The Vanguard Periodical

The Vanguard Method in People Centred Services

Edition Two

VANGUARD

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The purpose of The Vanguard Periodical: *The Vanguard Method is creating new knowledge in management theory and practice. In this periodical leading practitioners share their insights and experiences of working with service organisations that are achieving substantial, rapid and innovative change.*

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The Vanguard Method in people centred services

Jo Gibson

This periodical offers hope to those stuck in an unchanging system

This edition focuses on the Vanguard Method in people centred services. It comes at a time when health, social care, housing, child protection and education services are under huge pressure. Demand appears to be increasing whilst resources are being reduced. Many leaders of these services are at a loss as to how to tackle the challenges they face. Add to this increasing scrutiny and bureaucracy and you have a sector under severe strain.

As yet another tragic case in health or social care hits the headlines, the initial media focus tends to be fixed on looking for someone to blame. In the months that follow, we hear the promise of reviews and public commitments to more robust legislation and inspection. But can this kind of response prevent tragedies from happening again? A group of influential social work authors, writing in the British Journal of Social Work in 2010, were pessimistic:

'Not only are people too busy responding to the relentless need to meet targets, but in a culture where individuals are held accountable for error, and where 'heads roll' in response to unfavourable audits, then everyday errors will inevitably be kept quiet. When errors do surface in the context of a serious case review, public inquiry or inspection, a connection is not always drawn between one incident and the routine dysfunctional practices that created the conditions of its possibility.'

The sad catalogue of upsetting children's services cases (e.g. Victoria Climbié, Peter Connelly [otherwise known as 'Baby P'], Daniel Pelka, Ayeeshia Smith and Keegan Downer, to name just a few) shows a broken system that allows horrendous failures to happen again and again. Why? Because the thinking within the system remains the same. Vanguard sees the consequences of this unchanged thinking every day in systems across all sectors.

The articles in this periodical identify the key issues facing a variety of people centred services. They identify the flawed thinking that managers and leaders have been taught, via MBAs, best practice or by the plethora of external auditors, assessors, regulators and central policymakers. This flawed logic underpins the sad status quo and leads to daily headlines of horror and human suffering, whether old or young or just unfortunate to have had a wobble in life.

The material here not only uncovers the reality behind these unreliable systems, but also offers the opportunity for people centred services to do better things – to apply a different set of logics to improve the systems that people are working in.

The articles challenge current thinking about how people centred services should be run. They focus on the importance of having a clear purpose, based upon having a conversation with the citizen and thus understanding not only the presenting demand but, more importantly, the demand *in context*. You will read again and again how central an 'understand me' conversation is as a first step in delivering people centred services. You will also become familiar with the phrase 'what matters?' This repetition is both necessary and deliberate. Understanding what matters to people is a fundamental part of the new and better way of thinking and acting.

The articles also demonstrate how important effective leadership is in challenging long-held beliefs about how people centred services should be managed. They identify the key obstacles and how these can be overcome and the sort of conversations it will be necessary to have with policy makers, regulators and founders, if a real and sustainable change is to be made across these services.

Talking to the Guardian about her work on the Social Work Taskforce, Sue White, Professor of Social Work at the University of Birmingham said:

'The messages we got from social workers around the country were clear: too much responsibility too soon for novice social workers, excessive bureaucracy, and unhelpful, extremely distracting inspections.'

A 2010 academic article, written by social work experts and published in the journal Critical Social Policy, reports a similar pattern:

'Across our sites, social workers report spending between 60% and 80% of their available time (that is time when they were not travelling, or in meetings) at the computer and this was borne out by our observations.'

The above is echoed in all people centred services. The system has lost sight of the individual, the child, the vulnerable adult, the family member who is suffering from stress and anxiety, the young person in need of mental health support. All are human beings who deserve to be understood and given the opportunity to express, in whatever way they can, what truly matters to them and for the system to not only allow the time and space for this, but to value it as a means of ensuring the response is citizen-shaped and right first time.

This publication offers hope to those stuck in this unchanging system. There are examples of services where those doing the work, and those leading the doing of the work, have been able to change their perspective and the logics that govern what they do. Not only has this improved things for the citizen (you, me and our loved ones) but costs across the whole system are reducing, in some cases by unimaginable proportions.

What you will read touches only the tip of the iceberg. It identifies a method which, if allowed to prosper and grow, would revolutionise the way we think about and provide care services in the United Kingdom and indeed across Europe. The Vanguard Method in people centred services is the biggest opportunity to significantly reduce costs and, more importantly, to improve people's lives. Isn't that what public services ought to be about?

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Making history, one life at a time

Simon Pickthall

How a simple question – 'what matters?' – led to the transformation of social-care practice in Wales

Five years ago in a small conference room in a South Wales hospital, 12 people made history – although, as is often the case, they did not realise it at the time.

In April 2016, the Social Care and Wellbeing (Wales) Act enshrined in law the principle of understanding 'what matters to citizens'. This may not sound important. But it completely transforms the practice of social care in Wales.

It would be too much to say that the link between the two events was direct. But the meeting that day triggered a winding journey that began with discovery of a radically different method of working that forever altered their view of what social care could be. The Vanguard Method has at its core the need to understand 'what matters' in the lives of people who receive services. Part of it requires those delivering the service to ask those receiving it how it matches what matters to them. When the group posed the question to those receiving social care, they found it was far different from what they were getting. What they wanted was simple - a system that *listened* to them rather than pass them from one professional to another. They wanted help with things that were important to *them*, not standard packages of services picked off the shelf of the social care supermarket.

The things that people felt important in their lives were simple, too: meaningful and loving relationships; a sense of contributing to society, rather than being a burden and feeling in control of their own decisions. These responses brought some to tears. Those in need of social care wanted the same things we all do.

For the 12, comparing what their system delivered against what mattered to citizens receiving them was a shock. The system gave them all the impersonal processing they didn't want and none of the basic human requirements that they did. It dawned on them that, with the best of intentions, they had created a system that removed people's choice, made them dependent on statutory services and drove impersonal services into their homes. Studying the system revealed that repeat demand was very high – the services handed out were not treating the root causes of why people needed help. Counterproductively, when money was short, the threshold for receiving even this help was raised, so that when people finally qualified for care, their condition had deteriorated and their cases were correspondingly more complex and difficult to treat.

The things that people felt important in their lives were simple, too: meaningful and loving relationships; a sense of contributing to society, rather than being a burden and feeling in control of their own decisions

The legislation forced practice to be 'deficit-based' – focusing on people's needs and weaknesses, rather than building on their strengths

Legislation got in the way

This powerful experience – the real force of the Vanguard Method – had a profound and lasting effect on the 12. Determined not to let the status quo endure, they led the redesign of their system explicitly to deliver what mattered to people in their local communities. But they kept hitting against the obstacle of current social care legislation. The legislation forced practice to be 'deficit-based' – focusing on people's needs and weaknesses, rather than building on their strengths. In addition, the services people received were what had been commissioned by commissioners, not what mattered to them.

At this point the leaders could have accepted the legislation as it stood, doing their best to work around the current constraints. Embracing their ambition, however, they resolved to bring ministers and civil servants into the work to experience what they had seen themselves. Step by step their work, and that of others pursuing a similar journey, led to the fundamental change in thinking around how social care and health should be delivered that we see today: legislation that makes delivering social care and health according to 'what matters' a legal responsibility. Transforming thinking to tackle and then alter legislation, the ultimate system condition – this is a staggering achievement.

The right thing to do?

As these responses show, there is no doubting what people receiving services think about the new approach:

- 'The last social worker used to come once and then we'd never see them again. It's lovely to know you have somebody to contact'
- 'In 20 years, you're the first ones who've really listened to me'
- 'It's been helpful and efficient. We feel happier that we've seen the same faces throughout. You may not think you have done a lot, but you've really supported us'
- 'He's talking to me for the first time in years' (a carer talking about her husband)
- 'We would have been in a terrible state without you. I'm sure my husband would still be in hospital now'
- 'If I had not known about this service, I would have admitted this person into hospital' (GP)

'In 20 years, you're the first ones who've really listened to me'

The effective thing to do?

But is it an effective use of resources? Through focusing ruthlessly on what matters to citizens, public-sector organisations in Wales have:

- More than halved the percentage of referrals leading to statutory funded packages of care, from 24.1% to 10.9%
- Reduced residential and nursing care placements by 28%
- Cut average domiciliary care packages from 12 hours to 9.7 hours a week
- Reduced contacts into social services by 48%
- Underspent community care budget for three consecutive years
- Reduced the number of assessments by 30%, and re-referrals from 46% to 10%

In other words, focusing on what matters is not only inexpensive: it provides better outcomes for less resource. Not just more but better for less – who could be against it?

How to do it

Here is not the place to go into detail about how to do it. But by now you get the picture. You study the system. You ask those whom you exist to serve 'what matters' to them; how they would like to live their lives? Compare their answers with what your system currently delivers. What would have to be true for you to be able to deliver the desired outcomes?

The answer is both less and more than you think. Consider the group meeting in the South Wales hospital. It took a long weekend to challenge all their previous assumptions about social care in practice. It took six days to understand what their system was delivering from the perspective of citizens and build a plan to transform it. It took five years to make so much difference to people's lives that legislation was changed to institutionalise a different way of thinking and working. To change history. So where to start? Try 12 people in a room.

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Boldness pays off at Fareham

David Puttick

The transformation in customer service in every intervention at Fareham is clear for all to see

Boldness has genius, power and magic in it

At our first meeting, the Chief Executive of Fareham Borough Council, in south east Hampshire, told me: 'I want to change the entire organisation to become much more customer focused. This is not about cost cutting. I want to change the culture of the whole organisation. Our customer surveys are showing 92% customer satisfaction, but I don't believe them. The surveys have made us complacent'. Bold.

He knew he wanted to transform the organisation but wasn't sure how. He was considering the Vanguard Method, but some of the senior management team, pointing to the high satisfaction score, were unconvinced. At a three-day introductory Vanguard programme, which the entire 23-strong senior management team attended, they learned more. A major commitment. Bold.

The team gained a glimpse of what the customer experienced. For the first time, they saw what the front line was required to do and the hoops customers had to jump through. For the first time, they had genuine knowledge rather than information, always indirect and incomplete, fed through the hierarchy. There might be, they began to think, a better way.

Some of them got curious. Some got excited. Some went to the Chief Executive and said: 'Please let me do this in my service'.

We knew that this would be a multi-year partnership and that because of the sums involved it would have to go through a procurement process. Ordinarily, this would take an inordinate amount of time and effort for both council and supplier; often the outcome would be the appointment of a supplier other than the one the organisation wanted. Fortunately, following research, Fareham was able to appoint Vanguard, in compliance with EU procurement rules, on grounds of the acknowledged uniqueness of the method. Bold, again.

When I started visiting the organisation in 2012 I was struck by the feeling that Fareham seemed a genuinely happy workplace. People were welcoming, open and positive. As I got to know the organisation I learned that people tended to stick around. Staff turnover was low.

We wanted to help a good organisation become even better.

I was struck by the feeling that Fareham seemed a genuinely happy workplace

What are we here for?

At the outset the Chief Executive decided that he wanted every senior manager involved in the change programme. Every intervention would be led by a head of service supported by a Vanguard guide. In general, intervention teams of managers and front-line staff worked full-time, with the heads co-leading at least three days a week.

A vital part of the role of heads was ensuring that those conducting 'business as usual' felt that they were part of the intervention – after all, they were making it possible, by taking on the load of intervention team members. It is not unusual for an 'us and them' mentality to create divisions if those taking care of business get the impression they are left out.

The initial task of the intervention teams was to make the current system visible and clear – to themselves first, and then to the rest of the organisation. The principle is: *understand* - before any thought of what and how to improve. They would find answers to a number of questions, including:

- What are we here to do?
- What does 'good' look like?
- What do we actually do?
- What are the consequences?
- What are the causes?

In most organisations, both public and private, the question, 'what are we here to do?', is remarkably rarely asked – and if it is, it is invariably expressed in a narrow job context rather than from an end-to-end customer point of view. Without clarity on what the organisation exists to do, *from the customer's perspective* – its purpose – work can easily drift away into wasteful, valueless activity resulting in poor customer service and unnecessary cost to the organisation.

Fareham was no exception. Take 'statutory nuisance', which is about dealing with people who cause problems for others – through noisy parties, loud music and barking dogs, for example.

In statutory nuisance, 'best practice', which Fareham dutifully followed, is to send out forms which complainants fill in and return as evidence. Follow-up would be diligently recorded in the IT system. The team quickly saw that the *de facto* purpose the department was working to was 'gather information necessary to take people to court'. But how often did offenders get to court? Almost never. Meanwhile up to 70% of an officer's time was taken up with feeding the IT.

In housing benefits, when the team made visible 'what we do', they could see that the work was fragmented – a world away from the value steps

The team quickly worked out that a better purpose for statutory nuisance was 'helping neighbours to live together peacefully'. This was transformative. Instead of following a legalistic and prescriptive process that rarely helped and often antagonised the parties, officers now spend their time talking with both sides and encouraging them to have respectful conversations with each other. In one case, a neighbour offered to walk next door's dog so that it could be kept inside rather than in the garden barking when the owner was at work.

In housing and council tax benefits, the team's eyes were opened when they realised that the value steps (what good looks like) required to achieve the purpose of 'paying claims that we're entitled to' were:

- Understand the customer's situation
- Help the customer understand the information we need to process a claim
- Get 'clean' information
- Assess the claim
- Notify and pay

In housing benefits, when the team made visible 'what we do', they could see that the work was fragmented – a world away from the value steps. Many different officers would work on one claim, with no one owning it end-to-end. Add to this the front-office/back-office split and the default of writing to customers if the claim was incomplete or incorrect and it was easy to see why the process took so long and customers were so frustrated.

The fragmentation of work and the associated activity backlogs meant that much management effort went into managing and prioritising activity rather than doing the value work. In the redesigned system, management and prioritisation of work virtually disappeared. Through experimentation, teams learned that assessors should take end-to-end charge of a customer claim on the principle that 'if you start it, you finish it.'

Meeting face-to-face

In redesign experiments, teams get to see that the first value step in any flow is 'understand'. Unfortunately, in many organisations the default mode of communicating with customers (and even internally), ie standard letter and email, has the opposite effect, creating confusion that leads to calls and letters saying on the contrary, 'I don't understand'. As team members discover, the best way to reach understanding is through face-to-face contact between the customer and an officer with the expertise and authority to resolve the issue. Failing face-to-face, the next best method is a telephone conversation.

At Fareham, the 'understand' work in each service started with a brief scoping exercise by the service head, after which a team of front-line staff and managers would come together to take the understanding to a more detailed level.

'Simple, clear purpose and principles give rise to complex and intelligent behaviour. Complex rules and procedures give rise to simple and stupid behaviour' *Dee Hock*

Sometimes, scoping alone created the understanding to enable direct action to take place.

In parking enforcement, it was instantly clear that a major issue for the service was the high proportion of challenges to parking charges. Of the 30% of parking tickets challenged, almost 60% were upheld, with the remainder flowing through to formal challenge and eventually tribunal.

Discussion with enforcement officers uncovered the implicit assumption that their purpose was to maximise the number of tickets issued. When this was understood, the head decided to make explicit the principles he wanted officers to work to:

- You are best placed to decide what is reasonable
- Use your best judgement

When this was put to the enforcement officers in a workshop, challenges to parking tickets fell by half. And they report that their job has now become much more about engaging and helping people rather than imposing fines.

I am reminded of a quote by Dee Hock, the founder of Visa: 'Simple, clear purpose and principles give rise to complex and intelligent behaviour. Complex rules and procedures give rise to simple and stupid behaviour.'

Reaping the rewards

The transformation in customer service in every intervention at Fareham is clear for all to see. Front-line staff and managers know it viscerally. Customers are happy and appreciative, and staff delighted to know that they are providing a good service. Senior managers are happy because they see staff who are engaged and enthusiastic, and because capacity is released, which opens up choices about saving money or making further investment in customer service.

As an example in just one service, consider the improvements recorded in housing benefits:

- Average end-to-end times for new claims reduced from 17.3 to 9.9 days (43%)
- Average change-of-circumstance end-to-end times reduced from 9.8 to 3.6 days (63%)
- Redetermination requests reduced from 6.9 / month to 1.5 / month (78%)
- Appeals reduced from 0.7 / month to zero for the past 8 months (100%)
- Average customer satisfaction score: 9.6 / 10

Capacity has been released in management and administrative areas as well as at the front line, the organisation moving from five directors and 17 heads to three directors and 12 heads.

As a result of this work, in March 2016 Fareham Borough Council received a national award from iESE, the Improvement and Efficiency Social Enterprise, for 'Remodelling Local Services'. In iESE's words:

'As a part of the relentless drive to make efficiencies in local services we are all looking for new ways to deliver services. The winners of this category demonstrate this drive to redesign how we deliver services to meet the needs of our residents and businesses'.

Fareham's 'Putting the Customer First' submission was one of three selected for an award from a field of more than 200.

A final thought

The committed approach shown at Fareham left no one in doubt about the Chief Executive's determination to change the organisation from top to bottom, creating an inevitability in the minds of everyone involved. The consistent support of senior members (councillors) was vital to the success of the programme too. When we began work in a new service area, we were greeted by people who were enthusiastic and open at all levels of the service. Not everyone, not every time – but with great regularity.

A year into the programme, when the cost savings began to feed through, the Chief Executive and Executive Leader of the council decided to invest the annual savings achieved – about £370,000 at that stage – in the staff. So everyone, except the Chief Executive, received a 6% pay rise from January 2015. Bold indeed! And different.

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Stoke starts small

Charlotte Pell

Big things happened when Stoke City Council started transforming services one person at a time

It is normal to start big. Partners meet in a room to agree a vision. Words are drafted and redrafted. After several meetings and multiple revisions, a form of words is agreed and signed off. A new vision for the city, borough, district or county is born. The vision is ambitious, often lofty, and, as visions are, always in the future. A strategic plan, logo and website often follow.

Stoke City Council and its partners started small. They did something different. Instead of writing about the future in a room, they studied reality on the ground. They were more interested in unearthing the past and present than dreaming about the future. They were ambitious to find out the truth – what actually happened when a citizen put their hand up for help?

A multi-agency team selected a small sample of citizens to find out. This wasn't an easy or comfortable experience, and it certainly wasn't lofty. It was like an archaeological dig, excavating multiple files and records over a long period of time. What they discovered was often messy and incomplete, but every artefact they uncovered told the same story. Take Paul as an example – a young man who left care and moved into his own council flat. The council received a complaint from his neighbour about anti-social behaviour. A new noise nuisance case was opened. On the face of it, the response was simple – enforcement action: stop doing it, or else! But when they delved deeper, it turned out that Paul was known to the system. While the noise nuisance case was new, Paul was certainly not.

The system knew a lot about Paul, as Ed Case, watch manager for Stoke Area Command Risk Reduction Team, explains:

> *'Paul had contacts with at least 18 agencies and departments offering single-agency interventions; there were 20 referrals, 14 assessments, seven social-worker hand-offs and four requests from Paul's mother for help. In total, there were 130 activities on file in the 19-year period studied'.*

By treating the noise nuisance case as new, the housing officer was taking a transactional, single-agency approach. The housing officer knew nothing of Paul's background, context or underlying issues. Only the presenting demand – 'Paul is making a noise, and it's a nuisance' – would be dealt with. This, says Case, was typical across all the cases:

> *'We attempted to deal with the presenting demand and not the contextual demand and the underlying issues. The way we worked was transactional and most of the time, reactive. They were generally high-level interventions that occurred when the citizen was already in crisis.'*

What actually happened when a citizen put their hand up for help?

An experiment

The team tried something different. Instead of taking the traditional and costly enforcement route, involving a series of formal interviews, letters and possibly court proceedings, a locality officer had a conversation with him. The interchange is now known in Stoke as an 'understand me' conversation. Case says:

> *'An 'understand me' conversation isn't about what the individual wants – it's about having a conversation that's like a counselling session where you paraphrase, where you understand, summarise and then confirm that you have identified what their issues are.'*

The officer learned that Paul needed help to manage his finances and to make his flat into a home. Having recently left care, with no money and no support for the first eight weeks, he also needed assistance with his council tax and to buy a cot for his daughter. Having understood Paul's context, the team was able to help him to stabilise his life by supporting him with his finances, helping him to furnish his flat and get a job. He went on to secure a 12-month tenancy. He got his life back on track.

Dealing with only the noisy-neighbour complaint – the presenting problem – would not have been of much to help either Paul or his neighbour in the long run. Case again:

> *'Overall, we repeatedly identified with all the cases that we mapped, that working holistically solves problems that citizens actually have and not the ones we think they have. It confirmed to us all that prevention is better than cure. There needs to be an enhanced focus on intervening at the earliest possible stage and de-escalating families in the hierarchy of need. It's crucial that we don't exclude families from the appropriate support services or wait until their needs become more severe or ingrained.'*

By treating the noise nuisance case as new, the housing officer was taking a transactional, single-agency approach

You may think this approach sounds familiar – similar to the key worker approach, where a single person coordinates care. Working holistically, prevention and early intervention aren't new concepts either.

But the change is much more fundamental than employing key workers and intervening early. To help Paul sort his life out, the team had to suspend a whole raft of traditional features of normal housing and social work. For example, they switched off:

- Targets
- Timeframes
- Functional roles
- Referrals
- Thresholds and criteria

The change is much more fundamental than employing key workers and intervening early

The challenge for Stoke and organisations like it, is to build an 'understanding capability'

Only after removing these features of normal practice are key workers able to help people. Instead of performing a traditional 'coordination' role, key workers now *pull in* expertise when help is required. This is a crucial difference. Traditionally, key workers 'coordinate' by simply referring people on to other services. Professionals typically arrive, carry out an assessment and then 'do something' professional. In Stoke, specialists are only pulled in as and when required, to do whatever is needed to help the person. The key worker does the rest. Head of Cooperative Working, Julie Griffin, explains:

> *'Instead of residents accessing help from a variety of sources to address a range of problems, those with complex needs will be assigned one key worker who will work with them to find solutions. This key worker will 'pull in' expertise from other agencies including the police, fire service, NHS and the voluntary sector if needed. Referrals will no longer be a part of the process. Service users will no longer have to repeat their story to access the support they need.'*

It is also, notes Case, about ownership:

> *'If we're brutally honest, we looked after our own bit, which was generally about the pressures of KPIs, targets and performance management, and we came up with referral pathways which were ultimately to pass the buck. No one organisation took ownership, which commonly led to a lack of confidence in the referral process.'*

The challenge for Stoke and organisations like it, is to build an 'understanding capability' wherever numbers of people turn up to asking for help – this might be a GP surgery, A&E, a housing office or a voluntary sector organisation – and use it to align all those involved in the system around the common purpose.

New purpose, new principles

The design of the system prevented workers from taking ownership. For this reason, a new purpose and new operating principles were developed to give the system a new shape and to guide every interaction with a citizen. This replaced the targets, referral pathways and KPIs.

Purpose: *Help me to help myself live well.*

Principles:

- *You fully understand me and the real problems to solve*
- *You will help me to identify solutions to my problems*
- *You will help me to help myself*
- *We pull expertise as needed*

As this elegant and simple new approach was adopted across more and more agencies, it became clear that it was not only changing people's lives; it was reducing demand and saving money.

'A pilot suggests that the new approach of prevention and understanding need in context is beginning to bring demand down', said a University of Birmingham report, 'Upside Down and Inside Out.'

Savings across the wider public sector will come from averting the need for more costly interventions, such as court proceedings

For Griffin, the pilot was a major success. It supported 190 households across two city wards in the 18 months it was operational, yielding reductions of 23% in anti-social behaviour and 17% in rent arrears in the area. She sees scope for much greater gains in future as help is extended to thousands more families affected by issues including debt, unemployment and repeat offending. Savings across the wider public sector will come from averting the need for more costly interventions, such as court proceedings, A&E admissions and taking children into care.

> *'It is really exciting to be rolling out such a significant scheme, which will help us to support around 10,000 households. Cooperative Working is a unique way of working that will completely transform the way that services are delivered. We will work with individuals to provide them with the skills to live independently and prevent them from requiring high cost public sector intervention.'*

Small start, big results

Citizens leave no doubt about the improvement that the changes have brought. 'Life-changing' is a comment that recurs. One says: 'The work that the locality officer has done with our son is completely changing our lives'. Another: 'If it wasn't for the locality worker I would never have got through the last few months.' Or again: 'The locality worker is amazing, my life has completely changed'.

Professionals agree. They like the multi-agency, holistic approach, the new relationship with customers that it brings and a real sense of achievement. 'There need to be more services like this', one says.

Stoke and its partners started small. Managers and staff studied what was actually happening on the ground, one person at a time. They saw with their own eyes what the system was doing to people like Paul – the endless assessments, referrals and visits, with little or no improvement as a result.

They learned that to help people resolve their problems, they first need to understand them, in their own context. People have individual needs, and no single agency can meet all of them. Just as importantly, they learned that to be able to help people, they would have to ditch the old system and invent a new one. The old targets, KPIs and referrals processes had to go.

In short, they started small and got knowledge.

The small start led to a big vision:

> *A city where residents are empowered to live independent and fulfilling lives by receiving tailored support that meets their needs at the right time and place.*
> (Cooperative Working leaflet, February 2016)

And it led to big ambition:

> *'Over a three-year period, the programme is estimated to save the city council and its partners in the region of £36 million.'*
> (Julie Griffin, Stoke-on-Trent City Council)

It also led to new branding - the council and their partners have called their new approach 'Cooperative Working'. Cooperative Working was launched in February 2016. It has its own logo, a leaflet and website. But unlike many other local authority transformation efforts, the new branding and vision has been *earned*. The new service is cooperative. Everyone cooperates to achieve one purpose – 'help me to help myself live well.'

Stoke's vision was not dreamt up in a meeting room: it was discovered. It was, and is, based on knowledge.

The Council and their partners have achieved something very big by starting very small. We should congratulate them.

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Resources

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Integrated service: does it pass the milk test?

Fiona Catcher

The case for moving beyond integrated services towards problem-solving with citizens and communities

It's become a bit of a litmus test for me. Asked what integration meant to her, an occupational therapist told me wryly, 'Now we get to keep our milk in the same fridge!' Ever since, I've made a point of checking the fridge of integrated teams or services I'm spending time with. She's right. More often than not I'll see milk labelled 'OT', 'Physio', 'Social', 'Nurses' – indicative that the system continues to be constrained by professional roles and boundaries and that well-intentioned efforts to integrate result in little more than co-location in practice.

Integration of health and social care is a key priority of the government's public-services reform agenda. It is heralded as the solution to the problems that the current unjoined-up system provides for citizens and the way to achieve greater efficiency and financial savings. Significant funding has been made available through the Better Care Fund to incentivise agencies to work together to transform care through integration approaches.

The advantages are often expressed in terms of better coordination and navigation, improved communication and information, better outcomes, more patient / person centric, more joined-up, more efficient. The list of proposed benefits is long and compelling. Given the current unsatisfactory state of affairs, who wouldn't want these things?

The first half of this article describes what happens when you start with the question; 'How can we join up services to get better outcomes?' In the second half of the article, we look at what happens when we ask a different question; 'How can we do better things?' I end by making the case for a radically new and different approach to care with profound implications for citizens, staff and budgets.

Complicated, confusing and frustrating

Everyone agrees the current health and care system is complicated and fragmented. For citizens, the journey through it can be disjointed, confusing and frustrating. It often fails to recognise real need. When demand is studied from the citizen's perspective, 85% of those who present at a health 'front door' are found to have additional social or psychological needs. Yet the system is geared to respond only to the presenting (singular) need, not to understand its contextual (compound) nature.

Health services are separated from social care, adult care from children's care, and mental health from physical health. In the cause of greater efficiency and productivity, each separate part is further functionalised and specialised – so that even professionals have difficulty navigating the system.

When it receives a demand, each department or service focuses on 'is this for us?', and if it is, 'we'll do our bit and pass it on'. Needs are identified by formal assessment. To address other

Everyone agrees the current health and care system is complicated and fragmented

needs, the citizen is referred on to another department, at which point the cycle starts all over again, amplifying system-wide duplication and waste. In one town, the 280,000 demands received by eight agencies over a year were 60,000 more than the local population.

While people are cycled around the assessment and referral system – often over years – they become less stable and more dependent on services. They continue to present to multiple 'front doors', fuelling the perception that demand is rising. But this is an optical illusion. Analysing demand reveals that typically 80% of demands into health and care services are failure demands (demand caused by failure to do something or to do something right for the citizen).

Criteria and thresholds are key mechanisms for rationing access to services and prioritising those in need, driven by the belief that this will control demand and protect budgets. From understanding the cost, waste, and predictable impact on people of this vicious circle, we learn that it has the opposite effect.

In one town, the 280,000 demands received by eight agencies over a year were 60,000 more than the local population

Staff are the system's most valuable resource. Yet when flow of work is studied, we discover that this resource is mostly used on work that is of no value to the citizen – dealing with failure demand, and the rework and duplication of assessing and referring. In other words, it is waste. In one health and care system 90% of work carried out was found to be waste, consuming 75% of staff capacity.

Integration – starting with the wrong question

In the face of these issues, integration seems a compelling answer.

But in the sense in which it is usually applied, integration simply amounts to doing today's things better. Asking 'how do we join things up?' is to start with the wrong question. It does nothing to challenge the logics of the design and management of the current system. Crucially, it misses the opportunity to pose the anterior question of what's needed and *then* to draw up an integrated design to make it happen.

Creating value for the citizen starts by taking the time necessary to properly understand them, their aspirations and assets in the context of their lives

Let's look at the design of the integrated health and care service our occupational therapist (remember the milk?) worked in. Previously, occupational therapy, physiotherapy, community nursing and social care each had its own separate teams, managers and 'front doors' (referral desks); performance measures, too. These teams were brought together, with an integrated referral desk, under an integrated manager. The social-care IT system was modified to allow all specialisms to record into the same system.

But from a citizen's perspective, how much had changed?

Arguably, the single 'front door' was an improvement. But as soon as a referral was taken it was allocated to a separate list for each specialism, each with its own professional lead to ensure that professional standards and values weren't lost in the new set-up. Leads would manage allocation into their profession and performance against the appropriate measures, most carried forward from the previous regime. As a consequence, priorities and perspectives continued to be largely dominated by profession. If a home visit revealed needs outside the professional remit of the visiting team member, they were referred on using the appropriate referral form. The new IT system meant that information was better co-ordinated and easier to find – but since most of the improvements were process-related, in practice the new system was no better able to understand what mattered to citizens and therefore how to solve their problems than before.

Working out and solving the most urgent problem is critical to building the trust necessary for an individual to share their issues or even recognise them for the first time

Evaluation of many integration approaches, including national pilots, confirm that most improvements are process-related. Tellingly, the assumption that they lead to better actual care is not evidently shared by those on the receiving end.

Most integrated services continue to operate as one of many 'referral doors' to the system, with pre-integration thresholds and criteria still in place. The cycle of referring (failure) demand from one professional to the next continues unabated. In a recently integrated primary-care team professionals daily screen referrals from 34 different sources to decide which are 'for us' and which can be referred back or on to someone else. Demand pressures mean that even those deemed 'for us' are further prioritised according to perceived urgency. The most urgent cases are referred to a rapid-response team that struggles to cope. Others are assigned to professional leads according to medical need and arbitrary response times for assessment. Integration has had no impact on levels of demand.

This is not surprising. The approach used does not seek to understand the drivers of service consumption. Many integration initiatives are aimed at those with complex conditions, judged most at risk of unplanned hospitalisation, assuming that they are the heaviest users. But the episodic and transactional relationship the system has with citizens, together with reliance on 'system-shaped' rather than 'person-shaped' data, means that others who repeatedly present to services, bouncing between GPs, social care and in and out of hospital, are simply not visible as high consumers to the system. Integration approaches, targeted at specific cohorts and / or for those who have reached specific threshold levels, design out the opportunity to help some of those who most need it.

Integration is not enough. Unless there is also a shift from managing illness and eligibility for services to problem-solving in the context of people's lives, it will not meet the challenges facing today's public services. Meeting this challenge means starting in a different place and doing better things, not today's things better.

Beyond integration: starting in a different place

When citizens present to a health or care 'front door', they are asking for help to solve a problem or problems that have pushed their life out of balance. Understanding what's needed to rebalance a life requires a radically different approach to care – a move away from providing services and towards problem-solving with citizens and communities.

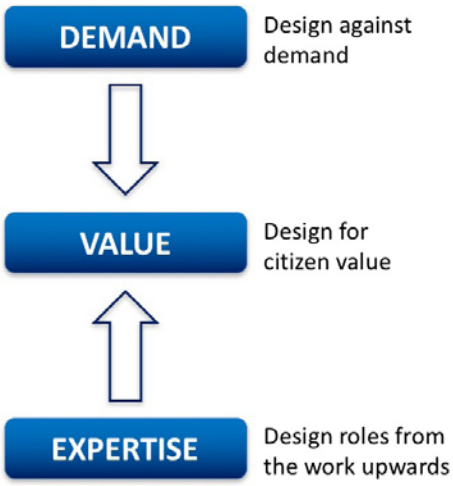

Figure 2: *Illustration showing the empirical relationship between value demand, the value work, and the roles needed to do the value work*

Designing against demand means fully understanding what a citizen wants and designing a system capable of absorbing variation in demand. Designing roles to understand demand and to help citizens solve problems means dissolving boundaries between traditional professional roles, not just blurring them. *(see fig. 2)*

What does the value work in a 'help me to live my life' system look like? *(see fig. 3)*

Creating value for the citizen starts by taking the time necessary to properly understand them, their aspirations and assets in the context of their lives.

When citizen demand is understood from this perspective, a surprising truth emerges. The problems most affecting their lives and most driving their consumption of services are not directly connected to health or care.

For example:

- A man suffering from diabetes and alcohol issues presented to A&E seven times over 63 days following falls. He was admitted five times, spending 44 days in hospital was assessed 32 times and had 13 lab tests. No one thought to see where he lived or asked him how he wanted to live. When a team did, they understood that his real problem was living conditions in a hostel. With help to move out and establish routines for looking after himself, he no longer needed services.

- An 86-year-old man who lived alone after the death of his wife was resigned to a future of meals-on-wheels, twice-daily care visits and regular nursing support. He was lonely. What mattered to him was to feel useful and connected with people. He was helped to do this and now supports himself and others around him in the community, without any service inputs.

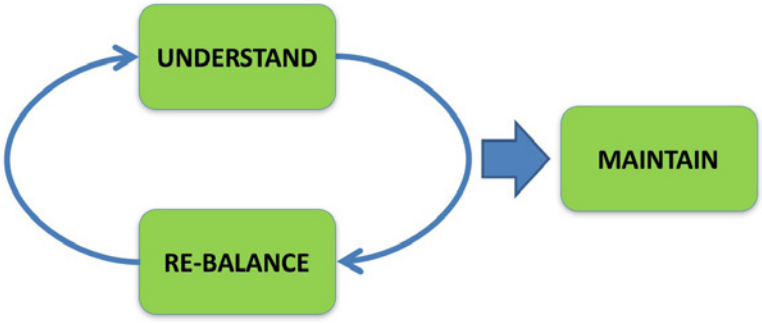

Figure 3: *Illustration showing the iterative nature of the value work to understand and rebalance a person in the context of their life*

Staff no longer spend most of their time doing work of no value to the citizen

Applying this way of thinking to a Youth Protection Service achieved regional savings of £22.9m

Understanding and rebalancing a person can take several iterations. Often working out and solving the most urgent problem is critical to building the trust necessary for an individual to share their issues or even recognise them for the first time.

Sometimes this is enough to create the space for the person to resolve their other issues. Establishing relationships and continuity means that if a person is subsequently pushed off kilter, it is easier, quicker – and cheaper – to help them get their lives back on track.

Doing the right thing

The implications for roles in this way of working are profound. Staff no longer lead with their profession – they are part of a seamless problem-solving team. Understanding is a core competency. If a problem lies outside an individual's skill set, instead of referring the case on or reaching for a service, they pull the expertise required to solve the problem.

The demands of learning, or relearning, how to give someone 'a right good listening to' should not be underestimated. Repeatedly following prescribed assessment processes has effectively deskilled many staff, and they need support in regaining confidence to initiate and build good conversations. As they relearn, staff quickly discover that with good understanding and problem-solving, the need for assessment by default goes away.

Staff no longer spend most of their time doing work of no value to the citizen. Thresholds and criteria have been abandoned. Instead, working purposefully to new principles, they are liberated to help people who need it in a way in which has ironically returned them to their professional values. Most would not contemplate a return to the previous way of working. Citizens who have felt its impact are astonished by the comparison with the past.

And the overall result? Demand and cost fall.

Those working in this way typically report reductions in whole system cost per citizen of around 50% with consequential reductions in social care and GP contacts, non-elective admissions to hospital, and where admission is required, reduced length of stay.

In one pilot area, the impact of redesigning services around the citizen has reduced activity costs for those citizens to the local authority and NHS by 42% and 67.8% respectively, saving an average of £15,000 per citizen per annum. Demand for public services in the area fell by 12.8%.

Applying this way of thinking to a Youth Protection Service achieved regional savings of £22.9m and halved the number of families under the care of the service from 8,000 (20,000 children) to 4,000.

The outcomes of doing better things? A re-invigorated workforce, satisfied citizens able to get on with the real job of living their lives with less or no need for services, and effective public services costing less.

Curious about how far along your service is on its integration journey? You could do worse than to start by taking a look inside the fridge.

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Punished by results: the dementia care home penalised for excellence

From the Vanguard Method in wellbeing blog

VANGUARD

Residents playing guitar to Status Quo, morale beyond compare and unspeakably low costs – why aren't others 'doing dementia' the Spring Mount way?

Caring well for those with dementia is demanding and patient work. Contrary to the current doom-ridden narrative, however, it can also be both rewarding and cost-effective. The latter two go together, when it is understood that the true cost of a service is in the flow of work, rather than the sum of the transactions. But focusing on the costs of transactions can have a potentially devastating effect on people's lives, as this cautionary example shows.

Janet Bell and Jackie Smith have been running Spring Mount, a home for people living with dementia, for over 24 years. In that time Janet, Jackie and their team have delivered outstanding care, and care performance. Outcomes for residents stretch belief (when we visited, four residents were playing air guitar to Status Quo in the hallway), and total system costs are unspeakably low. The morale of those at Spring Mount is beyond compare.

Myths governing dementia care

These results are being achieved because Janet, Jackie and their team have rejected the myths governing dementia care, and the assumptions about cost and management that go with them.

According to myth, dementia makes people:

- Less sociable and unable to enjoy new relationships
- Sexually uninhibited and unable to understand sexual responsibility
- Unable to make a positive contribution to group living
- Unable to self-determine and make choices
- Wander aimlessly
- Unable to learn new things
- Violent and aggressive
- Lose their personality
- Dependent on medication for control

Janet and Jackie's work has impressed the teams behind BBC Panorama reports in 2007 and 2010 and, years earlier, a similar programme for ITV's *World in Action.* Back in 1999 the *Nursing Times* was pretty blown away too. Which begs the question, 'Why aren't others seeking to "do dementia" the Spring Mount way?'

The answer is illuminating. Spring Mount's unit cost (cost per resident) to its local commissioner is £575 a week. Other residential homes in the area charge £460 a week. The commissioner thinks that Spring Mount is expensive.

But unit costs are only part of the cost story. The commissioner's comparison makes no acknowledgement that in its 24 years of operation Spring Mount:

- Has never had a placement break down
- Has only once required the use of agency staff
- Has never used anti-psychotic drugs for any of its residents
- Has earned such confidence from the social workers who place there that they do not feel the need to review their placements
- Has enabled such full and active lives for residents that their consumption of other health and care resource is vastly reduced compared to other care settings (yes, that does mean that Spring Mount residents don't turn up in hospital with urinary tract infections)

Perhaps most striking of all is that the commissioner's comparison is with residential settings which would be utterly inappropriate to the needs of Spring Mount's residents. If Spring Mount closed tomorrow its residents would all be moved to nursing care at a (unit) cost of at least £650 per person per week.

Spring Mount is cheap (properly cheap, by which I mean cost effective in whole system terms), but the commissioner cannot see it because of the narrow frame of reference used. The consequence: the commissioner is now making it increasingly difficult for social workers to place dementia sufferers there. For the first time in 24 years Spring Mount has empty beds and no waiting list.

This is borne out of a particular way of thinking about the design and management of work.

Conventional thinking

According to conventional thinking, to run a care home requires managing residents' behaviour, cost and risk. Cost and risk lie in activity and residents' behaviour, so we must first manage activity to control cost. To do that, it is necessary to think in terms of functions, roles and responsibilities, and devise targets for each so they will do what we want them to. We must also manage activity to control risk through procedures, protocols, standards, specification and schedules, backed up by inspection and benchmarking to establish best practice. Controlling risk also of course entails managing the behaviour of residents. This is done through controls of all kinds, including visiting hours, managed spaces and directly by administration of anti-psychotic drugs.

The resulting ethos is clear, based on overt structures of control, backed up by carrots and sticks (extrinsic motivation).

Spring Mount thinking

Contrast this with the assumptions that Spring Mount brings to its work.

We need to establish a community in which residents and their families can live well with dementia. Cost (to us and indirectly to other parts of the health and care system) lies in failing to provide and enable this community to thrive. Overt methods of control will damage and even destroy this community, which on the contrary depends on acknowledging and enabling the contribution which every resident, family member and staff member can make. Risk taking and a positive attitude to risk in general are inherent in this outlook.

In the Spring Mount ethos, in direct contrast to conventional thinking, control is not a crude end that justifies any means, but implicit and emergent from the work – the consequence of solving problems which impede the thriving of the community. People do not need to be bribed to act like this; the motivation is intrinsic, coming from sense of a job well done.

It is as Einstein said: 'We cannot solve the problems we have created with the thinking that created them'.

As you can see from Spring Mount, people are thinking differently about the design of our health and wellbeing systems. There is an alternative. As a leader the place to start is by explicitly understanding how you currently think about the design and management of work. From this, you can decide if you want to challenge that thinking before you start redesigning anything. If you do challenge that thinking, the results can be extraordinary.

Change thinking. Change Lives.

A previous version of this article appeared on: ***https://wellbeing.vanguard-method.com/blog/*** where more articles on Health and Wellbeing can be found.

‘Hi, I’m Paula’

Hendrik Ascheberg

Professional standards are important – but not more so than the people they are supposed to benefit

Instead of filling in a 100-page admission form, full of information that was never used; the team established what really needed to be recorded

‘Hi, I’m Paula, and I used to be a nurse’.

It was a simple greeting, but it took my breath away.

Being a change consultant can be a tough job, but it has some incredibly rewarding moments. This was one of them. Paula had changed her mind.

When I met Paula for the first time, I learned how important her profession was to her. Having gone through years of studying, training and on-the-job learning, she valued her profession highly. She was extremely proud of being a nurse. There is nothing wrong with this: but for her, everything she did was based on her nursing qualification. The job was all about taking blood pressure, following detailed procedures and filling in forms.

A change in perception

When I heard her say she used to be a nurse, it was clear that something profound had taken place. The old Paula would not have said that. She had completely changed the way she perceived herself and her profession. So what happened?

Paula was part of an experiment among a team of nurses (district and ward), occupational therapists, physiotherapists (both community and ward) and social workers.

As part of the experiment, the team was given the power to do anything necessary to help patients, short of causing harm or breaking the law. Other than that, all rules and policies were suspended. No more long-winded monthly panel meetings to approve trivial budget changes; no process maps detailing how to proceed; no standardised referral forms.

The team was free to experiment.

Instead of filling in a 100-page admission form, full of information that was never used; the team established what *really* needed to be recorded.

Instead of following procedures, team members focused on using their judgment and expertise to build a relationship with the patient, understand the person in context and get to grips with what really mattered in their life.

Once they understood the patient, the team could draw on the expertise, when needed, to help the patient, and the patient’s network, help themselves.

In one case, the team helped an older woman short on confidence after a fall to use public transport again, so she could stay mobile and socialise. Paula twice accompanied her on a bus ride to help rebuild her fragile confidence. This would

have never happened in the old regime. The go-to solution was to fill in a form, order equipment or set up homecare. To help someone take the bus wasn't regarded as appropriate use of an expensive professional's time. It wasn't something professionals *do*.

New system logic

In the light of the experiment, the team concluded that the bus ride wasn't so expensive after all. Team members learned that the true cost of a service is all the cost of all the activities – the assessments, the home care, the visits to the GP and the hospital. As an intervention, helping someone to take a bus is cheap by comparison. But more importantly, it helped the woman to help herself. Being mobile and meeting her friends in town is what mattered to her. Not helping her to do that, leaving her unhappy and depressed, was both less effective and, taken globally, much more costly.

Through helping people one by one, Paula and the team began to understand how the system had medicalised problems to such a degree that staff were quite unable to see what people really needed to live the life they wanted. Not one of the assessments dutifully carried out by different professionals identified what truly mattered to their patients. In the old system, each patient told their story up to 10 times, but no one actually listened or understood the real needs everyone has – for socialising, maintaining good relationships, having enough money to be able to make decisions or feeling valued by society and being able to contribute to it.

As they came to understand their patients, Paula and the team also began to understand themselves and each other. They understood the importance of an individual's skills and expertise, beyond their professional qualification. The focus became the patient, rather than the mechanical, technical or medical issues. Paula changed her mind.

Just do it

The team also began to realise how different it felt to work in a team that does not have traditional roles. Any member of the team was able to 'pull in' expertise from colleagues and learn from the episode rather than 'passing the client on' to another professional. Team members were so used to writing referrals and seeking permission from managers that it took them time to realise that they could in fact – just do it.

After a while, their confidence growing daily, the team began to see how much the system cramped judgment with form-filling, seeking permissions and justifying decisions. The system served itself, not patients. Accessing and managing different budgets drove up total costs and, more importantly, drove down service quality for the citizen.

For patients, the outcome was mind-blowing. They were now able to live the life they wanted to lead, rather than the one the system told them to live. The help they get is based on what matters to them, rather than what matters to the system.

Through helping people one by one, Paula and the team began to understand how the system had medicalised problems to such a degree that staff were quite unable to see what people really needed to live the life they wanted

At the same time, the team feel rewarded and empowered by making a difference to people´s lives. Rather than leaving their brains at the front door, they use their skills and knowledge, make their own decisions and take responsibility to help citizens, not to tick a box, write a report or fill in a budget application form.

This also means lower costs for the service and therefore for the community. There is more time for staff in front of the client instead of sitting at the desk. By experimenting with the Vanguard Method, Paula now works in a completely different way.

'Hi, I'm Paula, and I used to be a nurse'. Paula is still proud to use her nursing skills, but even more proud to have discovered how much more she has to give.

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On purpose

Toby Rubbra

You can't change a system unless you understand what it's there to do, from the citizen's point of view

For the citizen, public services are becoming ever more fragmented and hard to navigate. It takes longer for people to get what they want, and more often than not they have to chase or query. The operational result is long end-to-end times, high levels of repeat or failure demand, increasing amounts of waste, and work amplification as one demand is split into many separate activities through referrals. The leadership response is increasingly to devise 'new' operating models: a 'systemic approach', 'cross-cutting teams', 'co-location', 'devolution' and 'integration' are part of today's service lexicon. The intent is laudable: but as so often the operational reality – driven by budgets based on costs and targets – is about doing things differently rather than different things. Too often the result is doing 'the wrong thing righter', as the underlying thinking, which still reflects Adam Smith's thinking of 250 years ago, remains unchanged.

The Vanguard Method enables leaders to move from this mass-production-orientated, command-and-control mode of thinking to a systems design. A key aspect is grappling with a customer-defined view of the purpose(s) the work is supposed to achieve. Establishing clarity of purpose is a deceptively simple notion that has profound implications for what the service is there to achieve, how success is measured and how work is configured and managed to deliver it.

It all starts with purpose

All too often change and improvement initiatives focus on activity and process, on the assumption that these offer the greatest opportunity for reducing cost. Success is cutting demand coming into a functional area and/or reducing unit costs. The likely outcome of redesigning a process using the same assumptions as before, however, is that it will worsen the citizen-centred measures and wider system economics. Outcomes and costs need to be understood across the whole system, not in functional unit-cost terms.

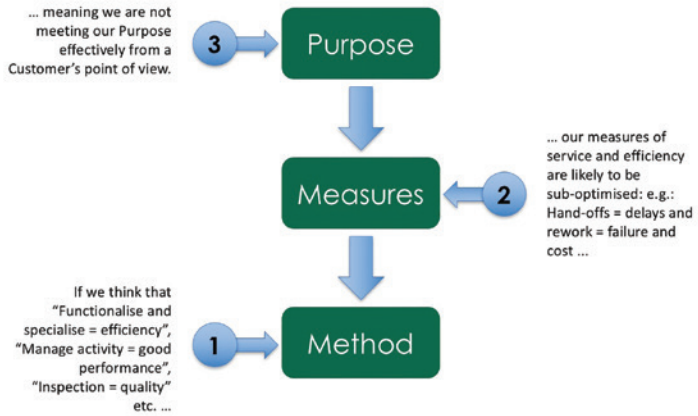

Figure 1: *Illustration showing the empirical relationship between Purpose (in customer terms), Measures, and Method and the likely outcomes of change and improvement initiatives that are based on current management thinking*

Purpose statements should define 'what we are here to do', and thereby the operational scope of the system from the customer or citizen's standpoint

Alternatively, if the system is driven by measures, a *de facto* purpose of 'hit the numbers' will rule. This leads to methods of working that sub-optimise the system and thus also achievement of its purpose for citizens. Take the government's hospital waiting standards: 62 days for a cancer appointment, four hours to be seen in A&E, eight minutes for an ambulance to respond. The thinking behind these arbitrary numbers – that people should be seen in a reasonable time – seems sensible. What is not sensible is the unintended (but predictable) consequence: the number is hit, but at the expense of the system's ability to fulfil its purpose. To meet the eight-minute target a paramedic is dispatched in a car to attend an accident… and then calls in an ambulance to transfer the patient to hospital, a process which escapes the measures, as does the prior wait outside the hospital while A&E refuses to admit more patients for fear of breaching the wait time. The focus is on managing appointments (because this will make best use of resources), not on diagnosis upon presentation (turn up and be seen).

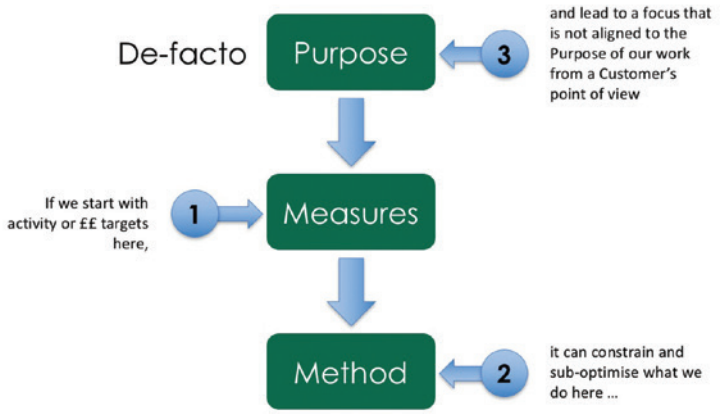

Figure 2: *Illustration showing the impact of focusing on the wrong measures and how this drives sub-optimisation in the system*

Either way, establishing the hierarchical link between purpose and measures is paramount in orientating change and improvement (to method) in the right direction.

What we are here to do

Clarity of purpose having been established as the starting point, it is vital to define it in the right way. Purpose statements should define 'what we are here to do', and thereby the operational scope of the system from the customer or citizen's standpoint. It is important that purpose is genuinely defined by customer, not function; and that presenting demand is distinguished from real need. Let's explore these issues in more detail.

As noted earlier, increasing functionalisation has resulted in a proliferation of doors into or between parts of the system, behind which an 'expert' carries out the 'specialist' activity named on the door, which effectively has become the sub-system's purpose. To fit the door, citizens are obliged to convert their complex real need into a simple 'presenting' demand that the system can recognise and deliver against. The system responds accordingly, referring on

or pushing back to the citizen that which doesn't fit through the door. In this way citizens are conditioned to view issues that affect their lives as disconnected activities to be treated as such.

Consider a customer who applies to the planning service for permission to build an extension. From the customer's standpoint the purpose of the system is 'say yes to good development'. The purpose is *static*, being the same for all customers (and stakeholders). Compare this with an application for housing benefit. Taking the demand at face value, purpose could be 'pay the right people the right money'. However, a more searching question – 'what is the underlying problem to solve for this citizen?' – may pinpoint more than one desired outcome. In this case purpose is *dynamic*, variable according to what is learned about the customer's real, often compound, need.

In this case, while paying the right money is still necessary, the deeper problem and purpose is to help the citizen back into employment (thus removing the need to claim benefit in the first place). The second purpose widens the scope of the system to encompass other organisations that collectively have a role in providing for the wider need. As such, purpose is driven by the needs of the citizen, not those of the service/and may be singular and static or variable, compound and dynamic.

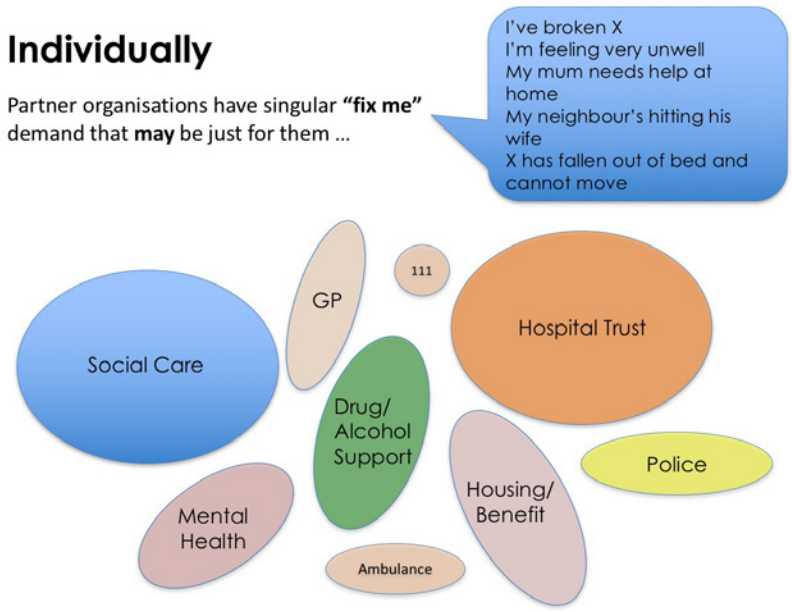

Figure 3: *A functional and organisational perspective, showing individual functional teams and organisations, with examples of presenting 'fix me' demand*

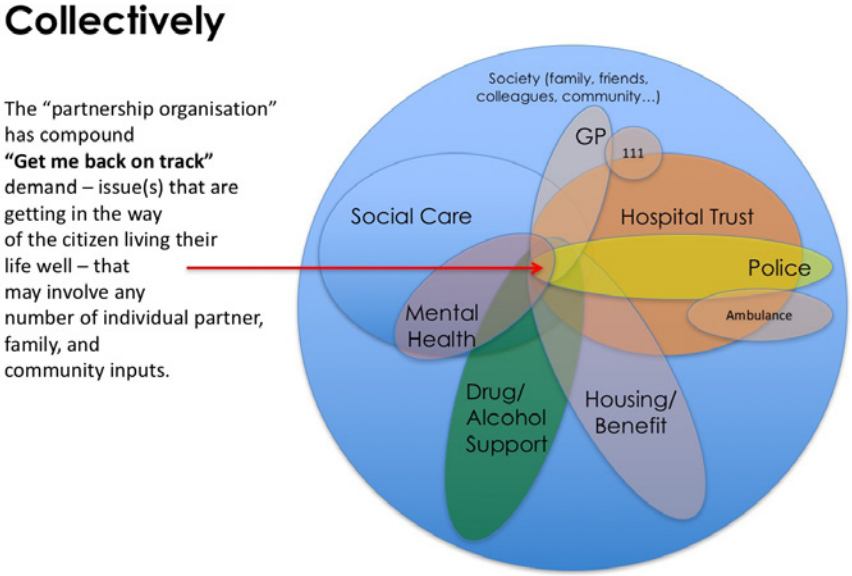

Figure 4: *A diagram showing a collective 'partnership organisation', unified by a shared purpose (from the customer's point of view) and learning how to respond to compound 'get me back on track' demand and the customer's underlying issues*

Reaping the benefits of a truly systemic design depends on first understanding real need and second; effectively carrying out the value work to meet the compound purpose

Purpose statements should define 'what we are here to do', and thereby the operational scope of the system from the customer or citizen's standpoint

Clearly, if purpose is only about 'giving people the right money', improvements won't tackle the underlying issue of getting them back into work. There are different ways of articulating compound purposes, but a helpful approach is to design the system to address both immediate and more profound and strategic needs at the same time. Aligning partners to common purposeful systems is key to delivering service across several separate organisations that individually have a 'fix'-type purpose ('pay me the money') *(see fig. 3)* but collectively are answerable to a compound 'get-me-back-on-track' purpose *(see fig. 4)*.

Understanding real need

Reaping the benefits of a truly systemic design depends on first understanding real need and second; effectively carrying out the value work to meet the compound purpose. Creating a system that 'understands' the citizen at the first point of contact presents some immediate challenges. Since the functionalised front doors guarding the current system work against holistic understanding, there is a capability-building issue that may in the short-term require the blending of roles, tasks and skills. Simply co-locating existing roles does not lead to the development of new ones best suited to carry out the value work *(see fig. 5)*.

Crucially, real understanding requires knowledge of the citizen in their personal context. Take the example an elderly woman in hospital after a fall. Based on her medical condition, it would seem sensible to put in place plans for care and therapy after her return home, thus helping to ensure the shortest possible hospital stay. But there is an invisible but fundamental assumption here that her real needs can be understood in a hospital setting, outside her normal context. What are the chances of getting it right? What are the implications of getting it wrong?

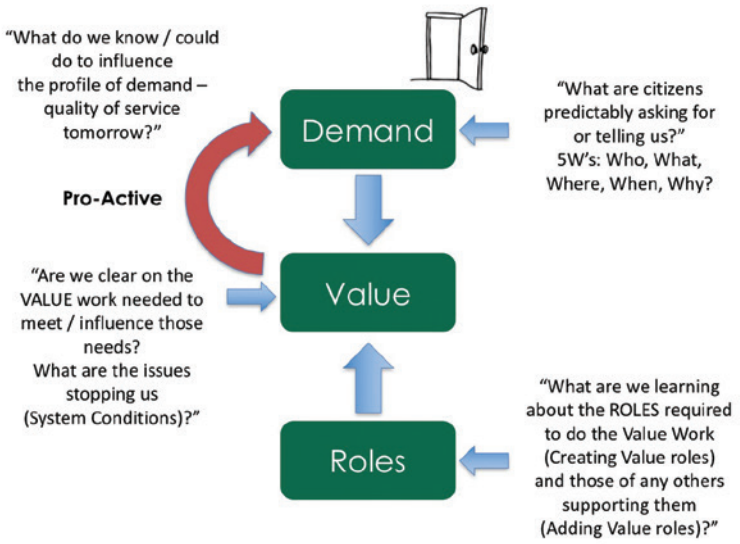

Figure 5: *Diagram illustrating the empirical relationship between value demand, the value work needed to respond to value demand, and the core and support roles needed to do the value work*

The purpose of the system is determined from an understanding of the citizen, and the operational purpose and scope needs to adapt accordingly

What matters to her (and the hospital) is that she is returned to her normal environment not only quickly but also as sustainably as possible. But that may be only partly a medical issue. In her context, sustainability might be a walk-in shower instead of a bath, better lighting, or greater support from neighbours and friends. So the thinking needs to move to; 'What is the value work?' and; 'Where do we need to do this?' Answer: in the context of her normal environment.

Learning depends on the right measures

A system that is redesigned to cope with dynamic purposes will only be sustainable if it is underpinned by measures that support those purposes. This is particularly important in designing successful partnerships. Staff and leaders need to work to both operational measures relating to the person's immediate 'fix-me' need and their capability to respond, and to those that foster collective responsibility for the wider 'get me back on track'. Simply building a better hand-off will not create a system that learns, improves and takes collective responsibility for outcomes. Building a data picture of the citizen and his or her need(s) not only informs these design decisions – it also makes it easier to understand the economics of partner organisations dealing with the 'fix-me' and/or the collective 'get-me-back-on-track' need. Citizen need drives the 'pooling' of budgets as opposed to pooling budgets and then trying to understand whose resource is doing what. This is a challenge to the current system, where there is plenty of volume and internalised activity data ('we set up or did X'), but very little on real need and capability of response.

In conclusion, defining the purpose of a service system from a functional perspective – or even based on customer's presenting demand – will end up with just doing the wrong thing righter. As Peter Drucker put it, 'There is nothing so useless as doing efficiently that which shouldn't be done at all.' The key to giving better service at lower cost is designing systems that absorb the variety of citizen need; a system that responds to the singular *and* the compound nature of need. As such, the purpose of the system is determined from an understanding of the citizen, and the operational purpose and scope needs to adapt accordingly. This requires abandoning the rigidity of highly functionalised and professionalised teams following audited process and procedures. Simply working around these issues by co-location or integration will not deliver. Changing the system, on the other hand, offers a significant prize.

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My first proper job

Richard Moir

Tech aficionado Richard Moir discovers that the role of technology in service improvement is always secondary

Over recent decades a spate of technology-based improvement initiatives has proved problematic

My first 'proper' job was as an e-government programme manager for a local authority in 2004. The job felt an ideal fit for me as I was a certified practitioner in PRINCE2, a well-established project-management methodology, with a degree in electronic engineering and a penchant for technology. I also have a strong belief that technology can be hugely beneficial.

My role was to ensure that the authority achieved the outputs set out by the e-Government Unit (eGU). The eGU was part of Tony Blair's Cabinet Office charged with securing the savings outlined in the 2004 Gershon Efficiency Review, and one of its chief targets was making 100% of council services accessible online.

It wasn't long before concerns started to gnaw away at me. PRINCE2 is very clear that projects should be initiated on the back of a project mandate giving the project manager clear direction on what needs to be achieved and why. Very few of the projects had a mandate, and managers set to 'benefit' from a project were by no means certain if it was needed or why.

The real mandate for the project appeared to be meeting e-government conditions, along with the plausible but nebulous benefits of reducing operational costs and improving the service experienced by citizens.

As time went on, it became evident that many of the projects would not deliver the expected benefits. This was a common concern shared by e-government programme managers in other councils. I have yet to see a summary or reporting of the actual savings achieved nationally.

Enthusiasm from Whitehall

So why did national support for the programme continue? What did the architects of the programme believe would happen?

The eGU believed online services to be both more convenient for citizens and a cheaper transaction channel. The logical implication was to put all services online and 'encourage' citizens to use them.

Although I was not involved in the formative meetings of the e-government programme, I have observed discussions about digital transformation in financial-services companies, which are usually conducted on the basis of opinion and founded on assumptions that a) the current service offering works well and b) digital provision will enhance it.

In the e-government case, that led swiftly to the conviction that services should be 'digital by default'.

The present government is equally enthusiastic about 'digital by default', its rhetoric is similar to that of Gershon, only now with more urgency and greater emphasis on financial pressures.

Thus in November 2015, the Autumn Statement and Spending Review declared that 'a modern and reformed state is built on the understanding that higher spending does not automatically mean better services, and that by harnessing today's technological advances, government can modernise public services, saving money and improving citizens' interaction with the state'. To achieve this it announced a £1.8 billion 'investment in digital transformation' of government services.

Health Secretary Jeremy Hunt followed up a few months later by promising a £4.2 billion drive to bring the NHS into the digital age. A 'paperless' NHS, he said, would make services faster and more convenient, while the investment would also help the NHS save £22 billion by reducing waste and increasing productivity.

Dangerous enthusiasms

This is a dangerous enthusiasm. Over recent decades a spate of technology-based improvement initiatives has proved problematic for one or more of the following reasons:

- Delivering unnecessary functionality
- Not delivering necessary functionality
- Generating need for follow-on projects
- Exceeding budget
- Missing delivery dates
- Being cancelled before completion

These failings have not gone unnoticed by the digital and tech community. Much effort and innovation has been focused on how to become better at producing code, applications and devices. This enthusiasm for leveraging technology to deliver better outcomes for users is laudable. But it can only generate useful results when IT specialists work with those delivering services to first understand the problem from the perspective of the service user. After all, the role of code developers is not to develop code, but to overcome problems through the use of code; if they are not engaged on the right problem they will never produce the right code.

The human consequences

The most prominent current example of digital transformation is the Department of Work and Pensions (DWP) Universal Credit. If 'digital by default' is not an explicit strapline, it is not far from the surface. As *The Guardian* reported:

> *The work and pensions secretary, Iain Duncan Smith, is refusing to set up a freephone number for the estimated eight million people who are set to claim the new universal credit over the next four years.*
>
> *When challenged on this a junior welfare minister, Justin Tomlinson, stated in a written parliamentary answer that they expect claims to be made online, although the government's universal credit website did also advertise the chargeable number for the helpline.*

Regardless of whether calls should be chargeable or not, the need for a telephone help with online access makes an absurdity of digital by default.

The experience of a Universal Credit claimant predictably looks as described in the box on page 33.

Human by default

The starting point for the effective deployment of technology should not be to decide what technology to use and then how to use it. Before any technology is even considered, it is necessary to analyse what happens when human beings put their hand up for a service. In other words, the approach should be not 'digital' but 'human by default'. When human beings study demand, they learn what other human beings are asking for and why. They learn about the predictability and variety of demand.

They also learn that there is massive variation between people's experiences of the service, even when they have similar needs. Some people find huge difficulties in getting a service, while others experience none. Some people get the service they need and want, others never get what they need at all.

All this may seem logical and obvious, but in my experience, it is rarely understood.

Before any technology is even considered, it is necessary to analyse what happens when human beings put their hand up for a service

I still have a penchant for technology and believe it has huge potential for good

The traditional approach to understanding how the user interacts with a service is to gather a number of interested parties in a meeting room to map out on a process chart what *should* happen, rather than what actually *does* happen.

'Human by default' in social services

A typical Special Educational Needs Transport service, under pressure to reduce costs while continuing to fulfil statutory responsibilities, decided to take a radically different approach. Rather than jumping to a procurement exercise or buying off-the-shelf software costing hundreds of thousands of pounds, it studied its service.

They focused on the needs of the individual children and young people, providing them with more appropriate transport solutions and developing, where appropriate, their ability to travel independently. In the old system, no one helped the young people to travel independently, leaving many young adults institutionalised. In the redesigned service, 60% of young people at secondary school age were identified as having the potential to travel independently. Others reported an increase in self esteem and feeling more involved in their community. In the first three years of the new design, the annual expenditure of £3m fell by half. In the years since, many more young people have been helped to learn to travel independently and as a result, the annual budget for this service has remained at £1.5m – all this without the benefit of new technology. Instead, the service changed the logic and assumptions that underpinned the design and management of the work.

As part of redesigning the new service, they discovered that employees needed access to data about service users, none of which was captured by existing software and applications. So they commissioned bespoke software to enable them to call up the information whenever necessary. That is the rule: redesign comes first, IT development second, and then only if it is needed.

Technology is not to blame

Technology-based attempts to improve service and reduce costs often seem plausible and fit with the rhetoric of modernisation. Unfortunately, because it is so often used to solve the wrong problems in the wrong way, inevitable subsequent failure is typically blamed on technology. This is both inaccurate and unhelpful, resulting in years of multiple repetitions of the same error.

The straightforward antidote is a change in thinking from 'digital by default' to 'human by default'. There is a huge amount of energy and enthusiasm in the digital community to leverage technology to provide useful outcomes for users. Starting with a position of 'human by default' ensures that this energy is used wisely.

Looking back on my days as an e-government programme manager, I realise my first proper job wasn't as 'proper' as I first thought. It would have been a far more rewarding experience had our purpose been to 'design services that work' rather than 'make services available online.' I still have a penchant for technology and believe it has huge potential for good – but my starting point now is always to understand and improve the way the service works. Modernisation through technology will not in itself improve lives and reduce cost. Only human beings can do that.

So beware of naive and dangerous enthusiasms.

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Universal Credit – the user experience

1. As an applicant for Universal Credit, you apply online (not easy for some) and receive on-screen confirmation that your application has been submitted. Weeks go by. After enquiries and complaints, your MP establishes that there is an intermittent error in receipt confirmation. Your claim has not reached the back office (and will not be back-dated to the time of the initial submission). 'Please re-apply by telephone'.

2. You apply by telephone. The agent takes you through the questions you answered in the online application. Three-quarters of the way through, the portal 'falls over'. The agent assures you that 'It does this a lot; the data won't be lost, but I can't see it or complete the application right now. I'll phone you back – possibly tomorrow'.

3. The agent calls back to complete the application. You make an appointment for a face-to-face interview to review your evidence and (with luck) get an estimate of the credit you will receive. You receive a letter confirming the interview time and the four items of supporting evidence that are required.

4. You attend the interview, at which you are informed that the letters are wrong and a fifth piece of information will be needed before your claim can be progressed. This is inconvenient and expensive (so many people give up), but 'Can I bring it in this afternoon?' 'No, you have to make an appointment. No, we can't make appointments, you have to phone the contact centre' – which is busy taking calls from people making applications.

5. You go back to 3. Having supplied the necessary information, you experience the standard six-week wait, after which you chase up progress, to be assured that things are taking their course.

6. A letter arrives to inform you that the application is missing some information. On calling the contact centre you are told, 'Ah, the letters are wrong, it's all OK'.

7. You finally receive your Universal Credit, although the amount is not the same as what you were told and it is only backdated to a week after the date your telephone application was completed.

This is what the experience of a single adult with simple circumstances looks like – i.e. circumstances that the system should cope best with. It is unlikely to be the experience that the (then) work and pensions secretary envisioned and hard to reconcile with the idea of 'digital by default'.

Why better measures lead to better lives

Jo Gibson

Good measures help individuals and organisations improve. Bad measures do the reverse. Organisations working with vulnerable humans must choose carefully

In people centred services such as health and social care, our purpose is to help people to live well. We are not measuring widgets. We are measuring how well someone's life has improved. We should care deeply about this. Choosing the wrong measures can put vulnerable people's lives at risk. Choosing the right measures gives us an opportunity to help people to live well.

The go-to measure in most people centred services is targets: to complete an assessment within a set number of days, to spend a certain amount of time with a patient or to 'fix' X number of people. Managers set targets with good intentions. They believe that setting targets will improve outcomes for citizens, motivate staff and protect scarce resources. But do good intentions lead to good results?

Setting targets for individuals assumes that:

- People have a large degree of control over their work
- Achieving targets means better outcomes for citizens

In reality:

- Targets are always arbitrary, and never a reliable measure of performance
- Targets do not improve outcomes for citizens
- The system in which people work actually has the biggest impact on performance

When a manager sets targets and people can't meet them easily, they either cheat the numbers or cheat the system in an effort not to be paid attention to.

The result is the very opposite of the good intention. The focus switches from improving things for the citizen to improving things for yourself. Instead of *doing* good, staff concentrate on *looking* good. This behaviour is rational and predictable.

The consequences of setting targets in people centred services could hardly be more serious; people are not properly understood, are misdiagnosed and their lives sometimes put at risk. For example, the seven-day target from contact to assessment used in social services means that the assessment may be done too quickly, missing important relevant information. A GP under pressure to see each patient in less than 10 minutes can mis-understand the true need and at worse, misdiagnose. The hospital target for 'average length of stay' can lead to patients being discharged prematurely, or without the right support networks in place.

Does it matter to the individual – or the organisation?

What is interesting is that these measures and many others like them, focus on what matters to the organisation, not what matters to the citizen. They relate to what has become the organisation's *de facto* purpose –

In people centred services such as health and social care, our purpose is to help people to live well. We are not measuring widgets

'meet government targets', 'achieve foundation status' or 'make a profit', for example. They do not relate to the purpose from the citizen's point of view, which is very different: 'help me live my life well' or 'make me better'.

Organisation-centred measures are not used to foster learning or to understand the current system. Many of them are so arbitrary and out of context that they mean nothing.

If you spend time on an A&E ward, you may have seen the 'performance boards'. Ask the staff if they *ever* look at them. Ask them if they *ever* use these targets to change the way they work. You will not be surprised to learn that they do not pay attention to them because they are so out of context and unconnected to the reality of the work. Even more informative is to ask the leaders of the service if they use the measures in their routine daily work. Again, you will probably discover that the only time they pay attention to the measures is either when they are in breach of the target, in crisis management mode, or at monthly management meetings, held in a room remote from the place where the work actually happens.

The test of a good measure

So what does a good measure look like? The Vanguard Method only uses measures that pass the test of a good measure. Good measures:

The consequences of setting targets in people centred services could hardly be more serious; people are not properly understood, are misdiagnosed and their lives sometimes put at risk

- Relate to purpose from the citizen's point of view
- Show variation over time
- Help people to learn, understand and improve the system
- Are in the hands of the people doing the work
- Are used by leaders to take effective action on the system

In our experience, very few of the measures currently used in people centred services pass this test.

Good measures in people centred services can be split into 'individual measures' and 'system measures'. Individual measures help to show whether an organisation's service is actually helping people – the human beings, citizens and people with names, who need help. System measures help to identify and remove obstacles that prevent delivery of that help. We call these 'system conditions' (see also the article on page 52).

Individual measures in people centred services relate to 'what matters to the individual' or 'what a good life looks like for the individual'.

At the heart of measurement would be the citizen and what matters to them

Clearly these are qualitative measures. Qualitative measures rely primarily on words as the unit of analysis and means of understanding. However, you can also use voice tone, loudness, cries, sighs, laughs, and many other forms of human communication. Many services that have applied the Vanguard Method use qualitative measures to show them how well they are helping individuals to achieve their purpose.

Understanding an individual's purpose is achieved via sustained conversations that are reflected in spidergrams. The individual identifies what matters to them – for example 'I'd like to be able to cook meals for myself' – and rates on a scale of 1 to 10 how near they are towards achieving that. The organisation then works with the person to understand and achieve the goal.

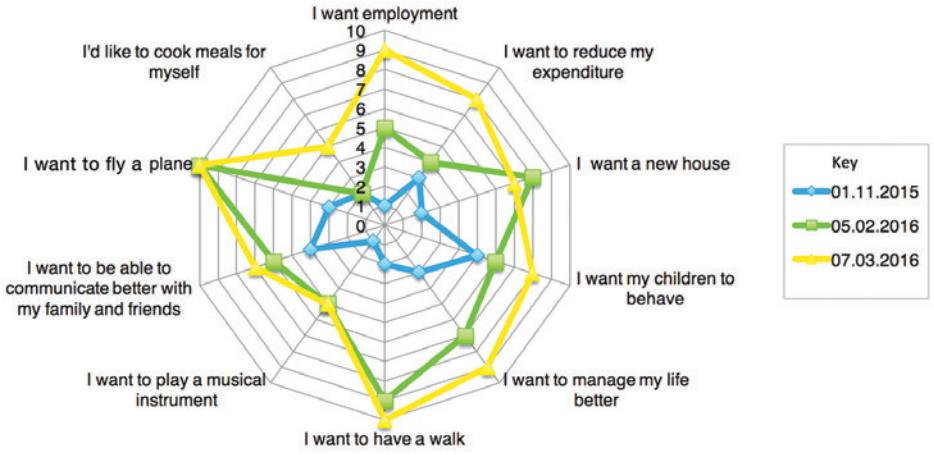

Figure 1: *An example of a spidergram; a qualitative leading measure that demonstrates (over time) how well a system is helping an individual to achieve their purpose*

Individual measures are called leading measures. Leading measures are the ones we use to understand and improve the system on a day-to-day basis, live in the work. They link directly to what matters to the citizen.

Never measure the achievement of targets. Targets are always arbitrary, the data obtained from them is unreliable, and it cannot be used to improve

System-level measures

It is also important to have good measures at system level that help leaders to identify and eliminate the system-wide conditions that constrain the system's ability to help a variety of different people, or in Vanguard terms, to 'absorb variety'.

Such measures include:

- Volume of demands in
- Volume of demands out
- Number of repeat demands for the same case or issue
- End-to-end time either across the whole system or for parts of the system involving a specific process

There are some system-wide measures specific to certain people centered service:

- Number of care packages put in place
- Cost of care packages put in place
- Number of pieces of equipment issued
- Cost of equipment issued

The most important lesson of all is that measurement in services dealing with people at vulnerable moments in their lives really matters

The measures above help to identify *what* is happening in the system and importantly *why* it is happening, so that the system conditions can be addressed and eliminated. These measures are known as lagging measures because they apply after the event – after the real work with the citizen has been done.

There may be certain things common to many citizens that stop them from living the life that they choose. For example, someone might be lonely and want company. Loneliness may 'present' itself to the system in many different ways. However, the underlying cause of loneliness is likely to be a lack of family relationships, community support, or friendship networks. If loneliness is a common cause of people not living well, workers can do something on a locality level to address this, such as set up groups, connect people to each other, or improve community transport. In this case, a system-level measure might relate to community networks. The link between the two is that the system measure is derived from the individual measure.

The measurement challenge

The challenge for leaders and indeed regulators is that qualitative measures are not the norm and are often not readily available. They can't be collected in a spreadsheet or written up on a side of A4 for the management board. The only way leaders can get meaningful view is to leave their office and go face-to-face with individuals to understand at firsthand what matters to them and if and how the system is helping them to achieve it. Some would argue that qualitative measures are less statistically and scientifically sound than quantitative ones. But people-centered services are not about products or machines. The aim is to measure how well someone's life has improved, in their language and on their terms.

This is not to say that quantitative data is not needed, but it does require a different approach to measuring and also a different approach to inspection and regulation. Taking a different view of measurement in people centred services would lead to a significant improvement in results from the citizen's perspective. At the heart of measurement would be the citizen and what matters to them. This perspective results in improved quality of life for citizens, fewer complaints, more satisfied staff and much less cost in the system.

We have learned what not to measure. Never measure the achievement of targets. Targets are always arbitrary, the data obtained from them is unreliable, and it cannot be used to improve. As W. Edwards Deming put it: 'What do "targets" accomplish? Nothing. Wrong: their accomplishment is negative.'.

Instead, we should measure whether we are helping individuals, on their own terms. The best people to do this are frontline staff and professionals, not managers. System-level measures tell us whether we are succeeding in removing system conditions. Leaders and managers use system-level measures to understand how well the system is performing overall.

But the most important lesson of all is that measurement in services dealing with people at vulnerable moments in their lives really matters. Get it wrong and the damage may be permanent, with huge implications for cost as well as wellbeing. Get it right and the consequences for individuals, their families and community can be profound.

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Dear all the people who have helped me

Charlotte Pell

A fictional letter from 75-year-old John, illustrates the cost to the health and social care system of not understanding people

The next thing I knew all these disabled devices arrived – a stool, a toilet seat and a commode!

'Dear all the people who have helped me,

I'm writing to thank you for all the help you've given me after my fall last year.

Since then, I've caused no end of bother. The doctors said I was well enough to come home after a few days but a nurse said I was a delayed discharge, whatever that means, so they had to keep me in for another six weeks. I didn't mean to delay anyone. The food was great, very regular and all free.

A lovely young man from the council visited me at home to find out what I needed – stuff for the house, all free he said. I told him I just wanted to get out again. The next thing I knew all these disabled devices arrived – a stool, a toilet seat and a commode! It must have cost a fortune. All brand new. It's just a shame I can't use any of it. It's still in the cupboard. I keep asking them to take it away but it's all still here.

Then the carers started coming, all different ones every day, coming to put me to bed at 9pm! It's like Piccadilly Circus round mine. In the end I had to send them away. I'm not ungrateful, it's just that I've always watched late films and gone to bed at midnight. Lovely people, all of them, but I'm too old to be changing my habits now.

Then the carers started coming, all different ones every day, coming to put me to bed at 9pm! It's like Piccadilly Circus round mine

They were good enough to give me a wheelchair but it took months and months to arrive. By that time of course I'd already fallen several times, back into hospital with each fall. But they weren't to know, I'm sure wheelchairs are very expensive.

It's funny, every time I fell, someone new would come round the day after I got out of hospital, asking me loads of questions. I always thought it was my wheelchair arriving but it wasn't, it was someone with a new form to fill in. They were just doing their job. Sometimes, I'd have two people around at once! They would always ask me for my address which tickled me because they must have known it to visit me! Then they'd go away again and that would be that. I hope I didn't put them off or say the wrong thing.

In the end I just got stuck in my electric armchair. I can't work the remote control to get in and out of the chair so I get stuck. But I do know how to use the warden call phone. It's just got one button, you see, ideal for folks like me. Apparently it's all free so I just ring that number now. I know the girls on the phones really well, one of the young lasses said I was one of their top customers! She said when I ring them for the thousandth time, I'll get a badge! I thought she was joking but she wasn't.

She said when I ring them for the thousandth time, I'll get a badge! I thought she was joking but she wasn't. Apparently I'm not far off 900 calls

Apparently I'm not far off 900 calls. I have to admit, I don't like it when the girls send the ambulance out, they insist it's for my own benefit and it's all free. But I tell them not to, it must cost a fortune, I don't want to be a nuisance. I just want to get out of my chair and go to bed.

But honestly, I'm so lucky, they can't do enough for me.

My neighbour keeps a count and says I've had nearly 100 different people around since last year, all smartly dressed, asking me questions about all sorts of different things. It's funny, they all seem to have their own particular niche, their own interests. I've had social services, all manner of charities, carers, cleaners, the doctor, community health people, trainees – the lot. All lovely people. Can't fault them. So polite, some of them take their shoes off at the door. They all send me things in the post too, forms, leaflets, brochures. Of course it all goes in the bin but it's nice of them to think of me. So I'm really grateful for everything you've done for me, all of you. But there is one thing that puzzles me, I often think about it in my armchair at night. All this fuss and yet, none of you know the real me. I don't suppose you've got time. I don't envy you, all that paperwork. But if any of you did ask me what would really help me, this is what I'd say:

- *I want to get out and about like I used to*
- *I need help to operate the remote control for my armchair*
- *I want to go to bed late and be free from the pain*
- *I want people I'm familiar with helping me, not strangers*
- *I want to be in control of my life again and make my own decisions*
- *I want to stay here, in my own home, not be in hospital, backwards and forwards all the time*

If I you could just help me with these things, I know I'd be all right again. I'd stop bothering you. I'd get back on track.

But like I say, that's probably too much to ask. I don't want to be awkward; you've got your own jobs to do. You can't work around me and what I want. I know you can't bend the rules just for one. I'm grateful for what you've done for me.

So this letter is just to say thank you, thank you for all the visits, thank you for all the equipment, thank you for all the post. But most of all, thank you for being so generous with your time. If I'm honest, none of it has really helped me. But it has been interesting, it's been an education and, like the lasses on the phones say, at least it's all been free.

See you all soon

John'

Resolving the efficiency paradox

Jeremy Cox

Doing things right makes them cheaper, while trying to improve efficiency invariably ends up costing more

Public-sector organisations across the spectrum are faced with the apparently conflicting challenge of making efficiency savings while simultaneously delivering on a vision of building safer, healthier and more economically resilient communities. I want to deliver an optimistic but counterintuitive message: to improve efficiency, the last thing a leader should do is to focus on efficiency. Understanding this paradox is the first step to delivering great public services at the lowest possible cost.

The efficiency paradox

For managers at all levels, this goes completely against the grain. Surely it is the manager's role to maximise the productivity of their unit or organisation? Yet when we study past efficiency-boosting attempts, we find that, notwithstanding the good intentions, they routinely have the opposite effect. Thus:

- Call-handling has been centralised into a single point of contact, yet rising caseloads in the back office prevent costs from coming down
- To protect expensive professional resource (planners, benefits assessors, social workers, clinical staff...) the process is functionalised and screening and admin tasks allocated to lower-grade staff; but constant backlogs mean there is little overall benefit
- Managers in the highways department put pressure on repair crews to do more jobs per day, so how come the number of defects in the road network keeps rising and only the high priority jobs get done?

Why is the direct focus on efficiency counterproductive? Because efficiency is an effect, a by-product, not a cause. When we learn to see efficiency as an emergent effect of doing the right things right, rather than an objective to be achieved directly, the way forward becomes clear.

Neurology – from efficiency to effectiveness

The neurology department of an acute hospital had been trying for years to reduce length of stay for stroke patients – an effort straight out of the efficiency paradigm. Using the Vanguard Method, the department shifted its focus to purpose (swift recovery) and the smooth flow of value work (diagnosis, treatment and rehabilitation) through the end-to-end hospital system.

The shift in leadership thinking from efficiency ('reduce costs by reducing length of stay') to purpose and value led to dramatically reduced mortality rates, fewer admissions to non-specialist wards, freed-up bed capacity, and improved staff morale. And guess what happened to the problem they were trying and failing to solve in the first place?

Length of stay shrank, turning a 'loss' per patient for the hospital into a surplus.

To improve efficiency, the last thing a leader should do is to focus on efficiency

Cameron in the efficiency trap

By contrast, here is David Cameron in a speech in September 2015:

> *'…Businesses are always looking at ways to streamline their functions so they can become more effective. I would argue it's an imperative – a moral imperative – for government to do the same. When money is tight, it's simply unforgivable to waste taxpayers' money.'*

But then he walks straight into the efficiency trap:

> *'…Take our emergency services. Right now we have a situation where in most towns, the police, fire and ambulance services all have different premises, back offices, IT policies and systems, and procurement policies – despite all their work being closely related... Places like Hampshire have shown the way forward, where the emergency services have brought functions together to save millions of pounds a year. We need to see that sort of thinking in other places.'*

Nothing in the 'shared services' approach is about understanding or improving the system's ability to do useful work or achieve purpose related to citizens. Sharing services is a crude attempt to gain efficiency through scale, under the mistaken assumption that all demand coming into the service and all the work done in response to it is of value. In fact these systems are full of failure demand (non-useful work), and their failure to deliver improved service is well documented.

I worked with a local authority which redeployed half of its HR capacity after designing for value in much the same way as the stroke service, completely transforming the service. If you knew you could drive efficiency from effectiveness in this way, would you try to make it more efficient by sharing?

Turning it around

Consider the knotty issue of how to deal with individuals and families who present repeatedly with demands that aren't serious enough to be treated urgently. In studies across police, local authorities and healthcare, 40% of overall demand typically comes from people with a combination of issues (depression, alcohol, debt, housing, childcare, domestic violence) but who are consistently screened out, referred on or only given symptomatic help because they are 'below threshold' or 'not our responsibility'.

Everywhere I go I find dedicated, hard working managers trying earnestly to build safer, more resilient communities and help individuals live better lives

The shift from managing efficiency to leading for effectiveness is what Vanguard is all about

For example, a family may have been referred by police to a domestic violence team but can't get mental-health support until alcohol problems are dealt with; meanwhile school is applying pressure over class attendance, Job Centre+ has sanctioned benefits after a no-show, and the social landlord is pursuing arrears. Each agency attempts to make itself efficient by focusing rigorously on its own remit, but because the family situation is never addressed in the round, the demand just keeps coming.

The overall effect is that this 'below-threshold' group amplifies demand and cost across all agencies. Between half and three-quarters deteriorate over time, eventually triggering the need for 'high-end' services. Thus the efficiency focus costs everyone more in the long run, and it is no surprise that total demand into health and social care services is growing.

To turn this around requires a shift in focus from organisational efficiency to effectiveness from the citizen's perspective. For the organisation, new assumptions for the design and management of work are key. Leaders have to set up and protect multi-agency intervention teams able to meet the various needs of 'below-threshold' individuals and families in their own context, and realign budgets, boundaries commissioning and governance accordingly. Where they do this, demand and costs fall, health and wellbeing improve, staff see greater value in their work and communities benefit.

It can be done – so do it

Ultimately this is an optimistic story, for two reasons. First, to make the difference we don't need to replace all the managers or outsource services to the private sector. Everywhere I go I find dedicated, hard working managers trying earnestly to build safer, more resilient communities and help individuals live better lives, who are hamstrung by conventional organisational thinking about efficiency and trapped in roles that require them to attend to the wrong things.

Second, designing and managing work from a different perspective is something that can be learned. The shift from managing efficiency to leading for effectiveness is what Vanguard is all about. Thus, a client in adult social care eliminated a persistent backlog and reduced the volume of wasteful casework in the system by 50% overnight by making just this shift, helping staff to redesign the work to focus on value, and constantly testing and learning using measures of what matters to service users.

In short, there is a way out of the efficiency paradox. When we learn to see that doing things right always makes things cheaper, and trying to improve efficiency always costs more, we deploy new methods for the design and management of work. So where will you start tomorrow?

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It *is* what you do *and* the way that you do it, that's what gets results

Emma Ashton

The 'what' and 'how' of service delivery are two sides of the same coin

Much as I enjoy Ella Fitzgerald's 1939 recording of 'T'ain't What You Do (It's The Way That You Do It)', reinvigorated by The Fun Boy Three with Banarama in 1982, it's not entirely right. Ella probably wasn't singing about this, but in terms of running service organisations, it absolutely is about both what *and* how. What service organisations are here to do (their purpose) is inextricably linked with how they do it (what matters) – they are two sides of the same coin. If we want to build thriving communities with people living good lives, and when the time comes dying good deaths, then first we need to understand the 'what and how' from the perspective of citizens/patients/customers (from now on referred to as people).

T'aint what you do

So how do organisations typically go about understanding their 'what and how' from the people's perspective? There are three common approaches:

The 'It's-always-been-like-this' or 'There-is-no-alternative' approach

One approach is that they don't go about trying to understand people at all. Instead they do what they (or usually their regulators, politicians, shareholders, other stakeholders) want, however they want to do it. Their actions are often well-intentioned but disappointingly ineffective from the perspective of the people.

The 'Words-speak-louder-than-actions' approach

Another approach is to say they listen to the people, and sometimes make expensive attempts to do so, but ultimately they actually carry on as they always have.

The 'Design-against-demand-and-what-matters' approach

This approach is all about listening to what people are really saying about what they fundamentally need and how they need it, and then doing just that.

Which approach is likely to be the most effective, in the sense of maximising the satisfaction of people and staff while simultaneously lowering costs? Hint: it's the third. If you're not convinced, spend an hour or two listening to the people wherever they interact with your organisation and consider a) how often they interact because of something the system has failed to do, or failed to do properly, for them; b) the steps involved in dealing with that interaction; c) the cost of those interactions and steps.

Of course we listen to people, our poster says we do

It's the way that you do it

I'm assuming that the first two approaches are familiar. As in, 'Of course we listen to people, our poster says we do, as does the recorded message we play before people can talk to us, and the online surveys we ask people to complete, and the complaints team we've put in place, and the people engagement groups we run. Oh, and we've got a CRM system'. Engaging with people has never been such big business. And yet this is where Ella is right, it *is* the way that you do it that gets results. Some typically misconceived ways to do it:

- Regarding engagement as an end-in-itself. We've engaged; the box has been ticked. It's the organisational equivalent of a student asking their teacher 'Will this be in the exam?' Rather, engaging is a means to an end, the end being understanding what people fundamentally need from us and how they need it, and then actually doing it.

- The methods used to engage do not enable us to understand the 'what and how' from the people's perspective. For example:

    - They ask leading and/or closed questions. In effect, what they say is, 'Tell us about what matters to *us* (not what matters to you), in a way that's easy for us to report on'.

    - They believe (maybe) that 'people engagement groups' (a handful of people who can spare the time, sitting around a table once in a while, sharing their opinions) are a legitimate means of informing organisations about what people (all people) need.

- Confusing effectiveness with efficiency (see also article on p 40). For example, 'The more people we can (be seen to) engage with, the better. IT will help us do that more quickly, easily and cheaply. Let's use Twitter to ask people what they think'. This is to mistake quantity of response for quality of understanding and thereby getting neither. Social media is just as much about building relationships as old-fashioned face-to-face methods. Without those relationships (how many of us have a meaningful online relationship with an organisation about our lives, let alone one we are prepared to share publicly?), you may as well be shouting into an empty room. The ceaseless march towards digitalisation, driven by the flawed assumption that it's more efficient (ie cheaper), has blinded us to the reality of its limitations.

- Misrepresenting and/or misinterpreting what people say (see points above) and using it to maintain the status quo and impose service-led solutions. If you don't really listen, or choose not to, you don't really hear. A less amusing version of The Two Ronnies' 'Four Candles' comes to mind.

Ask people directly what matters to them using non-leading, open questions. Have a dialogue, the old-fashioned way. We humans are quite good at that

- Even the most effective understanding is meaningless if nothing (good) is done with it. Using understanding to design and manage your system is the logical, but often missing, next step.

That's what gets results

So, if perfunctory and ineffective understanding of purpose and what matters leads to sub-optimal performance, what's the alternative? How do we optimise performance to build thriving communities and resourceful individuals? Where do we start? By going to the places in our organisations where people interact with us and listening to what they say. In their words, write them down, don't précis them. Do it until you don't hear anything new. Identify the themes and use them to shape your purpose and understanding of what matters. It should tell you everything you need to know but, if more detail is needed, ask people directly what matters to them using non-leading, open questions. Have a dialogue, the old-fashioned way. We humans are quite good at that.

You can't sit in another room and ask someone else to sit in front of the fire for you, and expect to feel the benefits

The beauty of doing this is that it's right there, in the work, freely available, part of the day job, not a bolt-on exercise undertaken at great expense. It's full-strength, real-time, comprehensive knowledge. Just like sitting by a fire, there's no substitute for proximity. You can't sit in another room and ask someone else to sit in front of the fire for you, and expect to feel the benefits. Understanding serves two purposes, both of which enable informed choices about what action to take next. First, it provides valid data. Second, it affords you the opportunity to unlearn old, dysfunctional assumptions and beliefs about the design and management of work, and learn about new, optimal thinking. That's not something that can be delegated.

Real understanding is the prerequisite to taking action using better (optimal) principles. *That's* what gets results.

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Resource

http://vanguard-method.net/thinking-things/

How *(not)* to get a council house

John Little

Choice Based Letting is a fraud knowingly perpetrated on decent people seeking help

You may have been one of the many viewers who, like me, watched the Channel 4 series last year, 'How to Get a Council House'. I watched it because I have an interest in social housing. When it was on air, I received texts from colleagues saying how awful it made social housing look. I replied that it made dismal viewing on so many levels.

It portrayed scenes of desperate people seeking help, bidding again and again for properties, sometimes over many years. We watched people being treated like numbers in a lottery by an uncaring system: shocking to anyone with an ounce of compassion. It seemed that the council employees were as much victims of Choice Based Lettings (CBL) as the housing applicants.

We watched people being treated like numbers in a lottery by an uncaring system: shocking to anyone with an ounce of compassion

For those who don't know (lucky you), CBL is a costly and ineffective means of bidding for a social dwelling owned by a housing association or a local authority. It involves applicants having access to an IT system to make a bid. It costs local authorities and housing associations exorbitant amounts of money to maintain service and respond to these IT systems. Many applicants find the bidding process complicated and the computer application unfathomable.

One housing organisation I know spends £1.8 million a year just to service the fallout from the CBL computer system. The fallout includes the time spent by housing officers answering calls to explain why bidders have not been successful and accompanying groups of applicants to viewings, many of whom turn the property down when they see its physical condition.

During the last decade social housing landlords were bullied by the Department of Communities and Local Government (DCLG) to adopt CBL schemes as 'best practice'. It's the corruption of a successful Dutch idea that was put forward by 'bright young things' in Whitehall to give their minister the word 'choice' to sell. Choice was, and is, the Whitehall fad *du jour*.

As the TV series showed, the senior leadership of housing organisations had little idea of the negative financial and operational impact of acquiescing to DCLG's bullying and adopting this scandalously wasteful approach. Some do now – sadly, too late.

Senior leaders facing draconian funding cuts realise their organisations can no longer afford these awful schemes. Discussions are under way in many housing organisations to quietly drop them. DCLG knows CBL is a failure.

One housing organisation I know spends £1.8 million a year just to service the fallout from the CBL computer system

The real tragedy is that applicants for social housing – ordinary decent people – are treated as an inconvenience because there are too many bidders for too few properties. 'They have no real choice; they choose what we give them,' to quote one of the senior officers interviewed by Channel 4.

The delusion applicants are fed is that they have a chance of getting a property when, because of their circumstances, many have no hope of being housed in the social housing sector. It is not unusual for there to be 12,000 people on a housing waiting list which will accommodate around 500 families a year. How unfair is that? The housing supply is simply not there.

Shame on you, DCLG.

Senior leaders in social housing organisations cannot shrug off responsibility. The 'Nuremberg defence'– saying they didn't understand the impacts, or if they did, lacked the moral courage to tell the emperor he had no clothes – won't wash. One senior housing manager told me, 'It would have been bad for one's career to have done so'.

The real tragedy is that applicants for social housing – ordinary decent people – are treated as an inconvenience because there are too many bidders for too few properties

Still: no senior person in DCLG or housing association will be looking to apply to live in social housing. So why should they worry?

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The Whitehall effect

Charlotte Pell

What happens when change is driven by central government?

There are two transformation methods named 'vanguard' in health and care:

1. The new NHS England vanguard sites
   and
2. The Vanguard Method for people centred services

The first is a typical example of change led by government. The consequence of this type of centrally driven change is a theme in this periodical. In this article, I compare government led change with change based on empirical data and ask which is most likely to improve people centred services.

Let's look at the NHS England vanguard sites first. They are described as pilot sites leading the transformation of care for patients in towns, cities and counties across England.

According to official documents and direct quotes from NHS England chiefs, the method is not only designed around the needs of the patient, it incorporates science, force, speed, ambition and investment. It certainly sounds plausible.

Science

'Vanguards will be supported to build "trial, learn and refine" into their local delivery approach, and the national team will encourage prototyping on the basis of strong evidence and clinical consensus.'
The *Forward* View Into Action: New Care Models: update and initial support

Force

'.... they're described as the battering ram of change.'
Simon Stevens, Chief Executive of NHS England

Speed

'We know collectively that we need to work at pace.'
The *Forward* View Into Action: New Care Models: update and initial support

Ambition

'...at scale to fundamentally change the way we deliver urgent and emergency care.'
Transforming urgent and emergency care services in England. A guide for local health and social care communities

Money

'£200 million transformation fund and tailored national support.'
NHS England press release, March 2015

Consensus

'Backed by just about everybody.'

Simon Stevens, the Chief Executive of NHS England

Patients at the centre?

Patients at the centre

'Integrated commissioning and provision designed around the whole needs of patients.'

The *Forward* View Into Action: New Care Models: update and initial support

Let's take a look at look at how NHS England intends to achieve this incredible-sounding transformation.

NHS Five-Year Forward View

We can learn more about the method from a chapter title of the NHS Five-Year Forward View. The first part of the chapter title is a question: 'What will the future look like?' In the second part of the title is the answer: 'New models of care'.

NHS England plans to:

'....support and stimulate the creation of a number of major new care models that can be deployed in different combinations locally across England.'

The NHS England method can be summarised in three words as 'support, stimulate and deploy'. It its guidance, NHS England makes it clear that there are not to be:

'an infinite number of new care models.'

Instead, they have narrowed it down to a small number of care models:

'Different local health communities will instead be supported by NHS national leadership to choose from amongst a small number of radical new care delivery options.'

NHS England goes on to answer the question 'what will the future look like?' in some detail, in direct contrast to their appealing rhetoric about 'trial, learn and refine'. In the guidance, it has:

'....set out the detail of the principal additional care models over and above the status quo which we will be promoting in England over the next five years.'

Is starting with the answer and setting it out in some detail before you start scientific? Or is it is based on belief?

NHS England chiefs say that the new models will be forward thinking, distinctive, radical and game-changing. It certainly sounds good.

But when you read about the new models in detail, what do you learn about where the so-called 'radical' and 'patient-centred' change will take place?

Radically different buildings
There will be changes to:

- Which building staff work in
- Which building patients are seen and treated in
- Where buildings are geographically located
- How long the buildings stay open for and on which days

For example, patients may be treated closer to home, or further away, and have access to services in the evenings and at the weekend.

Radically different acronyms
There will be changes to:

- The name of working arrangements
- The name of the buildings
- The name of services

For example, we will see names like Multispeciality Community Providers (MCPs), Primary and Acute Care Systems (PACS), the Better Together Programme, Better Care Together and the Symphony Programme.

Radically different organisational structures
There will be changes to:

- The legal status of an organisation
- Who runs which service
- Who employs particular staff
- Lines of accountability

For example, organisations may become or join federations, networks, joint ventures, or vertically integrated teams. Services may be renamed as hubs or community services.

Radically different ways to move money around
There will be changes to:

- Payment regimes
- Who pays staff salaries
- How money is pooled
- How the money moves around the system

For example, bigger GP surgeries could take on new budgets and employ consultants, the payment regime to hospitals could change and prime contracting and/or delegated capitated budgets could be introduced for specialist providers.

Radically different ways to move patients around the system
There will be changes to:

- Who you refer your patients to
- Who refers your patients to you
- How long referrals take
- How you help your patients navigate the system

For example, there may be extra staff resources to coordinate care for people with mental health conditions, new waiting time standards and a reduction in the length of stay in hospital.

The NHS England method appears to start with the answer.

Instead of starting with an answer, imagine starting with a question: 'What is needed and why?

The answer, according to NHS England, is set out in detail in the Forward View. The job of the vanguard sites is to deploy this answer.

They are incentivised to deploy the answer with money and 'support'. Other health communities will then be 'supported' to copy the right answer from the vanguard sites.

Is starting with the answer and setting it out in some detail before you start scientific? Or is it is based on belief?

The Vanguard Method for people centred services

Imagine this.

Forget the model you first thought of. Forget federations, Multispeciality Community Providers, mergers, co-location, networks of care and vertically integrated teams. Forget the £200m and your share of it.

Instead of starting with an answer, imagine starting with a question: 'What is needed and why?' Imagine not knowing the answer to this question.

Imagine being armed with knowledge instead of belief

Imagine NHS England having a completely different role. Instead of incentivising sites to implement the right answer, imagine if it supported every geography in England to use a rigorous method to get knowledge.

Imagine if getting knowledge meant listening to patients in their homes and in hospital with one purpose and one purpose only: to understand what each patient needs to live a good life in their individual context. Imagine studying hundreds of case notes, files and computer records to find out if the system is giving patients what they need. And if the system isn't giving people what they need, imagine being brave enough to ask why.

Imagine studying this data across all organisations involved in someone's care – the GP surgery, the hospital, social services, DWP and charities. Imagine believing nothing except what the data and citizens are telling you.

Imagine doing this with an inquiring mind. Imagine being armed with knowledge instead of belief. Imagine being backed by data instead of being backed by 'just about everybody'.

Imagine starting with a question instead of an answer.

Imagine what you might learn.

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System conditions: a powerful lever for change

Jo Gibson and Brendan O'Donovan

Providing services that are truly people centred usually means altering the management framework around them

Although providers of public services would mostly proclaim a primary commitment to their service users, the unfortunate truth is that a study of the system from the citizen's point of view reveals a very different reality. Despite best efforts from dedicated public sector workers and well-meaning leaders, getting a service can often resemble an obstacle race or negotiating a maze.

The maze is a system problem, not a people problem. Many public sector systems have evolved a warped view of their purpose in response to external and internal pressures. As a result of these pressures, organisations often lose sight of what happens to the citizen on the receiving end. Much to everyone's frustration; service users, staff and leaders alike, organisations become focused around the needs of the regulator, the commissioner or central government.

Whether the service is life insurance, housing repairs or domiciliary care, we should always start from a deep understanding of what matters to the individual receiving the service. It involves taking a person-shaped rather than an organisation-shaped view of the citizen's needs, or in Vanguard terms working from the 'outside-in'. There is thus no better illustration of the principle in action than in what we've broadly termed 'people centred services' (i.e. public or third sector services such as health and social care, housing, benefits and policing). Importantly, viewing these systems in this way allows us to identify and eventually remove what we call 'system conditions'.

Why system conditions matter

System conditions are the things that explain why a system behaves in the way it does. They form the framework within which those delivering any service have to operate. They are important for three reasons:

- They shape performance, positively or negatively
- Sustainably improving a process is rarely possible without changing the system conditions that frame it
- As manifestations of flawed management thinking, system conditions point to the strongest lever for change in the system – altering the way people think about the design and management of work

Some system conditions are present in any service: for example, the use of measures. What is measured and how, will dictate how a system will work ('what gets measured gets managed'). Often measures are imposed as arbitrary targets. A classic is the four-hour wait time target in hospital

Sustainably improving a process is rarely possible without changing the system conditions that frame it

accident and emergency (A&E) departments. The intent of the measure is to help manage perceived high demand for urgent medical treatment. In fact, it leads to people either cheating the figures or cheating the system: for instance, holding patients on trolleys in corridors or in ambulances having first seen a triage nurse and thus officially falling within the four-hour target. This is a great example of what is termed a single-loop solution to a complex problem. Of course, 'doing things better' is a classic single-loop solution to a complex problem. A double-loop solution would be 'doing better things', in this case working to understand the true nature of demand and then design a system capable of reliably managing it. As those who have studied A&E demand know, most (up to 80%) is demand that shouldn't be there in the first place and only presents there because other parts of the end-to-end system are not working as they should.

We have clients who, having understood the true nature and frequency of demand, have been able to redesign the whole system to remove much of the repeat and inappropriate demand altogether. This has the effect of releasing system capacity to focus on getting it right first time for the individual. Improving individual resilience leads to correspondingly reduced demand and resource pressure on the service.

As those who have studied A&E demand know, most (up to 80%) is demand that shouldn't be there in the first place and only presents there because other parts of the end-to-end system are not working as they should

Organisational roles and structures are another ever-present system condition. In most people centred services, the system is structured so that an individual's life is split into segments, each handled by a different professional specialist. In a simple adult social care system this involves many contacts, with the citizen required to tell their story at each one. In one case, an individual was obliged to repeat their history more than 200 times in two years. This is not exceptional; indeed it is 'designed- in' in current systems, governed as they are by a perceived imperative to manage cost by embedding costly professional expertise deep in the system where its use by the patient or service user can be strictly rationed. Reaching these professionals means undergoing repeated assessment and referral – often ending with treatment refused on the grounds that 'your condition is not serious enough … (yet)'.

The alternative is a service structured around the whole individual citizen, with a focus on understanding and responding to their life priorities. Some leaders are reshaping services to remove splits between functions, sometimes even barriers between organisations. To enable this real integration (see article on page 16), the purpose of the service is redefined to relate directly to what matters to the citizen and helps them to lead the life they want. New operating principles ensure that they only have to tell their story once and a single individual is assigned to work with them throughout.

The value work consists of listening to and understanding a patient/service user's needs

Substantial change depends on 'a vital few'

There are many other system conditions, including performance management and incentive and reward schemes, reporting requirements (to 'feed the machine'), demands of IT, standard policies and procedures, the commissioning process, and regulation and inspection. Yet in any one case substantial change normally depends only on 'a vital few'. A common one is decision-making remote from the work and abstracted from the end-user's context. A good example in people centred services is the Department of Health's Continuing Healthcare (CHC) funding process for people who need ongoing personalised health and care to ensure either a good quality of life or in some cases a good quality end of life.

Under the current system, to get funding requires two 124-page assessments to be carried out, one by a nurse and another by a social worker. A panel then sits every 6-8 weeks to decide. In one health service studied, out of an annual total of 400 cases only 10 were refused on initial presentation; eventually, after much delay, all the cases were agreed and funded. Predictably, the information received by the panel is incomplete and has to be chased up. The governing CHC framework makes it clear that funding decisions should be wholly based on need and not on funding and budget. If that is the case, why have a decision-making process disconnected from the work? From studying the current system, it is clear that, in reality, money is the biggest driver, and the logic behind the design is the need to control spending to meet the budget. Not only is the design an utter waste of time and resource, it removes decision-making from those with knowledge and understanding in the work.

One health and social care system decided to remove this system condition. Instead it is experimenting with the revolutionary idea of letting the workers make the decisions, freeing up time spent on paperwork actually to meet the individual face-to-face and jointly work out what good care for them should look like. The key worker for the case is responsible for understanding the individual's complete end-to-end story and, with support from an integrated team, for taking informed joint decisions with the individual as to proportionate support. No longer are decisions about care taken by a group of people disconnected from the work and with no knowledge of the individual circumstances. The worker is trusted to do the right thing based on understanding, continuity and trust.

Another system condition responsible for much failure of service to meet people's real needs (and often make them worse rather than better) is standardisation of response. In current people centred services response to demand is prescriptive and based on pre-set standards. In adult social care this manifests itself in a prescribed assessment of need carried out by a social worker, with standard questions which may or may not have relevance to the person and their needs. On that basis the social worker decides what support,

Identifying and removing, or at least containing, the constraints imposed by system conditions is essential to developing a more effective service

if any, will be forthcoming, in the shape of a care package consisting of up to four calls a day, their timings determined by staff workloads, travel distance and time, rather than what matters to the individual. One consequence is that people who, with the right kind of support, could perfectly well live independently become dependent on the calls. In other words, the care package is over-specified. Or the care package fails to meet the underlying need and breaks down, eventually resulting in hospitalisation. Analysis of hospital demand reveals that this under-specification scenario is played out with depressing regularity.

In some redesigned services, starting from a different set of principles, the organisation delves into the need behind the demand by taking time to conduct a 'what matters' conversation. Once a bond of trust and understanding is established, the task is to help the individual help themselves, by identifying with them their strengths and capacities, along with those of their family and community networks. We call this 'designing against demand'. In people centred services, the value work consists of listening to and understanding a patient/service user's needs as the only way of understanding real demand and planning an appropriate and effective response.

Removing system conditions: a lever for change

Although it is vital to understand system conditions, we don't recommend that you start there. We believe system conditions are best understood as the causes of waste. Their importance emerges from the process of studying performance – you learn what prevents and enables services to be truly person-centred. Understanding the biggest causes of waste leads you to the 'vital few' that offer the greatest leverage for change.

Identifying and removing, or at least containing, the constraints imposed by system conditions is essential to developing a more effective service. It allows the service to be redesigned around the individual citizen, and enables the organisation to devote its energies and time to understanding and responding to what really matters to them.

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Leading change

Denise Lyon

Wanted: managers who are curious, resilient – and willing to challenge their own thinking first

'A mind is like a parachute. It doesn't work if it isn't open'

Frank Zappa

If you look at the job description of senior managers in any public sector organisation, you will find a long list of requirements – pages of necessary skills and knowledge, which applicants will have to prove and evidence to get the job. From managing staff to monitoring a project, from assessing risk to staying within budget, the list goes on and on.

Then there's attitude and aptitude. Is it followability, intelligence and tenacity that are top of the list? Or is it integrity, common sense and a dash of derring-do? Maybe it's all of these and a few more. The more you think about it, the longer the list becomes.

What do we know about good leadership?

So can we make this a simpler proposition?

When organisations take their first steps in rethinking their approach to the design and management of services, we help them get clear on the kind of leaders they will need to navigate through the change. What is it in leaders that will allow a fundamental shift in organisational thinking and perspective to take place? What sort of person will be able to:

- Challenge their own thinking with a willing heart
- Put in the hard work to change it
- When the going gets tough, keep their eye on the prize – much better service, much lower cost?

Here's what we know.

Open-minded and curious

In the words of the great Frank Zappa, 'A mind is like a parachute. It doesn't work if it isn't open.' This is absolutely key when it comes to choosing leaders. People recruited to senior posts are not necessarily selected for this trait, and it is important to establish quickly who has it and who is stubbornly focused on defending territory and status quo. The latter will not make a good leader of change, nor indeed in good leader in the new world afterwards.

Truly curious people, if you have them, will make excellent leaders of the system. A 'follow-me-and-do-what-I-say' leadership model is unhelpful and potentially destructive because it concentrates responsibility in one person and absolves others from taking initiative and ownership of problems. Someone who works with people to genuinely understand the issues getting in the way of great service and then resolve them is the kind of leader required.

Strong and resilient

The yin and the yang of transforming a service means there will be highs and lows to contend with. Studying a service as a system uncovers truths about customer experiences that are sometimes uncomfortable and hard for managers to accept. Letting go of long-held management beliefs ('Targets are good, aren't they?' 'No, they are not, and we will help you understand why!'), takes a robust personality who

It is no more possible to delegate understanding your service as a system than to delegate learning how to swim

is willing and able to get over the shocks and move on. As Katharina Haase, Chief Operating Officer at Barclaycard Germany said at the Leaders Summit in March 2016:

'You need to change a lot of stuff, be brave about it.'

Confronting the waste and inefficiencies a leader has unwittingly introduced into their service design is probably not going to make for their best ever day.

The upside, though, is the joy of 'getting it': understanding how to design more efficiently to meet and manage demand, a Eureka moment that will have the convert (and their customers) grinning from ear to ear.

They will also 'get' what to measure in order to gauge to what extent the organisation is meeting its purpose, as defined from the customers' point of view. Owen Buckwell, Head of Housing and Property Services at Portsmouth City Council explains:

'It makes your organisation thermostatic. In other words it routinely changes according to how your customers' demands change.'

Good measures help to pinpoint where to focus improvement efforts and quantify their impact when you do. Leaders also learn to ask good questions as Karime Hassan, Chief Executive and Growth Executive of Exeter City Council says:

'It's far more focused and disciplined so that the questions I ask of my managers and the questions I ask of the staff are far more pointed'

Hands on and a bit bossy

Senior people are used to delegating. They need to be good at it to stay sane and keep on top of a demanding job. But here's the rub. The only way to change a mindset is to experience something personally. Think of it this way: it is no more possible to delegate understanding your service as a system than to delegate learning how to swim. In practice, this means that a leader must stop doing something else in order to free up the necessary time, so a conversation about reprioritising the work is an important early step. It is essential to get in the pool. Or in the world of service, in the work. Not to do the work, but to study what's happening in the work, using the Vanguard Method.

Albert Einstein hit the nail on the head when he said, 'We cannot hope to solve the problems we have created with the thinking that created them'. Before making any sustainable transformative steps, leaders need to get hands on and understand how their current thinking led to the current service design and delivery.

The brain makes a transformative leap, as Richard Hiscocks, Casualty Claims Director at Aviva UK, found:

"Once you realise you've been wrong about everything it's really hard to go back."

Once they do get it, there will be much to do to completely redesign how the service is delivered. This is where it helps to be assured and assertive - even, dare we say it, a little bit bossy. Redesigning to meet demand may entail major actions such as renegotiating contracts, introducing new roles and agreeing different corporate priorities. A well informed and assertive leader on the case is essential.

So maybe we can make those job descriptions even simpler.

Vacant:
An uncomfortable but rewarding job.

Wanted:
An open-minded, resilient, hands-on leader who is willing to challenge their own thinking.

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Customer vs citizen: one or the other, but not both

Richard Davis

To improve people centred services we must stop treating citizens as consumers. It is a disaster for the citizen and for the state

Since the last war, as discretionary budgets have increased, people have turned into 'consumers'. This has led organisations to consider their role vis-à-vis the 'customer'. At the same time, post-war Britain, and subsequently, most of Europe have moved away from managed to market-driven economies, in turn accentuating the perceived importance of the customer's role.

Two ideas – customer service and choice

Two ideas have become elided. First, the notion of customer service – how customers are treated during transactions. Second, customer choice – how the customer negotiates the market and how organisations can design their offerings accordingly.

There is very little evidence that organisations in the private sector have come to terms with either notion. Their dominant preoccupation is reducing cost. Since customer service is perceived as expensive, most major service players have removed people from the front line, automated or offshored services, and worked on the general assumption that 'customers will get used to it'. My local post box carried a note recently to the effect that having listened carefully to customers, Royal Mail was reducing its collection service. This sums it up for me: cut costs and dress it up as a service 'enhancement'.

Increasing market share is a priority for companies seeking to impress City analysts. Rather than do so by pleasing customers and cementing long-term loyalty, however, they often prefer to buy their competitors, incurring cost and prolonged instability.

There is little evidence of a working market in many services. As big organisations get bigger, they seem to adopt cartel-type behaviour aimed at market protection rather than promoting competition. Small companies trying to change the markets are attacked and squashed.

Market logic in the public sector

Against this background, governments from Margaret Thatcher onwards, progressively pushed a market and consumer logic on to public services. The market would solve the citizens' problems and drag the public-sector agencies into a 'service' mentality. The idea of 'choice' became a mantra, and all agencies were targeted and measured on how competently they responded to calls and contacts – at least in terms of speed. Citizens would henceforth be consumers, and the word 'customer' entered the lexicon of every public-sector organisation – even the police.

The logic seems plausible. Who wouldn't subscribe to the idea that everyone contacting a public organisation should get the 'John Lewis' or 'M&S' treatment? Who wouldn't believe that, as citizens, we should have choice? Isn't it a good thing to be concerned about how long it takes for the doctor, the police or council to answer the phone or respond to your issue?

When I'm ill I want to be cured, when my bins need emptying I want it done regularly and on time, and when I'm burgled I want the burglar caught and my belongings returned pronto

The market and customer service

Let's take the two issues separately – the market and customer service.

First, the market. A market logic is one where consumers exercise choice and the organisations that get it right (the ones the consumer chooses to do business with) will survive. Even assuming that the private sector knew how to design services and products that would allow consumers a valid (to them) choice, is that logic right for the public sector? The first question is whether the citizen can actually make a choice which is relevant to him or her. The answer is 'not really' – it is the government that sets the options on the basis of what it has decided is good for us. That is probably overly cynical – but it remains true that I, as a citizen, can only exercise real choice when the options mean something to me. So the second question is, what is it that I want? The answer is that I want something that works when I need it.

It's that simple. I do not want 'choice'. Public services are not lifestyle choices or discretionary services, they are solutions to problems. In Herzberg's terms, they are hygiene factors – things that are necessary rather than desirable. When I'm ill I want to be cured, when my bins need emptying I want it done regularly and on time, and when I'm burgled I want the burglar caught and my belongings returned pronto. What matters to me is that the service works when I need it, no more, no less. I want a good school nearby, a good hospital nearby, an effective police force ready to help me in my neighbourhood. Is it helpful to me that hospitals or schools that appear not to work go out of business? Police forces and local authorities can't close down, so what sort of market is that? The underlying assumptions here have become a major system condition. What *is* the purpose of the public sector - deliver what matters to citizens or what matters to government?

Good service for me is having people genuinely concerned that my issues are settled once and for all

So do I want good service? Well, yes. But not in the private-sector sense of 'being nice to people' and meeting the service standard (picking up the phone before the third ring). I want my problems resolved. Good service for me is having people genuinely concerned that my issues are settled once and for all. What did Paul whose case was described in the article about Stoke need? Did he need 'choice'? No, he simply needed someone to understand what mattered to him. Significantly the government targets for response and service delivery had to deliberately ignored for him to be listened to. The system needed to serve Paul, not the government.

We are locked in a dynamic in which the more the state does, the less the citizen does

The contractual relationship

However, there is an even more important concern surrounding the move to the citizen-as-consumer.

When you call the citizen a customer (i.e. consumer), the relationship becomes contractual. The provider specifies a service or product and the recipient will judge satisfaction against that specification. More importantly, the responsibility for the success of the transaction is largely with the provider. The state is now responsible for the citizen, and the citizen has very little responsibility for themselves. Writing of this in a North American context, John McKnight and Peter Block depict the state as saying, in effect, 'let us live your life for you'. Is this the relationship we want between state and citizen? It's worth asking that question as a matter of principle. But there are significant material consequences that derive from it.

The logic dictates that the state is now responsible for service delivery. So if something doesn't work or goes wrong, it must be down to the state. The citizen will know who to blame and will be increasingly inclined to seek redress for shortcomings. And this is what we are seeing. Complaints against agencies, whether of omission or commission, are steadily rising. The more the state is to blame, the less citizens will do for themselves. Why should they? McKnight tells of visiting a youth centre where despite walls covered in notices advertising every sort of activity, kids were lounging around doing nothing. In response to a question about their inactivity, they reply, 'we're bored'. In other words, it's up to others to entertain and organise things for them to do. In a different area, it was quite common for parents whose children were travelling to Syria to join ISIS to blame the police for doing nothing to stop them.

As a consumer, the citizen will also be minded to judge the state on value for money: 'I pay my taxes, and what do I get for it?' Any real or apparent cut in services will attract even more attention than before. Here the efficiency paradox amplifies the problem. The citizen wants value for money but the state simply designs in more and more cost in the name of efficiency improvement - a vicious spiral.

Risk, regulation and the death of self-help

However, before we start entertaining notions of the 'feckless citizen', consider this corollary. In equal measure as the consumer-citizen becomes more demanding, the state becomes more defensive. This is manifest in conversations about professionalism; if the state can show that its services are delivered by qualified professionals, it is safe from claims of negligence. So (ironically given successive governments' suspicion of the professions) that is what is happening. Levels of indemnity insurance required for doctors verge on the prohibitive. Agency staff spend increasing amounts of time on training courses to gain professional qualifications. Procedures are certified by quality assurance bodies so that all can claim compliance with standards (so that's all right, then).

There is a more subtle aspect to this. If the professionals are now in charge then they can only be in control, and therefore exempt from redress, if the citizen takes no part. So citizens are actively discouraged and prevented from community contribution and self-help. I was a parish councillor and regularly walk through our churchyard. Branches overhung the path, and I took it on myself to prune them. The clerk vetoed the idea on the grounds that the council was not insured and risk assessments had not been carried out. During the UK riots of 2011, the Kent police attended a high street where shop-owners had turned out to help protect their property. They were told to get off the street – 'this is a job for the police'. Thus, bit by bit, we get the message, 'don't act for yourself, it's not safe, it's not your job, leave it to the professionals'.

Most people would probably agree that such a relationship between state and citizen is neither healthy nor desirable. But in any case, at a purely practical level, it is simply unsustainable. We are locked in a dynamic in which the more the state does, the less the citizen does. This can only mean more demand. More and more extensive services will be needed to keep up. And complaints will go on rising. The citizen-as-consumer is a recipe for disaster for both citizens and the state. So be careful what you choose.

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Resources

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