Review of the structure of the Jobcentre Plus Business Delivery Target

GHK Consulting Ltd

A report of research carried out by GHK Consulting Ltd on behalf of the Department for Work and Pensions

Corporate Document Services
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## Abbreviations and acronyms

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<tr>
<th>Abbreviation</th>
<th>Full Form</th>
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<tr>
<td>BA</td>
<td>Benefits Agency</td>
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<td>BDT</td>
<td>Business Delivery Target</td>
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<td>BM</td>
<td>Business Managers</td>
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<td>CST</td>
<td>Customer Service Target</td>
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<td>DCP</td>
<td>District Control Point</td>
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<td>DDM</td>
<td>Deputy District Manager</td>
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<td>DFD</td>
<td>Deputy Field Director</td>
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<td>DM</td>
<td>District Managers</td>
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<td>DPM</td>
<td>District Performance Manager</td>
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<td>DWP</td>
<td>Department for Work and Pensions</td>
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<td>EOT</td>
<td>Employer Outcome Target</td>
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<td>ES</td>
<td>Employment Service</td>
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<td>FA</td>
<td>Financial Assessor</td>
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<td>FCC</td>
<td>First Contact Centre</td>
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<td>FCOs</td>
<td>First Contact Officers</td>
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<td>FD</td>
<td>Field Director</td>
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<td>FJR</td>
<td>Fortnightly Jobsearch Review</td>
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<td>HR</td>
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<td>IAD</td>
<td>Information and Analysis Directorate</td>
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<td>IB</td>
<td>Incapacity Benefit</td>
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<td>Abbreviation</td>
<td>Description</td>
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<td>IS</td>
<td>Income Support</td>
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<td>IT</td>
<td>Information Technology</td>
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<td>JET</td>
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<td>JSA</td>
<td>Jobseeker’s Allowance</td>
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<td>JSAg</td>
<td>Jobseeker’s Agreement</td>
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<td>KIT</td>
<td>Keeping-in-Touch</td>
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<td>KMI</td>
<td>Key Management Indicator</td>
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<td>LMI</td>
<td>Labour Market Interventions</td>
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<td>LMS</td>
<td>Labour Market System</td>
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<td>LSC</td>
<td>Learning and Skills Council</td>
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<td>MFA</td>
<td>More Frequent Attendance</td>
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<td>MI</td>
<td>Management Information</td>
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<td>MVFE</td>
<td>Monetary Value of Fraud and Error</td>
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<td>NAO</td>
<td>National Audit Office</td>
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<td>OE</td>
<td>Official Error</td>
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<td>PRA</td>
<td>Performance and Resource Agreement</td>
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<td>PA</td>
<td>Personal Adviser</td>
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<td>PSA</td>
<td>Public Service Agreement</td>
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<td>QS</td>
<td>Quality Support</td>
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<td>QST</td>
<td>Quality Support Team</td>
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<td>RE</td>
<td>Refusal of Employment</td>
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<td>RBR</td>
<td>Regional Benefit Review</td>
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<td>RPM</td>
<td>Regional Performance Managers</td>
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<td>SDA</td>
<td>Severe Disablement Allowance</td>
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<td>TFG</td>
<td>Target Focus Group</td>
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<td>WFI</td>
<td>Work Focused Interview</td>
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Summary

Introduction

Jobcentre Plus’ Target Strategy Team and the Department for Work and Pensions’ Work, Welfare and Equality Group commissioned this review of the structure of the Business Delivery Target (BDT). The specific aims of the exercise were to canvas policy, operational managers and staff views on how BDT operates in the field and consult on their suggestions for changes to the current target structure through to 2006/07.

The Business Delivery Target (BDT) is part of the Jobcentre Plus target structure. Other components are the Job Entry Target (JET), Monetary Value of Fraud and Error (MVFE), Customer Service Target (CST) and Employer Outcome Target (EOT) and Unit Costs. These higher level targets are supported by a series of Key Management Indicators (KMI). The target structure is intended to help improve levels of performance and assist the delivery of services within Jobcentre Plus. The BDT differs from the other targets in that it is a brigaded target containing five, equally weighted elements covering the accuracy, efficiency and standards of specified business processes: the accurate processing of claims for Income Support (IS), Jobseeker’s Allowance (JSA) and Incapacity Benefit (IB), JSA Labour Market Interventions and follow-up (LMI) and attendance at a Basic Skills Independent Assessment following referral.

Interviews and focus groups were held across all relevant policy and operational levels within Jobcentre Plus and Department for Work and Pensions between February and June 2004. Managers and staff were asked for their views on how BDT operates drawing from their own experiences and opinions on suggestions for improvement. The research exercise was consultative and did not involve any observations of practice nor validity checking of the information proffered.
Overview of the BDT

The interviews revealed several different perceptions of the value of the BDT. Some participants view this target as the embodiment of the service offer to all customers, reflecting the concept that ‘the process is the policy’ and, as key business processes, is the one target that lies entirely within the control of Jobcentre Plus to deliver. Others believed that the Jobcentre Plus targets should focus on outcomes, rather than processes and as such the BDT had little value as a high level target. Here the BDT is perceived as a management tool rather than an accountability measure. The perception of a third group was based on their understanding that the original purpose of the BDT, was to reflect both sides of the legacy businesses (Employment Service (ES) and Benefits Agency (BA)) and an integrated service offer for clients.

At all staff levels there is significant variation in the way in which the purpose of the BDT is understood. Overall, as expected, the focus on the BDT narrows as one moves through the organisation from National Tier towards customer-facing staff. Whilst at the National Tier there is recognition of the BDT as a single composite target, customer-facing staff focus on discrete components of the BDT and their respective contributions to the element’s achievement.

Managing the BDT

At an operational level, District Managers (DMs) have responsibility for the delivery of the BDT. In practice, management of the BDT tends to be by element rather than as a whole through the work of the operational managers of the relevant commands and the development of specialist networks focusing on learning and performance improvement for each element. Historically, BDT is managed as a whole where there are concerns about meeting the target overall.

A number of common themes were raised during the review. Observations by managers and staff included:

- There is a mix in the BDT target of audit measures for accountability purposes and performance measures for management purposes, each with different measurement regimes raising questions about the validity of aggregating the target elements and taking an average score.

- Questions were raised as to the ‘fit’ between the key business process elements of the BDT and the inclusion of the basic skills element.

- Questions were raised about the way elements, accuracy in particular, are measured, both in relation to the methodology and the timeliness of reports.

- The changing structure of the organisation, an increase in inter-dependencies and the number of hand-offs between commands, raised questions as to the ability of DMs to control all the necessary component parts for delivering the BDT.
• Headcount constraints and staff turnover mean there are issues with regard to
the deployment of resources and the skills and competency of staff.

• The supply of management information (MI) is not timely or sufficiently informative
for decision-making.

• The IT systems do not sufficiently support achievement of the BDT.

Suggestions for changes to the BDT

Almost everyone consulted suggested that there was a need for some change to the
BDT. For some, the suggestions were quite radical, including dropping the target
altogether; others made suggestions for changes at the margins.

Those that were least likely to recommend a radical change were of the view that the
BDT reflected the key business processes of Jobcentre Plus and is the critical
accountability measure.

Of those recommending more radical change, their suggestions appeared to
emerge from questioning whether the BDT adequately reflected the new business
model and whether the accountability structures for BDT were still valid.

Many of those consulted suggested that the design of any future changes should be
undertaken on an inclusive basis across the organisation. Indeed for some field staff
who participated in this consultation exercise, involvement in the discussion was
seen as important as the result. It was felt that engaging staff in the organisation
more widely would broaden the understanding of how the business works, how the
different parts of the business are measured and how they should relate to each
other.

Suggestions for changes to the BDT Elements

Accuracy

• Rather than changing the targets it was suggested that immediate added value
could be achieved by better use of the information highlighted by the Quality
Support Team (QST) on common errors. Further investigation should be
undertaken to explore if there are ‘structural’ reasons behind the recurrence
of the same errors.

• Not all staff seemed to appreciate that the QST visit is an audit tool that feeds
into Jobcentre Plus assessment of accuracy and into the resource accounts, and
that dropping its application would not be possible. However, there are potential
opportunities for improvement:
  – There is a significant need for improved communication as to the purpose of
    QST and the validity of the methods employed.
  – Explore the extent to which some of the accuracy criteria are still necessary
    and ‘reasonable’ and adjust accordingly.
Whatever changes are made it is a widely held view that there must be an ability to provide prompt feedback on accuracy. The local checking process should be encouraged in order to offer targeted technical assistance and training to staff.

More radically, the suggestion was made to replace accuracy elements with end-to-end process targets that are attributable to specific commands – measures would include both speed and accuracy.

It was suggested by a number of staff that there is a need to consider the alignment and potential overlaps between the accuracy measures and MVFE.

**Labour Market Interventions**

- Explore the scope to simplify the LMI process and associated measures.
- Explore the extent to which there is scope for further improvement to the level of achievement for LMI. What level of error is always likely to occur from human error? What would be the marginal cost of an additional one per cent rise in performance?
- Move LMI to a KMI or incorporate it into the JET and it with a part of the process that needs close monitoring. Although it should be noted that other participants expressed concern that this would result in a lack of attention to LMI with a drop in performance.
- Consider how a measure of the ‘quality content’ dimension of the LMI process could be reflected in a target, in particular a measure of distance travelled.

**Basic skills**

- Properly assess the contribution that Jobcentre Plus can have on the skills agenda and the service offer for customers who have a basic skills need. Then build an end-to-end target incorporating the existing KMI.
- An alternative view was to drop basic skills as a Jobcentre Plus target. The view was that the basic skills agenda, while important, saps valuable resources from Jobcentre Plus and impedes its ability to provide its key business delivery elements rather than facilitate them. A view that runs counter to Government policy.

**Concluding remarks**

- The need for high-level process targets is recognised but how this then translates into the composition of the BDT is not clear. In particular, the inclusion of the basic skills element tends to dilute the ‘key business processes’ message. Any future changes need to address the internal consistency of BDT.
- The overall target is not used to drive-up performance standards in any particular element across the network and it is felt that the composite measure in particular ‘hides’ accuracy and the direction of movement on the accuracy targets compared to its stand-alone status when it was a BA target. As such we would recommend not averaging scores across the BDT, but rather reporting on BDT as a basket of measures and listing the performance of each separately.
Effective communication appears to be an issue on a number of fronts and needs to be addressed. Specific topics that would benefit from enhanced communication include: the purpose of the BDT, its component parts and how they link to achievement of business objectives; the rationale behind the planning assumptions; the purpose of the Quality Support audit process, the validity of the method and its limitations for performance information; how the target levels are measured; the role of Jobcentre Plus in contributing to the basic skills agenda:

- Skills were generally identified as a barrier to effective achievement of the targets. On the benefits side, it may be worth considering the relative trade-off between the costs of recruiting and training in anticipation of turnover and the costs associated with official error.

- There should be close monitoring of the hand-offs in the new organisational structure and the extent to which they affect both achievement of the targets and accountability structures.

- More than any other part of the business, it would seem that greater investment in effective IT systems has the potential to improve achievement of the BDT.

- The review has generated a number of suggestions for changes. In the short-term, there are pragmatic and probably cost effective ways of addressing some of the comments on the current target. For the longer-term, post 2006/07, there is sufficient weight of responses to suggest an approach that looks beyond BDT to the business as a whole and a re-consideration of the Jobcentre Plus target structure.
1 Introduction

Jobcentre Plus’ Target Strategy Team and the Department for Work and Pensions’ (DWP) Work, Welfare and Equality Group commissioned this review of the structure of the Business Delivery Target (BDT). The specific aims of the research were to canvas policy and operational managers and staff views on how BDT operates in the field and consult on their suggestions for changes to the current target structure through to 2006/07.

BDT is part of the Jobcentre Plus target structure. Other components are the Job Entry Target (JET), Monetary Value of Fraud and Error (MVFE), Customer Service Target (CST), Employer Outcomes Target (EOT) and unit costs. This target structure was developed when Jobcentre Plus was created from the former Employment Service(es) and the Benefits Agency (BA) as part of the Performance and Resource Agreement.¹ The target structure is intended to encourage the best possible contribution to DWP’s Public Service Agreements (PSAs) and to help improve levels of performance and assist the delivery of services within Jobcentre Plus.

The following draws from the Business Delivery Target Guidance for 2004/05 to elaborate on the definition, construction and target levels for BDT.

The BDT differs from the other targets. The BDT measures processes, whereas the other targets are closer to outcome measures. The BDT seeks to ensure that:

‘...the specified key Jobcentre Plus business processes are delivered efficiently, accurately and to specified standards in 89.6 per cent of cases checked’.

It is understood that the original rationale for the BDT was that it would capture key elements of the business delivery process. Over time additional factors came to be influential over the composition of the BDT, for example the need to incorporate more benefit dimensions of the business and to address elements of business delivery that were political priorities. Thus, the BDT target:

• measures timeliness, accuracy and compliance of key business processes in all Jobcentre Plus sites, including former Social Security Offices and Jobcentres;

¹ The Performance and Resource Agreement targets are now known as the Jobcentre Plus Targets.
provides an incentive to get the processes right first time and to put things right when errors are found;
was designed to make sure that the key processes of Jobcentre Plus are delivered to a consistently high standard, and
builds on the benefit accuracy improvements that have already been achieved.

The BDT is made up of five, equally weighted components:
- Accurate processing of claims for Income Support (IS).
- Accurate processing of claims for Jobseeker’s Allowance (JSA).
- Accurate processing of claims for Incapacity Benefit (IB).
- JSA Labour Market Interventions (LMI) and follow-up activity.
- Attendance at independent assessment following a basic skills referral.

IS and JSA accuracy are included to ensure that Jobcentre Plus pays benefits accurately. This:
- ensures that Jobcentre Plus customers receive the benefits they are entitled to; and
- contributes to the achievement of the reduction of official error (OE) and losses (helping to support the MVFE target).

The LMI is about making sure:
- Jobcentre Plus delivers adviser services (primarily advisory interviews and New Deal) promptly; and
- undertakes appropriate action where people appear to have refused an offer of employment Refusal of Employment (RE) or not attended the Jobcentre Plus office as required.

Basic skills is high on the Government agenda for a number of government departments and is directly linked to the DWP PSA. The inclusion of basic skills recognises the key role of Jobcentre Plus in helping to deliver the Adult Basic Skills Strategy by helping unskilled people out of long-term unemployment and social exclusion.

For 2004/05, a new component of BDT has been introduced to replace IB Medical Testing. This is a full end-to-end check of the accuracy of IB claims. This change:
- has been driven by the need to support and successfully manage the future of IB in line with known policy intentions;
- will allow the measurement and reporting of the accuracy of IB claims;
- will focus attention on, for example, Work Focused Interviews (WFIs), Personal Capability Assessments, IB Pathways to work, New Deal Disabled People and proactive engagement with IB customers; and
reinforces the importance of IB as a key benefit in Jobcentre Plus business environment.

Each of the five components of BDT contributes 20 per cent towards the overall target level. The planning assumptions for each component for the 2004/05 operational year are:

- Income Support accuracy – 92 per cent.
- Jobseeker’s Allowance accuracy – 94 per cent.
- Incapacity Benefit accuracy – 94 per cent.
- Labour Market Interventions – 96 per cent.
- Basic Skills – 72 per cent.

Allocation of the planning assumptions for IS and JSA components are district based and based on IS and JSA accuracy differences. All of the other components are uniform national levels.

By taking a mean average of the performance for each of the five components, the overall level for the BDT in 2004/05 is 89.6 per cent.

Several studies undertaken by Jobcentre Plus on other aspects of the target structure and on performance variation have flagged issues concerning the BDT. In addition, as the target guidance makes clear the BDT ‘is an interim target until Jobcentre Plus is fully integrated’ reflecting the planned changes to processes with the new delivery model. Consequently, Jobcentre Plus’ Target Strategy Team and the DWP Working Age and Children’s Group (WACG) commissioned this research and consultation exercise to contribute to the 2004 Spending Review and future planning. The objectives of the exercise were to:

- To canvas policy and operational managers and staff views on how BDT operates in the field.
- Assess how BDT operates in the field.
- Consult on suggestions for changes and improvements to the target structure in the future.

1.1 Methodology

Managers and staff were asked for their views on how BDT operates based on their experience and their opinions on suggestions for change. The research exercise was consultative and did not involve any observations of practice nor validity checking of the information proffered.
The consultation exercise was based on a qualitative research methodology and was divided into two stages:

- **Stage one** consisted of interviews with thirty senior National and Regional Tier representatives. At the National Tier, interviews were held with representatives from the department and Jobcentre Plus, drawing from policy and operational divisions. At the regional level Field Directors (FDs), Deputy Field Directors (DFDs) and Regional Performance Managers (RPMs) were interviewed according to their availability. Most of these interviews took place between February and April 2004. In addition, senior staff from Jobcentre Plus Direct were interviewed in May and June 2004.

- **Stage Two** consisted of interviews and focus group discussions in one district per region/country, in one processing centre and in two contact centres, as selected by Jobcentre Plus. In each district, the DM or a delegated colleague was interviewed individually. Group Managers from two contact centres were interviewed although their centres were not visited; thus, the total number of contact centres contacted for the research was four. Two focus groups were held in each district, two contact centres and one processing centre to capture the opinions of district and office staff. In total, some 165 staff participated in the stage two exercise, with around 54 per cent drawn from various management grades and the remainder drawn from customer-facing and processing staff:
  - One focus group discussion was held with a group of management and specialist staff from district and site offices. These included Business Managers (BMIs), the District Control Points (DCPs), the District Performance Team and the Basic Skills Champion.
  - A second focus group discussion was held for site office staff, including customer-facing staff and benefit processors.
  - At contact centres, one focus group discussion was held with management staff and one with first contact officers.
  - At the benefit-processing centre, one focus group discussion was held with management staff and one with benefit processors.

The main issues explored with participants at all levels were as follows:

- How does the BDT inform policy and operations?
- What does the BDT measure?
- Is it a single composite target or a group of five targets? Does the composite nature of the target raise issues?
- How well do the elements of the BDT capture their respective business processes?
- What are the main performance challenges associated with the BDT?
- Does the BDT need restructuring, and how?
- What should be the considerations when evaluating any suggested changes to the BDT?
In addition, at district and site office level the following issues were explored with participants.

- Who owns the target?
- What importance does this target have compared to the others?
- How meaningful is the BDT to staff at different levels?
- Is the present selection of elements optimal?
- What are the challenges to the achievement of the target?
- Is BDT a useful tool for compliance management?

The research was undertaken between February and June 2004, as a consequence the consultation bridged both the 2003/04 operational year end and the introduction of the revisions to the BDT for 2004/05. As might be expected, early interviews in the process made reference to the 2003/04 structure of BDT and operational practice and later consultations had to contend with the learning curve associated with the changes to the target introduced for 2004/05. As far as possible we have acknowledged this ‘transition’ phase and taken it into account in analysing the information generated.

The main change between 2003/04 and 2004/05 was the introduction of the end-to-end check of the accuracy of IB claims. This measure drew on the existing component from BDT relating to IB Medical Testing and the Jobcentre Plus Key Management Indicator (KMI) on IB accuracy. Further changes related to the planning assumptions for the target levels: IS, JSA accuracy target levels were retained for a further year, as was the LMI target; the target level for basic skills was raised from 60% to 72%. Overall the proposed target level for BDT was raised by 1.6%.

BDT is designed to capture the processes of Jobcentre Plus business delivery. Each of these processes involves a detailed and quite complex set of procedures and measurements. One challenge for GHK, as generalist evaluators albeit with a reasonable knowledge of Jobcentre Plus, was differentiating between what were factually correct statements from participants in the consultation exercise and what were their ‘imprecise’ perceptions with regard to the detail of the various elements of BDT. The following reports the findings as they were recorded, without any attempt to judge whether the comments are ‘correct’ with regard to procedures. Where there are inaccuracies around procedures, subsequent clarification of processes from Jobcentre Plus has been included. Otherwise, the findings represent the views of participants.
1.2 Report structure

The remainder of this report is structured as follows:

- Chapter 2 records the views expressed concerning the BDT as a whole, its management and associated issues;
- Chapter 3 examines the views expressed on the elements of the BDT;
- Chapter 4 reflects on the suggestions for changes to the BDT from the consultation exercise and offers some concluding comments from GHK.
2 The Business Delivery Target

2.1 Introduction

This section reports and analyses the opinions of the participants in this review as expressed in Stage One and Stage Two of the research on the Business Delivery Target (BDT) as a whole. Issues reported on in this section include:

- the purpose of the BDT;
- how the BDT informs operations; and
- whether it is viewed as a composite target or a group of five targets.

2.2 Perspectives on BDT

One of the assumptions behind the research was that a respondent’s view on the key questions was likely to be affected by their position in the organisation’s operational tiers.

Overall, as one might expect, the focus on the BDT narrows as one moves through the organisation from National Tier towards customer-facing staff. Whilst at the National Tier there is recognition of the BDT as a single composite target, customer-facing staff focus on the discrete components of the BDT and their respective contributions to their element’s achievement. Interestingly, at no level can we suggest that BDT is managed as a whole – the component parts are managed discretely for the most part. Indeed even the Target Focus Group (TFG) for the BDT has migrated partial responsibility for the accuracy components of BDT to the Monetary Value of Fraud and Error (MVFE) TFG.

The main messages to emerge from the exercise by participants from different organisational tiers are set out below in outline to draw out the key differences in perspectives. The detail on these various points is addressed in the remainder of the chapter:

- At the National Tier:
  - The BDT as a whole is used as an indicator of performance, it is a headline figure, rather than a driver of performance.
There is a reliance on the individual elements of the BDT to flag up performance monitoring and performance issues.

There is a lack of consensus as to the genesis and purpose of the BDT – leading to debate about its on-going utility.

Questions were raised as to the ‘fit’ between the BDT and the vision for Jobcentre Plus. Specifically, whether the elements of BDT adequately captured all the relevant key business processes of the organisation; and, whether the BDT adequately reflected the new operational structure of Jobcentre Plus.

• At the Regional Tier:
  – The BDT is used as a headline figure of performance.
  – The BDT is used to focus discussion on performance with District Managers (DMs), in particular around performance against the specific elements.
  – It is used as a means to pull together the former organisations (Employment Service (ES) and Benefits Agency (BA)) in discussions about performance.

• At the district level (district wide and site level managers):
  – Managers use the elements to ‘manage up’ to the BDT, i.e. focus attention on the key business elements measured in the BDT and organise performance management and improvement groups around separate elements.
  – Views that the BDT as a whole is difficult to explain to staff.
  – Some concerns were expressed regarding responsibility and accountability for delivery of the BDT and its respective elements.
  – Similarly, some concerns were expressed as to the measurement of performance of the BDT elements.

• Customer-facing and benefit-processing staff:
  – As expected, there was a generally low level of awareness and knowledge of the BDT as a whole.
  – There was knowledge of their respective key work objectives, which were often a combination of a BDT element, and KMiS.
  – Some concerns were expressed as to attribution and control over performance.
  – Knowledge of how the work of customer facing staff and processing staff fitted alongside other parts of the business appeared to be underdeveloped.

There are differences in focus on the BDT by operational staff and these differences reflect function and responsibility as illustrated above. However, there are also common views and perceptions as to the purpose, usefulness and limitations of the BDT that cut across any operational tier-based differences. Thus, the following explores responses to the BDT as a whole by theme or issue rather than operational tier. Where there are clear differences in view by tier, these are highlighted.
2.3 The value of the BDT

There was significant variation in the understanding of the genesis and purpose of the BDT at all management levels with consequences for how it is perceived, valued and managed. There were three main perspectives on the BDT, but note also that these are not necessarily mutually exclusive.

According to the 2004/05 Target Guidance, the purpose of the BDT is to ensure the ‘specified key Jobcentre Plus business processes are delivered efficiently, accurately and to specified standards’. Generally, the need for or value of a target (or set of targets) that monitors the delivery of business processes was not questioned. Rather, views tended to question the composition of the BDT, the selection of its elements and their place in the overall target structure.

One rationale for the construction of the BDT was both an articulation of the common service offer that was to be given to all customers and a means whereby Ministers could exercise control over delivery and adherence to policy intent (and legislation). For example, the Labour Market Interventions (LMI) element of the BDT target reflects the policy shift towards active labour market intervention, the introduction of both customer rights and responsibilities and a structured service offer to assist people into employment. It is the articulation of ‘the process is the policy’. As one senior respondent stated:

‘Jobcentre Plus is the most universal and individualised business within government – the customer knows exactly what they are going to get – BDT is like the Citizen’s Charter’.

From this perspective, the BDT could be perceived as the most important of the Jobcentre Plus targets. It reflects Ministerial and policy priorities and what has been contracted for ‘delivery’. In addition, the BDT sets out those areas of the business over which Jobcentre Plus as an organisation has direct control i.e. its own internal business processes. As an attribute of the target, this aspect of BDT should not be under-estimated, it is a legitimate basis for public accountability and as such meets the basic tenets behind the design of effective targets.

Here the emphasis is on BDT as an accountability measure rather than solely a performance management tool. As such, the view is that it should be both a high level Jobcentre Plus target with distinct senior management attention and should be managed as a whole to demonstrate whether the organisation is delivering the service offer as intended.

An alternative view emerges from a different model of governance regarding the relationship between central government and its delivery organisations. The perspective emanates from a view that the primary concern of the Department is progress towards achievement of the Public Service Agreements (PSAs) and as such the requirement of delivery organisations is to report on their relative contribution towards the PSAs. The focus, therefore, is on outcomes, in the case of Jobcentre Plus job entries (JET), financial management and controls (MVFE), and customer service...
While there may be scope for refinement and development of these measures between DWP and Jobcentre Plus, the argument runs that how Jobcentre Plus outcome measures are achieved are within the management purview of the organisation and not the concern of the Department. From this perspective, the BDT becomes a basket of internal management indicators and so, should not form part of a high-level Jobcentre Plus target as it would be of little interest outside the organisation’s management.

In this case, part of rationale for the current BDT is that it is an interim measure; necessary only while the new organisation embeds itself and stabilises and so has a limited ‘shelf-life’. Reliance on an outcome-based only approach to governance and accountability structures reflects both the maturity of relationships and organisations between the sponsoring Department and it delivery agencies.

The remaining views lie somewhere between these two extremes and question not the existence of a BDT but its composition and measurement.

### 2.4 The coverage of the BDT

A common comment was that initially the composition of the BDT was driven by the need to bring the two legacy organisations (ES and BA) together. As such, the BDT captured both the labour market brokerage and the benefit processing sides of the business. The purpose of the BDT was to send out a message of organisational change message that this is a new organisation, encompassing the two parts. A number of senior managers who had originally supported this construction and function for the BDT are now of the view that it has served that original purpose and there is a need to re-look at the BDT:

‘BDT with its five elements should lead to an understanding that Jobcentre Plus is one business and achievement of targets is a function of all the sections. For example, people in Jobcentres can impact on MVFE and benefit staff can impact on job entries.’

Beyond the labour market and benefit accuracy measures, views were that the inclusion of the Incapacity Benefit (IB) medical testing and basic skills elements within the BDT was to capture and raise the profile of an under-performing aspect of the business, in the former and to reflect an emerging Ministerial priority area, in the latter. The impression is that the inclusion of these measures diluted the original message and rationale for the BDT and is perhaps the reason why people talk about the ‘rag-bag of measures’ that is the BDT. As a consequence of this perspective, there is no inherent rationale for managing the BDT as a whole. Any intuitive understanding of the target or inter-connectedness between the elements is hidden. Rather, the focus is on the performance monitoring of the elements and the treatment of the BDT as five separate targets.

Broadly, there was an appreciation amongst participants that the accuracy targets should feature in the targets for Jobcentre Plus. The point was often made,
especially at processing sites, that the payment of benefits should feature as highly as job entries given that ‘two out of three staff are involved in benefits side of the business’. Benefit payments were seen as a necessary but not sufficient condition to enabling people to move towards employment. There was a concern therefore that incorporating the benefit targets into the BDT effectively ‘hid’ the benefits business from the organisational profile and possibly higher-level attention. For some the solution was to recommend a new target that focused only on the benefits, which would sit with equal status alongside the Job Entry Target (JET).

An alternative view was that the benefits related targets, in particular given the way they are measured, would sit more naturally alongside a broadened MVFE target. MVFE is an audit measure, as are the ways in which benefit accuracy is measured under the BDT.

However, a number also highlighted the extent to which MVFE and the accuracy targets are measuring the same concept and outcome from the same essential business processes, but are using different metrics. As one senior manager reported: one uses over payments only, the other both over and under payments; one uses monetary value, the other percentage errors; they have different tolerance levels for error, 2.5 per cent for MVFE nationally and 40 per cent at regional level and is not measurable of district level whereas for accuracy, the figures are 2 per cent for accuracy at the national level, 4 per cent at regional level and 8 per cent at district level; they draw on the same information base but report at quite different intervals. The consequence of these differences was an inability to easily draw the links between the two sets of measures. One question asked was whether, as a more timely measure, the accuracy targets could be used as ‘leading indicators’ for MVFE? The comment raises the need for further research to analyse the relationship between the two measures and the feasibility of the suggestion.

At the time of the fieldwork, the new IB end-to-end process target had just been introduced and consequently it was felt too early to comment.

On the LMI element there was a high degree of familiarity and little concern over the measure itself. Rather, the question was raised as to whether the LMI and basic skills elements of the targets adequately captured the labour market service offer, the business processes and the changes that are occurring in the labour market. The most obvious missing components of the labour market offer are the Work-Focused Interview (WFI – introduced as a Key Management Indicator (KMI) for 2004/05) and a measure that captured the added value associated with the advisory function.

Many thought that the basic skills element sits uncomfortably within the current suite of targets. It was seen as a less than perfect proxy for the wider labour market concerns with employability, workless households and sustainable employment.

For some participants, the BDT no longer reflected the priorities and operations of Jobcentre Plus. For example, although the BDT may measure labour market interventions for the economically active, it excludes the economically inactive except as passive benefit recipients. In addition, the question was raised that the
process targets assumed a ‘standard model’ of intervention (‘the process is the
policy’), and so where does greater flexibility and the exercise of adviser discretion fit
within a ‘process compliance driven’ measurement structure?

2.5 Measurement of the BDT

The BDT is a composite target; the final score is an average of the respective
achievement against each of the five, equally weighted elements. The value of this
was questioned. To illustrate, one comment from a National Tier respondent was:

‘…it disguises and dilutes the value of the individual metrics. So people
effectively unpick the BDT. So what is the point in adding it up? If it confuses
my colleagues what does it mean to those in the front line?’

Additional comments included:

- ‘BDT adds together apples and pears’; how can one interpret the final score
given the quite different component parts of the target?

- The elements are not of equal significance, complexity nor resource intensity.
  For example, the complexity and resources required to achieve IS accuracy is
greater than that required to deliver the basic skills target. The aggregate score
can hide what is happening to the individual elements and the management
task associated with each.

- Averaging performance across the elements enables underperformance on any
  one element to be actively compensated for by focusing attention on a more
easy to achieve element.

- Finally, by averaging the performance of the different elements the trends of
each is masked, for example the upward movement in accuracy for one benefit
countered by the downward trend on another.

A more detailed critique of the measurement of the individual elements of the BDT
is presented in the next chapter. However, some key points to note are:

- The basis of measurement varies. For example, a formal audit exercise for the
  accuracy indicators versus relatively simple monitoring returns for basic skills.

- As a consequence, the timeliness of the performance information differs between
  the elements, affecting the ability of managers to influence performance promptly.

- The sample bases and their validity at local level differ between the elements
  further affecting the utility of the information for managers.

- The complexity of the measurement of each element varies, such that only those
closely involved in the processes can fully understand what the performance
really means and what may be required to redress underperformance.

GHK would argue that the measurement of BDT mixes accountability measures (the
audit based exercises for accuracy) with performance monitoring information (basic
skills). As such there are mixed purposes behind the elements as drivers of performance, scope for misinterpretation of some results by those at a distance from the process itself and mis-placed expectations as to the utility and responsiveness of the information supplied.

As one respondent suggested, the complexity of the benefit system and the measurement of accuracy and subsequently the difficulty of interpreting the performance statistics has meant, in his experience, the performance of the benefits aspect of the business is insufficiently understood and its complexity can make it difficult for senior management to take a strategic view.

2.6 Managing the BDT

2.6.1 Practice

Whilst DMs may have accountability for the BDT, it is the Deputy District Manager (DDM) and the District Performance Manager (DPM) that take responsibility for overall delivery. The most common approach to delivering the BDT appears to be managing its elements through operational line management and the creation of working groups or leads for learning and performance improvement. As an example of good practice, staff reported that following this model meant:

- BDT is perceived more as a service principle than a target.
- Achievement of the BDT is seen as a management responsibility by staff and accepted as such by managers.
- It is easier for staff to feel a sense of ownership over their element; ‘accuracy in processing is what drives our customer commitment and this commitment is shared by managers and staff alike’.
- Perverse practice by staff is seen as neither necessary nor encouraged.
- There is a culture of celebrating success.
- An emphasis on feedback and continuous improvement.

A wide range of techniques is used to communicate and raise awareness of the BDT and its respective elements. These include communications meetings, team talks, feedback sessions and performance Keeping In Touch (KIT) meetings, bulletins, promotion of the use of the intranet, networking, job shadowing and so on.

In most areas, learning appears to be through the lead staff for specific elements of the BDT complemented by the District Control Point (DCP) and DPMs, who cascade performance information, good practice and emergent issues through to team leaders and so, to operational staff. For the most part managing achievement has largely been integrated into wider performance management mechanisms such as trouble shooting, development of formal action plans to address specific issues, the creation of technical teams/‘accuracy families’ and informal networking. Senior managers were clear that the basic tools and approaches for the management of the
BDT elements were no different to those used for the other targets. The challenge is good management practice generally rather than anything specifically designed for the BDT.

**Delivering the BDT – One District’s Approach**

- Issue all staff a summary of the District Business Plan and the PRA/KMI guidance for the operational year.
- Conduct awareness sessions for all staff detailing the targets and how they are achieved – explaining to individuals their input and how they can control achievement.
- All processing commands have accuracy plans to highlight trends and areas for improvement in the coming year.
- Use of District accuracy groups to draw on national good practice and disseminate locally.
- The District Performance Improvement Team identifies the area to be investigated; they concentrate on accuracy, processing and customer services.
- All processing sites have an accuracy representative who co-ordinates the checks for the Quality Support Team (QST) visits.
- All Income Support (IS) and IB commands have dedicated technical teams who carry out checks, identify trends and feedback to staff on emerging issues and changes in processes.
- Specialist staff to advise on specific issues e.g. new claims, change of circumstances.

In terms of managing delivery of the BDT, one practice that emerged from the discussion is to counter underachievement in one element with a stronger focus on another (for most this was basic skills). Managers did not suggest that they prioritised one element of the BDT over any other. Rather, as the year progresses, the redeployment of resources and effort may be used to help ensure the BDT is met overall rather than through all the discrete elements performing equally well. This reflects the relative time lags between action and reported performance-action on basic skills gives an almost immediate reported performance return; that on benefit accuracy takes approximately 9-12 months to feed into improved performance, or if neglected, into under-performance. The use of annual targets, therefore, has an impact on decision-making. As one workshop participant suggested: ‘the more I drive up basic skills and LMi the more pressure I take off accuracy’. This highlights the need to set appropriate planning assumptions for each element of the target.

### 2.6.2 Challenges

From an operational perspective a number of comments were made as to the challenges of managing the BDT given changes taking place within Jobcentre Plus.
Essentially there were three strands of comment:

- The ability to own and control the elements within the BDT.
- The extent to which the elements within the BDT ‘fit’ the new business model.
- The extent to which process compliance targets are an adequate measure of ‘delivery’.

In some respects these strands are interrelated. Essentially there was a concern regarding the extent to which organisational changes were making the current ownership, accountability and responsibility for the BDT target as a whole feasible. Specifically, as one senior field respondent suggested:

> ‘...there is an assumption that the District Manager is accountable and responsible for the delivery of the BDT, but District Managers increasingly do not have control over all the processes within BDT. Consequently there is no choice but to change the composition of BDT.’

Reference was made to the way in which the end-to-end business delivery process was being broken-up across different commands creating both internal and external inter-dependencies. The concern was that while responsibility and accountability remained, managers had lost the means to exercise control over resources, the whole process and outcomes. Examples quoted included the creation of First Contact Centres (FCCs) and Regional Processing Centres, both with a management structure outside of the district. The use of external document storage providers was a particularly commonly quoted issue impacting on accuracy assessment. When there are hand-offs between different parts of the Jobcentre Plus process and between Jobcentre Plus and other parts of DWP business (e.g. Debt Management), the inter-dependencies were recognised and there was a genuine concern about the degree to which control can continue to be effectively exercised. The basic tenet of the BDT is that it reflects those activities that management can control directly. The questions being raised are which managers are accountable and for which parts of the process?

> ‘Given the increasing tendency to centralise specific business processes, there will be increasing ‘business continuity issues’.’

It was through the focus groups with customer facing staff, benefit processing and First Contact Officers (FCOs) that the research was able to capture a picture of how the inter-dependencies could have implications for customer service and performance. The following illustrates some of the concerns raised:

- The process begins with the FCCs where opinions were expressed (by FCC and other Jobcentre Plus staff) about the degree to which adequate information was being collected and relayed to customers. Specific reference was made to the Vantive system, the degree to which IT systems can ‘talk to each other’ and the skills and training of staff.
- If customers had not received adequate information and instruction from the FCOs then the Financial Assessors (FAs) considered that the 20 minutes for their interview was insufficient.
The 40 minute average time allowed for the interview with the Personal Adviser (PA) was viewed as insufficient given the need to incorporate new topics (e.g. basic skills and child tax credits).

Time constraints led to poor quality Jobseeker Agreements (JSAgs). Several participants emphasised the need for good quality early interventions. Poor quality JSAgs could affect the quality of the advice and help received during the Fortnightly Jobsearch Review meaning that customers could stay on the register for longer.

Benefit-processors said they concentrate on processing new claims first. They expressed a concern that the processing of change of circumstances was falling behind and creating a backlog, which could in turn lead to a rise in errors.

The roll-out of Jobcentre Plus and the inconsistency and uncertainties this created about respective roles and responsibilities in business processes was felt to be contributing to an increased propensity for errors. The call was for more and improved communication rather than a resistance to change per se.

Whilst there was a real concern regarding accountability and control issues resulting from an increase in hand-off points in key processes, there were also examples of how managers were working to overcome the emerging issues. The example below illustrates how the potential contribution of the FCC to accuracy has been acknowledged and staff awareness raised on how their work feeds into the wider process and practice adapted to ensure a contribution is made.

Finally, having raised questions regarding control and business continuity issues, a sub-set of managers also suggested it was early days in the implementation of the new Jobcentre Plus model, that there was a need to let processes bed-down and then to assess the degree to which the concerns identified manifest themselves and if there was a need to ‘un-pack’ accountability structures. As such they suggested any considerations of changes to BDT should look to 2006 and beyond.

### Managing Handoffs from the First Contact Centre

- Strong communication between managers in FCC and counterparts in processing centres and Jobcentre Plus offices.
- Pro-actively understanding the whole process from a management perspective and making sure staff understand the big picture.
- Focus on customer service and getting it right first time – everyone making their contribution to achievement.
- Active use of an e-mail based issues log to flag up accuracy issues from first contact episodes.
- Work exchange and shadowing between the FCC and the Jobcentre Plus offices.
Learning from mistakes – incorporating feedback into in-house training and team sessions.

Using cover notes on cases to flag up potential issues/important features of a case for PAs.

Sharing the management of the accuracy of information through correcting mistakes on Labour Market System (LMS) regardless of the source.

A broader comment questioned if the BDT adequately captured the wider operating parameters of the business. Specifically, it was noted that the organisation’s targets covered outcomes, finance and customer service but the BDT did not incorporate any reflection of content nor staff. Currently, the process measures for BDT assess the occurrence of events and compliance with procedures. The point raised is, where in the current target regime is there assessment of the event and its content? Implicit in the target structure is that if the events take place, such as the Fortnightly Jobsearch Review (FJR) in the LMI regime, they will in turn result in the desired outcomes i.e. job entries. The relationship between the ‘quality content’ of the event and the outcome is not made explicit. As one senior respondent suggested ‘the quality dimension is in the individual interaction between the staff member and the customer’ not just compliance with the business process events.

Throughout the fieldwork, participants at all levels made reference to the number, skills and experience of staff needed to be able to meet the BDT elements. There was a reported strain on the number of people available to undertake the processes relative to demand, thus promoting/necessitating short-cuts. Additionally there was the view that insufficient numbers of staff were adequately skilled to undertake the tasks as intended – specifically limiting both their ability to meet the compliance element of the targets and resulting in nugatory ‘rescue work to correct earlier errors’. A number of participants considered that whereas the BDT should promote compliance, in practice it promotes error avoidance and perverse practices. By perverse practice we do not suggest that there is any dishonest practices, but rather that staff use what discretion they have to meet the target.

Note, the headcount and skills issues were not specific to any one target element or function within the organisation it was a universal concern:

‘It would be better to get staff to think holistically because there is interplay between components. It is relevant that they understand the developments between staffing and priorities. For example, benefits staff have felt left out because we have been concentrating on the job entry target because that is where we are under scrutiny from Ministers. Pressures on customer facing staff make it difficult for them to find the space to develop holistic awareness of the business. It would be better if they did understand that what they do does support the other outputs and that they were aware of the high expectations of Ministers. However, significant time spent in HR interventions would reduce the time available for delivering services.’
3 The elements of the Business Delivery Target

3.1 Introduction

The previous section discussed views on the target as a whole as expressed by participants. This section collates the views of the participants on each element. Issues analysed in this section include views on how well the elements capture their respective business processes, what are the main performance challenges associated with the achievement of the element and are the elements useful as compliance management tools? For information, the detail on the target elements and their measurement can be found in Appendix C.

3.2 Accuracy

There are three accuracy elements in the BDT for Income Support (IS), Jobseeker’s Allowance (JSA) and Incapacity Benefit (IB). The majority of the comments made on accuracy referred to all three elements. In this section, therefore, we discuss accuracy in general before moving on to discuss specific comments on each of these measures.

3.2.1 Profile and utility of the measure

The majority of participants stated that accuracy must be highlighted as a key process of the business. However, many participants from all levels suggest that benefits have a low profile in the organisation overall. In part this is seen as reasonable since:

‘...in business delivery terms the labour market is crucial since getting people into work increases the number of tax payers and decreases the amount of potential fraud; and work is the best welfare. But alongside more emphasis on labour market outcomes, measures concerning PSA 10 and MVFE stagnated and got worse. While this has led to more attention being paid to the benefits side, it has been a struggle to get the two areas to be given equitable weight.’
However, many participants consider accuracy to be hidden by the composite nature of BDT and they are concerned about the long-term implications. For example one said ‘...with the labour market measures it is possible to throw resources at them and bring about a turnaround in performance. It is not the same with accuracy. It is like a ship that takes time to turn around – they are long-term targets.’ The participant suggested that it is a:

‘...cultural issue for the new Jobcentre Plus, which takes a long time to understand, but BDT allows the IS/JSA accuracy to be hidden and not get the management attention it deserves.’

While staff acknowledged the importance of accuracy, the overall view is that the checking process is a specialist field those not involved with it on a daily basis have difficulties in understanding aspects of the process. There is a need for better communication, a need to address some of the mis-conceptions that exist and to address some of the correctly identified limitations of the process.

### 3.2.2 The sample size

There is a degree of discomfort with the sample method used for checking accuracy from a number of participants. As illustrated in Table 1, the three accuracy measures are based on different sizes of samples and periods. Staff and managers do not understand the basis by which the sample sizes are selected and question the extent to which they are valid at the site level. For example, a number mentioned that the sample size should be related to the load size in a given office. The assumption is that sampling should be directly related to a proportion of cases generated rather than to probability theory. In one quoted case the sample size was greater than the live load. In another case the number of cases checked was a small number but constituted a large proportion of the load, as such any errors identified would make achievement of the target difficult. One DM stated that they only need to get six or seven errors within a year before they fail the target. The sampling strategy is perceived to benefit large offices.

Despite assurances from the National Tier that the sampling methodology is valid, the local offices are not convinced. The concern with the sample size is further fuelled by the different accuracy performance results being generated between the local checking processes and the ‘official’ figures’, again illustrating a lack of understanding of statistical tolerances. Fundamentally there is a communication issue here. There is no reason why local staff should understand probability theory but there is a definite need to assure staff that the method employed is reasonable and robust.

### 3.2.3 The sample period

The Quality Support Team (QST) visits each district three times a year on a pre-scheduled programme. It was suggested that substantial resources are dedicated to ensuring that the cases likely to be included within the sample frame are checked. In some districts, for example, it was suggested that the best processors will be
deployed to an office for the sample period and effort will be made to ensure that all documentation is correct. Over and above this, several participants suggested that a good District Control Point (DCP) who could ‘argue the case’ with the QST could affect the final results. Subsequently, GHK has been informed that it is the role of the DCP to only accept errors where there is one, and so arguing the case with QST is right and proper.

Generally though there is a view that these exercises are resource intensive, divert limited expertise and do not promote on-going continuous performance improvement.

3.2.4 Accuracy challenges

According to one participant, Quality Support (QS) has highlighted the ten most common errors in benefit processing every year (these are included in the Target Handbook) but there has been little change in this list over time. In one case, it was suggested that if the box is not ticked it counts as an error, even if the action referred to in the box has been carried out – ‘you will never get 100 per cent compliance on box ticking’. In addition, there is the occasional system failure to deal with. One district said that the JSA accuracy level had suffered because some of their customers were missing from the computer system. Dealing with this was described as ‘fighting cotton wool’. According to the District Manager (DM) the JSA team has been inundated with checks for the 50 per cent that were showing on the computer system, ‘they have been checked to death so accuracy is not as high as it should have been’. In another case, two of the errors from the last QST report were attributable to technical IT errors. Finally additional examples were given of errors arising that did not lie within the district’s control, for example from errors made by Debt Management.

We were not able to uncover through the research exactly why the same errors appear continuously, especially as there are clear efforts at the local level to monitor, check and provide feedback to staff on errors. On the one hand, one can assume that the continuous turnover of staff is a contributing reason behind the lack of progress on tackling these issues. But there are potentially other structural reasons. For example, the complexity of the benefit system, continuous changes to the benefits’ legislation and legal precedents, combined with a reasonable expectation of some human error, means that there will always be some probability of errors. Certainly there was a call for a simplification of benefits, but there was also a view expressed that there may be a natural upper limit to achievable accuracy once one takes into account the complexity of the processes and the probability of human error.

Most participants in the research suggested that the targets were stretching, or in some cases even too high. For example, for 2004/05 the definition of the IB accuracy element has been changed. It now incorporates an end-to-end process measurement. All those who commented were hopeful that this would prove a positive and appropriate change making it more useful. One participant noted that the revised IB
target has been set at 94 per cent although results from QS have been 98 per cent. The participant also noted that the new measure includes the Work Focused Interview (WFI), Medical Testing Service activities and forms from the medical testing consultants. However as there is no benchmarking for these parts of the process, the question was raised as to how the target levels were set. This is another example where there is a need for improved communication not only on the targets but also on the underpinning planning assumptions.

### 3.2.5 Utility of the information generated

Many operational respondents suggested that the QS system does not provide managers at district or site level with useful information. DMs and Business Managers (BMs) consider the utility of the measure to be reduced by the lack of timely reporting. They reported that the final results are not received until months after the QST visit, yet figures change every month on the Management Information (MI) Portal. District staff and Business Managers (BMs) find this disconcerting as they are not all sure how figures can change when there has been no interaction between the district and the QST or what these changes mean.

In practice, QST describe the process differently. QST issues an interim report to the district before they leave on the initial visit which details the number of cases checked, plus errors and reasons, plus a list of outstanding cases and why they are outstanding. This information is also discussed at a meeting with the district before they leave. During the next visit the outstanding cases are checked and once more the QST meet with the district before they leave. They also leave a ‘preliminary’ report and the district then has two weeks to dispute any errors. At the end of this period the preliminary report becomes the final version, or if there are any changes as a result of challenges a revised report is issued within a week. One QST response suggested that the process would be improved by greater participation in the feedback sessions by the DMs.

In effect, there is a delay between the initial visit and the final report. But this delay appears to be determined by the process involved. Both parties involved approach the information from different perspectives. QST is undertaking an audit whilst operational managers are looking for more rapid feedback to address performance management issues.

To illustrate the point, one district, faced with low JSA accuracy results from QST, implemented an improvement action plan. This involved specific links between the DCP, the checkers and the BMs. The performance team gave BMs the information they needed to take action.

The QS process was described by one workshop group as a ‘time consuming and technical process that detracts from the work of processing claims and supporting customer service’. The difficulties with the process were seen to be exacerbated in processing centres, which are visited three times a year for each district they service. Further, participants from district and site levels suggested that QS check cases thus making it difficult to relate the QS findings to an individual’s activity in order to address the source of performance issues.
In contrast, local checking processes were, however, described positively by most groups:

‘The input from (local) checkers is invaluable. If you make a mistake they send it back to you to reprocess. … In-house checks help to meet accuracy targets. If common mistakes are found, the checkers will talk to the team at their team meeting, offer training and advice on how to address the issue. They are very supportive.’

Another DM suggested:

‘QST checks have utility as a national measure but in terms of understanding what’s going on in the District they rely on their own trend analysis complemented by a local steering group, programme protection activity locally and internal checks’.

The critical comments suggest that there is a basic misconception as to the purpose and output of the QS checks – these are audit exercises not monitoring exercises for management information. As one QS respondent stated:

‘QS have more than one client and the rigour of information required for the resource accounts is much greater than that required internally and it is this that drives the QS methodology’.

The frustration comes from expecting QS information to be held to same level of timeliness as the job entry data, when in fact it was not designed for that purpose. Even so, this does not detract from the need for timely information. The local systems appear to serve this purpose and should be acknowledged as such.

GHK’s perception was that the field’s ideal would be just the one checking regime. Whilst this may not be possible, the findings do raise the question of whether there is any scope for change such that it might be possible to better serve both the audit and performance information requirements and enable greater resource efficiency in the checking regime.

3.2.6 Staff and skills

One challenge to achieving the accuracy targets’ levels frequently mentioned is lack of expertise amongst available staff. Expertise was reportedly lost to the organisation when staff from the legacy Benefit Agency (BA) moved to the Pension Service, and the situation is further exacerbated by the continuing turnover of staff. Several participants mentioned that whereas it had been anticipated that legacy BA staff would fill Financial Assessor (FA) positions, this has not happened. As a result, the view was that staff do not have the optimal skills to ensure compliance and it was intimated by a number of participants that investment in training has been curtailed as a consequence of operational, headcount and budget pressures.

Staff turnover is not a new phenomenon for benefit processing but it was reported that previously, in expectation of turnover, there was a continuous flow of new processing staff into training. This approach meant there was always a cadre of appropriately skilled staff to take up vacant posts. Apparently, now with the
headcount restrictions, staff can only be recruited to train into the job when a
currency arises. A number of participants suggested that it takes at least 6 months to
‘get up to speed on IS’ and so now there are impacts on processing while new staff
have to move rapidly up the learning curve.

To illustrate, the most frequent comment about the IS element related to the
complexity of the benefit. It is difficult to change processes and ‘It can take six
months before you begin to feel able to find your way around a case. It’s difficult to
maintain this level of expertise, so IS can go down hill rapidly’, commented one
regional participant.

3.2.7 Remote storage and deemed error

Most districts emphasised the negative impact of remote storage centres on their
ability to meet accuracy targets. Their failure to find case papers can lead to deemed
ersors, which affects the Key Management Indicator (KMI), but can also impact on
the BDT if the case papers are not found. This is a clear example of where there are
difficulties of accountability where different parts of the business (internal or
external) are responsible for achievement of a specific measure. As we understand
the situation, field staff are critical of responsiveness of the supplier; on the other
hand the supplier is critical of field staff and their accurate labelling of cases.
Regardless of the validity of either claim, responsibility is being displaced with
consequences for accountability.

Deemed error is considered by many to be a poor indicator. Several participants
suggested that deemed error should be replaced with actual error as used in
Northern Ireland since loss of documentation reflects on internal security. A contrary
view was that citing deemed error as actual error would overestimate the error
position whereas deemed error underestimates it. All participants who commented
on this issue considered that compliance and management issues were more to
blame for lost cases than internal security but ‘there is potential that any case could
be abuse and to ignore this is to risk a case being exposed as such, with the
associated fallout.’

3.2.8 Accuracy and clearance

The BDT elements measure accuracy – there are KMI’s concerned with the speed of
payment or clearance times. For many respondents the question was raised as to
why there was a differentiation between the two and there was a call from some
participants for a benefits administration target that included both dimensions. In
theory, both accuracy and clearance are inextricably linked as part of customer
service but also as part of an efficient operation. For example, late payments lead to
more telephone calls from customers chasing their payments, more customers
turning up at offices and demanding attention, staff time and the need for
processing emergency payments. Some districts said they have been told to pay such
customers immediately to cap the resources they consume. This may be a rational
response in that it limits the draw-down of resources spent on such customers, but
it is not equitable when complainants obtain a speedier service.
However, there was some concern at more senior levels within the organisation that elevating clearance times to the same status as accuracy would create tensions. Their assumption, based on evidence of the legacy agency, was that there would be a trade-off between the two and that accuracy was more likely to suffer in preference to clearance times. In contrast, the view from those involved in benefit processing was that accuracy and clearance are long established performance measures for processing staff and that they were familiar with the need to achieve both without compromising either. In fact, staff mentioned that they are concerned that slower processing for accuracy may actually increase pressure on the load and the build-up of a backlog of cases. For many benefit staff managing the load was the critical issue.

Another view was to challenge the assumption that accuracy would suffer by elevating the clearance target. The question asked was ‘where is the evidence?’ By how much would accuracy suffer if clearance times were included and what would this translate into in terms of over or under payments? If a monetary loss is forecast, is this an acceptable level of loss in terms of the trade-off between accuracy and customer service? Here the call was for a robust analysis of past experience and any evidence of trade-offs to inform a decision on whether the elevation of clearance times to a Jobcentre Plus high level target would have negative consequences.

3.3 Labour Market Interventions

According to The Target Definition Handbook, 2004/05, the Labour Market Interventions (LMI) element of the BDT measures the booking (and in the case of New Deal, undertaking) of adviser interviews within the prescribed timescale; taking appropriate and timely follow-up action should customers not fulfil their responsibilities, (for example, by refusing offers of employment (RE) and failing to attend the Jobcentre Plus office as required). The element is measured by a random sample of JSA jobseekers drawn from Labour Market System (LMS) each month. At least 135 cases are checked in each region or country. This provides statistics that are nationally valid on a monthly basis, regionally on a quarterly basis and at a district level on an annual basis. Jobcentre Plus checkers review each case for activity that should have been carried out in the previous 13 weeks. Performance is measured by using a graduated system of point scores.

The Regional Office undertakes the measurement of LMI through an automated checking of a random sample from the LMS each month. Using the IT system to facilitate checking and reporting is the methodology that most participants consider should be aspired to for all targets. For some, it was reported that the availability of monthly reports means that actions could be taken to improve performance in a timely fashion. Others, at district level reported that performance on LMI tended to move around a lot – no doubt as a direct function of the sample size.

One comment on the LMI was that because it feeds into the JSA accuracy element through the QS process, there is a type of ‘double jeopardy’. For example, there is a possibility that a case could fail the LMI check if, for example, the office had failed to
take Refusal of Employment (RE) follow-up action. If that same case was picked within the QS process, they may fail also from the JSA accuracy angle. Whilst the two checks are essentially looking at different aspects, the outcome in terms of the office would be the same; in theory the same error could result in failure on two different measures. However, GHK was advised that the random nature of the sample selection and the number of cases checked meant that the probability of this occurring was small. If this is the case then it would suggest the need to communicate to offices both the differing rationale for the two checks and the narrow probability of ‘double jeopardy’ ever occurring.

The research team was informed that, prior to the introduction of the BDT, the level of attainment of the LMI target was low. Districts consistently failed to achieve it. When the target was included in the BDT and set at 93 per cent for 2002/03 all districts achieved the target. Now the target is set at 96 per cent and, at the time of the research, was considered to be achievable by most participants who commented on it. They questioned the extent to which there could be any further improvements in performance, given an allowance for human error and the marginal costs involved in any percentage up-lift.

Consequently, a number of respondents suggested that LMI could now be demoted to a KMI and the ‘slot’ left in the BDT could be used to spotlight parts of the process where performance is below required standards. From this perspective, the BDT is seen as a performance enhancement measure that reflects strategic priority areas and targeted areas of underperformance rather than the service offer to all customers.

However, it should be noted that the subsequent end of year reports showed that in 2003/04 some 24 districts fell below the 96 per cent target level set. This result potentially reinforces the concern of other policy respondents that moving LMI, a critical process element, from the BDT to a KMI could result in a down-turn in performance and the level of service provided.

According to one DM, a detailed study of LMI undertaken locally showed that variation in attainment of the LMI target is impacted by attendance rates, queues, the ‘pressures of the day’ and, especially, fluctuating flows. Such findings suggest that some of the (unanticipated) practices of LMI related staff may be pragmatic responses to managing the volume of work. For example, if a customer is sent for a job interview and turns the job down, Jobcentre Plus staff need to spend additional resource (time) to undertake RE follow-up action. An error is recorded if the RE follow-up action is not taken. In order to avoid the potential for such an event staff set LMS markers to show that the customer is looking for the job not that Jobcentre Plus is recommending the customer for the job. As another example, a part of the LMI process is to book interviews with clients and an error is recorded if these staged interventions are not booked promptly for clients. One purpose of the LMI is to ensure that high priority customers who would enhance their chances of getting a job as a result of an in-depth advisory interview get those interviews promptly. The element, therefore, supports the Job Entry Target (JET) and the drive to achieve JET
will also prompt LMI compliance and conduct of the interview. However, as one DM said:

‘You can book an interview up to three months in advance so you can meet the target even if clients don’t have an interview.’

One of the strongest criticisms of the LMI element (as discussed in chapter 2) was that it was based on events and did not capture the respective quality of the content of those events. Yet many staff mentioned that it was the ‘quality’ of the process that could be compromised in an attempt to meet the schedules required by the volume of throughput and the target.

Other respondents pointed to the IT system and lack of training as significant causes of variation in achievement. For example, the IT system flags up hotspots, but staff are not always able to deal with them immediately. Staff can override the alerts, which then do not reappear. The call was made that the IT should allow staff to delay the action for a given period of time, but not to override it, although GHK has subsequently been advised that there is a workflow facility that does allow staff to set a reminder. Given that the hotspot issue was mentioned a number of times this highlights the need for improved staff training.

Several staff commented that there was ‘a lot to remember to do’ and that the complicated process intimidates new staff and ‘reduces willingness to actively work towards meeting target’. To illustrate, it was reported by one district that they failed to meet the BDT because none of the staff at one office had entered a particular piece of information on LMS. When challenged, staff had said that they had asked customers if they had been actively seeking work. This was thus a keying error rather than a process error. The failure that resulted from this one repeated error was highly demotivational since it could not be recovered during the year and the staff had to live with the failed target for the last quarter of the operational year. As one respondent suggested:

‘...inexperienced staff and computer systems that are not good enough are the main reasons for not meeting the LMI target.’

3.4 Basic skills

According to The Target Definition Handbook, 2004/05 the basic skills screening element measures the attendance at an independent assessment following a referral, which itself follows screening for potential basic skills needs. It is measured by an LMS management information system report, which calculates the percentage of starts against referrals in months by region/country, district and local office. The target increased from 60 per cent in 2003/04 to 72 per cent in 2004/05.

The target is defined in terms of attendance at an assessment so that there can be a single target to be used across the whole organisation. There is a difference in scope of activity in Jobcentre Plus across the countries as a result of devolved responsibility. Thus, in England and Wales Jobcentre Plus contracts with providers of basic skills
directly; in Scotland, the contracting of basic skills provision falls within the remit of the devolved administration. The common service provided in all countries is the referral to independent assessment and, therefore, the target within the BDT is the attendance at the assessment.

Few of the participants, including those in Scotland, who commented on this element agreed with the definition of the target. One Regional representative said that the measure did not reflect the spirit of the BDT element. A number suggested that the KMI\(^2\) would be a better indicator, the number of starts on Jobcentre Plus funded provision following independent assessment, as it reflected progress towards meeting an individual’s basic skills needs and the intent behind the Government’s basic skills agenda. One respondent went so far as to suggest that the definition of this element actually obscures the importance of the skills agenda; though governance of the skills’ agenda may be different in Scotland, the overall agenda for the UK remains the same. Given the lack of utility of the present measure, this participant suggested:

‘...the skills agenda should be explicitly excluded from the target structure not simply ignored.’

Although the reason for aspiring to standardise targets across the organisation was understood, it was not considered appropriate to adhere to this principal if, in doing so, the validity of a measure is undermined.

In 2002/03, the basic skills element provided some of the headroom for districts to achieve the overall BDT. According to one Regional Performance Manager:

‘For every five per cent of increased improvement in basic skills, there is a one per cent improvement in overall BDT’.

The increase in the target for basic skills to 72 per cent for 2004/05 was, however, felt to be stretching. To ensure good performance in this element, examples of practice included:

- offices only referring customers for assessments whom they thought would definitely attend;
- several Personal Advisers (PAs) reported that they accompanied customers to the assessment centre to ensure their attendance;
- others said that they did not record the referral until after they knew that the person had attended; and
- other offices had the assessment provider on-site to maximise attendance.

It should be noted that some districts said that they did not refer customers for basic skills assessments because they knew there was insufficient provision of basic skills training available. They consider that it demotivates customers to be sent for

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\(^2\) Key Management Indicators (KMI) were designed as supporting measures of performance and do not have formal status as targets.
assessment and then not to have the services they need provided. In another District, the focus group commented negatively on the quality of provision and said that sometimes the provider did not turn up to administer the assessment ‘let alone the customer’.

One of the criticisms of the basic skills element was that its achievement did not lie within the control of the organisation. Achievement of the target cannot be achieved by the PA, but only by the customer going for the assessment. In one focus group staff said they were reluctant to make referrals in case it affected the target achievement. Staff recognise that many customers may have basic skills needs and would like to assist them, but consider that this may not be the most effective measure of what is trying to be achieved.

Mandatory tests recently introduced are not perceived to be helpful for a number of reasons. There was some indication of a lack of confidence in the test and whether it had been set at the right level. One group commented that graduates have failed the tests; the tests take up a lot of time when PAs could be talking about employment, some participants felt that the test takes away from the work focus of an interview. Finally there was concern that the test may be embarrassing for customers. Eligible customers:

‘...have spent 11 years at school. All their lives they have been failing tests, they don’t want to turn up to fail another one at a Jobcentre. They need the confidence to ask for help and to be ready to accept it. The PA’s role is to try to move them forward not coerce them, to build confidence, not destroy it.’

One participant suggested that the basic skills concept is not a current issue for employers:

‘Employers increasingly emphasise soft skills such as, communication, team working, customer handling and punctuality. Does basic skills help? ‘Job ready’ for employers may not be the same as ‘job ready’ for Jobcentre Plus. So what are we measuring?’

The method of calculation of attendance was commented on. It was suggested that the management information system calculates the percentage of starts against referrals in a month. Thus, if a customer is referred at the end of a month and they attend in the following month then this is counted as an error. It was reported that this causes problems every month and ‘no one can be referred in March’. However, GHK has since been informed that this view highlights a misunderstanding of how performance is actually measured as the target is carried over year on year i.e. starts in April are likely to have been due to referrals towards the end of March or re-referrals from even earlier in the year.

This chapter has presented the views and opinions of participants in the review on each of the BDT elements. The next chapter presents the subsequent suggestions for change that were made.
4 Suggestions for changes and concluding comments

4.1 Introduction

In this chapter the suggestions for change that were generated by staff as part of the consultation process are presented. The chapter concludes with some comments and recommendations from GHK.

4.2 Suggestions for changes to the BDT

Almost everyone consulted suggested that there was a need for changes to the Business Delivery Target (BDT). For some, the suggestions were quite radical, including dropping the BDT; others made suggestions for changes at the margins.

Those that were least likely to recommend a radical change were of the view that the BDT reflected the key business processes of Jobcentre Plus and so was a critical accountability measure.

Of those recommending more radical change, their suggestions appeared to emerge from questioning whether the BDT adequately reflected the new business model and whether the accountability structures for BDT were still valid. However, for many, there was a recognition that the organisation is still at an early stage of development and that any radical change should be considered for the future.

Many of those consulted suggested that the design of any changes should be undertaken on an inclusive basis across the organisation. Indeed for some field staff who participated in this consultation exercise, involvement in the discussion was seen as important as the result. It was felt that engaging staff in the organisation more widely would broaden the understanding of how the business works, how the different parts of the business are measured and how they should relate to each other.
The focus of this review has been on the development of a business delivery target for Jobcentre Plus, however, participants made reference to Jobcentre Plus' dependency on external organisations for the achievement of standards and adequate performance. Specific reference here was made to the remote storage contractor and the IT service provider. An ability to deliver on the part of Jobcentre Plus was dependent on these providers offering and delivering appropriate, timely and robust support services. A clear link was drawn between their performance and that of Jobcentre Plus. It was felt that as a consequence any revised target structure should reflect that inter-dependency and engage providers in the development of shared performance measures. Beyond the concerns of the BDT, the principle of shared performance measures with suppliers could equally be applied to programme providers for basic skills and occupational training.

4.3 Suggestions for changes to the BDT elements

The following presents suggestions for changes to the BDT elements generated by participants.

4.3.1 Accuracy

Rather than changing the target it was suggested that immediate added value could be achieved by better use of the information highlighted by the Quality Support (QS) processes over the past ten years on common errors. Further investigation should be undertaken to explore if the there are ‘structural’ reasons behind the recurrence of the same errors.

One Regional Performance Manager (RPM) suggested that the QS process should be used to identify best practice, which should be effectively disseminated if not actually enforced. Existing knowledge and newly identified best practice should be used to minimise performance variation and maximise positive outcomes.

Not all staff seemed to appreciate that the Quality Support Team (QST) visit is an audit tool that feeds into Jobcentre Plus assessment of accuracy and into the resource accounts, and subsequently dropping its application is not an option. However, there are potential opportunities for improvement:

- There is a significant need for improved communication as to the purpose of QST and the validity of the methods employed.
- Explore whether the sample does disadvantage smaller offices.
- Explore the extent to which some of the accuracy criteria are still necessary and ‘reasonable’ and adjust accordingly.

Whatever changes are made it is a widely held view that there must be an ability to provide prompt feedback on accuracy. The local checking process should be encouraged in order to offer targeted technical assistance and training to staff making errors. Targets and achievement should be placed in the context of continuous improvement for customer service.
More radically, the suggestion was made to replace accuracy elements with end-to-end process targets that are attributable to specific commands – measures would include both speed and accuracy. Several participants noted that to achieve this would require the development of models of each part of the business with process, interim and output indicators. In turn, this would require some investment in the initial design and changes to IT systems.

It was suggested by a number of staff at all levels that there is a need to consider the alignment and potential overlaps between the accuracy measures and the Monetary Value of Fraud and Error (MVFE) target. What is the relationship between the two sets of measures? Do the accuracy measures work effectively as lead indicators for MVFE? What scope is there for a rationalisation of measurement and metrics?

4.3.2 Labour Market Interventions

Explore the scope to simplify the Labour Market Interventions (LMI) process and associated measures, especially given the view that errors seem to arise from operational pressures endured by customer facing staff. Suggestions include for LMI (similarly for Income Support (IS)/Jobseeker’s Allowance (JSA) and Incapacity Benefit (IB)):

- simplifying the evidence requirements;
- clarifying accountability and hand offs;
- reviewing the checking criteria.

Explore the extent to which there is scope for further improvement to the level of achievement for LMI. What level of error is always likely to occur from human error? What would be the marginal cost of an additional one per cent rise in performance?

Move LMI to a Key Management Indicator (KMI) or incorporate it into the Job Entry Target (JET) and replace the LMI element in the BDT with a part of the process that needs close monitoring now because it is under performing. One example offered was to replace the LMI with a job validation measure. Although it should be noted that other participants expressed real concern that this would result in a lack of attention to LMI with a drop in performance.

Consider how a measure of the ‘quality content’ dimension of the LMI process could be reflected in a target, in particular a measure of distance travelled.

Enhance the ability of the IT system to support LMI, specifically the ‘hotspot’ issue. However, given that there is a workaround in existence, the issue seems to be more one of communication of the capabilities of the system and training rather than system changes.

4.3.3 Basic skills

There was a call from some staff for Jobcentre Plus to acknowledge that many people who have basic skills needs have learnt to cope, are employable, do not perceive the need for a training course and are not willing to attend such a course. As
such, a basic skills assessment and referral onwards may not be appropriate for all clients. It should be noted however, that this view is contrary to Government policy.

Properly assess the contribution that Jobcentre Plus can have on the skills agenda and the service offer for customers who have basic skill needs. Then build an end-to-end target incorporating the existing KMI.

An alternative view was to drop basic skills as a Jobcentre Plus target. There was a perception that the basic skills agenda, while important, saps valuable resources from Jobcentre Plus and impedes its ability to provide its key business delivery elements rather than facilitate it. It is more appropriate that Jobcentre Plus contributes to the basic skills agenda through its role in Local Strategic Partnerships in England and Wales and Community Partnerships in Scotland. Participants who made this suggestion supported their case with outcomes of recent pilots – they said that the post assessment results were low and a figure of 10 per cent success rate was quoted; many people do not attend the course and the few who do, do not complete them. If this is the case, it suggests that there is a sound evidential basis for dropping the element.

4.4 Concluding remarks

Whilst a number of recommendations as to possible changes to the BDT were developed through this consultation exercise, the choice as to the relative merit of each will depend on a clear articulation of the purpose of a BDT.

The purpose of the BDT is not well understood throughout the organisation. The need for high-level process targets is recognised but how this then translates into the composition of the BDT is not clear. In particular, the inclusion of the basic skills target tends to dilute the ‘key business processes’ message.

The value of a composite BDT, given the current elements, is not clear. The overall target is not used to drive performance and it is felt that the composite measure in particular hides accuracy and the direction of movement on the accuracy targets. As such a potential solution could be to not average scores across the BDT, but report on the target as a basket of measures and list the performance of each element separately.

There appeared to be a concern that accuracy has insufficient profile. In response to the question of whether there should be a separate target that brigades all the accuracy elements together, views were mixed. Positive responses saw this as an opportunity to raise the accuracy agenda; others saw this as reinforcing the old notion of two sides to the business and losing the integrated offer to clients. Separate reporting of the BDT elements may go some way to addressing the profile issue but more is required.
Effective communication appears to be an issue on a number of fronts and needs to be addressed, specifically:

- the purpose of the BDT, its component parts and how they link to achievement of business objectives;
- the rationale behind the planning assumptions; the purpose of the QS audit process, the validity of the method and its limitations for performance information;
- how the target levels are measured;
- the role of Jobcentre Plus in contributing to the wider Government basic skills agenda.

Skills were generally identified as a barrier to effective achievement of the targets. With regard to all but the basic skills element of the BDT, the complexity of the processes and the targets were highlighted. The combination of an extended learning curve and staff turnover were identified as issues for operational staff. Thus, it may be worth considering the relative trade-off here between recruiting and training for stock in anticipation of turnover and the costs associated with official error. Further it is clear that the complexity of the benefit processes means that only those closely involved have a detailed knowledge. This does raise some issues for management, especially at a strategic level. It may therefore be worth considering the development of specific training models to ensure all managers have a reasonable working knowledge of benefit processes and measures.

Concerns were expressed about the new operational structure and hand-offs between different parts of the business within the same end-to-end business process. As one respondent suggested, managers need to work in partnership internally as well as externally, to deliver shared targets. However, we would recommend close monitoring of the hand-offs and the extent to which they affect both achievement and accountability structures.

More than any other part of the business, it would seem that greater investment in effective IT systems has the potential to improve achievement of the BDT. For example, integrated systems that bring together the benefits and labour market sides of the business; greater use of prescribed screens, prompting process sequences and actions; scanning of documents rather than paper records; and electronic checking of records (as in the LMI model) could help address issues such as resource and skills constraints, hand-offs across business processes, accuracy and audit checking regimes, and the timely supply of management information.

Prioritisation was raised as an issue at all levels. Some of the prioritisation issues raised included making choices or trade-offs between accuracy and speed, new claims and the existing load, the economically active and the hardest to help. There was some indication that different levels of the organisation have different priorities, but in general people felt that everything seemed to be labelled a ‘priority’. For the future, the development of an internally consistent set of measures, with strategic priorities and local discretion would enable managers to both prioritise and allocate resources in an effective and efficient way.
The consultation exercise has generated a number of suggestions for changes both to the target and to its respective elements. In the short-term, there are pragmatic and probably cost effective ways of addressing some of the comments on the current target. In particular, there are suggestions for ways in which the checking process could be improved. For the longer-term however, post 2006/07, there is sufficient weight to the responses to suggest an approach that looks beyond the BDT to the entire business and a re-consideration of the whole Jobcentre Plus target structure.
Appendix A
Interview schedules

Field Directors, Deputy Field Directors and RPMs

Interviews are expected to last from 30 to 45 minutes and will be conducted by the Director or Principal.

Please note that this document is designed as an aide memoir, and should be used accordingly.

**Utilisation of elements of the BDT**
- How do you use the information from the BDT?
- Which elements of the BDT are most important to you?
- Do you prioritise the achievement of the elements of the target? If so, how?
- In your region or country how does BDT influence operations?
- What are the main performance challenges for the BDT? Do you know of examples of good practice or problems with achieving the target?
- How do you use the elements of the BDT to manage performance? What are the difficulties faced in using the BDT to manage compliance?

**Structure of BDT**
- How has the business model changed since the introduction of the BDT? To what extent do you feel that BDT reflects the key components of the ‘new’ business model? Are there any gaps? Are there redundant elements or components that are of secondary importance?
- Is BDT stretching enough? If not, how could it be made more stretching?
Appendices – Interview schedules

Views on purpose and structure as a whole and suggestions for change

• To what extent do you feel that the BDT is a driver of performance? How do the elements drive performance? Does the BDT leave any gaps?

• How does the BDT fit with the other PRAs?

• Should BDT be redesigned to become an accuracy target, reflecting the speed and accuracy of all benefits and a separate LMI target?

• Would the introduction of a benefits target plus a JET target reinforce perceived divisions between the two-sides of the business?

• How could the two-sides of the business be better fused through the PRAs?

• Specifically on benefit accuracy:
  – should accuracy be part of the BDT;
  – what measures for accuracy should be used;
  – can deemed accuracy be replaced with actual accuracy for Income Support (IS) or another measure;
  – should the end to end process of IS be measured rather than sections of the process;

• Do you have any suggestions for change in relation to:
  – structure;
  – definitions;
  – levels;
  – ownership;
  – trade-off e.g. losing a KMI/other PRA;
  – resource allocation implications;
  – expected benefits for customers/organisation;

• How is the changing structure of Jobcentre Plus delivery likely to affect the design of targets, if at all?

Operational issues concerning BDT

• Who owns the target? Is it seen as a single composite target or a group of five separate targets?

• Do you have any comments on the implementation of BDT at the field level?

• If you had the chance to redesign the BDT how would you do it? Would you still use a composite target?
District Manager

Please note that this document is designed as an aide memoir, and should be used accordingly. The interview should take 30 to 45 minutes.

Management of BDT

- Do you manage the target as a whole or as component parts?
  - As a whole:
    - How do you manage overall BDT performance?
    - If under pressure on BDT overall what action do you/would you take to improve performance overall?
  - Component parts:
    - If there is under-performance on one BDT element, what measures do you take?
    - Do you prioritise the different elements. If so, how?

- How do you allocate resources to achieve required BDT performance levels? What are the challenges to achievement of the BDT as a whole/component parts?

- What importance does this target have compared to other PRAs? Is it seen to have strategic importance? What trade-offs, if any, are there between this PRA and others?

- Who do you consider to be responsible for the achievement of the targets within the BDT?

Utilisation of BDT

- Is BDT a useful tool for compliance management?

Suggestions for change

- Is the present selection of elements optimal? Should they cover different areas? Should they cover more areas? Are the levels set within each element appropriate?

- Prompt with changes to the following if necessary:
  - structure;
  - definitions;
  - levels;
  - ownership;
  - trade-off e.g. losing a KMI/other PRA;
  - resource allocation implications;
  - expected benefits for customers/organisation;
• How is the changing structure of Jobcentre Plus delivery likely to affect the design of targets, if at all?
  – Do you have any suggestions for improving the BDT?
  – If you had the chance to redesign the BDT how would you do it? Would you still use a composite target?

Management Focus Group

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This Focus Group will include broadly managerial staff such as the District Manager, Business Managers, District Performance Team members, the District Control Point and Basic Skills Champion. The group would include eight to ten persons.

Management of BDT

• Who is responsible for the BDT? Is it seen as a single composite target or a group of five targets?

• What are the challenges to achievement of the BDT as a whole/component parts?

• Do you prioritise BDT elements? How?

• What importance does this target have compared to other PRAs? Is it seen to have strategic importance? What trade-offs, if any, are there between this PRA and others?

• How do you ensure understanding of the elements and the overall BDT?

• How do you ensure that hand-offs are managed effectively?

• How do you manage your office/section to ensure that all five elements meet targets (PRA standards)? Can you recommend any specific improvements within the MI to achieve this?

• How do you respond when the district is failing in one element, but achieving a good score overall? How do other staff respond to the fact that they can be ‘failing’ in one element and still achieve a good overall score?

• What have you done to improve on any element of the BDT?
• How do you ensure consistency between your own section and others in terms of achieving the BDT? How do you work across the sections to ensure the achievement of BDT?

Utility of BDT
• Do you focus on one element or the BDT as a whole?
• How does BDT support compliance?
• Are the performance levels sufficient to ensure optimal performance levels? Do they stretch the staff and management sufficiently?

Suggestions for change
• Is the present selection of elements optimal? Should they cover different areas? Should they cover more areas? Are the levels set within each element appropriate?
• Is a multi-faceted target useful of itself? Is it seen as a target or five separate targets? Does it foster an understanding of the business model in the people who use it?
• Consider using the following as prompts:
  – structure;
  – definitions;
  – levels;
  – ownership;
  – trade-off e.g. losing a KMI/other PRA;
  – resource allocation implications;
  – expected benefits for customers/organisation.

Customer facing staff
This Focus Group will include eight to ten customer-facing staff.

Understanding of and responses to the BDT

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What elements of the BDT do you work with? How do the elements you work with interrelate with others? What does the BDT as a whole mean to you?

How does the BDT (or single elements within it) improve outcomes for customers? If it does not improve outcomes, why not?

What are the hurdles that you face in achieving the BDT (or its elements)?

With whom do you share responsibility for the achievement of the BDT (or its elements)? How does this effect results?

How do you maximise the possibility of achieving your targets?

How does manage respond when there is a shortfall in the targets?

Suggestions for change

Does a composite target improve service delivery?

If no, why not?

If yes, are the elements included in the BDT the best set of elements?

Do you have any suggestions for change in relation to:
  – structure;
  – definitions;
  – levels;
  – ownership.

How has the business model changed since the introduction of the BDT? To what extent do you feel that BDT reflects the key components of the ‘new’ business model? Are there any gaps? Are there redundant elements or components that are of secondary importance?

If you had the chance to redesign the BDT how would you do it? Would you still use a composite target?

**Processing centre and contact centre**

The district schedules will be used, with amendment as required.
Appendix B
Focus Group guidance

Management Focus Group

An outline of the Management Focus Group would be as follows:

10.30 – Introductions including a hand out – see attached
10.40 – Form two break out groups (possible if there are eight or more people in the main group) and explain tasks
10.50 – Group 1 undertakes the first task
         – Group 2 undertakes the second task
11.15 – Coffee
11.20 – Groups review each other’s outputs and make their own notes
11.30 – Feedback
11.45 – Brainstorm!
11.55 – Thanks and farewells
Group Task 1

How many targets?

Objective Explore the management of BDT.

Introduction As a brigaded target the BDT might be viewed differently by different staff members. For example, it may be viewed as

- 1 headline target;
- 5 targets related to each element;
- 1 headline + 5 elements = 6;
- 1 set of accuracy elements + 1 set of labour market elements = 2;
- 1 set of accuracy elements + 1 set of labour market elements + 1 headline = 3

A key issue for the client is how managers manage the BDT. Since managers manage through a chain of command, this exercise will provide an insight into how the target is dissected and managed and then accrued to provide the required headline target.

The attached matrix and list of questions provides a structure for the discussion. Complete the matrix by attaching post-it notes to the sheet during or after the discussion. Each member has a generous supply of post-it notes and should use them to make notes during the discussion. Notes can reflect individual’s opinions as well as any consensus reached.

Mark any linkages between the elements that occur between the elements, either in the way that they are managed or in the business process.

Materials Generous supply of post-it notes in several colours.
A1 version of the matrix
Marker pens
Pens

Notes Please specify whether you are referring to 2003/04 targets elements and levels or the new 2004/05 targets and levels
Prompts for Group Task 1 discussion

Who owns the target?
Who manages the target?
How do you ensure awareness and understanding amongst your staff?
Do you prioritise the elements? How?
Do you prioritise the PRAs? How?
Are the target levels sufficiently challenging?
What are the main challenges to achieving the BDT?
Where do handoffs between sections have a significant effect in achieving the BDT?
Does the BDT have any impact on the customer? If so, what?
Group Task 2

BDT as an influencer of behaviour

Objective
Chart the way in which BDT influences behaviour of Jobcentre Plus (staff of different ranks and customers) and consider whether changes in the structure could have a more positive effect on behaviour.

Task
Setting a target influences behaviour. How does the BDT effect behaviour amongst stakeholders in Jobcentre Plus?

Look at the presentation and the recommended order of play.

<table>
<thead>
<tr>
<th>Good Practice</th>
<th>Perverse Practice</th>
</tr>
</thead>
<tbody>
<tr>
<td>Supporting Compliance</td>
<td>Possible Changes</td>
</tr>
</tbody>
</table>

Write contributions on post-it notes and attach them to the sheet during or after the discussion. Use bullet points to reduce the amount of writing.

Everyone should make notes; we are more interested in variation than consensus. Agree a different colour post it note for each quarter.

Feel free to make notes on what might be happening as well as what is happening!

Complete the matrix by attaching post-it notes to the sheet during or after the main discussion. Each member of the group should have a generous supply of post-it notes (preferably one colour for each element) and should make notes (one note on each post-it) as the group continues. We welcome notes reflecting individual opinions, as well as any consensus reached.

Materials
Generous supply of post-it notes in several colours.
A1 version of the matrix
Pens

Brainstorm
What specific improvements can be made to the MI to facilitate the achievement of the BDT?
Customer-facing group

We anticipate that most of this group will be involved with only one of the elements of the BDT. Although we would like to know about awareness of the other elements, we do not want anyone to feel that they are being tested.

Again there are options. A semi-structured discussion led by GHK is an option. Amongst the many other options is the one described in the following paragraphs.

An outline of the customer-facing group would be as follows.

10.30 – Introductions including a hand out – see attached
10.40 – Exercise 1
10.50 – Description of group exercise
10.55 – Exercise 2 part 1
11.15 – Coffee
11.20 – Exercise 2 part 2
11.45 – Brainstorm! (same as Management Focus Group brainstorm)
11.55 – Thanks and farewells
Exercise 1

How informed are we?

Please complete this as honestly as you can. Anonymity is assured.

Questions 1 to 3. Please circle Yes or No as appropriate

1. Before this meeting I knew what BDT meant? Yes | No
2. Before this meeting I knew that there were 5 elements? Yes | No
3. Before this meeting I could have told you what the 5 elements were? Yes | No

Questions 4 to 6. Complete the boxes in the next questions with a number.

4. Before this meeting I could have told you what the target levels for □ elements were last year? (2003/04)

5. Before this meeting I could have told you what the target levels for □ elements were this year? (2004/05)

6. I have been involved on □ elements.

7. I have worked for Jobcentre Plus for □ years.
Exercise 2 Part 1

**How ‘my element’ works.**

**Objective**
Map the links between inputs to the BDT elements and identify major challenges to achieving the element.

**Task**
Identify people in the group who work on the same element of the BDT. Work together to complete the chain below as far as you can.

In the line above this note how your behaviour (or that of colleagues) changes to maximise the likelihood that the target for the element of the BDT will be achieved. If you have any suggestions for reducing the challenges include the suggestions. In the space underneath, note handoffs or bottlenecks that create problems with meeting the target for the element of the BDT.

**Materials**
Generous supply of post-it notes in several colours.
A1 paper
Pens / pencils / erasers / pencil sharpener
Exercise 2 Part 2

Objective  Fit the elements together.

Task  Working together work out how the five elements fit together. They all start with the Customer and end with the Minister of Work and Pensions so they should fit together like strands of a necklace (think of the Customer and the Minister as the clasps of the necklace.)

Try fitting them together.

1. Are there any challenges that overlap? How could you reduce such challenges?

2. If they do not fit together – why not?

Brainstorm

How does management respond when there is a shortfall in targets?
Appendix C  
Measuring elements of the Business Delivery Target

Table C.1  Measuring elements of the Business Delivery Target

<table>
<thead>
<tr>
<th>Key Process</th>
<th>What is measured</th>
<th>How is it measured</th>
</tr>
</thead>
<tbody>
<tr>
<td>Income Support (IS) Accuracy</td>
<td>Processing of IS claims is compliant with accuracy requirements and standards</td>
<td>Accuracy data is collected by specialist teams, who visit each district three times a year and scrutinise a selected week in a sample of 66 cases. This identifies official error. The data from the QS visit is entered on the QS data base and a report is issued to stakeholders every four months. In addition, the data is posted monthly to the MI portal. The data from the RBR is entered on the RBR database. IAD publish an annual report on losses due to fraud and error based on results from the two databases.</td>
</tr>
<tr>
<td>Jobseeker’s Allowance (JSA) Accuracy</td>
<td>Processing of JSA claims is compliant with accuracy requirements and standards</td>
<td>Full claims check of a selected fortnight of a sample of 50 cases from each Jobcentre Plus district, 25 cases from two Jobcentres in each district by specialist teams as for IS accuracy checks above.</td>
</tr>
<tr>
<td>Incapacity Benefit (IB) Accuracy</td>
<td>Processing of IB claims and changes is compliant with accuracy requirements and standards.</td>
<td>Accuracy is measured by a sample of claim checks by QS on a rolling visiting programme. A full claims check will be undertaken on a sample of 45 IB and five SDA cases selected for check from each Jobcentre Plus district and Social Security Office three times a year. A total of 135 IB and 15 SDA cases per year. Findings are reported in a monthly QS report. The results are published on the MI Portal each month.</td>
</tr>
<tr>
<td>Key Process</td>
<td>What is measured</td>
<td>How is it measured</td>
</tr>
<tr>
<td>------------------------------</td>
<td>----------------------------------------------------------------------------------</td>
<td>---------------------------------------------------------------------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>Labour Market Interventions (LMI)</td>
<td>Booking (and in the case of New Deal undertaking) adviser interviews within the prescribed timescale.</td>
<td>A random sample of JSA Jobseekers is drawn from LMS each month. From this, a minimum of 135 cases is checked in each region/country. This provides statistics that are valid nationally on a monthly basis, regionally on a quarterly basis and at district level on a yearly basis.</td>
</tr>
<tr>
<td></td>
<td>Taking appropriate action where customers do not fulfil their responsibilities e.g. by refusing offers of employment and failing to attend the Jobcentre as required.</td>
<td>Each case is reviewed by Jobcentre Plus checkers for activity that should have been carried out in the previous 13 weeks. Performance is measured using a graduated system of point scores.</td>
</tr>
<tr>
<td>Basic Skills Screening</td>
<td>Attendance at an independent assessment, following a referral.</td>
<td>A Labour Market System, Management Information System report will calculate the percentage of starts against referrals in month by region, district and local Office (based on the opportunity owning office).</td>
</tr>
</tbody>
</table>

Source: The Target Definitions Handbook 2004/05.