

- The use or production of a good or service **imposes costs** on someone besides the consumer and the producer.
- The consumer or producer fails to fully consider the public cost, and generates **more** of the activity than society desires.

Examples: obesity, toxic waste, bankruptcy, erosion.



### 3.4 Public vs. Private Benefits

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**Private benefits** accrue to program participants; **public benefits** accrue to the rest of us.

- It is possible to exclude non-payers from participating in most outreach programs and enjoying the **private benefits**. It is **not** possible to exclude non-payers from receiving the **public benefits** of those programs.

*“The Renewable Natural Resources Extension...helps people make informed decisions that improve their own well-being and ensure clean water, viable populations of native wildlife, recreational opportunities, attractive communities, and the sustainable production of wood and paper products.”—Penn State Natural Resources Extension<sup>5</sup>*

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#### Non-excludability: Why does it matter?

When it is costly (or impossible) to exclude non-payers from benefiting from a good or service,

- Too few citizens will pay, not enough funds are collected, **not enough of the good or service is produced**.

Examples: disease control, environmental cleanup, economic vitality.



Does this mean people aren't willing to contribute to the public good?

## 4. MARKET OUTCOME VS. PUBLIC SECTOR ACTION

### Guiding Questions:

1. Why are some market outcomes objectionable?
2. How can the public sector act to improve outcomes?

Another way to think about how a program creates public value is to imagine what would happen if there was no public sector action.

Example: A food handling program for restaurant workers leads to less food-borne illness than if restaurants were left to train their employees unassisted.

In your group, choose an Extension program and answer the following questions:

<p><b>What condition of concern does the program address?</b></p>	
<p><b>What would happen without public sector action?</b></p>	
<p><b>Is the market outcome acceptable? Can you think of objections to it?</b></p>	
<p><b>How might public sector action improve the outcome?</b></p>	

## 5. PUBLIC VALUE IN EXTENSION PROGRAMS

### Guiding Question:

1. In what ways does a program satisfy one or more of the criteria for public sector action?

When an Extension program satisfies the criteria for public sector action, it can create public value.

How does an Extension program create public value?

- Does it narrow an **information gap**?
- Does it address a crucial concern about **fairness**?
- Does one person's participation **benefit** people who do not participate?
- Does one person's participation **reduce** costs for others?
- Does the program **improve upon the market outcome**?



Our objective: Secure stakeholder support for Extension programs by explaining how the programs satisfy these criteria.



Think of an Extension program. In what ways does it satisfy one more of these criteria?

## 6. TYPES OF PUBLIC SECTOR ACTIONS

### Guiding Questions:

1. What are some different types of public sector interventions?
2. How do you know which one is best?

**There are many different ways the public sector could act to address an issue.**

- Mandate and prosecute
- Tax or fine
- Reward
- Outreach education

**What kind of public sector action is best?**

Different public sector actions generate different costs and benefits. Which action is best depends on the relative costs and benefits of alternative policies.

Often, Extension's role is to educate people about:

- The costs their actions impose on others
- The benefits their actions provide for others
- How to adopt desired behaviors
- How to avoid risky or costly behaviors



Think about an Extension program and the issue it addresses. What are other ways the public sector could—or does—act to address the issue?

## 7. WHY EXTENSION?

### Guiding Questions:

1. How can you respond to stakeholders who are skeptical of Extension's role in the public sector?
2. What are Extension's relative strengths in program delivery?

Imagine a stakeholder says: *I'm convinced that we need an educational program paid for in part by public funds. Why should it be provided by Cooperative Extension and not some other part of government?*

In your group, discuss and answer the following questions about a particular Extension program.

Who are the alternative providers of related outreach education?	What is their relationship with Extension?	What are Extension's strengths in program delivery?



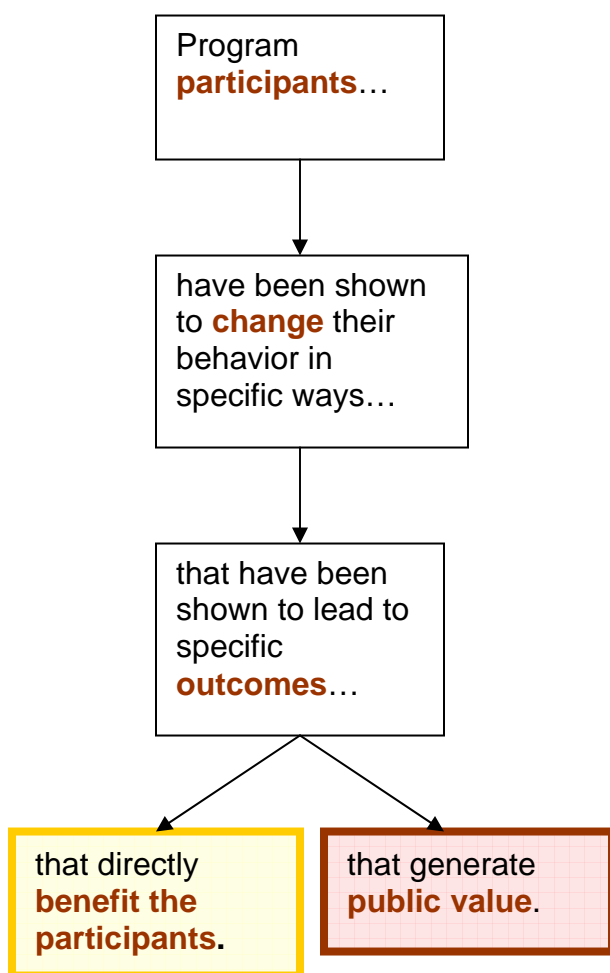
*"We should invest in ways that play to our strengths, so that we can make Extension's best case. –Laura Kalambokidis, Associate Professor of Applied Economics, University of Minnesota<sup>6</sup>*

## 8. DEMONSTRATING EXTENSION'S PUBLIC VALUE

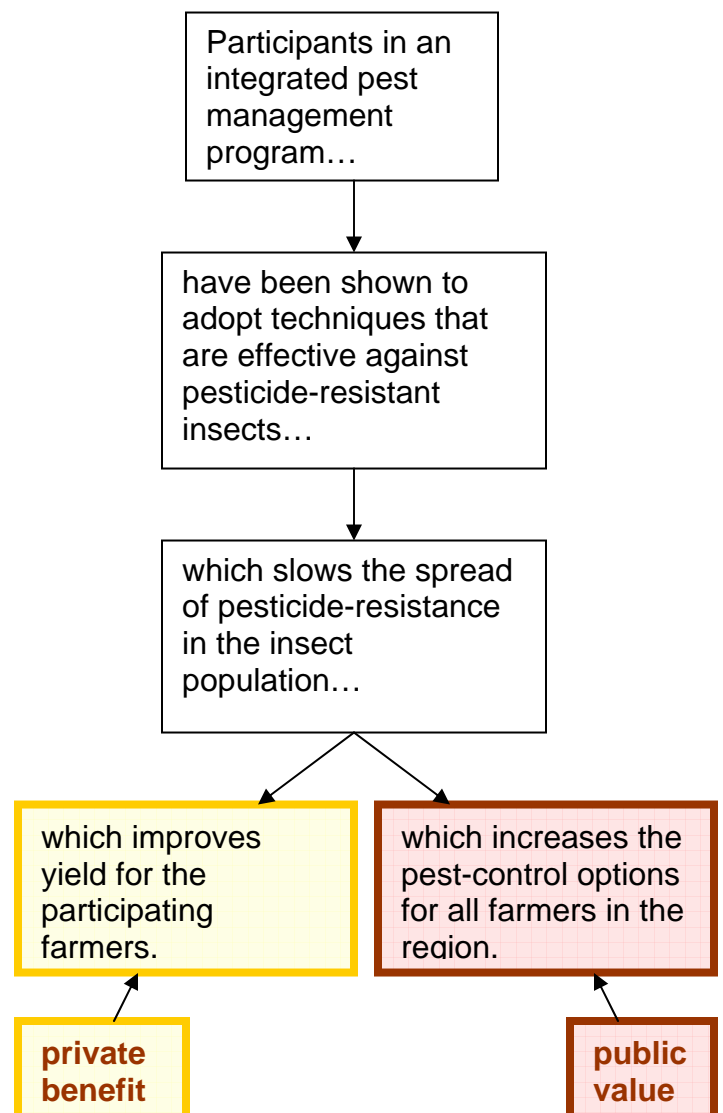
### Guiding Questions:

1. How can you demonstrate your program's public value in an effective public value message?
2. How important is it to have research that supports your public value message?

To demonstrate our programs' public value, we need to identify the **changes** participants make, the **outcomes** that result from those changes, and the **public value** that arises from those outcomes. The diagram below illustrates the essence of the public value message: *If people participate in our program, the community will reap benefits.*



### Example:





For each step in the public value message, we need to substantiate our claims with **research evidence**. This enhances our **credibility** with the stakeholder.

- Evidence for **changes** program participants make may come from the program evaluation.
- Evidence for the **outcomes** resulting from those changes and the **public value** may come from research on the program itself or from secondary research on similar programs.

In your group, complete the following steps.

1. Choose a **program** to work on: \_\_\_\_\_
2. Choose a **stakeholder**—someone who does not participate in the program, but whose support is valued: \_\_\_\_\_

Using the diagram on the next page:

3. Identify some **changes** program participants make.
4. Identify some **outcomes** that result from those changes.
5. How do the outcomes **benefit the participants**?
6. How do the outcomes **benefit others** (create **public value**)?
7. Circle the **public benefit** that you think will be most important to the stakeholder you chose.

Notes: \_\_\_\_\_

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**Demonstrating public value for \_\_\_\_\_**

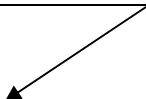
Who are the program **participants**?



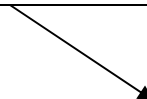
What are some **changes** participants make?



What are some **outcomes** that result from those changes?



How do these outcomes **benefit participants**?



How do these outcomes **benefit others** in the community?

## 8.1 A Public Value Message

Imagine you have a very brief opportunity to talk to the stakeholder you named for the Extension program. In your group, fit into the template below the **changes** and **outcomes** you listed in the previous worksheet and the **public value** you circled (identified as being most important to the stakeholder). Spend some time editing until you have drafted a simple, but compelling **public value message** about the program.

When you support \_\_\_\_\_ program, participants will

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**(changes)**

which leads to \_\_\_\_\_,

**(outcomes)**

which will benefit other community members by

---

**(public value)**

Can you see how this is a **public value message**? *"Our programs help farmers manage their animal waste in economically viable, environmentally responsible ways to prevent pollution and health risks."*—University of Minnesota Extension, Water Resources Center, Animal Waste Management.<sup>7</sup>

**Do you need to explain to stakeholders how they will benefit from the program?**  
It depends.

- ✓ Know your audience well enough to know whether you need to "connect the dots" for them.
- ✓ Keep the message simple, but be prepared to back up your statements if asked.

## 9. MAXIMIZING PUBLIC VALUE

### Guiding Questions:

1. What types of program characteristics are responsible for its public value?

Sometimes we can identify particular program characteristics that we believe increase the program's ability to create public value.

**Those characteristics might include:** Educational approach  
 Instructor credentials  
 Program duration  
 Timing of intervention  
 Audience composition  
 Whether voluntary or mandatory  
 Whether individual or group instruction  
 Others?



When we design and deliver programs with these characteristics, we maximize Extension's public value.



Consider a particular Extension program. What are some of the programs' key characteristics? Do those characteristics contribute to the program's ability to create public value?

*"We learned that the work site is a very positive place to offer education and tools to help in [financial] planning. People trust their employers to offer good products, and it's convenient—two important factors for taking action."—Marlene Stum, Professor of Family Social Science, University of Minnesota<sup>8</sup>*

## 10. RESEARCH AGENDA

**Guiding Questions:**

1. Which claims in your public value message need to be backed up with research?
2. How will you find that research?

In your group, list the claims that your draft public value message makes about the program. For each claim, discuss whether or not you can substantiate those claims with good evidence. If not, brainstorm about people or organizations you can consult to help you strengthen that evidence. Consider: Extension specialists and research faculty, either at your institution or elsewhere; Extension educators in other states; professional organizations; etc.



The **credibility** of our public value messages depends on our ability to substantiate our claims with **research evidence**.

Claim about the program	Either, or:		Whom can we consult to strengthen our evidence?
	Evidence we can use to substantiate the claim	Evidence is weak, outdated, or missing	

## 11. PUBLIC VALUE ACTION PLAN

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**Now that you have completed the “Building Extension’s Public Value” workshop, what can you do to build the public value of a particular Extension program? Here are some ideas for next steps:<sup>9</sup>**

### **1. Refine your public value message**

A program’s public value message should communicate what the program genuinely does: its outcomes and how those outcomes create public value. Do you think everyone who works with the program would agree with the public value statement you drafted in the workshop? Meet with your colleagues to share your draft statement, receive suggestions and criticism, and refine the public value message. As a group, you may come up with multiple public value messages, communicating different program impacts, and directed to different stakeholders.

### **2. Apply your public value message**

Support from which stakeholders are most important for the program you discussed in the workshop? What is the best way to deliver the public value message to those stakeholders? Meet with your colleagues to plan how to use the message(s) you have developed. Some ideas are listed below. Which of these make sense for your organization? Are there others?

- Grant writing
- Communicating with legislators, county commissioners, state agencies
- Communicating with Extension and university administrators
- Media outreach
- Writing business plans and proposals

### **3. Implement your research agenda**

If you did not draft a research agenda for an Extension program in this workshop (Module 10), then meet with your colleagues to complete the research agenda activity. When you are done, write a plan for contacting the people you have named who can help you find the evidence you need. Assign individuals to make the contacts and set a time to meet again to discuss what you learn.

## ENDNOTES

<sup>1</sup>USDA,CSREES (2007).

<sup>2</sup>Kalambokidis and Bipes (2007), page 59.

<sup>3</sup>Debord (2005).

<sup>4</sup>Franz (2007).

<sup>5</sup>Penn State Natural Resources Extension (2007).

<sup>6</sup>Kalambokidis and Bipes (2007), page 44.

<sup>7</sup>University of Minnesota Extension, Water Resources Center (2007).

<sup>8</sup>University of Minnesota Extension (2007a).

<sup>9</sup>Adapted from work by Ryan Pesch, Regional Extension Educator, University of Minnesota Extension.

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## WORKSHOP EVALUATION QUESTIONNAIRE

**We value your comments. Please take a moment and answer the following questions about the "Building Extension's Public Value" workshop.**

1. To what extent did you learn more about the public value of Extension programs?

Was it:

- To a great extent
- To a moderate extent
- To a slight extent
- Not at all

2. To what extent did you acquire more skill in explaining the public value of Extension programs? Would you say it was:

- To a great extent
- To a moderate extent
- To a slight extent
- Not at all

3. To what extent do you feel you can use the ideas or skills you learned regarding the public value of Extension programs? Was it:

- To a great extent
- To a moderate extent
- To a slight extent
- Not at all

Follow-up question:

If "great" or "moderate" could you give an example? \_\_\_\_\_

\_\_\_\_\_

4. How satisfied were you with this program?

- Very satisfied
- Satisfied
- Neutral
- Dissatisfied
- Very Dissatisfied

Comments