

# Tool

## Actor/Function-Grid

<b>Area of Application</b>	Clarification of the roles and functions of service providers in public service provision
<b>Objective</b>	Visualisation and clarification of the roles of different public and private service providers in the provision of public services; facilitation of analysis and discussion (e.g. with respect to intended change processes).

### 1 Context

Providing a (mostly public) service means making sure that this service is delivered to a certain group of clients in a specific quantity, and of a certain quality. Although a government can provide a service, this does not necessarily mean that it will also finance or deliver that service. A local government might well provide waste collection twice a week; the actual collection, however, is often subcontracted to private enterprises, while individual households pay the bill. This separation of functions applies to a large number of public services – as well as in the agricultural sector. On the other hand, today's actors are becoming increasingly flexible regarding the functions that they are willing to assume. Public organisations are entering private markets, for example, and private enterprises are subcontracted by government entities to deliver public services. As a consequence of all of this, there is now a broad spectrum of alternatives to choose from when organising and steering the 'production' and delivery of any service – and increasing competition amongst actors. Clients are understandably pleased with this state of affairs.

***All of these services, which are often not 'produced' or delivered in a one-step process, but rather in a chain of provider-client-relationships, can be analysed using the actor/function grid.***

### 2 Description of the tool

#### Step 1 Define the (agricultural) service

Services to the agricultural sector are extraordinarily heterogeneous, ranging from agricultural extension to legal counselling on land tenure issues. It is therefore hardly surprising that there have hitherto been no acceptable definitions of the term 'services' that are generally valid. Past attempts to characterise services by distinguishing them from material goods suffer from one serious flaw: exceptions can be found to almost all demarcation criteria. This then led to the suggestion that the 'pure' production of goods and the 'pure' provision of services should be considered as two ends of a continuum – the so-called goods-services continuum.

Typical services to the agricultural sector include:

- agricultural research
- agricultural extension and information services
- education and training
- rural financing (e.g. savings, credit) and insurance
- marketing of agricultural products and market promotion
- input delivery services for plant production (e.g. seed, fertiliser, pesticides, irrigation water, machines/tools) and animal production (e.g. genetic material, forage, veterinary products, drinking water, machines/tools)
- regulatory services (certification of seeds and bio-products, quality control of agricultural products, regulation of water rights, etc.), often provided by governments
- technical support services, i.e. all activities related to the provision of the technical and social infrastructure for agriculture (transport, supply of fuel and spare parts, planning of resettlement schemes, etc.)

## Step 2 Define the components of service provision

Differentiating between financing, delivery and assurance is central to the analysis of service provision.

The distinction between **financing** and **delivery** as two separate components of service provision leads us to four basic models of service provision, involving different combinations of public/private sector finance and delivery. Thus at one extreme there is the traditional model of publicly financed and publicly delivered services (e.g. agricultural extension of a national agricultural extension service to small-scale farmers); and at the other, services paid for and delivered by the private sector (e.g. the marketing of bananas by a private marketing company to large-scale banana producers). In-between these extremes, the public sector might continue to finance service provision, but subcontract delivery to the private sector (e.g. quality control of cocoa beans implemented by private companies). Alternatively, the public sector may itself be contracted by private sector institutions to perform certain tasks on their behalf (e.g. national research institutes undertaking cotton research for private cotton companies). Combinations of these two intermediate models are becoming increasingly common as new partnerships emerge in which financing and delivery are shared by both the public and private sectors.

The **assurance** of service provision means that clients can expect the provision of a service at the right time and place. It is a guarantee and assurance given by an organisation, cooperative or individual that specific services will be provided (e.g. a cooperative buying tomatoes at a set price after the harvest, or an export company providing extension services to large-scale banana growers).

## Step 3 Define the service providers

Agricultural services are provided by a broad range of organisations and institutions. Agricultural service providers can be differentiated according to their status, mandate, scope and level of intervention.

Service providers in the agricultural sector can be classified as follows:

- **Governmental institutions and organisations:** ministries, departments, agencies (MDA). In general, MDA provide public services and regulatory services that are of 'national' interest.
- **Parastatal organisations:** various types exist, providing either public or private services.
- **Private companies:** profit-oriented enterprises, companies and firms. Market-orientation and competitiveness are distinctive characteristics of private service providers.
- **Organisations of the civil society:** non-governmental organisations (NGOs), farmers' cooperatives, community-based organisations (CBO), etc. These organisations are non-profit-oriented and primarily designed for the public benefit or for the benefit of their members.
- **Informal service providers:** mostly individuals (e.g. large-scale farmers, local authorities, neighbours, etc.) who provide services on a very small scale. Service provision is usually not the original role of these providers but more or less a by-product of their main activities.
- **Donor organisations:** various types. These often do not only deliver the services but also finance and request them on behalf of the users (*merit services*).

#### Step 4 Design the actor/function grid

Various institutional options for service supply exist, depending on the fulfilment of the three basic components of service provision: financing, delivery and assurance. There are the following basic models:

- Pure service provision by one service provider: public service provision, private service provision, etc. The form of public service provision can be further differentiated by the degree of decentralisation, i.e. centralised or decentralised (local fiscal choice approach and principal-agent approach). The form of service provision by NGOs can be distinguished in terms of their strategic orientation (relief and welfare agencies, advocacy groups and networks, etc.).
- Mixed forms of service provision: public-private service provision (private-public partnerships), and other mixed forms involving all or parts of the above-mentioned service providers.

The three components of service provision can be combined with various actors of the service system as follows:

Actor	Service provision		
	Assurance	Delivery	Financing
Governmental institutions	A	A	A
Parastatal organisations		B	
Private companies		C	
Farmer cooperatives	D	D	
Informal service provider		E	
Donor organisations	F	F	F

A: typical for (public) regulatory services, e.g. quality control of agricultural inputs (insecticides)

B: typical for public services, e.g. agricultural research

C: typical for commercial services, e.g. agricultural input supply (fertiliser)

D: typical for supply chain services, e.g. input supply, extension, marketing of export crops (cotton)

E: typical for services in traditional societies, e.g. neighbourhood help

F: typical for merit services, e.g. emergency aid (food aid)

#### Step 5 Discuss the actor/function grid

Applying this tool can thus make discussion concerning the roles of the state, the private and the non-profit sector in public service provision easier.

To help you organise yourself as a planner and designer of interventions in service systems, the *actor/function grid* will assist you in analysing the service system in question. You just fill out the grid as demonstrated in the examples below. The first example describes a rather “old-fashioned” extension project in sub-Saharan Africa. Neither private nor non-profit sector organisations are involved in the service system, so that the ‘donor agency’ thus assumes all three functions, providing assurance, financing and delivery of services directly to the farmers.

**Example 1: Extension in Sub-Saharan Africa (actual status)**

Actor	Service provision		
	Assurance	Delivery	Financing
Governmental institutions	X	X	X
Parastatal organisations	O	O	O
Private companies	O	O	O
Farmer cooperatives	O	O	O
Informal service provider	O	X	O
Donor organisations	X	X	X

X = active  
O = not involved

**Example 2: Extension in Sub-Saharan Africa (alternative design)**

Actor	Service provision		
	Assurance	Delivery	Financing
Governmental institutions	X	O	X
Parastatal organisations	O	O	O
Private companies	O	O	X
Farmer cooperatives	O	X	X
Informal service provider	O	X	O
Donor organisations	O	O	X

X = active  
O = not involved

**3 How to use the tool**

This tool can be used by governments, private enterprise, NGOs and donor personnel involved in every aspect of service provision. It is simple to use, with an easy systematic approach that can be applied in smaller circles such as discussion groups or “round table” discussions, as well as in more complex settings, such as workshops with representatives of all the service providers and recipients of the respective service field “at stake”. The tool can also be embedded in a broader context – such as the current discourse on the role of the state, private and non-profit sectors in overall public service provision. As regards reorganisation processes, it can be applied together with the “Checklist for Managing Change in Public Service Provision” tool.