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When innovation meets institutions: the challenges of crowd-based innovations for governance

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Tensions and impacts around crowd-based innovations

Crowd-based innovation (CBI) engages a large number of individuals to supply goods and services (e.g., sharing and gig economy), provide information (crowdsourcing), provide funds (crowdfunding) or produce goods (makerspaces). CBI could contribute to more inclusive, responsive and legitimate systems producing particular services or products. At the same time, it may also be at odds with current rules and regulations, which is problematic as such rules are intended to avoid negative impacts. The issue here is that institutions reflect certain public values, such as legitimacy around labour contracts, safety in consumer protection laws, and quality in sector regulations. But CBI blurs boundaries, for example between consumers and companies and between employer and employees. Those boundaries are precisely what has been defined over time by institutions to safeguard relevant public values. In this line, this research aims at exploring the tensions created by the misalignment between CBI and existing institutions, and their impacts for public governance.

Conceptual model guiding research

Crowd-logistics: blurring employer-employee boundaries

• Crowds as a solution to provide logistics services fast and cost-efficiently, particularly for last-mile deliveries, shipping of goods and storage provision.
• Crowd-logistics "encourage passengers to use their spare carrying capacity on cars, bikes, buses and planes to carry parcels for other people" (Buldeo Rai et al., 2017, p. 2).
• Crowd-logistics is usually associated with access to cheaper, less-regulated labour, which provides enough flexibility to respond to variable demand.

Crowd-logistics as a challenge for cities

• City logistics occurs in the midst of institutional voids and uncertainties as cities try to decrease emissions and increase safety in their ever busier roads and bike lanes.
• Technological developments such as Light Electric Freight Vehicles (LEFV) and digital sharing platforms are seen as promising to increase efficiency and decrease costs and emissions.
• Logistics providers are only one of several users of scarce public space in the inner city and residential neighbourhoods. Thus is unclear how to balance technological innovations with local zoning, traffic, environmental and labour policies.

Research question

How does the emergence of CBIs impact public values and what kind of governance arrangements can safeguard public values in CBIs?

A process approach to study change

• Reconstruction of processes based on events that occur around specific research subjects.
• Three coevolving and changing subjects: innovation, institutions and impacts on public values.
• Multidisciplinary approach focusing on critical events as identified by actors and the narratives accompanying them.

Cases

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<tr>
<th>Potential for conflict</th>
<th>Sharing platforms</th>
<th>Light Electric Freight Vehicles</th>
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<td>Low</td>
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References