Management Case Study

Deploying a Strategic Performance Management Framework to Better Deliver Social Services: The Case of the Care Council for Wales

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Wales

By
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Abstract: The Care Council for Wales (CCW) has taken a significant step in its
evolutionary approach to strategic performance management by creating a Strategy
Map and a set of Key Performance Questions and Key Performance Indicators. It
has also placed greater rigour around the identification of strategic initiatives. The
creation of this strategic performance management framework has enabled CCW to
transition from being primarily output and activity oriented to an organization that is
more outcome and performance focused. CCW senior managers highlight the
critical importance in expert external facilitation in successfully deploying the
framework, citing technical expertise and knowledge transfer as being specifically
valuable along with helping to overcome early ‘buy-in’ issues. CCW also believes
that as the framework further evolves it will likely prove powerful in helping it to
make the difficult performance and resource prioritization decisions that will be
required as a result of the public sector funding cuts.

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About the Care Council for Wales
Headquartered in Cardiff and with 91 employees, the Care Council for Wales (CCW) is the social care workforce regulator in Wales. It has responsibility for promoting and securing high standards across the social services and social care workforce. Set up as a result of the Care Standards act of 2000, CCW oversees the provision of social care services to about 150,000 people each day. These services are delivered by around 70,000 social workers and social care workers within approximately 1,800 public, private and voluntary organizations. With most of the social care workforce employed by independent or private organizations, the total value of the social care sector to the economy of Wales is about £1 billion per year.

The work of CCW is governed by a Council, the members of which are appointed by the Welsh Assembly. Chaired by Arwell Ellis Owen, the Council represents the full spectrum of those with a stake in social care services, such as carers, professional associations, service users and the voluntary sector. Amongst its duties the Council has to ensure that CCW meets its objectives and uses public funds effectively and that it delivers value for money.

Performance Management: An Evolutionary Approach
Since going live as an organization in 2001, CCW’s senior management team (which now has four members and is led by Chief Executive Officer Rhian Huws Williams) has been continually improving and evolving its performance management capabilities to ensure it meets Council requirements.

By 2009, CCW realized that it needed to take a significant evolutionary step. Neil Wicks, Director of Corporate Affairs (and a member of the senior management team) explains that although CCW had strategic and business plans in place and had identified a set of strategic objectives, there were several key performance issues with which the organization was grappling. “For instance, we had a vast number of activities that underpinned these plans and objectives in terms of delivery,” he says. “And the measures and indicators that we were using were more focused on targets and the completion of activities than being truly strategic.” He adds that the organization was much more focused on outputs than on outcomes, “which was certainly something we wanted to change.”

The Importance of External Facilitation
CCW realized that successfully taking the next evolutionary leap in performance management would require external facilitative support. “We needed an expert external advisor to look at the information we already had, help identify the gaps and suggest how these could be closed,” Wicks comments. “We knew we had gaps such as a lack of proper KPIs [Key Performance Indicators] and we knew that we could benefit from employing expert
advice to develop them, as this is something that we had struggled with previously."

Consequently, CCW secured the services of the Advanced Performance Institute (API), with which it created a strategic performance management framework comprising a Strategy Map (or ‘plan on a page’), and a set of Key Performance Questions (KPOs) and KPIs as well as a much more streamlined and focused set of strategic initiatives. The framework came into force as the organization’s strategic performance management framework in April 1 2010 (the first day of the new financial year) but had been used for planning purposes since October 2009. It was originally launched into the organization in December 2009, thus giving managers time to get used to this new style of management.

Benefits of Creating a Strategic Performance Management Framework

Although still early days regarding its adoption, Planning and Performance Manager Kate Salter (who along with Wicks essentially championed the introduction of the new framework) explains that CCW has already secured significant and tangible benefits. “Firstly, it has helped everyone to focus on and be clear as to the aims and remit of the organization and the impact of CCW’s work,” she says. “Secondly, it has helped everyone to see their own contribution to that impact and that of their colleagues.” Finally she says that the ‘plan on a
page’ has made it much easier to describe the work of CCW to its various stakeholders.

**Building the Framework**

CCW’s Strategy Map is shown in Figure 1. Sitting atop the map is CCW’s vision, which is ‘Our role is to protect the public by ensuring that competent workers provide quality care services.’ Supporting the vision are three strategic aims (or outcomes). One from a Standards and Regulation viewpoint (safe) and two focused on workforce development (skilled and sufficient). As an example of definitions, the ‘safe’ aim is described as ‘people who use services, their families and carers are assured that professional standards are applied through workforce regulation.’

Scrolling down the Strategy Map, each aim is supported by several strategic objectives. For instance, four objectives support the ‘safe’ aim, including ‘we investigate and act upon complaints and allegation’ and ‘we maintain and promote codes of practice.’ All three aims are supported by objectives focused on ‘process optimization and operational excellence’ and ‘stakeholder engagement.’

At the base of the map we find the performance ‘enablers’, such as finance (‘we have to manage our financial resources well and provide value for money in everything we do’ – which speaks directly to the Council’s responsibility for ensuring value for money) and Governance (‘we have to be transparent and accountable with excellent corporate governance arrangements’).

Facilitated by API, creating the Strategy Map involved senior management workshops to flesh out the key objectives of the organization, internal discussions with a wider group of managers and an API review of existing documents and materials, which included a diagrammatic framework of how CCW’s existing objectives fitted together. “API then created a draft Strategy Map that was discussed and refined by the management team,” says Salter. The plan on the page was then presented to the Council, where Wicks and Salter explained how it would improve the performance of CCW. Based on feedback from the Council and additional inputs from the management team the map was further refined. Indeed, being a living document Wicks believes that there will never be a ‘final’ Strategy Map. “It will continue to change based on experience, learnings and our commitment to remain aligned to our stakeholder needs,” he says. “We view it more as a phased evolution.”

In keeping with the API methodology, CCW has articulated a set of KPQs (an API innovation) to support its strategic objectives and to provide greater direction to the selection of KPIs. The KPQs were particular useful in transforming mindsets, explains Wicks. “They helped us to focus on our work from a new perspective. Rather than simply looking at outputs and activities, the KPQs encouraged us to look at the impact of our work.”

Keeping with the ‘safe’ strategic aim as an illustration, consider the following KPQs and the KPIs that they generated. The objective ‘we register care professionals’ is supported by the KPQs ‘to what extent are we registering the number of people we are expected to’ and ‘to what extent are we getting better at registering people.’ Supporting KPIs are ‘number of applicants in the past quarter and renewals,’ and ‘mean time to process from...
receipt of application.’ The objective ‘we investigate and act on complaints and allegations’ is supported by the KPQ ‘what are the trends in referrals received and dealt with’, which in turn is answered through the KPIs, ‘number of cases open,’ ‘number of hearings held,’ and length of time to decision’.

Dropping down to the enablers section, the objective ‘we need staff with the right competencies and skills’ has the supporting KPQs of ‘to what extent does our training and development plan support individual and organizational needs’ and ‘to what extent are we are good/attractive employer.’ Supporting KPIs are % of training and development plans delivered and ‘staff turnover, staff sickness level.’

Keeping with the evolutionary nature of CCW’s performance management system, Wicks comment that “The KPQs will also continue to evolve,” he says. “And this is important, as they specifically and almost deliberately define the KPIs.”

With the ‘plan on the page’ positioned as the planning framework for 2010/2011 it also had an impact on the greenlighting of strategic initiatives. “We listed all the initiatives in place or planned and mapped them against the Strategy Map,” explains Salter. “If they didn’t make any impact on our objectives then they were dropped. The map proved to be remarkably powerful as a tool for identifying the most appropriate strategic initiatives.”

What is unusual about the deployment of a strategic performance management framework within CCW is that although no formal cascade has as yet been launched, as the immediate priority is to bed down the map and supporting KPQs and KPIs at the corporate level, several maps have been created at lower levels, for instance within the HR team and the Development and Innovation team. These were created by individual managers who recognized the value that a ‘plan on a page’ could bring to their own sphere of operations.

However, although the Strategy Map has not been formally cascaded, each department and team has delivery plans that underpin the map. “So there’s a cascade in terms of KPI delivery and planning,” explains Wicks.

**Overcoming Deployment ‘issues’**

That a number of lower level managers have chosen to build their own ‘plan on a page’ is in itself a powerful measure of buy-in to the framework. “People recognized that the framework added value to the planning and performance process and, more importantly, that its usage demonstrates how they added value and the impact of their work. As a result there was little serious cultural resistance,” says Salter.

However, she states that there were several ‘issues’ to overcome. “Although these weren’t serious barriers, they did require some work to ensure they didn’t become a problem,” she says. For instance she points to some original uncertainty with regard senior management buy-in. “But that quickly evaporated following a presentation by Bernard Marr (API’s CEO and Director of Research) as they could see the value that the framework and process could deliver to CCW.”

Salter adds that there was an issue around some people seeing it as bureaucratic, corporately imposed process. “So it was really about winning of
hearts and minds,” she says. “We had to do some work around changing the minds of some managers from seeing it as something that ‘had to be done’ to see it as something that improved their work.”

A further issue was around getting people to switch from an output to outcome focus and to move away from activity-based to performance-based reporting. Wicks says that although significant progress has been made here there’s still some work to do as it is quite a significant mindset change for some people, especially in how performance is reported.

**Performance Reporting**

In terms of reporting, CCW is presently using an Excel based system. Managers in each area are responsible for collecting their own metrics and delivering these to a central team managed by Salter, which then puts together the final product for distribution to appropriate stakeholder groups. The central team supports local managers by engaging them in the performance management process, setting templates and providing timely reminders. “But in the final analysis, our culture is one of pushing out responsibility,” says Salter. “Performance management is the responsibility of everyone in the organization and not just someone from the corporate centre.”

Although devolved responsibility won’t change, there is recognition that Excel is not ideal for accurate and timely reporting of performance. Therefore the organization is presently looking into the possibility of procuring appropriate performance management software.

Better reporting will become more important going forward given that the executive management team has committed to conducting formal quarterly strategic reviews that will focus on performance to the Strategy Map as well as the progress of the projects launched to deliver to the objectives.

**Public Sector Challenges**

Reporting and the whole strategic management process will certainly become more interesting over the coming years as CCW, along with every other UK-based public sector organization contends with the challenges of funding cuts. Wicks comments that presently the strategic performance management framework has not been purposefully designed to deal with the public sector cuts, but as it evolves over the coming years it will certainly help in facilitating the difficult decisions that lie ahead. “Over the next five years I think the framework will evolve to enable much better prioritization and provide better linkages to budgets and resource allocation as well as the management of risk,” he says. “In our first year of usage the framework will provide excellent information regarding how we are managing the business to deal with the changing public sector financial landscape, but going forward we will be much more able to prioritize spending against the objectives on the map, which will be critical is successfully dealing with the challenges ahead.”

**Critical Success Factors**

In conclusion Wicks points to a number of critical factors in the successful deployment of a strategic performance management framework. “Most importantly, the usage of a Strategy Map and supporting KPIs, etc has to be about improving performance,” he says. “The focus has to be on the better allocation of resources to more effectively
and efficiently deliver outcomes and impacts. Moreover, the framework has to be owned and used by managers within the organization: it must be a working decision-making tool for managers and not a bureaucratic process.”

Salter adds that the appointment of an expert external facilitator was also a critical success factor. “I don’t think we would have been able to achieve what we have without external support,” she says.

“As well as the practical skills and knowledge that were forthcoming, external facilitation also gave the organization the confidence to take this work forward. Using API’s expertise to win the hearts and minds of senior people within the organization certainly made a big difference.”

Further Reading

Bernard Marr (2012), “Key Performance Indicators – the 75+ measures every manager needs to know”, FT Prentice Hall, Harlow


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