Waving, or Drowning? Tackling Performance in Local Authority Social Services

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Abstract

In 2003, the Department of Health (DH) commissioned a literature review to identify effective factors for achieving successful change and improved performance in 'failing' local authorities. Drawn from a range of public and private sector sources, the review examines the nature of failure, the characteristics of success, the complexities of moving from one to the other and some common themes for improving organisations in crisis.

This paper describes, briefly, some of the key messages from that literature, focussing on organisational 'turnaround' in poorly performing organisations. It explores some of the latest thinking about tackling poor performance; concludes that innovation may be the most effective way to achieve sustainable change and considers how an approach called Appreciative Inquiry might be used in social services and council settings.

Appreciative Inquiry (AI) has developed from various schools of thought, including social construction, action research and strengths based approaches to organisational development. The number of people working in this way in the public and private sectors is growing, facilitated by an open approach to sharing ideas and developments, skills training and opportunities to practice the method in different applications. There is no single way to run an Appreciative Inquiry, as long as what is done follows its basic principles. For those interested in finding out more about the approach, there is easy access to the resources through the websites listed in the references.

Keywords: Performance assessment framework, organisational performance, Appreciative Inquiry, organisational change, local authorities

Introduction

The implementation of the Performance Assessment Framework for local authorities with responsibility for social services has led to a greater public focus on their performance than ever before. The publication of star ratings has raised the stakes through increased public visibility, new links to government flexibilities and freedoms for high performers, and sanctions for failure. This reflects the increased tightening of local accountability to central government over the last six years.

All social services authorities are now 'star-rated' each year, according to evidence and judgements about their performance. Star ratings range from three (excellent) to zero ('unacceptable'). Three star authorities benefit from a 'lighter touch' inspection regime and the kudos of being a 'high' performer. Those with a zero-star rating experience 'special measures' via the Social Services Inspectorate (SSI), now the Commission for Social Care Inspection (CSCI). In the past, this has included strategy meetings with government officials; increased monitoring and scrutiny; increased inspection regimes; a requirement to produce a Performance Improvement Plan; and a requirement to engage with external Performance Action Teams who work with the councils to improve their performance. A zero rating is regarded a serious event, with potentially far-reaching implications for service users; staff morale, staff retention and recruitment and the overall reputation of the council, councillors and officers.

Recognising the significant learning curve for everyone involved in this process, the Department of Health (DH) commissioned a literature review to identify the factors that are effective in achieving successful change and improved performance in 'failing' local authorities. Drawn from a range of public and private sector sources, the review examines the nature of failure, the characteristics of success, the complexities of moving from one to the other and some common themes for improving organisations in crisis.

This paper describes some key messages about 'turning around' poorly performing organisations. It explores some of the latest thinking about how to tackle poor performance, including an emerging approach to positive change called Appreciative Inquiry. It concludes that innovation may be the most effective way to achieve sustainable change.

What is Failure?

The Department of Health has identified the failure of councils with social services responsibilities (CSSR) to provide safe, consistent and reliable services, to meet statutory responsibilities and to manage resources effectively to reach those in need. In all cases, the consequences of failure for the people who use the services are given high priority.

In November 2002, the Chief Inspector's (CI) letter noted that '*star ratings are a product of a wider performance assessment*' including evidence from inspections and reviews, monitoring and performance indicators to form a picture over time across the following criteria:

- National Priorities and Strategic Objectives
- Cost and Efficiency
- Effectiveness of Service Delivery and Outcomes
- Quality of Services for Users and Carers
- Fair Access

(Performance Assessment 2000-01 - A Guide. Module Two: An overview of PSS performance assessment)

When CSSRs are judged to be failing, it is in relation to these performance dimensions. For each CSSR on special measures, a specific description of the elements in which they are failing to perform is drawn up as part of the action planning and improvement process. So, in most cases, it is recognised that failure relates to specific aspects rather than wholesale failure, and interventions are then targeted at these aspects.

Responding to Failure

The literature suggests that successful turnaround will be affected by the way the 'failing' organisation responds to this assessment. Responses to a zero star rating vary from relief, (for those who recognise the need to improve,) to shock, disbelief and fury for others (Barnes and Gurney, 2004). How this is handled will affect the way that the council subsequently moves forward. Likened by Owen (2000) to the stages of grieving following bereavement, the failure must be acknowledged, accepted and worked through. Organisations that deny or refuse to accept the judgement will take the longest time to 'recover'. Similarly, the way that a recovery team thinks and acts will be affected by its perception of the authority and the task ahead. The literature suggests that the first actions will have a direct impact on the speed and nature of the recovery.

Flynn (2002) observes, '*the response to scandals and events is usually a tightening of rules, procedures and scrutiny, and reduction in the discretion of front-line staff*' (p272). The tendency to tighten central control of organisations after such an assessment can be counter-productive, by stifling the very innovation and creativity that may help to turn them around. Barker and Mone (1998) observed that a '*decline in performance may increase organisational rigidity and decrease the likelihood of innovative change*', therefore lessening an organisation's ability to improve. A feature of successful organisations is the engagement and empowerment of staff at all levels; they have no chance to make their contribution if an organisation is too tightly controlled from the centre. While success is also associated with strong leadership, clear vision and strategic approach, the literature suggests that a careful balance is needed.

The Characteristics of Success

Successful organisations are generally characterised by strong visionary leadership, clear strategy linked to explicit, measurable objectives and outcomes, and sound working practices to engage and value staff at all levels. Margaret Wheatley and Kellner-Rogers (1998) characterises this as the ability to respond to the unexpected: '

> *Organisations that learn to work together, that trust one another, and that become more expansive and inclusive, develop the capacity to deal with whatever happens. They have created a capacity for working and thinking together that enables them to respond quickly and intelligently to surprise and distress*' (Wheatley and Kellner-Rogers, 1998).

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Turnaround

The literature on turnaround in the private and public sector emphasises the need to stabilise the organisation and deal with the crisis. Balgobin and Pandit (2001) talk about '*stopping the bleeding*' – part of the medical model analogy of diagnosis, action and cure; in social care terms, it might be ensuring that services are safe. Immediate responses may require different tactics and skills to those required for long term, sustainable improvement and high performance. Different management teams may be needed for each phase. There is still much debate about striking the right balance between introducing temporary managers to rescue and lead a recovery, and engaging the resources of those who will be managing and working in the service in the longer term. In our recent review for the DH into the effectiveness of Performance Action Teams (Barnes and Gurney, 2004), participants considered that commitment and continuity from leaders are key to success.

The quality of leadership by politicians and senior officers; the ability to develop and implement strategy on a number of fronts; engaging staff, service users and other stakeholders, and communicating clearly with everyone, are all emphasised throughout the turnaround literature. Crucially, priorities are linked to objectives and desired outcomes, and resourced (finance, people), implemented and monitored appropriately. Learning organisations, and those which promote high performance working practices, are generally regarded as those most likely to be effective and to sustain improvement.

Flynn (2002) calls on people working in the public sector to find their own solutions and methods that recognise the context in which they are to be implemented.

> *The development of improved management in the public sector requires that people learn from experience. It is not good enough to start each innovation or initiative as if nothing positive has gone before, nor is it good enough to rebrand old initiatives under new names.*

New Approaches to Improving Performance

There are emerging ideas about the importance of working with complex organisations as whole systems, rather than focussing on isolated problems. Some authors (Chapman, 2002; Dawson, 2003) are critical of the traditional, linear and mechanistic approaches to managing change, which fail to acknowledge and respond to the '*murky, unforeseen and dynamic character of change*' (Dawson, 2003). For these writers there are no '*simple universal solutions*' as context is all and interventions must reflect this.

To improve performance in complex systems, Chapman (2202) advocates taking a range of actions, evaluating the results and learning what works best. This evolutionary approach to learning requires both innovation (variety of actions) and effective feedback on the results of previous actions. Chapman (p71) concludes that the implications of working in this way are that:

1. The interventions will introduce learning processes rather than specifying outcomes or targets.
2. The emphasis will be on improving general system effectiveness as judged by the clients or users of the system, rather than quantitative performance indicators
3. The process of designing, formulating and implementing policies will be based more on facilitation of improvements than on control of the organisation or system. Innovative, complex behaviours can emerge through minimum specifications, clear direction, boundaries that must not be crossed, resources and permissions.
4. Engaging with agents and stakeholders in policy will be based on listening and co-researching rather than telling and instructing.
5. Implementation will include deliberate strategies for innovation, evaluation, learning and reflection.

He quotes the work of the PIU (2001) that:

> *delivery is rarely a one-off task. It is best understood not as a linear process – leading from policy ideas through implementation to a change on the ground – but rather as a more*

circular process involving continuous learning, adaptation and improvement, with policy changing in response to implementation as well as vice versa.

Wheatley and Rogers (1998) assert that:

Complex-system failures cannot be solved alone. They require collaboration, participation, openness, and inclusion. These new problems force us to dissolve our past practices of hierarchies, boundaries, secrecy, and competition. In a systems crisis, the more we cling to these past practices, the more we deepen the crisis and prevent solutions.

They recommend that 'when *complex systems fail we must:*

1. *Engage the whole system. Frequently ask 'who else should be involved?'*
2. *Create abundant information; circulate it through existing and new channels*
3. *Develop quality relationships; trust is the greatest asset.*
4. *Support only collaboration; competition destroys capacity*
5. *Forget boundaries and territories; push for openness everywhere.*
6. *Focus on creating new, sustainable systems'*

The Problem with Problem-Solving

There is a growing literature and practice which regards as counter-productive approaches based on problem-solving or 'deficit-based' thinking, and the whole notion of diagnosis, cure and recovery.

A compulsive concern with what's not working, why things go wrong and who didn't do his or her job demoralizes members of the organisation, reduces the speed of learning, and undermines relationships and forward movement. (Cooperrider et al, 2001).

Weisbord (1987) describes how the medical model (problem diagnoses, and recovery strategy to cure the symptoms) proves less and less satisfying for workplace improvement. '*If I could ask one thing of a crystal ball in every situation, it would not be*

'*what's wrong and what will fix it?' but 'what's possible here and who cares?'*

He suggests that new approaches are needed which:

Work away from	Work towards
Solving the problem	Creating the future
Giving it to an expert	Helping each other learn
Getting a task force	Involving everybody
Finding the technique	Finding a valued purpose
Doing it all now	Doing what's do-able

The impact of problem-solving is highlighted by Barrett (2002) who notes that:

while analytic problem solving has led to many of the advances we enjoy today, this approach to learning has limitations. We often approach problems from the very mind-set that created them in the first place.

Cooperrider et al (2001) believe that the habit of focusing on problems rather than possibility actually decreases organisational capacity:

Problem analytic methodologies are based on deficit discourse. Over time they fill the organisation with stories, understandings, and rich vocabularies of why things fail.

Problem solving approaches to change are:

1 Painfully slow - *asking people to look backwards to yesterday's causes*

2 Rarely result in new vision - *by definition we can describe something as a problem because we already assume an idea and we search to close the gaps*

3 Generate defensiveness in people - *it's not my problem its yours*

4 Can reinforce hierarchy - *where 'less than ideal' individuals learn to accept their label and are encouraged to enter 'treatment programs' under expert supervision*

5 Instil a sense of despair – *poor morale and paralysis*

6 Stimulate endless 'failure' conversations, which in turns constructs and reinforces the message of failure - '*seeing the world as a problem is very much a way of organisational life.*'

A problem focus draws attention to inevitable breakdown rather than the strengths of the system, encourages a blame culture and creates an emphasis on 'looking good' rather than being good. Does this ring any bells for a social services world dominated by performance indicators and assessment?

These authors and change practitioners advocate an alternative approach called Appreciative Inquiry (AI), which begins with the assumption that something in the organisation is, or has in the past, functioned well. With this method, stakeholders are invited to recall and explore the times when their organisation, was at its best. Working together, they turn their understanding of these highlights or exceptional moments into a picture of their organisation (in the future) that everyone can share and help to put into practice.

Using this method, a growing number of public and private sector organisations have successfully engaged their staff in designing and creating positive changes, working from their strengths and past successes. UK examples include work in the NHS (Modernisation Agency, King's College Hospital), social care sector (Hampshire County

Council, Better Government for Older People) and community development initiatives (Scotland). Anne Radford describes the use of AI as both a theory of change and a methodology for discovering, understanding and fostering innovations. It involves the '*art and practice of asking questions that strengthen a system's capacity to discover and develop its potential. It is not about ignoring problems; it is about approaching them from a different perspective*'.

Advocates of this approach believe that building on acknowledged strengths creates enthusiasm and commitment, and change becomes inevitable. It requires us to think differently about organisations and the people in them, and to recognise the impact of labelling performance and the way that interventions are handled. Crucially, it recognises the complexity of working with organisations and takes this into account in moving forward.

Applying Appreciative Inquiry in Social Services

What might this mean for local authority social services? Appreciative Inquiry is based on the deceptively simple idea that organisations grow in the direction on which they focus and ask questions about. An inquiry (gathering information for the purpose of learning and changing) into past or existing strengths is itself a powerful intervention which begins to shifts the organisation in a new direction. Imagine what it would be like if people in social services teams and authorities were talking, not about problems and deficits, but about their achievements, the things that had gone well and of which they were most proud.

Using this approach immediately affects the way that performance is described and addressed. For example:

- The language of 'failure' is rejected as unhelpful and counterproductive shorthand for a highly complex situation. Specific failures to protect service users or to provide a service would still be identified and described explicitly, but a new vocabulary emphasising 'improvement' is adopted.

- Improvement programmes are undertaken with the whole system (social services department

or division or teams) or at least, with representatives across the whole system, including councillors and service users. This can be extended to partners, carers and other stakeholders – any one with an interest in working collaboratively in partnership.

- Interventions are mutual, with facilitators working co-operatively with the people, at all levels, who will achieve the organisation's recovery.

- People in the whole system engage in an inquiry into their experience of times when the organisation (or whatever you wish to change/ create) was at its best, either in the past or in the existing pockets of good practice that already exist. These examples are then used to identify the essential elements of this success and describe what the organisation would look and feel like if these were to be recreated in the future.

- The process of working through each stage of the appreciative inquiry enables people to develop a shared view of the changes that are needed to improve their organisation. The experience is usually creative and fun, and creates both energy and enthusiasm for change, and the commitment to take the changes forward in very practical ways.

- Everyone, including service users, is involved in, and committed to, the organisation's recovery. Changes that are planned and achieved under such circumstances are more likely to be sustained.

- Visionary and determined leadership are still essential: the approach calls for leaders who believe that the potential for change exists within the organisation, who trust their workforce, and are willing to demonstrate their confidence by working co-operatively with all the stakeholders.

What Does an Appreciative Inquiry Look Like?

An appreciative inquiry follows five distinct stages and is carried out according to some basic principles, on which the method is based (see Watkins and Mohr, 2001). Within this framework, it can be applied in any context of whole organisation, partnerships, divisions, teams or groups. Methods will differ according to the size and scope of the inquiry. In some models,

everyone comes together in the room for one to five days to work through the process together; in very large-scale inquiries, parts of the process (e.g. appreciative interviews) are delegated throughout the organisation over a number of weeks and then brought together to be developed further. However, the inquiry is structured, participants will work through the following stages:

Definition
Decide what to learn about/inquire into in consultation with people in the organisation. This sets the focus of the inquiry and determines the specific questions on which people will be interviewed.

Discovery/ Explore and Understand
Conduct the inquiry, involving participants in interviews/sharing stories about the organisation at its best, and working together to draw out themes about success.

Dream/ Imagine
Generalise from these themes to create a picture of how the organisation would look if these elements existed now or in the future. This is rooted in the participant's knowledge and experience of what the organisation has been, and could be, capable.

Design/Create
Develop ideas and practical steps about how to create this picture of the organisation now. Work out what needs to happen (people, structures, resources) next to achieve this in practice.

Delivery
Put these ideas into practice, building on what has been learnt in the previous phases.

Examples of how Appreciative Inquiry might work in Social Services

A social services team might set aside some time to inquire into its performance, in a process that involves every member. Having identified the focus of the inquiry (e.g. communication, allocating and reviewing work, team performance in general), they agree specifically worded questions for the interviews with each other. They

talk about the times when their team was (or is) working at its best, and list what they value and would like more of in their team. Briefing is given about conducting and recording the interviews. They are carried out during a specific meeting or as, and when, the opportunity arises over an agreed period.

The responses are then brought to a meeting of the whole team. They work together to understand the features of the team at its best, and use what they learn to envision how it would look if these things were always present. So, for example, what will be happening, how are people behaving, what are they doing, how they will work together and so on. Having worked together to create this picture of the team succeeding, they move into the design stage by looking at what needs to change to make this happen, including personal commitments to specific actions. The process is cyclical and they can return to any of the stages to work on specific aspects.

On a bigger scale, an 'improving' authority might arrange a process for its staff to undertake interviews/share their experiences about times when the authority (or a specific part of it) was at its best. This might be done by everyone or a representative slice of the organisation, including councillors and service users, and again could be achieved by dispersed interviews followed by specific events to work on the emerging themes and lessons from the stories. In both examples, the process is participative, creative and focuses on identifying and increasing best performance.

Mohr (2001) has applied this approach in many settings with many different inquiry topics, in large and small groups. He identifies the following conditions as those that '*seem to be present when Appreciative Inquiry has been most effectively incorporated into a process of organisational learning and change*':

- The organisation honestly acknowledges any difficulties that currently exist. This approach does not advocate denying negative emotions or problems, but encourages participants not to dwell on them.
- The organisational culture is open to, and supports, participation by all, and is therefore,

prepared to listen to and work with what the participants say.
- Change is seen as an on-going process, not a one-off event.
- Leaders believe in the organisation's capability and believe that a positive approach can be effective.
- The organisation provides structures and resources to support the inquiry and to follow it through.

Appreciative Inquiry has developed from a number of schools of thought including social construction, action research and strengths based approaches to organisational development. It holds central the belief that positive and lasting change is achieved by engaging the expertise of those most involved in talking about and building on the things that they know work well. The number of people working in this way in the public and private sectors is growing, facilitated by an open approach to sharing ideas and developments, facilitation skills training and growing opportunities to practice the method in different applications. There is no single way to run an Appreciative Inquiry, as long as what is done adheres to its principles. For those interested in finding out more about the approach, there is easy access to the resources through the references and the following website which is a free online resource with articles, examples and contacts:

http://appreciativeinquiry.cwru.edu

Conclusion

This paper highlights a range of issues about improving services and performance and describes a positive and creative approach to managing change. The literature review, on which it is based, has drawn on a wide range of academic, business/ commercial, government and public sector sources to explore what is effective in improving poor performance and achieving sustainable change.

Key messages are:

- How failure is perceived, discussed and acknowledged is crucial.
- There are many versions of success from specific improvements to wide ranging features of organisational life.

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- There is no universal recipe for achieving improvement – context is all.
- Linear models of change are inappropriate for complex systems and piecemeal attempts are more likely to fail.
- Key elements of effective turnaround strategies are:
  - Early warning
  - Swift action to stabilise crisis situations
  - Visionary leadership
  - Whole systems approaches
  - Participation, engagement and learning
- There are tensions between mechanistic solutions and those that advocate learning and more participative approaches.
- Approaches which emphasise diagnosis and cure can isolate problems and, in failing to recognise the complexity of the whole system, are often ineffective.
- Methods that focus on solving problems work against organisational improvement; new approaches focusing on strengths and positive change are proving to be effective.

The public sector in England is currently pre-occupied with managing risk and meeting performance targets, which inevitability focuses attention onto gaps, problems and deficits. The literature suggests that it is counter-productive to put these at the centre of our improvement planning; and the real challenge is to seek out, acknowledge and build on strengths. There is too much at stake for everyone to ignore the signs that traditional approaches are, at best, slow and, at worst, ineffective in creating sustainable change.

Appreciative Inquiry offers an opportunity to engage staff, stakeholders, service users and whole organisations in a process of positive improvement. This may be just the approach to give our beleaguered organisations a chance to improve. Waving? Drowning? Maybe what matters is that we get close enough to find out.

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