

Process evaluation of the Jobcentre Plus Performance Management Framework

By Dr Alex Nunn and Dr Dave Devins

Background

In April 2011 a new Performance Management Framework (PMF) was launched in Jobcentre Plus to replace the previous targets structure. The aim of this evaluation is to explore the extent to which the PMF meets its objectives as a more streamlined approach to managing and monitoring performance in Jobcentre Plus. The evaluation explores staff understanding and awareness of the PMF, the implementation and communication process and early evidence of the influence the PMF upon cultural and behavioural change across Jobcentre Plus. The evaluation is based on qualitative data collected through 111 semi-structured interviews with staff working in Jobcentre Plus and the Department for Work and Pensions (DWP) and relevant secondary data in PMF project management documents. The fieldwork took place in October–November 2011.

The Performance Management Framework

The PMF emphasises two key objectives for Jobcentre Plus and DWP:

- moving people off benefit, into employment, as quickly as possible; and
- reducing the monetary value of fraud and error (MVFE).

The PMF is underpinned by a range of additional ‘supporting measures’. A set of five scorecards were introduced alongside the PMF: one for each operational Directorate (Jobcentre, Contact Centre and Benefit Centre); one for MVFE and a Group Delivery Network (GDN) scorecard designed to understand the way in which customers undertake a ‘journey’ through Jobcentre Plus services.

Communication

The communication process underpinning the implementation of the PMF appears to have been effective in raising awareness to varying degrees within the organisation. Several concerns were raised by some PMF project team members and national managers about this; including a lack of adequate resources, capacity building and engagement of frontline staff. Several methods of communication (e.g. presentations, emails, team meetings) as well as different interpretations of the PMF supporting materials were used by different staff. This resulted in varying overall and specific awareness of the PMF, particularly among operational staff.

Awareness and understanding

Overall the research suggests that:

- There is a strong connection between the stated objectives of the new PMF and the understanding of a wide range of respondents involved in the research. Where staff at all levels of the organisation and in all Directorates know about the PMF, there appears to be a widely shared and common understanding of its purpose as being to drive a cultural change toward outcome-focused activities, enhanced efficiency and to support flexibility among frontline advisers in Jobcentres.
- Generally respondents thought that the new PMF was in line with the objectives set for it.
- In particular, respondents were satisfied that the two outcome measures were an appropriate representation of the purpose and objectives of Jobcentre Plus.

- There was some concern however among the PMF project team that the scorecards were diluting the initial design of the system.
- While many respondents at all levels of the organisation recognised the need for culture change, this had only partly occurred at the time of the fieldwork.
- There were clearly cases where operational staff did not feel that there had been any reduction in the emphasis on numerical targets, especially in Contact Centres and Benefit Centres, though sometimes this related to initiatives other than the PMF, such as workflow management processes.
- In Jobcentres, the introduction of the PMF has affected Adviser roles significantly. This is particularly driven by the removal of Intervention Delivery Target (IDT), the introduction of increased flexibility and the use of caseload management, prioritisation and cohort lists to manage the performance of individual Advisers.
- There are differences in practice between Districts. Some Districts offered more flexibility to Advisers than others. In those Districts where there was less flexibility, informal activity-based targets were in use.
- Though many respondents suggested that case conferencing and qualitative measures of Adviser performance are now undertaken widely, there is reason to be cautious about the extent to which these practices are embedded and will be sustained over the medium to longer term.

Managing performance

Key findings include:

- The PMF is being used to structure performance management at all levels of the organisation, though scorecards are widely seen as the 'face' of the PMF at operational levels. Frontline staff tend to understand the management of their performance according to the specific interpretation of the PMF/scorecards taken by their line manager. In many cases this is not presented or rationalised as being part of the 'PMF' and is also frequently driven by the consideration of alternative (though mostly consistent) information. This suggests that managerial interpretation of the PMF is crucial to its implementation and the achievement of the culture change desired.
- Some respondents, especially at District level in Jobcentre Directorate lacked an awareness of the full range of available outcome information and clearly indicated that having this information would assist them in managing performance, especially around the off-flow rate.
- In Jobcentres there is significant local-level data collection and duplication in this activity. While this is inefficient, it may also be driving local operational ownership of the process of culture change which the PMF is aiming for.
- In Contact Centres the major shift that has occurred alongside the introduction of the PMF is that from the measurement of Average call Handling Time (AHT) to a range of additional quantitative measures and more qualitative processes for managing performance. It was not always clear, though, that these changes were the direct result of the introduction of the PMF.
- In Benefit Centres the new scorecards may have driven a declining emphasis on the Average Actual Clearance Time (AACT) measure and in particular reducing perverse incentives that previously operated in the way that AACT was operated. However, the major concern among respondents appeared to be related to the introduction of a new workflow management system rather than the PMF.

Motivation and behaviour

The research findings suggest that the PMF (in combination with other initiatives) is associated with neutral or positive developments in terms of motivation and behaviour in each of the Directorates. However, there is considerable variation within and between sites and geographical locations, and care

should be exercised when seeking to generalise the research findings:

- In Jobcentres the increase in flexibility appeared to be empowering and motivating for Advisers, though there were some small concerns about the lack of connection between the outcome measures and the role, for example, of Assistant Advisers.
- In Contact Centres staff were pleased by the slight rebalancing of the managerial emphasis away from the AHT.
- In Benefit Centres staff were being driven in the main by workflow management systems rather than PMF and some found this de-motivating either because they felt that good performance was rewarded by additional workflow or because it incentivised staff to be less efficient.
- There is some contested evidence that perverse incentives may operate under the PMF for Advisers in Jobcentres in relation to customer prioritisation in particular. However, it was not possible to reach definitive conclusions on this and much depends on the definition of what is and is not appropriate.
- On the other hand, there was clear and considerable evidence that the PMF and the removal of the IDT has led to a significant reduction in perverse incentives to misdirect Adviser and other resource to generate unnecessary interventions.
- In Contact Centres, though it was not widely discussed by respondents in an explicit sense, there was some reason to conclude that there may have been a reduction in some important perverse incentives. For example, the motivation to reduce call time through inappropriate call terminations appeared to be both reduced and countered by the range of alternative performance management practices and indicators used.
- In Benefit Centres, the shift toward time-bands rather than a single milestone in the operation of the AACT appeared to have removed any incentive that might have previously operated to de-prioritise long-running outstanding claims.

Governance and transparency

The PMF project team reported strong governance structures in the design process, albeit with the noted weakness of insufficient senior operational management input from Jobcentre Plus. However, the ongoing governance arrangements for the PMF were less clear for respondents at the time of the fieldwork because of the reorganisation of the Department that was underway at that point in time. In particular, the lack of publically available outcome information is felt to hinder external transparency and accountability. There is reason to think that the centralisation of performance reporting and monitoring in DWP will lead to more effective and efficient support for performance improvement in the future, but at the time of conducting the fieldwork no hard evidence of these improvements was available.

Cross-cutting themes

Value for money and productivity, and customer experience are the two cross-cutting themes which lie at the heart of the PMF. Results here were mixed with respondents expressing a range of views associated with the impact of the PMF, ranging from those who reported no adverse impact to those who reported that PMF had positively supported the improvement of both. On the positive side there was some evidence that there was an increased awareness of the links between Directorates at the GDN level as a result of the 'customer journey' scorecard. The impact of the PMF on disadvantaged groups was unclear and complex.

Conclusions

The main conclusions from the evaluation can be summarised under the key research questions:

- **Is the performance of Jobcentre Plus being measured in the right way?** The two outcome measures are widely regarded as being an appropriate measure of Jobcentre Plus performance. However, there was some disagreement about the role of the scorecards.

The PMF has had more impact in Jobcentre Directorate than Contact or Benefit Centres but there has been some positive impact in these also.

- **What do staff understand about the PMF?**

Awareness and understanding of the PMF is good down to District management level in Jobcentre Directorate and to site management level in the Contact Centre and Benefit Centre Directorates. Below this, awareness and understanding of the PMF in its entirety is limited.

- **Does the PMF provide adequate support within the increasingly flexible environment?** Though there was some divergence of practice, it appeared that in the main the PMF is in line with the increasing flexibilities being introduced through the Jobcentre Plus Offer.

- **Are staff and their managers more focused and accountable for the right outcomes for customers?** There is considerable evidence in Jobcentre Directorate that the PMF focus on off-flows is translating into a greater operational emphasis on helping customers make the transition from benefits to work. There is also evidence of positive impacts in Benefit Centres arising out of the introduction of time-bands for the measurement of benefit clearance times, which reduces any perverse incentives that might

have existed in the previous system to 'park' long-running outstanding claims. There is less evidence of impact in Contact Centres, primarily because alternative real-time performance data is available through the telephony system. However, the balancing of quantitative measures of call handling times with qualitative checks of calls and data entry is marginally altering the balance of performance management in favour of quality over productivity.

- **Is there enough incentive to work with harder-to-help customer groups?** It is not clear what impact the introduction of the PMF has had on harder-to-help customer groups, though many respondents thought that it was neutral.

- **How are governance routes working under the PMF?** The governance of the PMF is complex and the considerable change underway in the organisation immediately prior and also during the fieldwork phase make this difficult to judge conclusively. In theory however, the centralisation of performance reporting and monitoring ought to result in efficiency savings and faster sharing of good practice.

- **Is there a clear line of sight between activities, productivity and outcomes?** Overall this is positive but there is considerable scope for further improvement.

© Crown copyright 2012.

You may re-use this information (not including logos) free of charge in any format or medium, under the terms of the Open Government Licence. To view this licence, visit <http://www.nationalarchives.gov.uk/doc/open-government-licence/or> write to the Information Policy Team, The National Archives, Kew, London TW9 4DU, or email: psi@nationalarchives.gsi.gov.uk.

The full report of these research findings is published by the Department for Work and Pensions (ISBN 978 1 908523 68 6. Research Report 801. June 2012).

You can download the full report free from: <http://research.dwp.gov.uk/asd/asd5/rrs-index.asp>

Other report summaries in the research series are also available from the website above.

If you would like to subscribe to our email list to receive future summaries and alerts as reports are published please contact:

Carol Beattie, Central Analysis Division, Department for Work and Pensions, Upper Ground Floor, Steel City House, West Street, Sheffield, S1 2GQ. Email: Carol.Beattie1@dwp.gsi.gov.uk.