# Research report

# Process evaluation of the Jobcentre Plus Performance Management Framework

by Dr Alex Nunn and Dr Dave Devins

**DWP** Department for Work and Pensions

Department for Work and Pensions

Research Report No 801

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# Acknowledgements

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# Abbreviations

| | |
|---|---|
| AACT | Average Actual Clearance Time |
| AHT | Average Handling Time |
| AOM | Active Operations Management |
| ATM | Adviser Team Manager |
| BC | Benefit Centre |
| CC | Contact Centre |
| CCB | Change Control Board |
| CSA | Customer Service Agent |
| DMA | Decision Making and Appeals |
| DWP | Department for Work and Pensions |
| GDN | Group Delivery Network |
| IDT | Interventions Delivery Target |
| JET | Job Entry Target |
| JOT | Job Outcome Target |
| LMS | Labour Market System |
| MVFE | Monetary Value of Fraud and Error |
| ODET | Operational Delivery Executive Team |
| OPPC | Operational Performance, Planning and Change |
| PDCS | Pensions, Disability and Carers Service |
| PES | Public Employment Services |
| PMF | Performance Management Framework |
| SPAD | Strategic Planning and Assurance Division |
| WtWSD | Welfare to Work Stewardship Division |

# Preface

This evaluation was completed during the Department for Work and Pensions' (DWP) Transformation exercise of 2011/12, which was a time of considerable change within the Corporate Centre of the DWP.

The DWP Transformation (or 'Corporate Centre Review') was announced in February 2011, the purpose of which was to streamline accountability for key Departmental functions so as to best achieve the Coalition Government's programme of welfare reform, to introduce more flexible ways of working, and to facilitate a reduction in staffing in line with the austerity measures of this administration. As such, around 10,000 people were assessed and posted, or left the Department during the 2011/12 financial year.

Also, from October 2011, the senior executive team supporting the Permanent Secretary was reorganised under the following Director General accounts:

• Chief Operating Officer;

• Strategy;

• Professional Services;

• Finance;

• Corporate IT;

• Human Resources.

Of particular relevance to this evaluation is the bringing together of the various operational functions of Jobcentre Plus, the Pensions, Disability and Carers Service and externally-contracted employment services under a single Operations banner. More specifically, it is important to note the consequent re-branding of the Jobcentre Plus Directorates included in this evaluation:

• Jobcentre Directorate as Work Services Directorate;

• Contact Centre Directorate as part of Network Services Directorate (alongside Digital/ Online Services);

• Benefit Centre Directorate as part of Benefits Directorate (alongside disability benefits).

There have also been changes to Operational Performance Planning and Change with the movement of national performance reporting functions into Finance (as part of Operational Planning and Performance Management) and national performance improvement functions into Operational Excellence Directorate (which is part of Operations). However, the original terminology is used throughout this report, as the changes were still taking affect during the evaluation fieldwork, and while the nominal changes have corporate significance within DWP, the original terminology will still resonate with most readers of this report.

As part of the DWP Transformation, there were also numerous lower-level staffing changes and shifts in the line of accountability. Much of this was underway during the fieldwork period, and provides the broader context for the evaluation.

# Summary

## 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 had 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; these included 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.

## 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 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.

- 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.

## Implications

The main implications of the evaluation findings for the development of the PMF are that:

- there is a need to continue to promote culture change envisaged as part of the PMF;

- there is a need to continue to promote the sharing of good practice between sites, Districts, Groups and Directorates;

- awareness needs to be raised of the availability of nationally-produced performance information;

- managers and Advisers in Jobcentre Directorate need to be clear about expectations in relation to customer prioritisation and the way that the PMF supports this; and

- there is scope for further integration of performance management across DWP and within the Departmental Business Planning process.

# 1    Introduction

## 1.1    Background

The Department for Work and Pensions (DWP) is accountable for performance against six broad Departmental priorities as set out in the Departmental Structural Reform Plan (DWP 2011a):

- Reform the welfare system – introduce Universal Credit and other reforms to simplify the welfare system and to ensure that the system always incentivises work, and that work always pays.

- Get Britain working – introduce the Work Programme, an integrated package of personalised support to get people into work – from jobseekers who have been out of work for some time, to those who may have been receiving incapacity benefits for many years.

- Help tackle the causes of poverty – develop a welfare system that recognises work as the primary route out of poverty and reduces the number of children in workless households. Introduce a new child poverty strategy focused on eradicating child poverty by 2020.

- Pensions reform – provide decent State Pensions, encourage employers to provide high-quality pensions and make automatic enrolment and higher pension saving a reality. Phase out the retirement age to allow more flexibility around retirement.

- Achieve disability equality – improve equality by promoting work for disabled people, developing new ways to deliver Access to Work and introducing Work Choice to provide employment support for disabled people facing the greatest barriers. Support more independent living for those who face the greatest barriers and cannot work.

- Improve our service to the public – continue to deliver an excellent service to the public, improving its speed, ease and efficiency.

At the same time as delivering the priorities set out above, the Department also needs to consider its requirements under the Public Services Transparency Framework (Her Majesty's Treasury 2010). This stipulates that the Department must be committed to improving the quality of services and delivering value for money.

To further this agenda, a new Performance Management Framework (PMF) for Jobcentre Plus was introduced at the beginning of April 2011. It aims to introduce a more streamlined approach to managing and monitoring performance. The central focus of the PMF is on two key objectives for Jobcentre Plus and DWP:

- moving people off benefit into work as quickly as possible; and

- reducing the monetary value of fraud and error.

**Figure 1.1   The new Performance Management Framework**
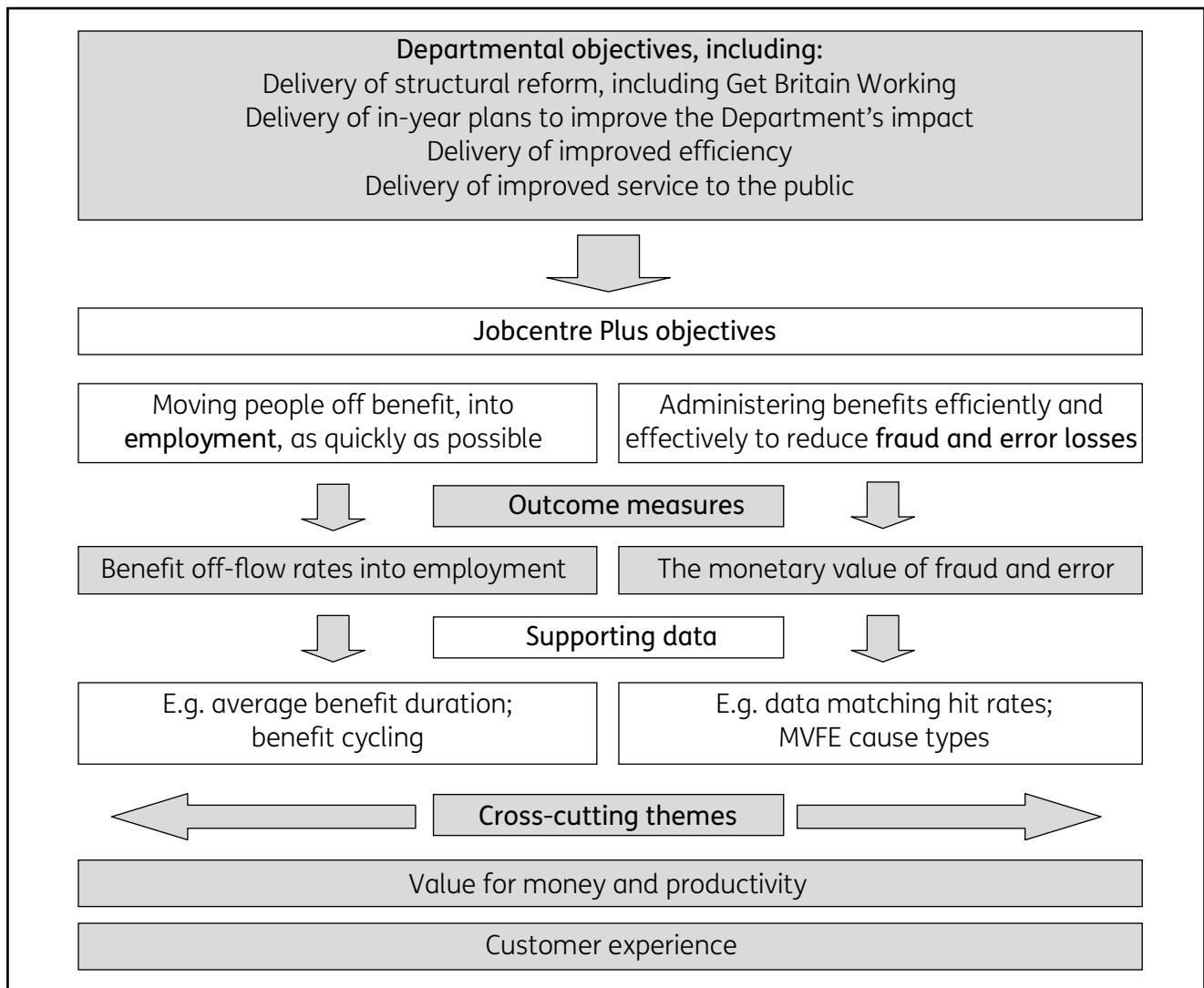


The PMF was introduced as the replacement for the previous target structure which was based on six targets (Box 1) and considered within both DWP and Jobcentre Plus to be expensive, inefficient, complex and difficult to understand and which, in some cases, could drive inappropriate behaviour. This view shaped the context for the introduction of the PMF in the first instance. The successful introduction and development of the PMF requires a significant cultural change within both the Department and Jobcentre Plus. The Jobcentre Plus Offer, introduced alongside the PMF, frees-up Jobcentre Advisers to focus on outcomes rather than completing processes, providing Advisers with the flexibility to target resources according to claimant and local labour market need. The Jobcentre Plus Offer is the subject of a separate evaluation.

The PMF was intended to foster a culture of continuous improvement at all levels, with the new framework itself being subject to review so that it remains fit for purpose in the light of new policy developments and organisational changes within the Department as a whole. The PMF has been developed and implemented in a period where there have been major changes in DWP which involve a reduction in corporate centre staffing and reorganisation of performance reporting and performance improvement within the Department.

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**Box 1      The old Jobcentre Plus performance target structure**

- **The Job Outcome Target** – which allocated different points values to customers depending on which 'customer group' they fell into. When a customer belonging to a particular group moved from benefits into work the specified number of points were added to the overall score for Jobcentre Plus and this could be disaggregated to District level.

- **The Intervention Delivery Target** – which measured the number of types of interventions (mainly Work Focused Interviews) completed at the specified point in the customer claim according to the different benefit rules. The score was presented as a percentage of interventions completed at the specified time.

- **The Customer Service Target** – which was based on scores in a series of 'mystery shopper' exercises throughout the organisation.

- **The Average Actual Clearance Time Target** – which measured time taken to complete the processing of various types of benefit claims.

- **The Employer Engagement Target** – which measured employer satisfaction with vacancy placement and filling services.

- **The Monetary Value of Fraud and Error** – which is a sample-based estimation of the total value of fraud and error on all benefit claims.

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## 1.2      Overview of the evaluation study

The aim of the evaluation is to explore whether the PMF meets its objectives in providing an improved system for performance measurement and management for Jobcentre Plus (and DWP). The process evaluation explores implementation and utilisation of the new PMF in and by each operational Directorate (Jobcentres, Contact Centres and Benefit Centres). The headline research questions for the evaluation are summarised below with the full list of research questions outlined in Appendix A.

- Is the performance of Jobcentre Plus being measured in the right way?

- What do staff understand about the PMF?

- Does the PMF provide adequate support within the increasingly flexible environment?

- Are staff and their managers more focused and accountable for the right outcomes for customers?

- Is there enough incentive to work with harder-to-help customer groups?

- How are governance routes working under the PMF?

- Is there a clear line of sight between activities, productivity and outcomes?

The evaluation draws on qualitative primary data collected through semi-structured telephone and face-to-face interviews with employees drawn from across the organisation and relevant secondary data in PMF project management documents. A total of 111 respondents contributed to the research. Table 1.1 provides an indication of those participating in the evaluation study.

The approach to sampling and fieldwork included:

• preliminary scoping interviews with DWP and Jobcentre Plus strategy staff involved in developing the PMF;

• interviews with national and local level OPPC (Operational Performance Planning and Change) representatives and performance reporting and performance improvement staff;

• fieldwork in three Group Delivery Networks including one District and two Jobcentres, one Contact Centre and one Benefit Centre.

**Table 1.1    Summary of fieldwork respondents**

| Unit of analysis | Role | Number |
|---|---|---|
| PMF Project Team | Senior managers and analysts from DWP and Jobcentre Plus Corporate Centre | 11 |
| National managers | Jobcentre Plus Directors and national team leaders from OPPC | 10 |
| Group-level managers | Work Services Directors and Group managers from Jobcentre Directorate, Benefit Centre Directorate, Contact Centre Directorate and OPPC | 12 |
| District-level managers | District managers, Business managers and Performance Improvement leads from Jobcentre Directorate and OPPC | 9 |
| Operational managers | Centre managers, Adviser Team Managers, Performance Team Leaders and Team Leaders in Benefit Centres and Contact Centres | 35 |
| Frontline operational staff | Jobcentre Directorate: Personal Advisers, Assistant Advisers | 34 |
|  | Contact Centre Directorate: Customer Service Agents |  |
|  | Benefit Centre Directorate: Customer Service Officers |  |
| Total |  | 111 |

Semi-structured discussion guides were designed and used to collect the qualitative data from the research participants (Appendix B). The interviews were digitally recorded, transcribed, coded and then analysed using NVIVO software. The data are analysed in terms of the views of respondents located in different areas of the organisation (Contact Centres, Benefit Centres, Jobcentres, Operational Performance, Planning and Change, DWP) and at different levels (PMF Project Team, National managers, Group-level managers, District-level managers, Operational managers and operational frontline staff).

# 2    Communication

## 2.1    The communication process

The communication process for the new Performance Management Framework (PMF) was launched at two national workshops held in Manchester and London in March 2011. These were attended by Regional Group Performance and District-level managers. Senior managers from Strategic Planning and Assurance Division and Operational Performance Planning and Change (OPPC) provided an introduction and overview of how to use and work with all the elements of the PMF.

Communication of the PMF was supported by a series of resources including:

- a letter to all staff from the Chief Operating Officer introducing the PMF and the new outcome measures;

- a video presented by the Chief Operating Officer housed on the organisation's intranet;

- a PowerPoint presentation introducing the PMF;

- a PMF handbook providing detailed information on the outcome measures and supporting data;

- documents outlining PMF scorecard definitions for Fraud and Error, Group Delivery Network, Benefit Centre Directorate, Contact Centre Directorate and Jobcentre Directorate.

Participants reported on the variety of ways in which this information was then cascaded through the organisation. Experiences of this process differed predominantly according to the respondents' position and role in the organisation and, in the case of the national respondents, their role in the design and development of the PMF.

PMF Project Team respondents were engaged with the strategic design and implementation of the framework, detailed information about which was cascaded to National managers in Jobcentre Plus (Directors and national team leaders from OPPC) and this process was repeated throughout the hierarchical structure:

- **Group level managers**, for example, undertook sessions with their senior management teams. One respondent identified manager capability training as an opportunity to reinforce messages about the PMF and to embed understanding.

- **District-level managers** had attended one of the initial workshops and others were briefed about the PMF by OPPC. A variety of communication methods were used in addition to the workshops including emails, team meetings and an information pack that included the original PowerPoint presentation. One District manager reported being 'drip-fed' information about the PMF through emails and team meetings. Information was then shared with senior staff within the district. One example of this included a District manager doing a 'walk through' (meeting to consider each section of the handbook in detail) of the PMF handbook with different staff teams.

- **Operational managers** became aware of the PMF via team meetings, emails, intranet alerts and one-to-one meetings (or a combination of methods). Some operational managers had attended presentations while others had been provided with electronic information or had discussed the framework with their management teams. They then cascaded this information to their staff using similar methods, with the framework usually discussed at various team meetings. In some cases, both District and operational managers reported that they tailored the information to make it more appropriate to their staff.

- **Operational staff** mostly indicated that they had heard about the framework through a mix of team meetings and emails. Respondents at this level frequently struggled to remember the introduction of the PMF specifically, instead suggesting that information was probably provided in this manner because this was the 'normal' procedure. Several managers reported that they had kept the information provided to Operational Staff to a minimum because of the volume of other changes underway at the same time.

## 2.2    Strengths and weaknesses

Overall, communication of the PMF was reported to be reasonably effective at the National level, but less so as information was cascaded down to District levels and the process became more fragmented. While some PMF Project Team and National managers expressed concern about this, most operational managers and staff were reasonably content with their engagement in the process and their level of awareness of the PMF.

Communication process issues included:

- **Building capacity** – There were concerns among managers at all levels of the organisation that communication about the PMF was under-resourced, came relatively late, with the process happening too fast, and leaving little time for staff training. This began with what was perceived, among some PMF Project Team and National manager respondents, to be the relatively late organisation of the national workshops and, subsequently, the late exposure of operational staff to the framework. One PMF Project Team respondent reported that the communications embargo implemented in February and March prevented staged information provision, instead necessitating a 'big bang' when the PMF was introduced in April.

- **Consistency of message** – The messages about the PMF that were rolled out across the organisation were not always consistent. For example, it was described by some as being a radical change and by others as simply a change in emphasis. In some cases, decisions were taken at managerial level to limit the amount of information cascaded to operational staff since it was perceived that it was not necessary for them to know or understand the detail of the Framework.

- **Engagement of frontline staff** – The research revealed that the communication process had largely failed to raise awareness of the PMF among operational staff. A significant number of operational managers and staff had difficulty remembering how information about the PMF was communicated and some, particularly within Contact Centres and Benefit Centres, demonstrated little awareness of it. Some of the PMF Project Team were concerned about the lack of personal engagement with operational staff in the communication process, particularly on a face-to-face basis. This was partly attributed to budgetary constraints. It was suggested that operational site-level staff should have been involved in the initial workshops rather than having to rely on the cascading process.

- **Volume of information** – The sheer volume of information being disseminated associated with both the PMF, and the number of other changes being implemented within the organisation, were also identified as a barrier to developing awareness of the PMF by operational staff. In Jobcentre Directorate in particular, it was suggested that staff did not necessarily distinguish between the PMF and the Jobcentre Plus Offer because the two were introduced at the same time. The challenge of balancing the pressures of delivering frontline services with the need to take time to share and absorb information about the changes was reported by operational staff and acknowledged by operational managers and above.

- **PMF supporting information** – Overall, there was recognition among fieldwork participants that there was sufficient supporting information available about the PMF if staff had the time and inclination to read it. A good example of this is the 'PMF handbook' which on the one hand provides the very detailed information that many operational respondents (frontline staff and some managers) appeared to lack, but was also described as being too detailed and onerous to provide an accessible reference for all staff. Some managers tailored the content to make it more relevant for the staff they were sharing it with, but this was not done on a consistent basis. However, some staff did acknowledge it as a useful reference document. One PMF Project Team respondent suggested that the decision to produce the handbook was made very late (January–February 2011) and that it should have been considered much earlier.

Underlying some of the concerns with the communications process are the tensions among some PMF Project Team and National managers about the extent to which the PMF should have been a strategic or operational framework, and the associated debate as to the merit of the scorecards (see Chapter 3).

## 2.3    Summary

- 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 PMF Project Team and National managers about the communication process, including a lack of appropriate 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. Below District level the communication process was inconsistent and contingent, depending on whether individual managers thought that operational staff needed to know about the whole PMF or just the specific changes that impacted on their roles.

# 3    Awareness and understanding

## 3.1    Rationale and objectives

The rationale for the development of a new Performance Management Framework (PMF) resulted from a widespread belief within Jobcentre Plus that the old suite of targets had functioned with varying degrees of success but were no longer effective. In particular, they were thought to variously lead to perverse behaviours, were expensive to maintain and led to confused lines of accountability (Department for Work and Pensions 2011).

As such, the design statement which outlines the PMF suggests that:

> '…[t]here is widespread agreement on the need to move towards a more intelligent performance management framework, with fewer central targets, and which focuses on the outcomes that matter most to the department, namely jobs and efficient and effective benefit delivery.'

This context set the broad objectives for the design of the new PMF as being to:

- align Jobcentre Plus performance management with the refocused role of DWP (e.g. with the development of the new Business Planning process to replace the Comprehensive Spending Review and Public Service Agreement process);

- emphasise the core role of Jobcentre Plus as being to help customers move from benefits into work and to deliver benefits efficiently;

- emphasise outcomes over processes;

- make performance management more efficient and streamlined throughout the organisation;

- improve external transparency and accountability; and

- support operational delivery and the increased flexibility in Jobcentre Directorate.

An analysis of some of the key documents associated with the development of the PMF suggests a broad consistency of objectives from the beginning of the project through to the communication of the new framework to operational staff (see Appendix C). Within this broad consistency there are a small number of differences in the way in which the PMF objectives were represented, which are mainly related to audience (i.e. analysts, managers, operational staff). There is a strong sense of continuity between the objectives set for the PMF Project Team and those communicated to operational staff about the finished product. This is despite the clear implication in the End of Project Report (PMF Project Team 2011) that the purity of the initial objectives had been diluted due to problems in the relationship between the PMF Project Team and Jobcentre Plus national management.

Perhaps the most detailed expressions of the way in which the PMF was intended to influence staff behaviour in practice are set out in the Operational Delivery Executive Team (ODET) note of August 2011 (ODET 2011) and the Performance Management Framework Handbook (Strategic Planning and Assurance Division and Operational Performance, Planning and Change 2011), the latter of which runs to 62 pages. The ODET note provides staff with an understanding not just of the PMF, but, crucially, how it is to be interpreted. In particular it makes a firm commitment that:

- sites (e.g. individual Jobcentres, Benefit Centres or Contact Centres) and Districts will not be ranked on the basis of performance;

- the focus now is on the quality of service delivery and outcomes, rather than meeting process and activity targets;

- there will be no 'knee-jerk' reactions to an immediate decline in performance, without fully understanding the causal dynamics; and

- performance will be interpreted in a more holistic way, with greater operational flexibility and greater support for performance improvement.

The PMF Handbook (SPAD and OPPC 2011) provides an in-depth introduction to the PMF and the rationale behind it. It contains discussion of the outcome and supporting measures, their purpose and construction as well as the detailed ways in which they are measured. It also crucially includes details of how to interpret the data produced under each measure. The PMF handbook is ideally suited to staff at all levels of the organisation who want to better understand the PMF and what to do in response to different types of performance information.

One area where the objectives for the PMF evolved relates to the initial emphasis on '...*driving better outcomes, especially around securing, **retaining and progressing in employment**...*' (emphasis added). It is notable that this commitment to sustaining employment and career progression does not subsequently feature in any of the other documents. This relates to a strategic decision taken over the summer of 2010 that the new PMF did not need to measure Jobcentre Plus against the sustainability of employment (DWP 2011b).

Participants were asked to discuss their perception of the rationale for a new PMF. The first and most important point to note here, as throughout this section, is that few operational managers and staff at site level were fully aware of the PMF in its entirety. These staff tended to understand only the very specific element of the PMF that related to their own role. The findings which follow are therefore based either on those staff that understood the PMF as a whole or on respondents' understanding of the specific elements that relate to their own role. For their part, OPPC respondents tended to be more aware of the PMF as a whole in terms of its structure, but some of these respondents, like Group and National managers, often relied on assumptions rather than in-depth knowledge about the operation of the PMF at site level.

Many respondents across the organisation identified culture change as a major objective for the introduction of the PMF. A common theme in these responses was the need to move away from the previous system which was seen as overly target-focused and driving an inappropriate cultural emphasis on 'hitting the target but missing the point'. This clearly appealed to a shared sense that the previous system was driving an inappropriate emphasis on performance information for its own sake:

> *'Well we had a culture, we potentially still have a culture of target orientated and driving the business to achieve target...without always considering impact on customer..., we absolutely needed something different.'*

> (National manager: Jobcentre Plus)

> *'Well I think the difference between it and the old framework is around the fact that we're more about measuring actual outcomes and the customer experience rather than actually chasing targets the way we've been in the past.'*

> (District-level manager: Jobcentre Directorate)

The best example of this was the previous Intervention Delivery Target (IDT) which measured the delivery of specific interventions in Jobcentres. Operational-level respondents in Jobcentres confirmed that previously customers were needlessly called into the Jobcentre for interview solely on the basis of meeting that target when Adviser time would have been better spent genuinely

helping those customers that need it to find employment. This was clearly an inefficient use of organisational resources.

In addition, the previous system of producing performance information was thought to be inefficient and distracted managers, often because of a lack of clarity and consistency in the messages which accompanied it. This was felt by some to mean that short-term variations in performance attracted too much attention and led to frequent operational changes that were confusing and diverted attention from the delivery of longer-term strategies to improve performance.

Another specific example of why moving away from the target-focused culture was appropriate related to the use of the previous 'Balanced scorecards' to rank the performance of sites and Districts. Because the previous system measured these sites and Districts in relation to one another, there was a continual competitive emphasis in relation to specific indicators, even if target-level performance was exceeded. That was felt by some of the PMF Project Team, National, Group and District managers to be inappropriate, either because it suggested that the targeted level of performance was too low, or because continuing to push for improvements on a narrow range of indicators distracted staff from doing other things that were more in line with the twin objectives of taking and processing benefit claims accurately and helping customers to get into work.

It was also suggested that shifting away from quantitative targets was increasing the quality and effectiveness of service delivery. In Jobcentres that meant spending Adviser time with the right people and ensuring that Adviser meetings were useful; and in Contact Centres and Benefit Centres that meant focusing on taking and processing claims efficiently and accurately rather than on call handling and benefit processing times alone.

Several other reasons for changing the performance regime were mentioned by a small number of National manager respondents. These included promoting greater autonomy and flexibility at an operational level; better linking of operational processes to outcomes and responding to the change of government.

## 3.2    Design

### 3.2.1    Defining the PMF

The PMF incorporates a number of different elements. Discussion with the PMF Project Team and respondents in operational roles highlighted some difference of opinion over precisely which performance management tools should be considered to be part of the PMF. The first position (belonging in the main to the PMF Project Team) suggests that the PMF is rather tightly drawn and includes only the two outcome measures and the supporting dataset of 47 measures. The second position (belonging in the main to operational staff at all levels in Jobcentre Plus) is that the PMF is rather broader and incorporates all the performance measures and tools used in the organisation. Of most contention in this difference of opinion is whether the five scorecards are part of the PMF.

This tension arises because of the rationale behind the PMF of removing targets and ranking-type behaviour. Some respondents (especially the PMF Project Team) think that the scorecards re-introduce this, thus undermining the PMF. The difference between them and those National managers as well as operational staff at District and site level who were more positive about the role of scorecards might relate to the variation in their perspective and role in relation to performance accountability. For example, the simplification of Jobcentre Plus's accountability to DWP was thought to be highly appropriate but it does not necessarily imply that Jobcentre Plus is able to similarly reduce internal operational accountability. This difference of perspective to some extent explains the different interpretations of the PMF and what it incorporates.

However, the scorecards are not the only aspect of performance management tools and indicators that might be part of a more inclusive definition. At an operational level it is clear that a wider range of indicators, benchmarks and targets are used informally in the different Directorates and sometimes with variation in practice between comparable Districts and sites. This is explored in greater detail in Chapter 4 of this report.

### 3.2.2    The purpose and philosophy of the PMF

General views on the PMF revealed some important differences of perspective which derive from respondents' position in the organisation and specifically their relationship to the process of designing and operationalising the PMF. Among the PMF Project Team, there was generally a view that the PMF represented a philosophy and general approach to the management of performance that has since been diluted or even directly contravened. This perspective is related to the earlier point reflecting contention about precisely what counts as integral and external to the PMF. The viewpoint is less about what measures are incorporated but how performance data is used.

The 'purist' perspective on this issue saw the ideal design as being the two outcome measures which would provide a common framework for understanding the key objectives of Jobcentre Plus. This would then be underpinned by the supporting data which managers at various levels of the organisational hierarchy could use flexibly to understand their own unit's contribution to desired outcomes. This perspective is typified by frustration among the PMF Project Team at the introduction of scorecards, with this critique being particularly related to ranking of organisational units according to performance. Within this general critique however, some respondents did acknowledge that if such comparison was to happen, the current Red and Green rating of performance against benchmark levels was superior and more in line with the philosophy of the PMF than was the previous system of ranking against a small number of indicators on a pure performance level.

> *'...so if they were meeting an expected level of performance on one thing, so they were green on that, they wouldn't get any more credit for going up to a 150 per cent of performance or 200 per cent, they couldn't get any more credit if they were meeting the expected level which the idea then was that they would try and get everything to green rather than being able...appear higher in the scorecard just by overachieving on a few things that they were finding really easy. So that was quite a step I think for ops and that was really positive and that fitted in with kind of the ethos of what we were doing...'*

(National manager: OPPC)

While some in the PMF Project Team and National managers clearly saw the introduction of the PMF as a missed opportunity to achieve greater cultural change, a more widely-held view suggested that the PMF, its overall philosophy, the outcome measures and supporting measures were appropriate. Most respondents acknowledged that the cultural transition being attempted by the PMF could only be achieved over the long term. To these respondents, the impact of the PMF had been to stimulate greater reflection on how performance should be managed across the organisation, even if there was still scope for further improvement.

At an operational level there was less reflection on the philosophy and design of the PMF as a whole and more discussion of some limited aspects of the general principles, with a strong focus on the specific ways in which performance was being managed in that Directorate. In Jobcentre Directorate, understanding of the PMF as a whole tended to be limited to District Management level. At the operational level, the PMF tended to be understood in a more of a limited way: as related to

the removal of specific targets such as the IDT[1] and the associated general increase in autonomy and flexibility. The PMF was also understood to be related to new ways of measuring performance that were not directly part of the PMF but certainly flowed from it, such as the use of cohort lists to focus activity on customers reaching various benchmarks in their benefit claim[2]. Where respondents at site level were aware of specific components of the PMF, this tended to be the scorecards. However, in contrast to the fears of some in the PMF Project Team, the scorecards did not seem to be viewed particularly negatively. Nor did they appear to be having a significant impact on the activities of staff. Instead a range of other, associated, measures of behaviour and performance appeared to be more important (see Chapters 4 and 5).

In Contact Centres and Benefit Centres the PMF was less well understood than it was in Jobcentres. In Contact Centres the prevailing view was that while there had been some change in the way that performance is managed this was relatively minor and the primary mechanisms were still related to the number of calls fielded and Average Handling Time, with some balancing toward more qualitative management (checking of the quality of call handling and data recording). In Benefit Centres the prevailing concern was with targets for the processing of 'pieces of work' via the Active Operations Management (AOM) workload management system. Though respondents had noted that there had been a shift in the way that Average Actual Clearance Time was measured from an absolute target to a time band, and this was viewed positively, other concerns about work volume and office sustainability were more pertinent.

### 3.2.3    Outcome measures and target reduction

Across all levels of the organisation, where there was awareness of the two new outcome measures, they were generally thought to be appropriate. In particular, the simplification and outcome-focus of these headline measures was felt to 'send the right signal' about the primary objectives of Jobcentre Plus and operationally it was felt to be consistent with the introduction of increased flexibility in service delivery in Jobcentre Directorate.

> *'Yeah, I mean getting people off benefit and into work and then you know making sure we pay things in the right way and don't make mistakes under the error agenda is…yeah, they're the two central things that should always be in front of our mind, so a big tick in the box for that. I think the things beneath it and the cross cutters that exist are right, and relevant.'*

> (National manager: Jobcentre Plus)

However, among District managers and frontline operational staff in Jobcentre Directorate, there were some concerns about the timeliness and availability of data against the off-flow rate measure. PMF Project Team respondents contextualised this, confirming that this information is available, though operational staff may not all be fully aware of it.

There was also a widespread agreement that the objective to move to a more streamlined performance management regime with less performance targets was appropriate. At all levels of the organisation there was an acceptance that it had been too target-focused for too long and the sort of cultural shift envisaged by the PMF was desirable. However, not all respondents agreed that targets had in fact been reduced. In many respects, this is a semantic issue. Undeniably the six headline performance targets have been replaced by just two outcome measures. The previous six targets featured, alongside others, in a 'balanced scorecard' where they would be applied to individual sites and Districts. New scorecards have replaced these and include a selection of

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[1]    The removal of IDT technically predated the April 2011 roll-out of the PMF, but its removal was an early example of the shift toward the thinking that underpinned the PMF.

[2]    For example, at 13 weeks, 26 weeks and 52 weeks for Jobseeker's Allowance claims.

indicators from the PMF supporting data set with minimum expected levels of performance that each trigger a Red or Green rating. Performance above the expected level gains a Green rating, but additional performance carries no further weight.

At operational level, some managers translate aspects of the scorecards to measures that they use to monitor and incentivise individual staff. To this extent operational managers and staff operate in an environment where they have numerically-expressed objectives to achieve even if they are not formally called 'targets' and are not part of the PMF. In Benefit Centres and Contact Centres in particular, among operational staff at site level there was very little appreciation that any targets had been removed or reduced, and in Benefit Centres there was perhaps even a tendency to suggest that targets had increased with the introduction of a new workflow management process: AOM.

### 3.2.4    Supporting data/measures and scorecards

The supporting data/measures were perhaps the least well understood component of the PMF. Understanding was greatest among OPPC respondents and, as might be expected, the PMF Project Team. Some PMF Project Team respondents were concerned that appropriate understanding of the supporting data (like the scorecards) required an accompanying narrative and that the lack of this meant that operational managers often requested performance information in the ways it was previously presented under the targets regime. Others noted that the technical aspects of definitions were not always well understood and that different interpretations of these (even implicitly) could lead to inappropriate responses to performance data. Understanding was lowest among operational staff, who frequently were simply unaware or presumed that the phrase 'supporting data' referred to the variety of information in the organisation that could be used for performance management purposes, but which was not necessarily part of the PMF.

## 3.3    Summary

Overall, there was:

- 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, to be more efficient, customer service oriented 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 those that were involved in the PMF Project Team that the scorecards were polluting the purity of the initial design.

- 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.

# 4    Managing performance

## 4.1    Data quality

The issue of data quality and staff perceptions of this are crucial to the success of performance management initiatives because this conditions the ways in which individuals and teams respond to performance signals. One of the most significant problems with the previous headline labour market target for Jobcentre Plus (the Job Outcome Target) was that real and/or perceived problems in the capture of information about customers entering work led to a collapse of trust in the data (Nunn *et al.* 2007). As such, participants in this evaluation were asked about their level of trust in the data produced under the Performance Management Framework (PMF) and whether they would change their own working practices in response to it.

At the National level there was general agreement that the data was robust with two main provisos, relating to (i) the off-flow rate indicator and (ii) a smaller number of concerns reported about other indicators in the scorecards and supporting data. In particular, there were some concerns about the time-lags associated with the availability of nationally-produced off-flow rate data and the lack of availability of the 'into employment' element of it. On the former point, there may be some confusion and lack of awareness that this information is now actually available with a maximum seven-day timelag, refreshed every seven days, which was in line with the demands expressed by managers. Other smaller concerns were identified by individual respondents such as the way that the performance reporting of Benefit Centres are affected by the import and export of work between them, and others raised general concerns about data quality without specifying individual measures/indicators that they were concerned about.

At District level, Jobcentre respondents' main concern was also the perception of a time-lag in the outcome data but they appeared to be less concerned about the lack of 'into employment' information. The perceived time-lag meant that District-level respondents reported that they found it hard to manage performance in real time. It had also led to several Districts implementing their own processes for tracking off-flows.

Interestingly, at a more operational level, Advisers and Adviser team managers (ATMs) were less concerned about the lack of up-to-date centrally-produced data and were instead focused on using cohort lists and local tracking data to understand their individual and collective performance. In some cases this tracking data was derived from District-level data capture, in others site-level tracking using the Labour Market System (LMS) and in some cases individual Adviser-level collation of caseload and LMS data to produce off-flow information. In a small number of cases this resulted in duplication of effort, and there were examples where this activity was undertaken at all three levels. In some places tracking was augmented by individual Advisers 'chasing destinations' to check what happened to customers after leaving benefit.

Keeping individual and office-level records was partly a pragmatic response to a (perceived) lack of timely off-flow rate data, but it was also discussed by some respondents as partly a result of their insecurity about future changes of emphasis in management practices or inaccurate centrally-produced information. In aggregate this suggests that there is widespread duplication of national data production, which is now available on a weekly basis, though few respondents appeared to be aware of this at the time of the fieldwork. This is clearly inefficient but it also suggested that individual staff and managers were seriously engaging with a cultural change away from an emphasis on interventions and toward an emphasis on outcomes. Nevertheless it will be important that awareness and use of the centrally-produced data improves and that local duplication of data reduces in the future.

## 4.2     Management of performance

The new PMF appears to be the main mechanism for understanding the performance of Jobcentre Plus. It is being used from Chief Executive downwards in mainly monthly meetings to discuss performance at National, Group, District and site level. As such, the PMF is being used to coordinate discussions around performance using a broadly-aligned and consistent set of information.

As proximity to operations increases, so does the propensity to use the various scorecards, with Group Delivery Network (GDN) scorecards being used at that level and the operational scorecards used at site and District level. One respondent suggested that the GDN scorecard had helped to bring more parity to performance discussions between the different Directorates and had impacted favourably on, for example, customer experience and productivity. Discussions of performance at site level often drew on a range of information sources, with the PMF influencing practice to varying degrees across the three Directorates and most noticeably in Jobcentres.

### 4.2.1     Jobcentre Directorate

In Jobcentres at site level, ATMs use 'cohort lists' and Adviser caseloads as one of the main tools for managing performance, though there was significant variation between Districts in the extent to which these had fully replaced activity-based measures such as the Interventions Delivery Target. In all Districts and sites, Advisers had caseloads of customers from the beginning of a customer's claim. In combination with cohort lists of customers approaching one of the off-flow milestones (e.g. for Jobseeker's Allowance claimants these are 13, 26 and, 52 weeks), ATMs focus on Adviser off-flow performance in relation to these caseloads. In some offices, ATMs interpret the scorecard benchmark 'level to be achieved' as an explicit team or individual 'target', which approximates to the 'off-flow rate' measure; i.e. Adviser's are given a target of the proportion of those that flow onto their caseload that must result in an off-flow by each milestone.

In all Districts, ATMs have at least monthly conversations with Advisers based on these cohort lists, set against the Adviser's caseload. These conversations tended to take each customer approaching a milestone, focusing on what had been done with them already, what plans the Adviser/customer had to progress and the Adviser's best approximation of when the customer would off-flow in their 'customer journey'. These 'caseload conferences' also served as a mechanism for Advisers to gain support or mentoring in relation to challenging customers and for the sharing of knowledge about available support and provision for customers and labour market opportunities. Taken at face value this process definitely appeared to be consistent with the idea of personalised support for individual customers, based around their unique needs and circumstances, with the clear and shared objective of moving customers off benefits as rapidly as possible. This was the main area in which there was evidence that the PMF was influencing how Jobcentre Plus resources are allocated and re-allocated to meet organisational demands.

Beyond the use of cohort lists and caseload management, there was considerable variation between different Districts in the way that Advisers were managed in the new system. In one District this was based almost solely on outcome data, to another District where activity-based measures were clearly still used to measure performance. In the third District in the sample, practice appeared to be between these two opposite ends of the spectrum (see Figure 4.1). However, given the small sample size in this evaluation, this suggests only that management practice in this respect is currently varied along a spectrum.

Variation was apparent in other ways too. While caseloads and cohort lists were routinely prioritised in all Districts, the criteria by which this was undertaken appeared to vary across and within Districts. For some respondents this was clearly a process of targeting help towards those who need it most, whereas for others it appeared that a more pragmatic consideration of the potential for generating

an off-flow (albeit quicker than without an intervention) was a criterion for prioritisation. At the same time, this related to identifying those customers facing substantial barriers to labour market entry and the consideration of referral options, for example to providers or early entry to the Work Programme. In other cases, a small number of Advisers spoke of prioritising customers immediately before they are referred to the Work Programme in an attempt to achieve an off-flow at that stage.

Advisers also explained that customer prioritisation was dynamic. Customers initially thought to not require help for example, might subsequently be prioritised if they had not found work by the time they approached a particular milestone. The dynamics of this in relation to the labour market were discussed by several Advisers who suggested that once realistic job aspirations for jobseekers become difficult to attain, customer confidence declines and this makes Adviser intervention crucial to supporting the transition back to work.

**Figure 4.1    Spectrum of Adviser Performance Management under the PMF**



Outcome-based practice
• Advisers measured via cohort lists, case-loads and off-flow performance.
• Individual Adviser's given targets for off-flow rates.

Hybrid practice
• Managers measured via cohort lists and case load plus activity-based measures such as time spent with customers.

Activity-based practice
• Advisers managed via activity-based measures such as number of referrals, job submissions, time spent with customers and Mandatory Work-Related Activity (MWRA) referrals/sanctions.
• Unclear whether individual targets set.

Spectrum of practice

### 4.2.2    Contact Centre Directorate

In relation to Contact Centres, there was some variation in the extent to which the PMF had transformed practice. Several PMF Project Team and National managers expressed some scepticism about whether the PMF had actually changed performance management practices at GDN and site level because of the range of alternative and real-time performance information available to managers in the Contact Centres. Respondents at the Group level articulated different views about the role and use of the PMF. Some Group-level managers thought that the GDN scorecard had made it easier to have a dialogue across the network about performance issues. They suggested that this had resulted in improved collaboration between the Directorates. Others highlighted the virtual nature of Contact Centres and reported that this made it difficult to have a conversation about how site- and District-level performance for Contact Centres fed into wider achievement of organisational objectives.

At site level, scorecards were mainly used by some managers to compare their site's performance with that of others. Some managers regularly forwarded these to their team leaders, while others did not. The overwhelming amount of alternative information available to individual telephony staff and team leaders on a day-to-day basis was cited as the reason for controlling distribution of PMF-related data:

> 'They know all about the AHT, they know about the PMF results, they know about the MPP Maximising People Performance results. I don't always send them the scorecard information because I think it could be too much. They do need to know it. I believe I do randomly send it out but not every month, I put my hands up to that because sometimes they get too much.'

> (Operational manager: Contact Centre Directorate)

In order to understand and manage performance within the site, Contact Centre managers were clear that they used a range of much more up-to-date information derived from the telephony technology. This enables up-to-the-minute recording of staff activity, call handling times and call resolution. As such, within sites at team leader or Customer Service Adviser (CSA) level there was very little consideration of scorecard information, other than in relation to the persistent fear that some Centres would be selected for closure and that comparative performance on scorecard metrics would be a factor in this decision.[3]

This is not to say, however, that the up-to-the-minute information used to manage performance is inconsistent with the PMF, just that the source of the data, its presentation and discussion is not necessarily derived from the PMF supporting data or the scorecards. An example of this is managers scrutinising the proportion of calls that result in a handover to a Benefit Centre. This is not data in the scorecard but does have a direct relationship to the call resolution measure in the scorecard.

Within Contact Centres, there was some evidence of changing practice in relation to performance management, although it was not always clear that this resulted from the introduction of the PMF. In all three sites visited there was a recognition that the attention and emphasis given to the AHT indicator had reduced slightly and had been balanced with a range of other measures such as Call Resolution, Calls Answered, proportion of time spent by CSAs on different types of activity and Average Working Days Lost. In addition, in all three sites, there was an acknowledgement that quantitative metrics were balanced by a variety of qualitative checks on CSA activity at both national and local level.

> 'The old system…I felt these are targets and by hook or by crook meet them regardless of what went on underneath, perverse behaviours as I've touched on, forgetting the customer in this. This seemed to just disappear somewhere, it was actually there's people on the phone that we should be trying to help rather than get them off the phone,…because we've got an average handling time to meet. And although the quality side of things has always been there, it seemed to have a less impact, or a less important role [in the past]….We've done a lot more listening to all types of calls that our staff take, to make sure that it's not just the ones that have got decision outcomes, looking at shorter calls as well to try and drive out any perverse behaviours that might be there as well.'

> (Operational manager: Contact Centre Directorate)

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[3]    There is a current planned programme of Benefit Centre and Contact Centre closure. This relates to 17 Benefit Centres and five Contact Centres between 2011/13.

*'I think it's because we're not constantly going on about AHT all the time like before it was just constant and constant and every week it was "why have you not achieved this week?"…So I think when the pressure's off it's more psychological but you end up probably achieving because you're not thinking about it as much. They do spend more time with the customers now when they ask them questions at the end of the call and things like that, which might have probably impacted on AHT slightly but as long as there are reasons…that's all we can do really.'*

(Operational manager: Contact Centre Directorate)

These checks elicited a variety of responses. For some participants, they were a visible sign that metrics such as AHT were balanced by a focus on the quality of the customer experience. For others, national 'PMF checks' on adherence to script were overly stringent and resulted in low scores for even the smallest deviation from the script. These 'PMF checks', undertaken by a central team, were augmented by Call Evaluation Framework checks undertaken by team leaders in the sites themselves. These checks were thought to be more relevant because they focused on the information entered by CSAs and therefore were likely to affect a customer's benefit claim and contribute to the achievement of the Monetary Value of Fraud and Error measure.

While the rebalancing toward a more qualitative emphasis was welcomed by team leaders and CSAs, it was suggested that AHT remained the most important measure by which CSA and team-level performance was judged.

*'Every call we take, well how long have I been on,…there is still that target there, there's the seventeen minutes ten, while that is still there,…it's still given the importance that it should be, because it is still a target…but, there's slightly less of a focus on that…I would say that I feel less pressure.'*

(Frontline operational staff: Contact Centre Directorate)

However, there appeared to be some degree of local variation in the amount of time set for expected performance against the AHT, with respondents in one site reporting that this had recently increased by around a minute. The increase in time for handling calls, various changes to the required script and the rebalancing toward qualitative performance management were generally welcomed by staff respondents, including CSAs, team leaders and Centre managers.

Whether these changes in practice in Contact Centres resulted from the introduction of the PMF or other initiatives is unclear. In some cases, the changes seemed to pre-date the PMF and to be associated with other projects (the 'AHT Challenge'), while in other cases the introduction of both types of quality checks seemed to come significantly after the introduction of the PMF.

### 4.2.3    Benefit Centre Directorate

In Benefit Centres the way in which performance is managed varies at different organisational levels and in each site from team to team. At site and Group level, the scorecard was clearly the key mechanism. Site- and Group-level managers suggested that discussions about the performance of their site focus on the full range of indicators in the scorecard rather than just the Average Actual Clearance Time (AACT) indicator, as might have been the case in the past (although this is still actively monitored). However, within sites, the management indicators used to judge different teams vary on the basis of their specific functions. For example, Benefit Processing teams appeared to be less concerned with management information and performance indicators than with workflow management and, in particular, the Active Operations Management system. In some Centres and Teams, daily 'buzz' meetings were used to discuss progress on workflow, while in other Centres and Teams performance was discussed in weekly meetings with comparative data introduced on a monthly basis when scorecards are available.

One National manager also noted that there were (or had been) problems in the allocation of cleared work to sites in terms of clearance times and the various associated time bands on the scorecard, such that those sites importing work had their work clearances reported to the exporting site. It is clear that a balanced approach to interpreting comparative performance on benefit processing clearance times and associated measures is needed where workflow is also being adjusted between Benefit Centre sites so that volumes are taken into account when judging clearance times.

Other staff in Benefit Centres had their performance measured in different ways. For example, in one site Decision Makers suggested that the main mechanism for managing their work was the Decision Making and Appeals Case Recorder which collates data on the time taken to reach decisions. While data for Decision Maker activity appeared to be derived from a separate system or administrative method, and therefore may not feed directly into the scorecard, it is clear that by managing the time taken to clear decisions there is a contribution to AACT.

## 4.3     Changes to organisational structures

There have been considerable changes to the organisational structures underpinning performance management during the development and implementation of the PMF. Research participants were asked to comment on the ways in which the PMF might have affected the relationship between different parts of Jobcentre Plus and the ways in which the creation of Operational Performance, Planning and Change Division (OPPC) in early 2011, and the re-organisation of performance reporting and performance improvement functions of Jobcentre Plus, might have impacted on performance management.

In relation to links between the different directorates in Jobcentre Plus, there was a broad split between respondents with a national or Group-level perspective (especially those in OPPC or an analytical role) and operational staff at District level in the three Directorates. The first group saw the GDN scorecard (usually referred to as the 'Customer Journey scorecard') as a potential driver of greater collaboration and shared perspective on the customer experience as a whole rather than a silo-type performance measurement of each of the three Directorates.

> 'It became apparent between myself and my Benefit colleague...he was aware that the handover rates were going up...because we were looking at it together, at least once a month it was apparent to us much, much quicker that it wasn't working....As a whole area we raised it nationally both within our streams of specialisms but also collectively as a group delivery network. Then we got very, very quickly national attention...under the previous system it would have taken 18 months before that would have been spotted...we would have just thought "oh it is a Contact Centre problem" or "it is a Benefit Centre problem" but this PMF enabled us to see that actually it is not.'
>
> (Group-level manager: Contact Centre Directorate)

Notwithstanding this example, a number of participants (mainly those that had been part of the PMF Project Team) still thought that considerably more could be done to facilitate collaborative working between the Directorates. Indeed this was one of those issues that the establishment of scorecards was held to work against.

The second group of respondents, typically at District level and below reported mixed findings. Few could identify concrete examples of how the PMF had assisted in strengthening the relationship or practical examples of a more shared – 'end to end' – perspective. Among these responses some thought that (pre-existing) issue escalation procedures had helped to reduce problems while

others suggested that a degree of suspicion remained between the three Directorates. Given that this evaluation has not found major changes in the way that Contact Centres are managing performance, it is not surprising to find that Benefit Centre participants did not suggest a major improvement or otherwise in the information passed through to them from Contact Centres.

The successive re-organisation of OPPC attracted relatively few comments from respondents. This is mainly because of the relatively small number of respondents in the fieldwork that were in a position to comment, and because of the recent nature of the changes. At the time of the fieldwork, the first round of changes to OPPC had been in place for around eight months and a second round of changes were being undertaken as part of the DWP Transformation. To the extent that they did attract comments, District managers expressed some marginal regret that they had less direct control of the production of performance data for their District, though it appeared that they were still able to get the support that they required in most cases. OPPC respondents themselves were broadly positive about the various changes in structure, although many had recently changed jobs and were unable to offer substantive evidence of the improvements they hoped would result. An example here is that several OPPC respondents mentioned that the sharing of good practice and investigation of poor performance was now undertaken more on a national basis and could therefore generalise learning much more quickly. However, no concrete instances of this were highlighted.

## 4.4    Summary

- 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.

- In Jobcentres there is significant local-level data collection and duplication in this activity. While this is inefficient and in some cases resulted from a lack of trust or awareness of centrally-produced data, it may also be driving local operational ownership of the process of culture change which the PMF is aiming for.

- In Jobcentres, the introduction of the PMF has affected Adviser roles significantly. This is particularly driven by the removal of Intervention Delivery Target, the introduction of increased flexibility and the use of caseload management, prioritisation and cohort lists to manage the performance of individual Advisers.

- There is difference in practice between Districts. Some Districts offered more flexibility to Advisers than others where 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.

- In Contact Centres the major shift that has occurred alongside the introduction of the PMF is that from the measurement of 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 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.

# 5    Motivation and behaviour

## 5.1    Motivation

A key theme in the evaluation related to the way in which the Performance Management Framework (PMF) may have changed the performance signals and motivation for individual members of staff, particularly at operational level.

### 5.1.1    National level

At a national level, three sets of views emerged, though these were mainly based on assumptions and anticipated consequences rather than hard evidence. The first was that the removal of targets for individuals might lead to a loss of motivation, although as documented below, this appears to be largely unfounded. The second was that in contradiction with the expectation and intention behind the PMF, the introduction of scorecards had actually seen an increase in performance targets for individuals, which created confusing and contradictory incentives. The final set of expectations were that the PMF has not really 'touched anybody personally'; in other words, it hadn't substantially altered the incentives for individual staff. Despite these different expectations, it was widely thought that there would have been more impact in Jobcentre Directorate than in Contact and Benefit Centres.

### 5.1.2    Jobcentre Directorate

Advisers generally appreciated the move to increased flexibility and autonomy, and found this motivating and satisfying. This was especially the case in the District that had implemented greater flexibility at the Adviser level:

> '*I would say more* [flexibility] *because it's allowing me to use my skills and experience how I see fit, and it's okay, I should be asked to justify myself occasionally...I don't find it's a hindrance.*'

> (Frontline operational staff: Jobcentre Directorate)

However, a number of respondents in two of the sample Districts suggested that it would take some time for these practices to become embedded and it appeared as if it was still early in the change process. While most Advisers welcomed the increased flexibilities, some were uncertain about how to respond. In the third District a rather different approach appeared to be in use, based much more on activity-based monitoring and targets, with individual Advisers discussing Decision Making and Appeals (DMA) and referrals targets specifically.

> '*I don't think when you speak to them they will feel they haven't got targets they still have to get people into work and...they've still got Adapt...that's just to measure how many people they're seeing...I still look at DMA we still have to do conditionality* [testing] *and it's hard, we keep being threatened put people on the Pips you know...my boss expects us to put them on testing conditionality...*'

> (Operational manager: Jobcentre Directorate)

*'Yeah, well it can be anything* [that is articulated as an informal local target]. *It can be the number of referrals to the flexible support fund grant for example. It could be the number of referrals to the Work Programme by a particular category of customer, for example ESA* [Employment Support Allowance]*, so there's all different targets that seem to be coming down at different stages. Sometimes the goalposts seem to be moving, the criteria moving and it's difficult to keep up with that.'*

(Frontline operational staff: Jobcentre Directorate)

Here motivation appeared to be negatively affected by a continuation of process-type targets in both offices visited in the District. Equally, one of the barriers to embracing change appeared to be a suspicion that process targets such as the Interventions Delivery Target would be brought back at a later date and that Advisers and Adviser team managers might be reproached retrospectively for not maintaining previously expected interventions.

Another minor concern about the impact of the PMF on Jobcentre staff motivation was in relation to Assistant Advisers, whereby a very small number of respondents suggested that these staff may be de-motivated by the loss of process targets associated with their role and the more tangential connection between their work and outcome targets.

### 5.1.3    Contact Centre Directorate

In Contact Centres, the main motivational issues were related to pressure regarding call volumes, Average Handling Times (AHT) and call resolutions. That said, across all three sites, participants reported that this was less pressured than previously because the AHT expected level of performance had been increased in all sites, although to varying degrees between sites and teams; and because the emphasis had shifted more toward a range of indicators including call resolution. The main motivational factors were thought to be outside of the PMF and related to future organisational changes, efficiency drives and the potential for office closure. In particular, on the latter issue, this meant that the extent to which staff were concerned with the PMF, it was to see where their site was placed in the scorecard. This is despite the clear sense that they disliked the way in which the previous Balanced scorecard was used:

*'We then bring in the new PMF and we say all measurement to that extent has gone; the balanced scorecard does not drive a top, middle and bottom, but it actually kind of still does because if you have more greens then you're at the top. If you...had a lot of reds then you're not doing quite so well. The really weird thing is staff still like to know where they are, they still like to know that their site is up there or if not, why not? That's the strangest thing, they wanted that gone, and now that's gone they still like to rate themselves, we've got more greens than them so it means we must be first, so weird!'*

(Group-level manager: Contact Centre Directorate)

Operational staff in Contact Centres suggested that a range of motivations are in operation. For some, performance and management information are clearly motivational and incentivise effort, leading to a sense of satisfaction, whereas others cite different motivations such as 'doing the job well'. The motivation of the first group was unaffected by the introduction of the PMF because of the widespread availability and use of alternative performance information from the telephony technology. For example, one Customer Service Agent respondent who was characteristic of this first group was critical of a recent agreement with the trade union that performance information would only be discussed with staff on a fortnightly basis, rather than being available on a daily or weekly basis. The second group, on the other hand, were pleased about the influence of the PMF on the introduction of qualitative checks (Call Evaluation Framework) and their increasing importance, and this had a marginal positive effect on their motivation. This group felt that this balanced the influence of more quantitative performance management.

### 5.1.4 Benefit Centre Directorate

In Benefit Centres staff motivation was affected more by workflow management processes through the Active Operations Management (AOM). This was felt to be negative by the majority who commented on it, especially as a result of continually rising expectations about workflow. Some Group-level respondents suggested that for them, the PMF had been motivational by presenting a shared understanding of common performance concerns across the Group Delivery Network. Nevertheless, at site level the issue of importing work clearly has an implication for motivation and performance.

The tension between achieving high levels of performance which then results in increased workloads is a factor influencing staff motivation. On the one hand, some participants queried why initial expectations should be exceeded when that would result in importing additional work from other offices. Others suggested that the importation of work from other offices was particularly negative, where this resulted in them getting behind on their 'own' work. Indeed, one respondent commented that it was ironic that on the Benefit Centre scorecard their office was 'ranked' lower than another office from whom they had regularly imported large volumes of complicated work. A related concern was that staff did not fully understand the figures produced by the AOM process, in particular the weighting of work, meaning that at times they perhaps over-estimated how much work was outstanding and being imported.

## 5.2 Problems and perverse incentives

### 5.2.1 General problems and perverse incentives

Several general problems are apparent with the use of performance management in Public Employment Services (PESs) (Bouckaert and Peters 2002; Bruttel 2004; Bruttel 2005; Bouckaert *et al.* 2010; Nunn *et al.* 2010). These include the costs associated with producing performance information exceeding the benefits associated with it; the production of poor quality data that doesn't serve as an effective basis for decision making and the production of 'negative externalities' by pursuing organisational objectives that result in negative social, economic or environmental impacts. Box 2 shows some common problems in PES performance management and the ways in which they could potentially occur in the PMF. It could be argued that performance targets have previously led to examples of each of these in Jobcentre Plus in the past (Johnson and Nunn 2005; Johnson and Nunn 2006; Nunn 2007). The following discussion investigates these in relation to the PMF.

As discussed above, the PMF data was broadly trusted by managers with the caveat that the off-flow rate into employment element of the measure was unavailable at the time of the fieldwork and there are perceptions of timelags in receiving 'official' nationally collated off-flow rate data. This is leading to the duplication of data collection in relation to off-flows. The second way in which the balance between data cost, quality and trust issues arose, despite their not being directly explored, was in relation to Benefit Centre/Contact Centre performance management and workflow management. It was clear that in the former case the AOM system had a big part to play in measuring workflow/productivity and that in Contact Centres a range of up-to-the-minute performance information derived from the telephony equipment was being used to measure operational performance. These three examples suggest that there is a need to further explore issues of data production costs and utility, and the extent and costs of performance information duplication or benefit in any future research on this topic.

While not formally explored in this research, one possible negative externality that could be related to the PMF flows from not currently having the 'into employment' element in the data at the time of the fieldwork. One potential implication of this, and the clear emphasis on off-flows in Jobcentres,

is that customers may be encouraged to take very short-term/low-quality employment that would not be in their interests because it would fail to build any real work experience, while disrupting their benefit claim. Such short-term/low-quality employment might also be an administrative cost to Jobcentre Plus in claim closure and re-claim, without generating substantial savings in benefit payments. It may also have a negative economic cost in the sense of being a disincentive to employers to invest in serious job creation. However, job sustainability and progression is seen as beyond the scope of PMF, partly because it is seen as outside of the policy remit of Jobcentre Plus. This reflects the policy emphasis on any job being a positive outcome. The removal of sustainability and progression from the objectives for the PMF is characteristic of this. Despite this, the PMF includes a 'churn' indicator which appears partly designed to avoid this. This indicator though was not well known about among operational staff and few mentioned it. There was no actual evidence of encouraging customers to sign-off benefits for such very poor quality work, but, it is equally true to say that the 'churn' indicator is unlikely to guard against this, given its low profile.

| **Box 2** | **Common problems in PES Performance Management and possibilities for these in the PMF** |
|---|---|
| General | In Jobcentres |
| • **Costs** – performance information is expensive to produce. The costs of this may outweigh the benefits associated with it. | • **Customer prioritisation** – selecting jobseekers who can help themselves for interventions and de-selecting jobseekers who require help. |
| • **Negative externalities** – performance targets may incite organisational behaviour which creates problems external to it. In the case of PESs this might include inappropriate job submissions, referrals, discouragement of jobseekers or demand/ supply matching problems. | • **Sanctions** – one way of producing off-flows from benefit is through sanctioning jobseekers, who subsequently count as a further on-flow. |
| | • **Benefit shifting** – another noted way of producing off-flows or reducing the claimant count for a particular benefit is through shifting claimants from one benefit to another. |
| • **Poor quality data** – the production of data that is inappropriate for making decisions or that managers and stakeholders do not trust. | • **Purchasing performance** – the generation of an unnecessary intervention to 'claim' performance 'points'. |
| | • **Performance information duplication** – the duplication of information at several levels of the organisation in order to monitor information. |

| Box 2    Continued | |
| --- | --- |
| **In Benefit Centres** | **In Contact Centres** |
| • 'Parking' long-running cases – putting pieces of work to one side where they will take a long time or have already exceeded milestone targets for processing, or simply prioritising easy cases. | • **Call dumping to reduce call times** – productivity targets might lead to CSAs 'dropping' calls to reduce average call times. |
| • Export of difficult cases – workflow management might allow Centres to manage their workflow so that difficult cases are not processed and instead are exported to others. | • *Selective data entry/corner cutting* – missing particular aspects of data collection because it is difficult or time consuming. |
| • Just meeting objectives/slow down – productivity targets might induce doing just enough and working slow so that additional expectation/work is not generated. | • **Customers offered too much information** – excessive time might induce CSAs to try to help customers too much by providing advice on issues beyond their capacity. |
| • Incorrect payments/processes – if one process is more difficult or time consuming than another, this may result in incorrect payments or processes being followed. | |

### 5.2.2    Problems and perverse incentives in Jobcentres

Previous research has suggested that some of the common problems in PES performance management have also been present in Jobcentre Plus in the past. For example, research has suggested that the inappropriate prioritisation of jobseekers for intervention may have been a feature in the first phase of Employment Zones in the United Kingdom (Bruttel 2005) and previous regimes (e.g. the explicit weights pilots, the Job Entry Target (JET) and the Job Outcome Target (JOT)) were designed to prevent this from happening in Jobcentre Plus (Nunn 2010). Benefit shifting may also have been responsible for the initial rise in inactive benefit claimants during the 1980s and 1990s (Nunn *et al.* 2006). The generation of unnecessary interventions was also a noted problem in the previous JET regime and part of the rationale for the shift to the JOT system was to remove these incentives (Johnson and Nunn 2006). To some extent or other all these potential problems were investigated in relation to staff in Jobcentres.

First and foremost in relation to perverse incentives, the removal of the IDT appears to have had a substantial and positive impact in reducing unnecessary interventions. In its place, there was no evidence that any further unnecessary interventions were being incentivised by the introduction of the PMF. As it was described by respondents, this single change may have been responsible for a significant reorientation of organisational resources toward more effective and appropriate activity.

The caseload prioritisation process described by several Advisers and ATMs potentially opens up the scope for some jobseekers being inappropriately prioritised for intervention. However, most Advisers and ATMs interviewed about this suggested that they were very much interested in working with customers who need support and there was widespread appreciation of the flexibility to be able to prioritise in this way.

*'The Adviser makes that decision at the diagnostic interview at the beginning of someone's claim. They will assess the customer as either being red, which means realistically they need far more help than we would have time to give them. Amber, i.e. those are the people we need to target because with a bit of help they'll go back to work. Or green, they don't need any help at all. Those people also need to be monitored,…the green people go off or do they need to be moved into amber…Apart from that, Advisers choose to see who they choose they see, we need…not seeing just green people who will help themselves to go back to work, so they've got fantastic figures…'*

(Operational manager: Jobcentre Directorate)

However, there was some discussion among a small number of respondents that suggested that there may now be a tendency not to focus on those customers that need help the most and instead focus on achievable off-flows. As such it was not clear to what extent the PMF, flexibilities and the focus on off-flows specifically were leading to the inappropriate prioritisation of jobseekers.

To some extent, the introduction of the PMF, and the labour market context brings the definition of what counts as appropriate and inappropriate prioritisation into question. There is protection against the inappropriate prioritisation of jobseekers for intervention by the apparently increased scrutiny of caseloads and qualitative assessments of Adviser interviews by ATMs. This suggests that Advisers have to account for their prioritisation decisions, especially in the context of the use of cohort lists. The issue of the appropriateness of prioritising jobseekers for treatment remains important and the effect this has on customer service in Jobcentres will be further explored by the ongoing evaluation of the Jobcentre Plus Offer. This issue should also be a large part of any future research on performance management in Jobcentre Plus.

The issue of inappropriate sanctions was raised in the media over the last year when it was reported that Jobcentre Plus had a 'target' for sanctioning customers (Domokos 2011). Technically this was never a target and was instead an 'expected level of performance' on one of the benchmark indicators in the scorecards and has now been removed. In practice though these sorts of semantic differences are not fully appreciated by operational staff. Adviser respondents who spoke about this issue suggested that they had previously viewed this expected level of performance as a 'target' that they were to achieve, but didn't report that they had ever inappropriately referred a customer for sanction in order simply to meet it. They also suggested that they now retained a focus on testing conditionality and described the circumstances in which they would refer a customer for a potential sanction. None of these sounded inappropriate based on the evidence gathered as part of this evaluation. Indeed, inference drawn from these discussions with Advisers suggested that some are reluctant to refer customers for potential sanction on the grounds of sympathy with customers as well as a lack of knowledge and confidence in how to process such a referral. This is corroborated by data on sanctions which shows that referrals for sanction and disallowances rose from 2009 but then fell dramatically during 2011 (Office for National Statistics 2012). Again though, as with the issue of appropriate **prioritisation of** jobseekers for interventions, this is a difficult issue to assess rigorously at this point using the method employed, but remains an important area for any future research on performance management in Jobcentre Plus.

Given the current absence of off-flow rate **into employment** data and the widespread focus in Jobcentres on off-flows only, shifting between benefits is one potential perverse incentive presented by the PMF. However, this is mitigated by changes in the benefit system which make it difficult to transfer to inactive benefits. Moreover, discussions with Advisers suggested that the only conditions in which they would consider recommending that customers transfer between benefits is where this fitted the eligibility requirements for the relevant benefit.

### 5.2.3    Problems and perverse incentives in Contact Centres

The perverse incentives that can arise in Contact Centres relate to the way that productivity measures intersect with the quality of the process undertaken. For example, monitoring and targeting of call times can lead to circumstances where either calls are inappropriately terminated or the data gathered is incomplete or of poor quality. This is a false efficiency because it generates repeat contact with the organisation, thereby occupying more resources and resulting in customer dissatisfaction. Equally, placing no restrictions on calls time might result in increased likelihood of CSAs giving inappropriate advice or guidance to customers.

Discussions with CSAs and team leaders revealed no evidence that they were feeling under pressure to cut call times artificially by prematurely ending complex calls, though there was widespread acknowledgement that this may have been the case in the past. It was not clear however that the change in the nature of the scorecard to incentivise 'expected levels' only and not to reward exceeding them was responsible for this. Some respondents, mainly site managers, thought that the changing scorecards were responsible, but many CSAs seemed not to be fully aware of the scorecards, suggesting that this is not the case. This might be explained by line managers putting less pressure on CSAs to reduce their AHT and correspondingly putting more emphasis on qualitative measures of call handling. Several participants also suggested that 'hand offs' to Benefit Centres were being monitored closely by managers, perhaps as a means of promoting performance against the 'call resolution' measure on the scorecard.

### 5.2.4    Problems and perverse incentives in Benefit Centres

In Benefit Centres there are several possible ways in which performance management could present perverse incentives. The first relates to cherry picking either easy, and therefore quick, cases or to shelving cases that are either difficult and thus time consuming, or have already exceeded particular milestones in the performance regime. Previously, Jobcentre Plus operated an Average Actual Clearance Time (AACT) target of specific time periods for different benefits. This presented an incentive not to process claims that had already exceeded that target when performance against the target was tight. This has now been replaced with a series of time bands against which cleared benefit claims are reported, with the intention of removing this perverse incentive. Additionally, where workflow management systems operate virtually so that unprocessed work is 'exported' to another site, this creates a potential problem where 'easy' work is cherry picked for immediate processing whereas more difficult work could be selected for 'export' with the adverse effects on motivation experienced by the site importing the work. In a similar vein, there is also scope, where productivity benchmarks are relatively easy to reach, to ensure that additional work is not imported. Finally, where different benefit claims use different processes but the eligibility criteria are close, it may be that more onerous processes are avoided, leading to incorrect payments.

There was no evidence in any of the sites of older claims not being cleared because they had already missed a milestone target such as the old AACT target. Many participants in Benefit Centres did acknowledge that prioritisation processes had previously worked in this way but were no longer present, suggesting that the new time band approach is being successful. There was some suggestion that there may be gaming of the workflow management (AOM) system in place in some offices. For example, some respondents suggested that there was no incentive to clear work quickly when that would result in higher workflows in the next time period (e.g. week/month), some of which might be imported work from elsewhere in the country. This then may create pressures to artificially slow the workflow down to avoid importing work from elsewhere.

*'…it's a vicious circle really, because if you get up to date then you have to import work. Which means you leave your own work to get behind. So there's fewer people doing the work from this office, which means that emails build up…which where, that's where the pressure comes on because you've got time limits on there. And then once you start having the emails, you're doing less processing…which means you get more emails…so you get behind, then start exporting work to someone else…*[in response to this]*…they'll arrange training, an hour when everyone goes off for a training session…just to get rid of some of the excess hours that we've got…it's just created just so that we don't have to import so much work* [in the first place]*…'*

(Frontline operational staff: Benefit Centre Directorate)

Respondents in one office complained that the imported work was of a more complex nature than the average, suggesting that some process of cherry-picking might have taken place. This is despite protocols that explicitly try to prevent this.

## 5.3     Summary

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 it meant that good performance was understood to be 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.

# 6    Governance and transparency

## 6.1    Organisational structures

### 6.1.1    Development process

The work to develop and implement the new Performance Management Framework (PMF) was carried out through a joint project, staffed by Welfare to Work Stewardship Division in the Department for Work and Pensions (DWP) and Strategic Planning and Assurance Division (SPAD)[4] in Jobcentre Plus. Also closely involved were a range of other key representatives from DWP Planning and Performance Management and Operational Performance Planning and Change (formerly Operational Delivery Support). Following the announcement of the Corporate Centre Review (February 2011), it was agreed that implementation should go ahead on an interim basis, with the development of governance and accountability roles taking place at a later date (PMF Project Team 2011). As the PMF moved towards implementation, a weekly Issues Group was established to ensure that any outstanding items of work, issues and risks were actively managed in order to ensure successful implementation. The End of Project Report identified a number of key lessons emerging from the development process (see Box 3).

| Box 3    Key learning points | |
|---|---|
| What went well | What could have gone better |
| • Maintained a strong focus on the primary objective despite a range of sometimes competing interests. The clarity of objective aided the decision to implement on an interim basis, pending resolution of governance and accountability issues, once the review of the Corporate Centre was announced. | • The project would have benefited from earlier, direct access to the Jobcentre Plus Chief Operating Officer and Executive, enabling a better understanding of how the framework could be implemented and how it would look and feel on the front line. |
| • Excellent engagement and sign up of appropriate stakeholders was aided by having clearly defined principles, desired outcomes and by being flexible about engagement methods. | • The original project governance arrangements proved to be a little clunky at times and had to be reviewed midway through the project. Whilst meetings with Director Generals and Chief Executives provided helpful steers, they took much of the authority away from the formal project governance via the Performance and Target Strategy Group. |
| • Struck an appropriate balance between collaborative working and maintaining the need for distinct roles. Joint DWP and Jobcentre Plus Project leads worked well together putting the needs of the organisation and the customer above any internal differences, but retained the important Agency/DWP relationship, allowing challenge or debate to take place when necessary. | • For a number of reasons, including a temporary embargo, formal communications with operational staff started only a couple of months before implementation. Road -shows and a video were developed, delivered and well received by operational staff, and the project would have liked to have made more use of innovative means of communication, but due to financial constraints, this was not possible. |

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[4]    SPAD was previously known as the Performance Measurement and Analysis Division which undertook most of the analytical work to develop the PMF.

### 6.1.2    Implementation

Following implementation in April 2011, a PMF Change Control Board (CCB) was set up to maintain the integrity and principles of the framework and to ensure that any potential additions, amendments or removal of measures from the framework were appropriate and consistent with the principles underpinning PMF. Around the same time, a new performance regime was introduced in DWP, based on a Performance Agreement between the Department and Jobcentre Plus. Several respondents reported that the principles underpinning the PMF informed the development of this Agreement which includes the two key outcome measures.

The PMF is subject to continuous improvement in order to fine tune or add data once it becomes available. The PMF is actively managed by the CCB (which ran alongside the Issues Group for a short period in Autumn 2011). Any changes to the PMF proposed by this group are reviewed and taken forward through a Performance Framework Steering Group which is convened as necessary.

In general the respondents contributing to the research provide mixed views associated with the governance and transparency of the PMF. Many of those at Group level and below were unsure of the governance arrangements associated with PMF and had little to say.

### 6.1.3    Respondent views of the governance structures

Several of those involved in developing the PMF reported effective governance structures up to implementation, citing robust conversations associated with the design, development and implementation of the PMF. Nevertheless, a small number of these respondents reported that the development of the PMF may have benefited from a greater involvement of the highest level of operations at an earlier stage in the process. Many of the conversations appeared to centre on the tension between an emphasis on scorecards in the operational environment and the nature and extent of cultural change desired through the implementation of the PMF.

Following implementation (at the time of the fieldwork in October–November 2011), the existing governance arrangements for the PMF were unclear for the majority of respondents. Many of those expressing their views drew attention to the various internal reorganisations associated with performance management and strategy that have taken place during the lifetime of the PMF. This had resulted in some uncertainty surrounding the governance of the PMF.

Some respondents noted that, while the PMF currently resides in Finance, custodianship or guardianship is a shared responsibility which requires collective attention. A couple of National managers noted the need to consider how the governance of performance management works within the context of the new organisational design within DWP. These respondents identified the need to develop greater understanding of how it all comes together at the Departmental level.

Several respondents suggest that the PMF, often in association with other measures, had supported increased transparency through, for example, information sharing across Directorate boundaries and greater team-working. The development of the 'Customer Journey' scorecard at Group level is identified as a positive development associated with the PMF.

## 6.2    External transparency and accountability

The Government is committed to increasing transparency so that the public can more easily see how and where taxpayers' money is being spent and hold politicians, government departments and public bodies to account. The DWP Business Plan for 2011-2015 contains impact indicators which are designed to help the public to judge whether policies and reforms are having their anticipated effect. Two of these indicators are the framework outcomes: (i) the rate of people moving off out of work benefits into employment and (ii) reducing the Monetary Value of Fraud and Error (MVFE).

The PMF is designed to support the transparency agenda by ensuring that high-level data can be made available to third parties in an open and standardised format to fulfil the need for accountability. Research participants generally supported[5] the publication of this data on the DWP and Number 10 websites. However, many respondents drew attention to the reality that the publication of the information provides 'only part of the story' and that the data will need further contextualisation in order to understand the performance of Jobcentre Plus. One fieldwork participant highlighted the potential for public/private sector comparisons between Jobcentre Plus and Work Programme providers which may present a new challenge for those seeking to understand and assess performance.

The majority of respondents suggested that it is too early to fully assess the impact of the PMF on external transparency and accountability. One of the reasons for this is that the timelag on the impact indicator meant that data on moving people into employment was not available at the time of the fieldwork[6] and the vast majority of staff respondents were unaware of the more timely outcome data that is available. However, performance on the MVFE measure is published on a monthly basis. The consensus among respondents expressing a view through the research appears to be that, at the current time, the impact of the PMF on transparency is broadly neutral.

The Department and Jobcentre Plus have a range of external partners and stakeholders who have an interest in their performance and operations. These include employers, welfare to work providers, voluntary and community sector organisations, the media and the public as well as the range of public bodies engaged in economic development. The vast majority of respondents suggested that the PMF has had little or no impact on relationships with these external stakeholders. There are, however, one or two examples identified in the research that suggest that the PMF has changed the emphasis of some conversations away from the detail of performance towards general trends and issues.

The PMF appears to have had little or no impact on the approach adopted to engage employers. For many respondents this was not identified as a 'problem'. However, for a small minority the limited visibility of employers in the PMF is reported as a weakness given that they play a key role in providing the jobs which contribute to the achievement of the key outcome measure associated with moving people into work.

## 6.3    Summary

• PMF Project Team respondents reported strong governance in the project to design the PMF.

• Following implementation (at the time of the fieldwork in October–November 2011), the governance arrangements for the PMF were unclear for the majority of respondents, though this was likely to be partly the result of the reorganisation of DWP which was being implemented at the time of the fieldwork.

• In the case of transparency, many respondents drew attention to the need to contextualise the headline outcomes in order to understand the performance of Jobcentre Plus and also suggested that it was too soon to assess the PMF's impact on transparency. Although the data on the fraud and error outcome measure are published monthly, outcome data on the rate of off-flow into employment was not available at the time of fieldwork.

• The majority of respondents suggested that, at this time, the PMF has made little difference to the relationship between Jobcentre Plus and various external stakeholders such as employers, providers or the voluntary and community sector.

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[5]    Support 'in principle' as the data was not published at the time of the fieldwork.

[6]    A survey of benefit destinations was completed in late 2011 and published in February 2012 (Adams *et al.* 2012).

# 7     Cross-cutting themes

A key challenge in the current environment is to deliver excellent customer service while reducing costs and increasing value for money for the taxpayer. This is embodied in the PMF through the cross-cutting themes associated with value for money and productivity and customer experience and included in the scorecards which emphasise more efficient, cost-effective delivery and customer service.

## 7.1     Value for money and productivity

At site, District, Group and National levels, and across the different directorates, there was a widespread acknowledgement of the links between being more outcome focused, avoiding unnecessary customer contact and the need to enhance value for money and productivity. The research identified a small number of examples, some of which had broad and substantial impact, where respondents were able to clearly identify the precise connections between the PMF and value for money. Outside of these, most respondents were able only to make assumptions about this relationship and, in a small number of cases, particularly among some PMF Project Team and National manager respondents, there was considerable reflection on the lack of connection between the PMF and a substantive understanding of the costs and benefits of different delivery patterns. It was noted for example that simple measures of productivity during a recession, where notionally there is more demand on Adviser resources, might show increasing resource inputs resulting in fewer off-flows or even a declining off-flow rate, thereby implying reduced productivity (e.g. in a cost per off-flow rate measure) without fully accounting for the context in which this was occurring. This is accounted for in some Public Employment Services (PES) performance management frameworks by the inclusion of 'contextual indicators'.[7]

The main example of where respondents were clearly able to articulate a link between the PMF and value for money was in the reduction of unnecessary activities driven by previous performance targets. The removal of the Interventions Delivery Target (IDT) was the clearest illustration of the link between the PMF and value for money because this did not just occupy large numbers of Advisers delivering interviews to ensure compliance with the process requirement to see jobseekers at particular milestones; it also meant that large numbers of staff were devoted to managing the diaries of Advisers to ensure that the target was met. This resulted in multiple and, according to respondents, often unnecessary contacts with customers; arranging, undertaking and chasing appointments. Several respondents suggested that the savings and, therefore, also real productivity enhancements associated with removing this workload, are substantial.

> '…previously, I did a whole load of interviews in different job centres…I talked about perverse behaviour, they were for a particular target [IDT]. So I would bring a customer in, even though I knew that, that interview wouldn't have value to the off-flow. I didn't have to do that anymore, I can locally decide I'm going to drop that type of interview, I'm not going to run that type of group session, I'm going to do this instead. Which then enables me to target the resources so that I get a better value for money.'

(Frontline operational staff: Jobcentre Directorate)

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[7]     See for example the PES Benchmarking Project:
http://www.pes-benchmarking.eu/english/about.asp?IdPageLv=1

The second example where there was a direct and persuasive acknowledgement of the link between the PMF and value for money was in relation to the re-balancing of the managerial emphasis in Contact Centres between Average Handling Time (AHT) and quality checks and, in Jobcentres, the greater use of Quality Error Reduction Checks. These were identified as one potential means of influencing Monetary Value of Fraud and Error (MVFE), by improving the quality of data collection in the case of Contact Centres and, in the case of Jobcentres, improving the awareness of Advisers about how to ensure that customers meet conditionality requirements. This was perhaps the strongest conceptual link between operational behaviour and the MVFE target. On this, and in general, it was difficult for respondents to make a clear link between changes in their operational behaviour and performance on the MVFE, beyond the simple assertion that if fewer errors were made, fraud and error would reduce and value for money would also be enhanced by a reduction in repeat contact.

Across all Directorates, the link between performance management and productivity/value for money concerns was stronger in relation to the scorecards than it was for the narrower definition of the PMF. The Benefit Centre scorecard for example includes multiple measures of productivity and workflow. However, the productivity measures were controversial with some respondents suggesting that these were detrimental for quality and error reduction. That said, the pressures that respondents spoke about in relation to productivity were attributed to the Active Operations Management workflow management system rather than the scorecards. One respondent in a Benefit Centre operating AOM for a period of time suggested that there may be tensions between the two performance management systems.

Similar concerns were raised in Contact Centres. Many Customer Service Agents (CSAs) and team leaders suggested that there was a tension between the productivity-influenced indicators by which they are measured (principally AHT) and value for money in the sense of accurate data capture on the first call. Respondents in one site indicated that this was perhaps less of a concern than in the past since AHT time had increased slightly, though respondents suggested that there may be marginally different expectations of AHT in different Contact Centres. In addition, some managers suggested that increased call times might actually open up the possibility for greater deviation from the script and therefore incorrect information provision.

Other areas mentioned by respondents in relation to value for money and productivity but not directly relevant to the PMF included the reorganisation of performance reporting into Operational Performance, Planning and Change. The second reorganisation was underway at the time of the fieldwork and so little definitive evidence was gained on this question. However, some efficiency gains were noted from having a centralised performance reporting function. This was felt by some to reduce duplication of effort in formal[8] performance reporting and also to facilitate shared learning from performance information such that best practice could more easily be shared across Districts, with potential improvements in performance, and therefore efficiency. However, this appeared to be an assumed benefit rather than one that was clearly demonstrable by evidence. Given the time taken to embed new systems, ways of working and for shared learning to emerge this is not unexpected but it will be an important area to investigate in any future research on performance management in Jobcentre Plus.

## 7.2    Customer experience

The Department for Work and Pensions and Jobcentre Plus have a tradition of seeking to develop and improve customer experience and the PMF is designed to encourage appropriate behaviours in this respect. Many of the respondents highlighted the importance of customer service and 'doing the

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[8]    To be distinguished from informal duplication of effort through localised data collection by individual Advisers.

right thing for the customer'. Examples cited by respondents included greater understanding of the quality of the customer journey leading to an emphasis on 'first contact call resolution' in Contact Centres, the development of Adviser flexibility in Jobcentres and improved scheduling of claims by Benefit Centres.

Respondents expressed a range of views associated with the impact of the PMF on customer experience, ranging from those who reported no adverse impact to those who reported that PMF had positively supported the improvement of the customer experience. However, given a range of organisational changes and initiatives, participants often found it difficult to disentangle cause and effect associated with the PMF.

Many respondents reported that Jobcentre Plus already had a strong commitment to improving the customer experience. Several of the PMF Project Team and National managers anticipated that the PMF has made a further difference but also expressed concern that it has not yet had sufficient impact on behaviours. For example, one respondent noted:

> 'We are still chasing targets – I was speaking to someone doing appeals in a Benefit Centre and I asked how many are you hoping to do hoping she would say 'just as many as I can' and she said we have on average about 12 a day and I said how does it feel and she said it's alright, you get some easy and some more difficult but I got the sense that when she's done 12 that's it – I didn't get the feeling that she was dealing with a person, just a case.'

> (PMF Project Team)

Other senior managers were more confident that, in combination with other initiatives (such as increased flexibilities), the PMF was driving behaviours towards a more customer-oriented, personalised service. This was apparent across the three Directorates. For example, in Jobcentres this was focused on increased Adviser flexibility, in Benefit Centres several respondents identified the move to use 'time bands' in relation to claims clearance rather than the Average Actual Clearance Time (AACT) as helping to improve customer service and ensure that customers 'do not slip through the cracks' in the system. In Contact Centres it was focused on increased attention on the quality of data collection.

Jobcentre Advisers generally welcomed recent developments as making a positive contribution to the customer experience. Advisers reported being afforded greater flexibility and an emphasis on doing as much as possible for the customer early in the intervention (which had not been the case previously). Disentangling the influence of the PMF from the increased flexibilities under the Jobcentre Plus Offer is difficult. It is clear however, that the PMF is likely to have supported the implementation of a flexible, personalised approach in Jobcentres. Several respondents drew attention to the different performance conversations PMF is intended to encourage. For example:

> 'The conversation is very much about the outcome and not you've done x interviews this week and made x referrals.'

> (Group-level manager: Jobcentre Directorate)

> 'Observations have been replaced by case conferences, they are asking staff what they think of the customer and what they plan to do next.'

> (Operational manager: Jobcentre Directorate)

One of the changes that appears to have benefited customer service is the change in the approach to appointment booking for Advisers. This can have a direct impact on the headline performance measures as illustrated by the following observation from an Adviser:

*'Your diary used to get booked up from 9:30–4:30 and if there were jobs available and you knew someone who was suitable you couldn't find the time to arrange to see them.'*

(Frontline operational staff: Jobcentre Directorate)

At the local level, frontline operational respondents provided a mixed view of behaviours associated with the customer experience. In one Contact Centre the view from CSAs and team leaders was that behaviour is now more about customer experience and getting the right information first time from calls. In another area, the CSAs suggested that there has always been an emphasis on customer service and that there is still an emphasis on 'numbers'.

One of the challenges for the organisation is how to reconcile the different and sometimes competing objectives associated with customer experience and productivity or value for money. Many of the respondents reported that there was 'some way to go' before the organisation understood and communicated what productivity and value for money actually means.

## 7.3    Customer groups

Participants were asked how the new way of measuring performance has affected those groups most at risk of exclusion from the labour market. Disentangling the role of the PMF from general and wider welfare and benefit reforms, for example, migration from Incapacity Benefit to Employment and Support Allowance, and movement of lone parents from Income Support to Jobseeker's Allowance, adds to the complexity of the analysis.

The general view appears to be that PMF has had no substantial impact on disadvantaged groups in Contact and Benefit Centre Directorates. In Contact Centres 'relaxing' of the AHT was reported by some to provide Contact Centre CSAs with greater time to deal with more complex problems which results in improved customer service and more effective call handling. In Benefit Centres the changes to the AACT measure are likely to have benefited customers with more complex benefit claims. In Jobcentres the issue is more complex. The discussion in Section 5.2 suggests that it is not clear whether disadvantaged customers have been effected positively or negatively by the PMF.

## 7.4    Summary

- The PMF had supported improved collaboration between Directorates through, for example, the development of the 'customer journey' at Group Delivery Network level.

- Participants were able to identify cost savings and improved flexibility associated with, for example, the removal of IDT and the improvement of the quality of call resolution and data collection.

- Simple measures of productivity in an adverse economic climate, where there is more demand for employment services and fewer job vacancies, could be subject to misinterpretation, and ongoing work is seeking to address this.

- The PMF has had an uncertain effect on harder-to-help customer groups. Though some respondents thought the impact was neutral, mixed customer prioritisation practices mean that this is something which must continue to be monitored. The effect of these changes may take longer to become clear and it is important that the longer-term effect of these changes are explored as part of the evaluation of the Jobcentre Plus Offer.

- The shift away from the AACT to measuring clearance times on time bands is likely to have benefited disadvantaged customers with complex benefit claims.

# 8    Conclusions and implications

## 8.1    Research questions

The following section summarises the conclusions from the research under the key research questions set for the evaluation at the outset.

### 8.1.1    Is the performance of Jobcentre Plus being measured in the right ways?

The evidence from staff interviews and the review of documentation strongly supports the idea that the two outcome measures in the Performance Management Framework (PMF) capture the overall purpose of Jobcentre Plus as being to help unemployed customers to move into work as quickly as possible and in the intervening period to effectively process and administer their claims for benefit to reduce the cost of fraud and error. There is also some evidence that Operational managers at District and Site level in Jobcentre Directorate are experiencing some difficulty in gaining access to or using weekly off-flow performance information that is available to them. The perceived delay in receiving this information creates problems for Operational managers and is leading to duplication in data production. Ironically, this may have been positive in securing greater ownership (partly through the local production of off-flow data, of some of the changes envisaged by the PMF). However, over the coming months it will be important to ensure that the relevant staff understand and trust the information available to them. This will be further improved as the 'into employment' element of the data becomes available. This will be important in helping to emphasise the 'right type' of off-flows and to ensure that perverse incentives are further minimised.

The supporting data/measures in the PMF are also regarded as comprehensive in relation to the needs of managers and staff throughout the organisation. However, there remains some tension around the use of scorecards. The PMF Project Team had hoped to move away from the use of scorecards and there is some evidence that these are being used to compare the performance of Districts and sites and to generate individual-level targets in ways that are in tension with the philosophy underpinning the PMF. Operational staff from national- to frontline-levels are less concerned with this philosophical tension and are more comfortable with the scorecards. This might have been expected given the different levels of accountability and perspective in the organisation and the degree of prior commitment to targets and quantitative performance information in Jobcentre Plus organisational culture. While all respondents, no matter how critical of the scorecards, acknowledged that they are an improvement on previous versions, there may be scope for further cultural change to make less or at least better use of scorecards. One way of driving this cultural change might be to undertake regular reviews of the scorecards to test their utility for different roles and levels in the organisational hierarchy. This evaluation suggests that their utility rests with site-level Operational managers and above for the purposes of identifying and understanding performance variation.

This evaluation also suggested that the PMF has had some but comparatively little impact in Contact Centres and Benefit Centres. The main impact in Contact Centres appears to be on marginally shifting management practice toward more qualitative measures. In Benefit Centres the main impact appears to have resulted from the change in the way that Average Actual Clearance Time is measured in the use of time bands, which, while positive, has been overshadowed by other changes to workflow management.

### 8.1.2    What do staff understand about the PMF?

Awareness and understanding of the PMF in its entirety and the full underpinning philosophy is limited, especially at site level. Nevertheless, all respondents appeared to understand the ways in which the PMF had impacted on their own performance management, and for the most part, staff understood any changed management and performance messages that result from the PMF. In particular there was widespread acknowledgement among Advisers that their role had shifted from delivering specified interventions to focusing on helping customers into employment in a more flexible way. In this sense the PMF is in line with wider changes in the Jobcentre Plus Offer to provide Advisers with more autonomy. The nature of the connection between all three Directorates and the Monetary Value of Fraud and Error (MVFE) measure is less direct and, in addition, there has been no change to the MVFE measure. As such it is less clear that there is any substantial change in practice in relation to this. Nevertheless, respondents in Contact and Benefit Centres did understand that there was a renewed management emphasis on avoiding error and fraud.

### 8.1.3    Does the PMF provide adequate support within the increasingly flexible environment?

The nature of the Jobcentre Plus Offer is to extend flexibility within Jobcentre Directorate, and specifically the role of Adviser. There was a strong acknowledgement in all three sample Districts that the role of Adviser was changing and that this was toward greater autonomy to manage a caseload of customers in a more flexible manner. The PMF was clearly thought to support this, particularly through the removal of the Interventions Delivery Target (IDT) and the new emphasis on off-flows to employment. However, this also meant that it was difficult to attribute the changes that had taken place purely to the introduction of the PMF. It was also clear that the change to greater flexibility was (a) still underway, (b) had proven both exciting and rewarding for Advisers at the same time as being challenging, (c) that the previous emphasis on process controls meant that this transition was initially regarded with some suspicion, and (d) that it had resulted in a variety of practice.

In some cases, greater autonomy had been more effectively transferred to the Adviser level, whereas in others it had moved mainly to site or Adviser team manager (ATM) level. As such, there was more evidence of an emphasis on outcome-oriented performance management with individual Advisers, and sometimes the direct translation of scorecard 'expected levels of performance' to individual targets for Adviser performance on off-flow rates. In the latter case there was more evidence of ATMs articulating expected levels of activity to Advisers whether that be in the form of time spent with customers or particular outputs such as referrals to provision, submissions to jobs or conditionality testing activities. The way in which this divergent practice develops should be an important theme for exploration in the ongoing evaluation of the Jobcentre Plus Offer, and any future research on performance management in Jobcentre Plus.

Despite this variation in practice, in all Districts there was an emphasis on the use of cohort lists of customers approaching particular milestones in their benefit claims (as in the scorecards) to focus discussions about performance at the individual Adviser level and this was matched by a caseload management approach to prioritising customers for intervention. This was in line with increasing Adviser flexibility and there appeared to be scope for some autonomy in meeting diverse customer needs. However, there was also evidence of divergent practice in customer prioritisation and further investigation of the evolution of this practice should also be a theme in the ongoing evaluation of the Jobcentre Plus Offer, and any future research on performance management in Jobcentre Plus.

The data collected on how Advisers use flexibility was in the main encouraging and in line with policy intentions. However, previous experience suggests that disruption to performance management in

Jobcentre Plus may lead to more emphasis on flexibility and qualitative mechanisms of performance management. Evidence collected in the evaluation of the Job Outcome Target (JOT) pilots and the early phases of roll-out suggested that caseload conferencing, sharing of good practice and greater willingness to use a variety of interventions and support to meet individual needs also resulted from that change in performance management. Any future research in this area should explore how management messages and behavioural incentives are shaped in the longer term.

### 8.1.4 Are staff and 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 focus on helping customers make the transition from benefits to work. There is also clearly accountability throughout the organisational hierarchy in relation to this measure, with it being seen as central by National managers and frontline operational staff . There was also evidence of the removal of perverse incentives previously generated through the IDT to generate unnecessary and often ineffective interventions.

However, while there was little direct evidence of new perverse incentives introduced by the PMF, there was some scope to suspect that these may exist, or may evolve in the future.

In Contact Centres there was some evidence that the introduction of more qualitative checks and changes to the Average Handling Time (AHT) and mandatory script may have marginally reduced perverse incentives, such as to 'drop' calls or to miss information in the data gathering process. In Benefit Centres the effect of the PMF was also broadly positive in virtually removing any incentive to deprioritise older outstanding claims.

### 8.1.5 Is there enough incentive to work with harder-to-help groups?

This issue is complex. Increasing Adviser flexibility on the one hand creates more autonomy for Advisers to focus on individual needs rather than to tailor their approach to pre-determined 'groups' of customers. In this sense the very term 'harder-to-help' customer groups has less currency and purchase now than it would have had when this clearly linked to specific groups of customers in the performance management regime, as was the case with JOT. Given the challenging labour market context, that might suggest that Advisers would be more willing now to work with customers for whom a more immediate labour market outcome is more likely. On the other hand, increasing flexibility also provides Advisers with the scope to focus more on those customers who might benefit from an intervention, and to leave those capable to help themselves. The evidence collected from Advisers and Operational managers at ATM, site and District level suggested that no clear pattern has set in in relation to customer prioritisation. The messages given to Advisers about appropriate criteria for customer prioritisation are also much more complex than in the past and, as above, further exploration of this should be a key theme in the ongoing evaluation of the Jobcentre Plus Offer.

There appeared to be no change in the incentives for staff in the Contact Centre and Benefit Centre Directorates to work with different customer groups. Unless a customer presents as obviously requiring assistance because they are unable to complete the new claims interview or require Language Line assistance, there is little that Contact Centre staff can do to meet differing customer needs. That said, changes to the AHT expectation, modifications to the script and the increased emphasis on call quality to balance times, may mean that Customer Service Agents are able to be more patient with customers that require a little more time. In Benefit Centres processing staff reported no real change in the way that they interact with different customers.

### 8.1.6    How are the governance routes working under the new 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. Of particular interest are changes to the organisation of performance reporting and support for performance improvement. There is considerable scope to suggest that the centralisation of these functions may have benefits in greater efficiency in performance reporting and more effective sharing of good practice in supporting performance improvement. However, it was not possible to identify specific examples of these benefits in practice at the time of the fieldwork. It is therefore important that any future research explores this issue in more depth

### 8.1.7    Is there a clear line of sight between activities, productivity and outcomes?

For the most part there is a clear line of sight between different levels in the organisation and this is facilitated by the PMF and associated tools, especially the Group Delivery Network or 'customer journey' scorecard. Indeed, the introduction of this scorecard, which met with widespread operational approval, might serve as a mechanism for reform and reduction of the other Directorate-level scorecards. However, there may be greater scope for the utilisation of shared arrangements for performance management in the following respects:

• at Department for Work and Pensions (DWP)-level in relation to the Performance Agreement and Business Planning process;

• in relation to the merging of Jobcentre Plus and the Pensions, Disability and Carers Service (PDCS);

• in relation to the Work Programme.

Tying these functional areas and organisational levels together may entail further development of the PMF, but this was always the intention. A single DWP PMF would assist in further developing the 'clear line of sight', promoting greater transparency, accountability and simplicity in performance reporting. It should be noted however that continuous review and challenge not just to performance but to the PMF itself is essential in ensuring that performance reporting and management remain proportional and cost effective. Too much performance information can be distracting, unnecessarily bureaucratic and costly.

## 8.2    Implications for the development of the PMF

This research suggests that the PMF is 'a work in progress' and that there is a need to continue to support cultural change.[9] Key areas to consider are:

• In implementing future processes for performance management there needs to be a consistency of message designed to address the specific changes required of different job roles in the organisation. These need to be planned and available in time to support the roll-out of major initiatives.

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[9]    At the time of writing, detailed planning of performance management processes for 2012/13 within Jobcentre Plus and wider DWP Operations are currently underway. A series of performance measures and associated annual Planning Assumptions have been agreed by the Operational Executive Team for the 2012/13 financial year, which provide the overarching framework for performance management across DWP Operations, and are in-keeping with the key principles of the PMF. That is, the inclusion of both the MVFE and off-flow rate measures, continued alignment of performance and financial processes, and emphasis on providing value for money, good customer service, as well as building necessary business capability and delivering the right policy outcomes in the right way.

- There is a need to continue to champion cultural change and for managers at all levels of the organisation to promote this through their practice. There would appear to be a need to ensure that appropriate representatives are engaged to oversee and champion the continued development of the PMF in each Directorate.

- There is a need to continue to support the sharing of good practice between sites, Districts, Groups and Directorates. The role of Continuous Improvement will be central to this.

- Renewed communications should support manager and staff awareness of the availability of timely off-flow performance information, especially in Jobcentre Directorate.

- The 'into employment' aspect of the 'off-flow' measure should be introduced as soon as possible.

- Line manager capability (down to team leader level) is central to the successful implementation of the changes envisaged by the PMF. There is some evidence to suggest that enhanced training of this group in relation to awareness, understanding of the PMF and in supporting/challenging performance may be beneficial in supporting cultural change.

- Expectations around Adviser practice in the context of increased flexibility and autonomy may need to be clarified, in particular in relation to customer/caseload prioritisation.

- There is scope for further development of the PMF in several respects:

  - further development/streamlining of the scorecards;

  - integration of the PDCS and Work Programme; and

  - the streamlining and alignment of accountability arrangements between the DWP and its delivery structures, through the Business Planning Process.

- There is also scope for increasing external transparency through publication of performance data in the PMF, especially where this is produced as a single set of DWP-wide performance information and linked to the publication of the Business Plan and associated datasets.

## 8.3    Implications for future research

Findings from this evaluation suggest that there are a number of themes that might be explored in any future research on performance management in Jobcentre Plus:[10]

- The governance of the PMF, especially in relation to processes for managing performance variation and relationships with key external stakeholders with an interest in Jobcentre Plus performance.

- The evolution of trust in performance data and how this influences management practice, especially in Jobcentre Directorate. In particular, whether managers are able to use and interpret both the off-flow and into employment data.

- The way in which performance management influences the changing role of Advisers in relation to their outcome versus activity orientation (see Figure 4.1) and the customer priotisation in Adviser caseloads.

- The evolution of practice in relation to the possibility of perverse incentives in relation to activities undertaken with customers, related specifically to job submissions, referrals to provision and conditionality testing.

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[10]    As highlighted throughout this chapter, some of these issues will be picked up by the ongoing evaluation of the Jobcentre Plus Offer.

- The evolution of practice in relation to scorecards and the scope for further review and refinement of these.

- The extent to which Continuous Improvement arrangements provide a mechanism for sharing of good practice and identifying solutions to performance variation.

- The way in which the organisation – from top to bottom – deals with short-term variations in performance and the extent to which consistency of management and cultural emphasis is retained.

- The way in which staff respond to the MVFE measure.

# Appendix A
# Full list of research questions

| Design criteria | Research questions |
|---|---|
| 1. Focus on **fewer, well-defined outcomes** that provide Jobcentre Plus with a clarity of purpose; | A. Is the performance of Jobcentre Plus being measured in the right ways? |
| | B. Are the outcome and supporting measures well defined and are there fewer of them in practice? |
| | C. Do the outcome measures provide Jobcentre Plus with clarity of purpose? |
| | D. Are the supporting measures being used effectively to help judge performance in the round? |
| 2. Allow the use of **flexibility and prioritisation** by managers in managing delivery, with the expectation that this will deliver strong outcome performance; | A. In what ways do different performance measures influence staff to make decisions about targeting resources? |
| | B. Does the new PMF help provide a more flexible delivery environment and encourage local managers to make decisions on focus and prioritisation to improve performance? |
| 3. Be responsive enough to allow **flexibility** that enables the organisation to manage business performance at strategic and operational levels and quickly adjust for changes arising from Spending Review settlements and the future business architecture; | A. Does the PMF provide adequate support within the increasingly flexible environment? |
| | B. Is the new performance framework helping Jobcentre Plus fulfil its remit in relation to the successful implementation of the Work Programme? |
| | C. How well does the PMF fit with the financial management of Jobcentre Plus? |
| | D. How well does the PMF fit with the division of labour between the delivery arms of Jobcentre Plus? |
| | E. Does the PMF promote a greater emphasis upon productivity and value for money? |
| 4. Provide **clarity and transparency** to internal and external stakeholders about how we deliver what's most important to our customers and staff; | A. How are the governance routes working under the new PMF? |
| | B. Do internal and external stakeholders have a clear(er) view of performance? |
| | C. Do internal and external stakeholders have a clear(er) view of how services are being delivered? |
| 5. Demonstrate integrity in the use of resources and recording and reporting of relevant quality inputs, impacts and outcomes; | A. Is there a clear line of sight between activities, productivity and outcomes? |
| | B. Does the PMF have an influence upon referral rates to the Work Programme, i.e. does this lead to creaming and parking practices in Jobcentre Plus? |
| | C. Is there any evidence of perverse behaviours/gaming following the introduction of the PMF? How has this changed compared to the previous regime? |
| | D. Does the new PMF encourage more focus on the quality of service delivery and value for money? |

| Design criteria | Research questions |
|---|---|
| 6. Are co-designed to ensure a clear line of sight and integration into **business processes** at every level – i.e. it needs to 'speak' to all staff from the operational frontline up to the Ministerial team | A. **What do staff understand about the PMF?**<br><br>B. Do staff understand the key elements and underlying principles of the PMF?<br><br>C. How effective have Jobcentre Plus communications about the PMF been?<br><br>D. Is there a consistent interpretation of the PMF at different levels in the organisation?<br><br>E. Has there been a change in emphasis and priority since the new PMF was introduced and, if so, what are now the most important priorities under the new framework? |
| 7. Help to drive up the **quality of customer service**, including greater flexibility, personalisation and localism whilst at the same time supporting diversity and addressing equality issues; | A. **Are staff and managers more focused and accountable for the right outcomes for customers?**<br><br>B. **Is there enough incentive to work with harder-to-help groups?** How has this changed compared to the previous regime?<br><br>C. Do staff feel that the PMF facilitates improvements in service delivery?<br><br>D. How do staff prioritise their work with different customer groups?<br><br>E. How does the new PMF influence staff relationships with and services delivered to customers?<br><br>F. Is the quality of customer service being measured and understood adequately?<br><br>G. Are Equality Act requirements being fulfilled with respect to performance monitoring? |
| 8. Create a culture of **exemplary behaviour,** whereby staff feel motivated and empowered to enhance the customer experience, and individuals and groups feel that they can take responsibility for continuous improvement; and | A. Do staff feel more motivated by the new PMF?<br><br>B. How does the new PMF influence staff behaviour? How large a role does the PMF play in driving adviser behaviour, in comparison with, for example, the need to follow guidance and to get the job done?<br><br>C. Do staff have faith in the measures? Do considerations of the reliability of the performance information affect the way staff view the PMF?<br><br>D. Has the increased emphasis on off-flows into employment led to creaming and parking practices?<br><br>E. Are there specific examples of continuous improvement which have been fostered by the PMF? |

Continued

| Design criteria | | Research questions | |
|---|---|---|---|
| 9. | Enable the management and recognition of performance variation at all levels, allowing the **celebration of success** and identification of areas for improvement. | A. | Are we able to act quickly enough if performance deteriorates? |
| | | B. | What are the arrangements for performance management and monitoring under the PMF and have staff noticed any changes in this? |
| | | C. | Is there sufficient management information to support the measurement of the key outcomes and supporting measures of the PMF? |
| | | D. | Is success, defined in terms of outcomes, being celebrated? |
| | | E. | Is performance improvement activity focused on outcomes? |
| | | F. | Is the PMF driving continuous improvement and reducing performance variation across all priorities (including cross-cutting priorities)? |

# Appendix B
# Interview Topic Guides

## Topic Guide A: For senior leadership and management respondents

This topic guide is to be used for interviews and group discussions with leaders and managers at national, Directorate and Group Delivery level.

Please ensure that you have done the following before commencing the questions:

• Distributed the information sheet about the project to all respondents.

• All respondents have completed the authorisation sheet.

• You have briefly explained the purpose of the project and the arrangements for anonymity and confidentiality.

The questions are intended as a guide rather than a questionnaire. Where respondents open up new or unexpected lines of enquiry which are relevant, these should be pursued. Fieldwork in each district should cover the full range of question areas.

The questions in the boxes are provided to show the questions that we will be trying to answer in the relevant section of the research outputs.

### 1        Understanding and clarity of purpose

Headline question: What affect has the new way of measuring performance had on streamlining Performance Management and strengthening clarity of purpose?

1.1    Why was a new way of measuring performance necessary?

In particular:

• What do you think are the main features of the new way of measuring performance? (Check PMF, OPPC scorecards and the Performance Agreement).

1.2    What was the main objective of changing the system of performance measurement?

1.3    Do you think that the new way of measuring performance is an appropriate way of measuring Jobcentre Plus performance? (use pp.9/10 slide from Operational Workshop PPt as interview aid)

In particular:

• Do you think the removal of targets is appropriate? Why/Why not?

• Do you think the focus on two outcome measures is appropriate? Why/Why not?

• Are the supporting data appropriate/Comprehensive? What's missing?

• Are the Scorecards appropriate and/or comprehensive?

• What other methods or products are used to measure and monitor performance?

## 2 Communication and implementation

Understanding, awareness and communications: How was the implementation of the new way of measuring performance communicated and how do different groups of staff understand it and its purpose?

2.1 What role did you have in the communication and implementation process?

In particular:

• Do you think you were effectively engaged/involved/consulted on in the process?

2.2 To what extent do you think staff are now aware of the change?

In particular:

• Which staff groups are more and less aware?

• To what extent are the full details of the change understood? – give examples.

2.3 What worked well in the implementation?

In particular:

• Which channels of communication were effective? Why?

2.4 What didn't work well in the implementation?

In particular:

• Which channels of communication didn't work well? Why?

2.5 How could the implementation of the new way of measuring performance have been improved?

## 3 Flexibility, resources and value for money

Flexibility and allocation of resources: How does the new way of measuring performance support the flexible allocation of resources at the local level?

Flexibility and Value for Money: How does the new way of measuring performance assist in enabling Jobcentre Plus to respond to changing requirements, achieve efficient integration of its delivery and deliver value for money?

3.1 How is the new way of measuring performance influencing the allocation of resources at National/Group Delivery Network level?

3.2 For Jobcentre Directorate – How does the new PMF work together with the new flexible regime to deliver a good service for customers?

3.3 Does the new way of measuring performance encourage local managers to make decisions in order to improve performance?

3.4 How does the new way of measuring performance help to promote productivity?

3.5    How does the new way of measuring performance influence the relationship between Jobcentres, Contact Centres and Benefit Centres?

3.6    Do you think that the new way of measuring performance ensures that Jobcentre Plus is efficient with its resources?

In particular:

• Are there any ways in which the new way of measuring performance encourages good or bad use of resources (e.g. Flexible Support Fund dispersal etc)? Please give examples.

## 4       Motivation, behaviour and integrity

> Staff behaviour and motivation: How does the new way of measuring performance affect staff motivation?
>
> Responsiveness to and appropriateness of performance signals: To what extent does the new way of measuring performance provide appropriate operational performance signals?
>
> Integrity and management incentives: How does the new way of measuring performance affect the operation of desirable and undesirable incentives within the organisation?

4.1        What impact do you think the new way of measuring performance has had on staff motivation?

4.2    Do you think that the new way of measuring performance appropriately incentivises performance?

4.3    To what extent do managers/staff do anything differently as a result of the new way of measuring performance?

4.4    How do you use the new way of measuring performance to manage the performance of different districts/Jobcentres/BCs/CCs/Delivery arms?

In particular:

• How do you use the Outcome measures?

    – How do you use the supporting data?

    – How do you use the scorecards?

    – Are you making/arriving at any assumptions about the relationship between supporting data and outcome measures?

    – To what level of aggregation do you use the data (e.g. down to individuals)?

    – Do you use the data to establish baseline levels of performance for staff/teams/offices?

4.5    How has the introduction of the new way of measuring performance influenced/changed your ability to manage/monitor/understand performance?

4.6    What impact do you think the reorganisation of and staffing changes in performance monitoring and performance improvement with the introduction of OPPC has had?

• What impact do you think the further reorganisation of PR and PI in DWP has had?

4.7    Do you think that the new way of measuring performance is based on robust data?

4.8    Would you change managerial messages or reallocate resources as a result of the information in the outcome measure or supporting data? Examples?

4.9    How has the new way of measuring performance impacted on perverse incentives?

In particular

- Creaming/Parking?

- Impact on referrals to Work Programme? (Only relevant for Jobcentre Directorate)

- Impact on referrals to decision makers? (for sanction). (Only relevant for Jobcentre Directorate)

4.10   To what extent and how does the new way of measuring performance help to improve the performance of Jobcentre Plus?

## 5        Governance and transparency

Governance transparency and clarity: How effective is the governance of the PMF under the new way of measuring performance?

5.1    How has the new way of measuring performance affected the way in which you hold staff/ organisational units accountable for their performance?

5.2    How has the new way of measuring performance affected the way in which you are held accountable for performance?

5.3    How has the new way of measuring performance affected your relationship with external stakeholders?

In particular:

- Employers?

- Service providers?

5.4    Do you think that the publication of Jobcentre Plus performance data provides an accurate and transparent perspective on Jobcentre Plus performance?

## 6        Customer service and value for money

Quality of customer service and prioritisation of customer needs: How does the new way of measuring performance affect the quality and nature of service delivered to different customer groups.

6.1    Do you think that the new way of measuring performance incorporates the right balance between varying/competing objectives such as outcomes/customer experience and Value for money?

6.2    Does the new way of measuring performance lead to better value for money? How?

6.3    Relative to other changes, in your view how has the new way of measuring performance affected the level of customer service? Examples?

6.4    Has the new way of measuring performance affected the way staff work with harder to help customer groups (e.g. drugs/alcohol, homeless, offenders)? If so in what way (for each group)? How has this come about? Examples?

6.5   How has the new way of measuring performance affected the way in which staff work with other customer groups? How has this come about? Examples?

6.6   Has the new way of measuring performance had any particular negative effects on customers because of their gender, sexuality, age, religion or belief, marital status? In what way? How has this come about? Examples?

## 7        Other issues

7.1   How does the new PMF contribute to moving forward/delivering the Social Justice Agenda?

• Fairness?

• Poverty?

7.2   Is there anything else you would like to say about the new way of measuring performance?

# Jobcentre Plus PMF evaluation
# Topic Guide B: For operational manager respondents

> This topic guide is to be used for interviews and group discussions with Operational managers in Jobcentre Plus Districts including BDCs and CCs.
>
> Please ensure that you have done the following before commencing the questions:
>
> • Distributed the information sheet about the project to all respondents.
>
> • All respondents have completed the authorisation sheet.
>
> • You have briefly explained the purpose of the project and the arrangements for anonymity and confidentiality.
>
> The questions are intended as a guide rather than a questionnaire. Where respondents open up new or unexpected lines of enquiry which are relevant, these should be pursued. Fieldwork in each district should cover the full range of question areas.
>
> The questions in the boxes are provided to show the questions that we will be trying to answer in the relevant section of the research outputs

## 1        Understanding and clarity of purpose

Headline question: What affect has the new way of measuring performance had on streamlining Performance Management and strengthening clarity of purpose?

1.1   Can you describe the new way of measuring performance since April? (Use pp.9/10 slide from Operational Workshop PPt as interview aid)

In particular:

• What do you think are the main features of the new way of measuring performance?

1.2    What do you think the main objective of changing the system of performance measurement was?

1.3    Do you think that the new way of measuring performance is an appropriate way of measuring performance for your team/office/district?

In particular:

• Do you think the removal of targets is appropriate? Why/Why not?

• Do you think the focus on two outcome measures is appropriate? Why/Why not?

• Are the supporting data appropriate/comprehensive? What's missing?

• Are the Scorecards appropriate and/or comprehensive?

• What other methods or products do you use to measure and monitor performance at a local level?

1.4    What do you understand the purpose of Jobcentre Plus to be, and does the new way of measuring performance support this? Why/why not?

## 2        Communication and implementation

Understanding, awareness and communications: How was the implementation of the new way of measuring performance communicated and how do different groups of staff understand it and its purpose?

2.1    How were you informed about the implementation of the new way of measuring performance?

In particular:

• Did you get the right information at the right time?

2.2    How did you inform your staff about the change?

2.3    To what extent do you think your staff are now aware of the change?

In particular:

• Which staff groups are more and less aware?

• To what extent are the full details of the change understood? – give examples.

2.4    What worked well in the implementation?

In particular:

• Which channels of communication were effective? Why?

2.5    What didn't work well in the implementation?

In particular:

• Which channels of communication didn't work well? Why?

2.6    How could the implementation of the new way of measuring performance have been improved?

# 3        Flexibility, resources and value for money

Flexibility and allocation of resources: How does the new way of measuring performance support the flexible allocation of resources at the local level?

Flexibility and Value for Money: How does the new way of measuring performance assist in enabling Jobcentre Plus to respond to changing requirements, achieve efficient integration of its delivery and deliver value for money?

3.1    How is the new way of measuring performance influencing the allocation of resources at district or site level?

3.2    Does the new way of measuring performance encourage you/local managers to make decisions to improve performance?

3.3    How does the new way of measuring performance help to promote productivity?

3.4    How does the new way of measuring performance influence the relationship between Jobcentres, Contact Centres and Benefit Centres?

3.5    Do you think that the new way of measuring performance ensures that Jobcentre Plus is efficient with its resources?

In particular:

• Are there any ways in which the new way of measuring performance encourages good or bad use of resources (e.g. Flexible Support Fund dispersal etc)? Please give examples.

3.6    For Jobcentre Directorate – How does the new PMF work together with the new flexible regime to deliver a good service for customers?

# 4        Motivation, behaviour and integrity

Staff behaviour and motivation: How does the new way of measuring performance affect staff motivation?

Responsiveness to and appropriateness of performance signals: To what extent does the new way of measuring performance provide appropriate operational performance signals?

Integrity and management incentives: How does the new way of measuring performance affect the operation of desirable and undesirable incentives within the organisation?

4.1    What impact do you think the new way of measuring performance has had on staff motivation?

4.2    Do you think that the new way of measuring performance appropriately incentivises performance?

4.3    Do managers/staff do anything differently as a result of the new way of measuring performance?

4.4    How do you use the new way of measuring performance to manage the performance of different individuals/teams/offices?

In particular:

• How do you use the Outcome measures?

• How do you use the supporting data?

• How do you use the scorecards?

• Are you making/arriving at any assumptions about the relationship between supporting data and outcome measures?

• To what level of aggregation do you use the data (e.g. down to individuals)?

• Do you use the measures to establish baseline levels of performance for staff/teams/offices?

4.5    How has the introduction of the new way of measuring performance affected your ability to manage/monitor/understand performance?

4.6    What impact do you think the reorganisation of and staffing changes in performance monitoring and performance improvement with the introduction of OPPC have had? (Prompt which recognises the further reorganisation of Performance Reporting and Performance Improvement in DWP)

4.7    Do you think that the new way of measuring performance is based on robust data?

4.8    To what extent do you use the outcome measure to monitor your performance?

4.9    To what extent do you use the supporting data to monitor your performance?

In particular:

• Which supporting data do you use to understand and analyse your performance?

• Which supporting data does your manager use to monitor your performance?

4.10    Would you change managerial messages or reallocate resources as a result of the information in the outcome measure or supporting data? Examples?

4.11    How has the new way of measuring performance impacted on perverse incentives?

In particular

• Creaming/Parking?

• Impact on referrals to Work Programme? (Only relevant for Jobcentre Directorate)

• Impact on referrals to decision makers? (for sanction) (Only relevant for Jobcentre Directorate)

4.12    To what extent and how does the new way of measuring performance help to improve the performance of Jobcentre Plus?

## 5        Governance and transparency

Governance transparency and clarity: How effective is the governance of the PMF under the new way of measuring performance?

5.1    How has the new way of measuring performance affected the way in which you hold your staff accountable for their performance?

5.2    How has the new way of measuring performance affected the way in which you are held accountable for the performance of your team/office/district?

5.3    How has the new way of measuring performance affected your relationship with external stakeholders?

In particular:

• Employers?

• Service providers?

5.4    Do you think that the publication of Jobcentre Plus performance data provides an accurate and transparent perspective on Jobcentre Plus performance?

## 6        Customer service and value for money

Quality of customer service and prioritisation of customer needs: How does the new way of measuring performance affect the quality and nature of service delivered to different customer groups

6.1    Do you think that the new way of measuring performance incorporates the right balance between varying/competing objectives such as outcomes/customer experience and Value for money?

6.2    Does the new way of measuring performance lead to better value for money? How?

6.3    Relative to other changes, in your view how has the new way of measuring performance affected the level of customer service?

Please give examples.

6.4    Has the new way of measuring performance affected the way your staff work with harder to help customer groups (e.g. drugs/alcohol, homeless, offenders)? If so in what way? How has this come about? Examples?

6.5    How has the new way of measuring performance affected the way in which your staff work with different customer groups? If so in what way? How has this come about? Examples?

6.6    Has the new way of measuring performance had any particular negative effects on customers because of their gender, sexuality, age, religion or belief, marital status? In what way? How has this come about? Examples?

## 7        Other issues

7.1    Is there anything else you would like to say about the new way of measuring performance?

# Jobcentre Plus PMF evaluation
# Topic Guide C: For operational staff respondents in Jobcentre Plus Districts

This topic guide is to be used for interviews and group discussions with operational staff in Jobcentre Plus Districts.

Please ensure that you have done the following before commencing the questions:

- Distributed the information sheet about the project to all respondents.

- All respondents have completed the authorisation sheet.

- You have briefly explained the purpose of the project and the arrangements for anonymity and confidentiality.

The questions are intended as a guide rather than a questionnaire. Where respondents open up new or unexpected lines of enquiry which are relevant, these should be pursued. Fieldwork in each district should cover the full range of question areas.

The questions in the boxes are provided to show the questions that we will be trying to answer in the relevant section of the research outputs.

## 1        Understanding and clarity of purpose

Headline question: What affect has the new way of measuring performance had on streamlining Performance Management and strengthening clarity of purpose?

1.1    Have you noticed any change to the way that performance is measured since April? (Prompt personal/team/division)

1.2    Can you describe the new system of measuring performance?

In particular:

- What data do you use to understand your performance?

- What data does your manager use to manage your performance?

- To what extent do you or your manager use 'supporting data' (you may need to describe these...)?

- Is the new way of measuring performance reflected in your Key Work Objectives for this year?

1.3    What do you think the main objective of changing the system of performance measurement was? (Use pp.9/10 slides from Operational Workshop PPt as an interview guide)

1.4    Do you think that the new way of measuring performance is an appropriate way of measuring your performance, that of your team, site (etc) and that of the organisation?

In particular:

- Do you think the removal of targets is appropriate? Why/Why not?

- Do you think the focus on two outcome measures is appropriate? Why/Why not?

1.5   What do you understand the purpose of Jobcentre Plus to be, and does the new way of measuring performance support this?

## 2        Communication and implementation

Understanding, awareness and communications: How was the implementation of the new way of measuring performance communicated and how do different groups of staff understand it and its purpose?

2.1   How were you informed about the new way of measuring performance?

In particular:

- Did you get the right information at the right time?

2.2   What worked well in the implementation?

In particular:

- Which channels of communication were effective? Why?

2.3   What didn't work well in the implementation?

In particular:

- Which channels of communication didn't work well? Why?

2.4   How could the implementation of the new way of measuring performance have been improved?

## 3        Flexibility, resources and value for money

Flexibility and allocation of resources: How does the new way of measuring performance support the flexible allocation of resources at the local level?

Flexibility and Value for Money: How does the new way of measuring performance assist in enabling Jobcentre Plus to respond to changing requirements, achieve efficient integration of its delivery and deliver value for money?

3.1   Do you think that the new way of measuring performance helps you to have more flexibility to meet customer needs?

3.2   Do you think that the new way of measuring performance ensures that Jobcentre Plus is efficient with its resources?

In particular:

- Are there any ways in which the new way of measuring performance encourages good or bad use of resources (e.g. Flexible Support Fund, etc)? Please give examples.

3.3    Does the new way of measuring performance have an impact on your relationship with colleagues in Jobcentres, Contact Centres and Benefit Centres? If so, how?

3.4    For Jobcentre Directorate – How does the new PMF work together with the new flexible regime to deliver a good service for customers?

# 4        Motivation, behaviour and integrity

Staff behaviour and motivation: How does the new way of measuring performance affect staff motivation?

Responsiveness to and appropriateness of performance signals: To what extent does the new way of measuring performance provide appropriate operational performance signals?

Integrity and management incentives: How does the new way of measuring performance affect the operation of desirable and undesirable incentives within the organisation?

4.1    How are the data on your performance communicated to you and discussed?

4.2    Do you think that the new way of measuring performance has helped you and your colleagues to be more focused on the outcome of helping people move quickly from benefits to employment?

4.3    Do you think that the new way of measuring performance will help to improve efficiency and value for money?

4.4    Do you think that the new way of measuring performance will help to improve on Fraud and Error (MVFE)?

4.5    What impact has the new way of measuring performance had on your motivation?

In particular:

• Are you less or more motivated?

• Does the new way of measuring performance change the things that you are motivated to do?

4.6    Do you do anything differently as a result of the new way of measuring performance?

4.7    Do you and other colleagues try to use the new way of measuring performance (outcome and supporting data) to compare the performance of individuals and groups? If so how?

4.8    Does your manager use the new way of measuring performance (outcome and supporting data) to manage your performance and that of your colleagues? If so, how? Examples?

4.9    How does the new way of measuring performance compare with other motivations (need to process customers, customer satisfaction, guidance and operating procedures)?

4.10   Do you think that the new way of measuring performance is based on robust data?

4.11   To what extent do you use the outcome measures to monitor your performance?

4.12   To what extent do you use the supporting data to monitor your performance?

In particular:

- Which supporting data do you use to understand and analyse your performance?

- Which supporting data does your manager use to monitor your performance?

4.13 Would you change your behaviour as a result of the information in the outcome measure or supporting data? Examples?

4.14 Does the new way of measuring performance present a (improved) logical link between your role and desired outcomes (e.g. the two outcome measures)?

4.15 How has the new way of measuring performance impacted on perverse incentives?

In particular

- Creaming/Parking?

- Impact on referrals to Work Programme? (Only relevant for Jobcentre Directorate)

- Impact on referrals to decision makers? (for sanction). (Only relevant for Jobcentre Directorate)

4.16 To what extent and how does the new way of measuring performance help to improve the performance of Jobcentre Plus?

# 5 Customer service and value for money

Quality of customer service and prioritisation of customer needs: How does the new way of measuring performance affect the quality and nature of service delivered to different customer groups?

5.1 Do you think that the new way of measuring performance incorporates the right balance between varying/competing objectives such as outcomes/customer experience and value for money?

5.2 Does the new way of measuring performance lead to better value for money? How?

5.3 In your view how has the new way of measuring performance influenced the level of customer service? Examples?

5.4 Has the new way of measuring performance affected the way you work with harder to help customer groups (e.g. drugs/alcohol, homeless, offenders)? If so in what way (for each group)? How has this come about? Examples?

5.5 How has the new way of measuring performance affected the way in which you work with other customer groups? If so in what way (for each group)? How has this come about? Examples?

5.6 Has the new way of measuring performance had any particular negative effects on customers because of their gender, sexuality, age, religion or belief, marital status? If so in what way? How has this come about? Examples?

## 6 Other issues

6.1 Is there anything else you would like to say about the new way of measuring performance?

# Appendix C
# Summary of PMF objectives

**Table C.1    Summary of PMF objectives**

| | SPAD and WtWSD — April 2010 — Start of project framework document | SPAD and OPPC — September 2010 — Performance framework for Jobcentre Plus (design statement) | Jobcentre Plus Chief Operating Officer — April 2011 — PMF launch letter | SPAD and OPPC — March 2011 — Workshop slides: An Introduction to the Jobcentre Plus Performance Management Framework | SPAD and WtWSD — July 2011 — Development of a Jobcentre Plus Performance Management Framework end of project report | ODET — August 2011 — Managing performance and the cultural challenge | SPAD and OPPC — April 2011 — The new Jobcentre Plus Performance Management Framework handbook |
|---|---|---|---|---|---|---|---|
| Fit with DWP/Jobcentre Plus vision and objectives | ● | ● | | | ● | | ● |
| Ultimately provide a single framework for PM, including for contracted provision | ● | ● | | | ●* | | |
| Focus on two outcome indicators: off-flow to employment and reduction of fraud and error | ● | ● | ● | ● | ● | | ● |
| Support retaining and progressing in employment | ● | | | | | | |
| Focus on outcomes rather than processes | ● | ● | ● | ● | ● | ● | ● |
| Remove the annual performance target setting procedure which was bureaucratic | | | ● | ● | | | ● |

Continued

**Table C.1    Continued**

|  | | | | | | |
|---|---|---|---|---|---|---|
| Support operational autonomy at local managerial and Adviser level | | • | • | • | | • |
| Support operational understanding of performance and variation | | • | • | | • | |
| Support internal clarity of purpose | • | | • | • | • | • |
| Support greater external accountability and transparency | • | | • | • | | • |
| Enable regular review/flexibility in design | • | • | | • | | |

* Notes that an early decision was made to put aside the development of measures to include contracted provision.

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A new Performance Management Framework (PMF) was launched in Jobcentre Plus in April 2011, 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 had upon cultural and behavioural change across Jobcentre Plus.

The evaluation was completed by the Policy Research Institute, Leeds Metropolitan University and is based on qualitative data collected through 111 semi-structured interviews with staff working in Jobcentre Plus and the Department for Work and Pensions and relevant secondary data in PMF project management documents. The fieldwork took place in October–November 2011.

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