

The Design and Use of Local Metrics to Evaluate Performance: A Comparative Analysis of Social Care Organisations



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EDITORIAL

Since the Modernising Social Services reforms of 1998, performance in adult social care in England has been monitored by means of nationally available indicators comparing local authorities with each other. These measures have been used as a basis for targets and to reward good and admonish poor performance in the form of 'league tables'. More recently there has been a move away from this type of measurement, largely as a reaction to its consequences in terms of 'chasing measures' and losing sight of the original purposes of performance measurement (to improve services on the ground). There has thus been a reduction in the reporting of national indicators for social care, at least in England and the removal of composite

'star' ratings. In other countries though, performance has not been measured in the same way. There is a different history to the development of measures and to the regimes that accompany them; performance measurement has been instigated for different purposes and used in different ways. Stepping outside the contexts of our own countries can provide us with some much needed perspectives on exactly why it is important to measure performance: what sort of information is useful? For whom should it be provided? How can it most effectively be used to improve services?

To help to answer some of these questions, PSSRU Manchester was commissioned by the Economic and

Social Research Council (ESRC), as part of its Public Services Programme, to evaluate the operation of the performance system in social care. This is a major piece of independent research comparing England with other countries, investigating the use of local performance measures and systems for older people's services. The research project formally finishes in June 2010. This Research and Policy Update follows from our last one (August 2009) and provides further information from this study. In particular, it compares performance measurement approaches across the UK, in England and Northern Ireland, and in Japan where a greater degree of local data are available and where performance measurement is conceptualised differently.

THE PUBLIC SERVICES PROGRAMME AND THE PSSRU

This study was commissioned by the ESRC as part of its Public Services Programme, which has investigated performance and its measurement in a range of public services settings. The project has four aims: First, to identify the variations in the way local social care organisations have monitored their performance. Second, to examine the relationships between how measures are used in organisations and how these organisations were rated in national performance reporting to draw conclusions about the validity of national mechanisms for measuring performance. Third, to explore the influences on the level of performance of organisations, as rated in national data. Fourth, to observe what can be learned from other countries about the construction and use of measures to monitor local performance.

The study is in four stages reflecting the research aims. A literature review was used to frame the research questions including material from other public services such as the NHS and local authority services more generally. The stages of the study are:

- a national questionnaire survey to those responsible for performance monitoring in all local authority social care organisations in England and all health and social services trusts in Northern Ireland. The survey included information on the range of measures used locally, the organisational context and the manner in which performance was measured.
- an enquiry into the way in which patterns of local data use and approaches to performance relate to national performance ratings.

- an examination of the extent to which the performance of organisations is associated with organisational and cultural factors. This helps identify the local management arrangements associated with more successful monitoring. Analysis from the survey and national data was supplemented by interviews with managers in areas adopting distinctly different arrangements.
- an investigation of how the English top-down approach to measuring performance in this setting has compared with a more local approach through a comparison with Japan, which is more 'bottom-up' – monitoring the care provided in local governments.

THE RESEARCH TEAM

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SOCIAL CARE PERFORMANCE MEASUREMENT: WHAT IS IT FOR? HOW DOES IT VARY? WHAT ARE THE COSTS AND BENEFITS?

There are different approaches to monitoring performance, both across English social care authorities and between England and other countries. This section presents some findings from our study using surveys and other material across different countries of the UK, namely England and Northern Ireland, and Japan. This information allows us to compare the approach in England with other countries that share certain similarities, in terms of the kinds of social care services provided and the information held by professionals in the field, namely care managers.

The rationale for performance measurement

There are different rationales for measuring performance in our different countries and these reflect a host of historical, political and cultural factors. Although our country case studies are slightly different, in terms of how social care is financed, the context of practice is similar: social care is provided locally, through local governments (integrated in the form of Health and Social Care Trusts in Northern Ireland and through smaller municipalities – cities, towns and villages – in Japan). One important aspect in social care, therefore, is how managers can monitor the provision of local services whilst recognising that performance is also important for public accountability. The different countries diverge in this important respect. The history in England is one of ‘top-down’ monitoring of local authorities’ performance, using performance measures for regulation; in Northern Ireland measures are available nationally but they are used to describe, not to compare and judge; in Japan the focus is very much on continuous

quality improvement within the service, with measures used internally to local governments. These different contexts and issues are shown in Box 1.

There are seen to be benefits as well as costs in the approach particular to each country. Whilst, in England, central government had signalled the benefits of ‘comparing for improvement’, in particular in galvanising local managers to improve services to the public through rewards and sanctions, there have also been costs. Some have viewed the growth of centrally-imposed measures as leading to reduced morale on the part of social workers and managers (Burnham, 2006). Some managers themselves, in our survey, responded that the national data have been flawed and authorities are often held to account through inappropriate comparison. There is often chasing of data to fit the measures rather than authorities having data to hand to examine the wider aims of the service. In Northern Ireland there is not the strong oversight and competition as exists in England and Trusts hold local data (such as ‘costs of care packages’), useful in managing services. However, performance more globally has been argued to suffer, particularly in respect of delayed discharges from hospital (Appleby, 2005) and, interestingly, national targets have been advocated as one route to improving performance. In Japan, the striking difference is in the use of individual-level measures, available electronically, at the local level, which enables local governments to monitor the provision of long-term care insurance. However, the rising cost of the insurance scheme (different to the UK tax-based system) has been perceived as a problem, although the performance system is

seen as enabling the analysis of such expenditure, through local governments, to assist in longer term planning.

Variation in the use of measures

There are differences in the range of information available with which to monitor performance, both across our three countries but also across units within countries. To look at this and also to set out a best practice approach to the design of performance systems a production model is a useful starting point; it determines whether all relevant aspects of performance are covered (Challis et al., 2006). The model (Figure 1) clarifies the domains of monitoring, from which a suite of indicators should be developed:

Need – ‘who needs care’ (e.g. number of older people living alone);

Contextual Factors – ‘aims to be achieved’ (e.g. national/local objectives);

Supply – ‘what is available’ (e.g. number of home care hours);

Practice Process – ‘what care managers do’ (e.g. number of ongoing cases);

Service Process – ‘how services are organised’ (e.g. costs of care packages);

Intermediate Outcome – ‘what is provided’ (e.g. number of residential admissions);

Final Outcome – ‘with what effect’ (e.g. number of users satisfied with service).

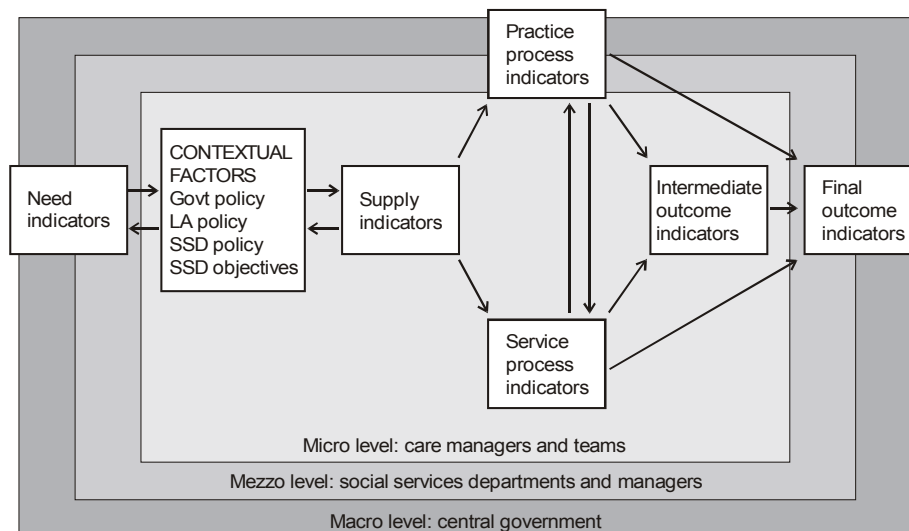
Box 1. The three ‘cases’ of performance measurement systems in social care

	England	Northern Ireland	Japan
Aim	To regulate and direct performance of local agencies by central government	To develop understanding of complex system	Evaluation of local provision of mandatory insurance system
Organisational context	Centralized accountability relationships between national and local governments (150)	Accountability relationships of mutual learning and development between Executive and local Trusts (5)	Local control by municipalities (1,787 in July 2008) within a framework set by central government
Form of data	Aggregate authority-wide data for explicit comparison (‘ranking’); very few local data particularly on characteristics and dependency of users	Aggregate authority-wide data for descriptive comparison (‘intelligence’); very few local data particularly on characteristics and dependency of users	Individual-level data for purposes of management control (‘intelligence’), including that characterizing dependency of users
Performance issues	Cost efficiency; timeliness; balance between home and residential care	Cost efficiency; range of outputs; balance between home and residential care	Cost efficiency; balance between home and residential care
Perceived problems	Lack of trust in rankings; gaming and manipulation of data by local authorities	Lack of incentives and unclear lines of accountability for improved performance	Rising costs of insurance scheme; appropriate analysis of data by local municipalities

This model also shows that data are useful at different levels reflecting the different audiences for performance information: central government (for accountability and regulation); the social care authority (for management information); and care managers and team leaders (for professional issues and reviews of care). Together, this framework helps us to see whether all appropriate aspects of social care are considered in each of the three countries' systems.

In England, there has been a deficit of information at the local level, both authority-wide and at the level of individual teams. Some authorities do well in terms of collecting such measures but others do not. Only half of authorities had data on the 'number of cases per team' and only 13 per cent routinely used data on 'spend per case'. Such detailed measures are essential in informing management decisions and useful in the supervision of individual workers. In Northern Ireland, local measures were more available but were at an early stage of development; a large amount of performance leads' time being spent in preparing data for statutory reporting. Nevertheless, across authorities, such 'micro-level' measures were more routinely available in Northern Ireland compared with England (Figure 2). In Japan, the use of individual-level measures enables managers to view the progress of care for individual users and supports the monitoring of aspects such as efficiency, thought of as the point at which the costs of a service package approach the 'limitation amount' of the insurance benefits which have been

Figure 1. The performance indicator analytical framework



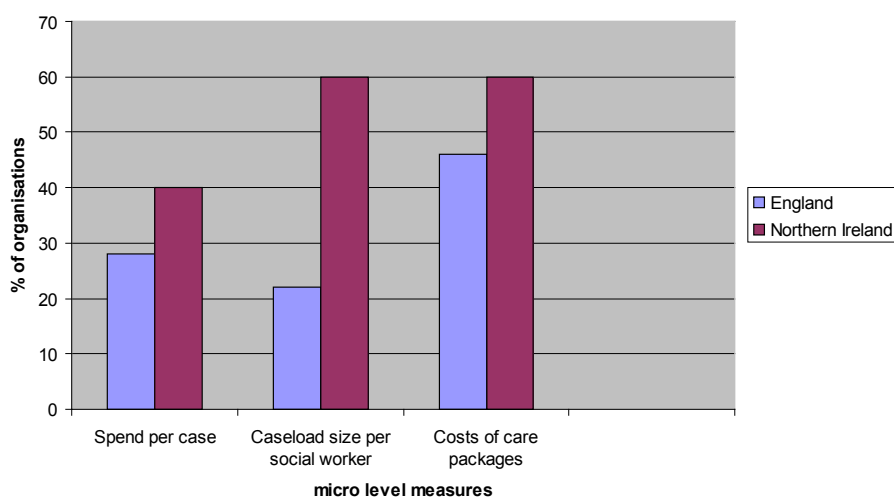
prescribed. Because, unlike England, data are collected routinely in electronic form locally (through the transmission of bills from service providers to insurers), this enables local governments to monitor the effects of the system in terms of aspects such as the 'proportion of users in dependency bands' and 'expenditure on care packages' per individual user.

Conclusions

Findings from this project have much to offer recent debate on the direction of performance measurement as we now move, particularly in England, towards a reduction in national measures and targets and a greater stress on outcomes and local achievements (DCLG, 2007).

Part of the response to this, for social care, will involve performance measurement becoming re-configured more towards assisting in management (and professional) decisions and less for the purposes of public accountability, explicit comparison between units and central government rewards and sanctions (Challis et al., 2006). In order to do this, data will need to be collected on a range of domains; outcomes are important in finally judging care but process measures and also measures of need are also essential in describing fully the system of care and its monitoring at different levels. Our comparison of the three countries in this project, however, shows that English social care has still some way to go in collecting the right sorts of information to make local performance review possible. The situation is improving, particularly in the wider adoption of electronic assessment systems and facilities for the storage and transfer of information regarding individual users (Department of Health, 2009). Such information, regarding user need collected at the local level, with this being fed through into indicators of resource use and possibly, user-reported outcomes (such as from satisfaction surveys) is essential in designing a comprehensive performance monitoring system. Individual user information, particularly on 'who' receives care, is also important in monitoring the different levels of risk potentially shown by different users. Such a range of measures is supported in other countries, like Japan, where the purpose of measuring performance has been different.

Figure 2. The use of 'micro level' measures in England and Northern Ireland



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RELATED RESEARCH

Community Support Services for People With Dementia: The Relative Costs and Benefits of Specialist and Generic Domiciliary Care Services

Domiciliary care services have long been part of the fabric of the welfare state but specialist services within them are a more recent development with local authorities required to redesign their services demonstrating an investment in prevention; early intervention/re-ablement; and provision of intensive care and support for those with high-level complex needs. Service commissioners are challenged to ensure high quality services delivered by a well-trained workforce which reflect the goals of choice and control within the personalisation agenda.

The Department of Health commissioned PSSRU Manchester to contribute to the development of the evidence base relating to domiciliary care for people with dementia. This will inform the implementation of the National Dementia Strategy which advocated the provision of an appropriate range of services to support people with dementia living at home and their carers. A mixed method approach incorporating both primary and secondary data collections with three elements will be employed:

- A literature review and evidence scoping exercise, including unpublished data from previous studies at PSSRU Manchester.
- Construction of a typology of domiciliary care services for people

with dementia using evidence from two recent studies.

- An appraisal of current service provision involving telephone interviews with samples of managers in local sites with demonstrably different approaches to service provision derived from the typology; secondary data analysis exploring whether different arrangements for domiciliary care influence rates of admissions to care homes; and consultations with carers to ascertain their service preferences.

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RECENT PUBLICATIONS

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FURTHER INFORMATION

For information about the ESRC Public Services Programme, including links to other research, some of which has relevance for social care, see: www.publicservices.ac.uk

The **PERSONAL SOCIAL SERVICES RESEARCH UNIT** was established in 1974, and from 1996 it has operated from three branches:
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