

**PE1423/B**

**Further Evidence to the PPC from Unreasonable Learners.**

Further to the request from the PPC for more evidence and case studies on the difference the change of thinking can make to service, costs and morale, here are a number of suggestions.

**Vanguard Websites**

There are three websites relating to the work of Vanguard worthy of viewing. Each site contains video, text and audio files outlining the many success stories of using the Vanguard Method. You can also subscribe to newsletters and blogs that provide regular updates on case studies, further reading and current thinking.

<http://www.systemsthinking.co.uk/home.asp>

<http://www.thesystemsthinkingreview.co.uk/>

<http://www.systemsthinkingmethod.com/>

**John Seddon Books and monthly Newsletter**

John Seddon has written a number of books that outline in detail the Vanguard Systems Thinking Method and also provide many compelling case studies that show clearly why thinking has to change in order for performance to improve.

A particular recommendation is "Systems Thinking in the Public Sector". To see what leaders think about this, then read the summary of a 2011 leaders' summit written by Simon Caulkin.

The books and many articles can be obtained from the websites listed above and you can also register to receive John's monthly newsletter.

**Stuart Corrigan of Vanguard Scotland - recent blogs**

All Stuart's blogs can be obtained from the 3<sup>rd</sup> website listed above. Here is his most recent which provides clear evidence for a particular manager's change of thinking, and what happened as a result.

**26 April 2012**

**The 8 Traits of Great Managers**

The most frequent questions I'm asked are as follows: 'How do you view the role of a manager?', 'What makes a great manager?' and 'Who have you worked with that was really brilliant?'

In terms of the role of a manager I think it's really quite simple - to optimise the business. Of course optimise could be applied in a number of different

contexts: in the private sector it might be to optimise sales or return on investment and in the public sector it's undoubtedly to optimise service delivery, costs and morale. When you nail it down it's really quite simple, anything that contributes to better revenue, better service, lower costs and better morale means that the manager adds value. Anything else (politics, report writing, re-work, and most quarterly and annual appraisals) is simply a waste of time, money and energy.

But what makes a great manager? Many can talk a good game, they have their MBA, can use fancy words like 'governance' or 'optimisation' or 'sweating the assets', but ask them exactly what they should do differently and they look as clueless as when a Scotsman is shown the inside of his wallet. So here's my checklist of great management traits:

1. They have intimate knowledge of who they are trying to serve and never get confused between their true customers and those that masquerade as such, for example government, senior management and/or regulators.
2. They have intimate knowledge of what happens to a customer from the moment that they place a demand on the business to the point that the demand has been fulfilled. After all can anything really be more important than fulfilling customer demands?
3. They have intimate knowledge, and never stop trying to increase their knowledge, of where the processes in a business break down (be they the marketing or fulfilment systems - the two most important) and are constantly testing new and better methods to make those systems work better.
4. They have intimate knowledge of psychology and relationships, how their staff perform at work and the organisational causes of behaviour. For example they'd know that numerical targets cause people to go to sleep, cheat or cherry pick their work.
5. They are willing to challenge their own assumptions.
6. They make decisions and use data to make those decisions.
7. They spend lots of time in the work reinforcing what matters to the customer and problem solving.

I've attached a little score sheet you can use to give you and your management team some insight as to where you need to improve. [You can download it as a PDF here.](#)

Over the years I've met a few managers that scored high on some of the areas, a few who scored badly in most of the areas and a few diamonds that repeatedly hit the ball out of the park in every single category.

Sara Boothright is one such manager. Sara is a manager of a food safety department so she's seen a few sights in her time and knows the good places to eat in her town but also works in a system that is highly regulated and very traditionally run. Sara could be forgiven then for being unwilling to change industry norms and organisational norms and her own beliefs about how to run her service.

And to tell the truth, other than that she baked brownies on the first day of the change programme, she started off as real pain in the neck. She continually went on about having a small team, who were already run off their feet and bleated on and on that she simply needed more staff. However, to her credit, she was also willing to suspend her current beliefs (see trait 5) and go out and find out how the system worked before she came to any conclusions (see trait 1).

After establishing the purpose of the service (protecting public health) Sara soon found out that the current system design and regulatory regime actually worked against doing the very thing she was getting paid to do. And as my eldest son often remarks 'that sort of thing will ruin your day right there'. She learnt for example that businesses like Marks and Spencer (that have their own inspectors and very high standards) got the same level and frequency of inspections as a two man business that, let's say, had less exacting standards. This was because the process was not designed to deal with variability. And after a few weeks of studying the nature of customer demand and her core business processes I'd bet Sara knows more than most in her industry about how the system really works (see trait 2 & 3).

She also soon saw that her team were working their little bums off due to the way that the work was distributed - too many open cases - a common problem in this sort of environment. And when you layer on top of that the student syndrome behaviour (leave everything to the last minute, see trait 4) being driven by the arbitrary service standards, plus the rework and wasteful activity in the processes she realised that around 40-50% of her team's time was taken up doing junk (see trait 3).

However, getting this information could have turned out badly for Sara. Managers faced with such information, in my experience, react in one of three ways:

1. Deny, deny, deny, take a week off and pretend that everything you've just seen is a bad dream.
2. Accept what you've seen but put it in the too difficult drawer, after-all you're doing what all your peers are doing and anyway 'doesn't that consultant get paid to find bad stuff?'
3. Accept what you've seen, get depressed for about 2 seconds then remind yourself that like the Karate Kid you now have true enlightenment and you're bloody well going to tackle the problems head on! That's what Sara did (see trait 6).

And it's fair to say that she changed the lot. She changed the way the work was scheduled, how inspections were done, how many open cases were allocated, how the cases were managed, what the business measured, she re-wrote the job roles, changed the processes and re-wrote (she really did this) the food safety manual for the council. And once she'd made the changes she then spent hours every day following up to make sure that the new way of working was...working and that the staff were sticking to the rules (that's trait 7 btw).

But the question of course, and sorry for the pun, is did the new method bake bread? You bet it did. Amongst other great results, the time taken from inspection to getting an unsafe food business to clean up their act improved from an average of 65 days to just 7. That's 89% faster and therefore 89% better for the food buying public in Lincoln.

And speaking of the public, the time taken to respond to customer complaints about businesses with poor food practices, inspect and make them safe has speeded up by 53% too.

I'm sure the local health services will be cheering in the background.

So Sara gets a tick in every box, which means she enters the Vanguard Scotland management hall of fame.

And she's still a pain in the neck, she bugs me every day with questions about this and that and regularly drives me nuts. But all great managers are all the same, so I'll add trait number 8 'An unrelenting, constantly challenging, slightly nutty, pain in the butt'. But hey you can't have everything, and what would you rather have on your gravestone, that, or 'Sara never really cared and accepted mediocrity wherever she saw it?' Also the late Steve Jobs seems to think that being passionate and maybe just a bit cuckoo is a good thing. Here are his thoughts on the subject:

*'Here's to the crazy ones, the misfits, the rebels, the troublemakers, the round pegs in the square holes... the ones who see things differently -- they're not fond of rules... You can quote them, disagree with them, glorify or vilify them, but the only thing you can't do is ignore them because they change things... they push the human race forward, and while some may see them as the crazy ones, we see genius, because the ones who are crazy enough to think that they can change the world, are the ones who do'*

Steve Jobs 1955-2011

Which leaves us with the big question, how would you do if faced with Sara's situation, and what will they write about you after you've gone? Why not [take the test](#)...it's not too late.

Finally if you'd like to see the full case study of what Sara found and what she did to make it better it's in development and if you reply to this email expressing interest we'll make up a list of people to send it out to as soon as it's ready.

Stuart

### **Case Studies**

Andy Lippok has used and trained people in the Vanguard Method in a number of organisations. As he mentioned to the committee on the 17<sup>th</sup> April, a particular example was the intervention he led in GROS in 2009, and the

following is an extract from a report sent by the manager of Extract Services to the GROS senior Management team a few months after the intervention.

## **GROS memo from Claudia Ball on improved results following an intervention.**

### **Systems Thinking in Extract Services**

The extract services intervention team began work on their Systems Thinking project on the 7<sup>th</sup> of October 2009. For the following 6 weeks, they spent 3 days a week working on the project.

Initially, the team spent time establishing the fundamental purpose of the Extract Services department and then went on to look at this from the „outside in“, i.e. from the customer’s point of view. This enabled them to see clearly what was important to the customers and thus, what we needed to change within our practices in order to satisfy the customers’ needs.

**Purpose** = To give proof of an event, advice, information and details.

**What matters to the customer** = that the certificate they receive is correct, accurate, of good quality and that they receive it quickly and on time. They also expect the ordering procedure to be easy to follow and for the extract to be of good quality. In addition, the customer would like to be dealt with courteously & sensitively.

With all of this in mind, the intervention team went on to establish how much „value“ demand and „failure“ demand was produced in the way Extract Services worked. From this they were able to see that, although the amount of failure demand was quite low, in order to produce value work, a great deal of waste was being produced.

From all of the research, data gathering and analysis that they carried out, the intervention team discovered that there were inefficiencies in the system for the following reasons:

Firstly, very few orders were produced „one stop“ i.e. orders were being taken, but instead of being dealt with by the member of staff that the call originated with, it was being placed onto an order pile and was then being picked up in turn by another (but in some cases the same) staff member. This double handling had several inherent problems, the first of which being deciphering terrible handwriting! Another obvious problem was the time taken to do these hand offs. In addition to this, the work was being handed off a second time (to another colleague) in some cases in order to improve the quality of the image concerned.

Secondly, credit payments were not being taken whilst the customer was on the phone. Quite frequently, when the member of staff went to take payment, the card details were incorrect or the customer did not have enough money in the account to support the transaction. This created a great deal of extra

work in return phone calls and a delay in getting some extracts out to the customer.

Inadequate IT systems, letter editing, only one document seal (necessitating staff making trips up and down a number of flights of stairs) and poor quality digital images are amongst the other problems that contributed to the way the system behaved.

The intervention team then went on to create an action plan which involved all of the other members of the team, taking account of their opinions and suggestions. We began by tackling easy to achieve action points, such as ordering a new document seal, accepting orders by email and changing our policy so that we could accept cheques made out to some of the most commonly incorrect payees.

Improvements were made in a controlled and cautious manner with communications with the team taking place on a daily basis when needed and more formally at a morning meeting on Fridays. Every time a significant improvement was suggested, we would introduce it as a trial first. All staff were encouraged to comment on how they felt the trial was working and to make suggestions on how to improve things even further.

Below is an outline of the changes that we have made so far and the resulting benefits.

<b>Obstacle</b>	<b>Action</b>	<b>Benefit</b>
Only one useable seal in the entire building which is located on the top floor.	Old seal mechanism brought up from basement and fitted with a brand new die.	<b>Staff on counter can seal extracts immediately.</b> This saves them time and provides a quicker and more professional service to our customers.
Only cheques made payable to „the Registrar General“ are accepted creating extra work and inconvenience to us and the customer.	Agreement made with the bank that they will accept cheques made payable to the five incorrect payees most commonly used.	Time saved by not having to return order to customer. Also, less paper and postage used. Customer not inconvenienced. <b>Virtually no cheques are returned to the customer under this new system.</b>
Orders sent by email are not accepted	Checks made with IT security to enable us to accept orders sent by email	<b>Order can be processed without hassle or inconvenience to the customer.</b> This saves us time also.
Procedures for phone, mail and fax orders are convoluted and waste time. This means orders take more time to process and customers do not	All staff process their own phone, mail and fax orders and take credit card details at the beginning of the transaction.	Many orders are being produced one-stop. There are no problems with deciphering hand writing. No double handling. <b>Orders are going out 50% quicker than in October.</b> Please see spreadsheet below.

receive orders in time.		
Staff don't have access to appropriate software for producing extracts.	After discussion with Audrey Wyper, it was discovered that we all have access to Microsoft Picture Manager which allows the extract to be lightened and darkened.	Extracts needing to be lightened or darkened no longer need to be sent to MU. <b>This saves us and MU time and gets the order out to the customer quicker.</b>

The changes and improvements above have had an obvious effect on the Extract Services team with most members of staff reporting being less stressed and feeling more in control than they have done in many months. Please find below a case study which highlights this point.

Due to inefficiencies in the certificate ordering procedures being used, a large backlog had developed on all orders which had been consistent for around 10 months. This meant that customers were waiting too long for their orders to be sent out and were eventually calling up to find out what was going on. The result of this was that the team were spending large amounts of time fielding these calls, looking up the order details, reproducing the extract and cancelling the original order which inevitably meant that the backlog kept building up further. In addition to this, the staff felt that they were never going to gain control of the work that was coming into the department resulting in high levels of tension and stress.

From January 2010, a new work practice was trialled and then put into place permanently around three weeks later. This involved the staff dealing with all of their own work, inputting the customer details into the system and taking payment whilst the customer was on the phone. There were no longer any handoffs or issues with handwriting or incorrect credit card details. The most immediate and noticeable difference was that the time it took to complete an order decreased from around **7 days to 1 day**. As time went on, we began to notice that there were **no calls** coming in to chase late orders. The time that we were saving was more than we ever expected it to be.

Since this change has been made, we have lost one temporary member of staff and due to budget cuts, we are due to lose another member of staff in two weeks. I feel that we will cope with this reduction in the workforce easily whereas, had we lost these staff members 6 months ago, the situation would have been quite different.

As line manager, I feel that the most noticeable difference is in the staff morale. The team are happier because they are able to take more time over their work. They can spend more time with customers because they feel less pressure to rush back to the colossal pile of orders waiting for them at their desk. We also have more time to do other slightly less pressing but equally important tasks such as writing training manuals, visiting other departments, going on away days and most importantly, taking part in essential training.

## **Edinburgh City Council – Road repairs**

Vanguard worked with Alison Angus and the team in the Roads Department in Edinburgh City Council.

**City of Edinburgh Council have been shortlisted for (and subsequently won) an award for the improvement in their roads service. If you want to know what they did you can get it here today.**

Here's what happened...

**Failing road's service taps into method that increases productivity by 200%, slashes time to repair from 333 days to 39, and gets shortlisted for Guardian award...all in 5 months**

### **And they did it without:**

- Extra resource
- Targets or
- Bonus schemes

Most roads managers are still trying to manage their roads using the old ways: bonus schemes, targets, and incentives. But there is a better way, common sense but not common practice. Once you learn this method, you can repair potholes with lightning speed, and cheaper than you can imagine. Not only that, you can do that same thing in your capital programme.

### **Here's the story**

At the start of 2008, two foresighted managers, Andrea McHugh (Head of service) and Euan Kennedy (Head of roads), decided that they'd had enough of bad press from their local newspaper, and mounting complaints from counsellors.

They wanted to revolutionise the service they provided for road users in Edinburgh. In short they wanted faster, better quality repairs, and they decided to do it even though it would collide with the start of the tram works. Job one was to get a handle on the extent of the problem. But what they found was much worse than they expected. Although the key performance indicators showed that nearly all repairs were done in three days, the reality was very different. In-fact the true time to repair was worse, by around a hundred times. The data showed that it was not uncommon for a repair to take 333 days.

And though they thought productivity wasn't a problem, they soon found that only 60 repairs were being done per day.

Now it's important to say this, the people doing the repairs were doing their best. But they were working in a system that conspired to make performance worse. No matter how hard they tried, nothing changed.



But there was light at the end of the tunnel. Facing up to the reality of the problem gave them laser-like insight into exactly what needed to be done. And with the help of highly motivated team of workers here's what they achieved:

- Increased number of repairs from 60 per day to 150 per day
- Time to complete a (proper repair) reduced from 333 days to 39 days
- Shortlisted for the Guardian awards for public service improvement
- Accolades and thank you letters from councillors and members of the public.

And if you're thinking that they used more resource, then think again, they didn't.

But here's their secret: What they did was changed their method of looking at, managing, and designing the work. Alison Angus, a project lead on the job, said

**"When you think about it, what we did was just common sense, but it's not common practice, certainly amongst local authorities."**

### **Here's some more benefits of thinking like City of Edinburgh Council**

Alison is right, it was easy, when you learn how to get knowledge about how the work works you find

- Immediate insight into what to change, and how to change it (often, managers report that they're suddenly seen as some sort of guru because they have all the answers).
- That you don't have change hundreds of things, but just two or three policies or measures are sufficient to turn around a whole department.
- That front line workers (including unions) are only too happy to be involved. Most thank the Lord that at last common sense has prevailed and managers are finally paying attention to the right things.
- Best of all once you know how to find the problems, you can repeat the process over and over again, and keep on improving.
- The method also radically improves other project environments, such as capital works and refurbishment programmes in housing, implementation of I.T. programmes, gully cleaning, building moves and much more.

### **Dundee City Council – Adult Services**

Vanguard worked with Jim Duffy in Dundee City Council.

### **Dundee City Council – Oct 2008**

The best documented intervention I (Jim Duffy) did in healthcare - and the only one I have been given authority to discuss since I left is in **Community Physiotherapy**.

There we had a situation where waiting times were running at anything between 9 and 14 weeks depending on time of the year, and had been going up by about a week every year. Actually the real waiting time was higher, because it was measured from date the GP's referral letter was received, which was on average a week after the patient had seen the GP. They had a 45% default rate, and took 6.5 treatments on average to discharge a patient. After intervention, waiting time came down so far that it couldn't be measured, by which I mean that patients were offered a range of appointments and often the first available was not the one chosen by the patient, as an alternative was often more convenient.

Effectively, patients were inevitably offered a next day appointment, but often chose to take an appointment 2 or 3 days later. The default rate came down to under 3%. Number of treatments to achieve the same clinical outcome was reduced to 3.4 on average. 10% of physiotherapy resource was available for redeployment onto other work which had been sitting on a development list.

The other big bonus was that GPs loved the new system and took a portion of work off them by making much easier to get a patient referred in and also because treatments started earlier, people were not returning to the GP for painkillers etc.

I keep in touch socially with a couple of the physios, and I understand that some of this progress has been maintained and driven further, but that the bigger organisation (the Health Board) interfered in some other areas from a position of no knowledge, most obviously in buying an IT package for managing appointments which doesn't allow the office staff the same flexibility in offering appointments and has the effect of lengthening the time till an appointment can be offered.

Also some information on **adult care**.

It really related to the introduction of single shared assessment and worked as an intervention across the HB and the LA, mainly District Nurses and Social Work. Denise was the Vanguard consultant on this, and of the two authorities, the HB was the junior partner, so I don't want to overstate my role in this.

In a nutshell, the intervention got the DNs and the Care managers working together and trusting each other's work - the expertise was put at the front of the process. There were a number of things sorted out, for the routes into a social care package are, as you know, many and varied. For example, the social workers had every expectation that a GP calling on someone and realising that they probably needed a care package would complete the assessment documentation.

There was no chance - the GP would have 10 minutes on the call to deal with medical issues and no way were going to spend up to another hour gathering all the social care assessment. But this led to Care Managers hounding GPs for information they would have no intention of gathering, rather than getting the information from the best source - the client. And so on ... The achieved

improvement in headline terms was that UCL to get an assessment completed came down from 835 days (that's not a typo!) to 65 days, and UCL for number of assessments done on a client before getting to the assessment which would be used to access a care package dropped from 12 to 2.

**Contacts in organisations who have done VSTM**

Jim Duffy – Dundee City Council

Ron Skea – Dundee City Council, VELUX, Stockport Metropolitan Council, Abertay Housing Association

Alison Angus – Edinburgh City Council (Roads Department)

Claudia Ball - GROS

**Leaders**

Laurence Barrett – formerly Director of Operations with VELUX