Count Human Beans First

How we used collaboration to develop durable measures of quality

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Transforming conflict into partnership

Part I. The conflict
Part II. Designing the shift
Part III. Principles you can use
Part IV. Readings and contact information
Part I. The essence of the conflict

How to evaluate
the quality and effectiveness
of a complex, tailored professional service
in a way that is fair, valid, clear and affordable.
The setting...

- Workers’ Compensation
- Referrals are sent to private sector vocational providers.
- Extensive closing report tailored to each worker.
- Statute requires “quality and effectiveness”.
We tried several methods...

And each method received challenges from

- State Auditor
- Joint Legislative Audit and Review committee and/or
- Private vocational providers

Methods

- Median based threshold
- STARS – 4 quadrants of performance
- CACO – Complexity Adjusted Cost Outcome
CACO: 2001 - 2006

Basic CACO formula = Cost / Outcome

Formula adjusted for

- Referral type
- Difficulty factors
- Sample size
- Average performance per location

Result = a single number for each provider

*example: 2.86*
So… how did we become adversaries?

**Us**
- Statute
- High volume
- Complex, lengthy and tailored reports
- Limited $ and data
- Focus on duration

**Them**
- High stakes – $, pride
- Focus on speed
- Difficult to influence results
- Difficult to understand & predict score
Impact

**Personal** - One vocational counselor and firm owner summed it up.

“PTSD”

**Business** - Increased “quick and dirty” closures.

**Relationships** – Were reactive and accusatory.
The 3rd lawsuit - 2006

The assertion

CACO measured efficiency not “quality and effectiveness”.

The decision

L&I must find another method.
Part II. Designing the shift...
How we approached it

• Create trust – Relationships drive success
• Embrace the opportunity to start over
• Extensive engagement
  • Co-create vision and principles
  • Create community – “We are all in the same boat”
    Share the complexity of the problem
  • Cultivate support both internally & externally
What we did to create a shift

1. Back to basics
2. Engage cross-functional teams
3. Implemented methods
4. Continuous improvement
Step 1: Back to basics

Goals

1. Create trust and foster collaboration
2. Develop a common foundation
3. Develop a common vision
Approach

Extensive Outreach

• 32 open forums (2½ hours each)
• 6 presentations with major associations
• Online survey
  Over 2,500 comments from 457 respondents from 8 stakeholder groups.

• Drafted new **CRITERIA and VALUES**
  based on the feedback. This defined the vision and principles for a new system.
Step 2: Engage cross-functional teams

**Purpose of the teams:**
To explore, evaluate and propose methods to assess the quality and effectiveness of vocational services. **Use the CRITERIA and VALUES as a foundation.**

**Approach**
- Dozens of external and internal subject matter experts
- 4 concurrent teams – total of 80 hours, 14 meetings

**Result**
- Proposed 7 different methods to the agency
Step 3: Implement methods for assessing “quality and effectiveness”

Agency prioritized the recommendations from the teams and began implementation in phases.

Result

- Adopted 5 of the 7 recommendations
- Approved the CRITERIA and VALUES
- Currently publishing a set of relevant performance indicators.
A look at the new indicators

### ABERDEEN Service Location - Firm Performance Indicators

Click on the column headers to sort the list or select the View Profile Data link to view the data that contributed to the performance indicators.

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<th>Useful Outcomes</th>
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Step 4: Continuous improvement

1. Independent evaluation
2. On-going stakeholder meetings
Results

• Our relationship with vocational providers is now a collaborative and constructive partnership.

• Increased “quality and effectiveness”
  - Timely progress reports
    Pre - Late or missing reports were the largest source of complaints
    Post - 97% of providers submit timely reports
  - Disputes
    Pre – 31% had findings against the vocational work
    Post – 16% had findings against the vocational work
Part III.

5 Principles you can use to generate collaboration and get results
Find the order in the chaos

Every system is perfectly designed to generate the chaos you are experiencing.

- Events
- Patterns
- Structures
- Mental models
Invest in trust

*Trust is the basis of success*

- **Respect all parties** – listen, be receptive.
- **Practice integrity** - Check your story and intent. Align your intent, your words & your actions.
- **Reframe “negative” events**
- **It’s not personal**
Engage all stakeholders

- Welcome diversity
- Seek the highest good for a mutual long term benefit.
- Discover common values and vision.
- Frame the problem as “our” problem
- “Quick fix” is an oxymoron.
Manage strategically

• View the process from above
• Shift mental models - internally and externally
• Plan how and when to engage others
• Be resolute and flexible
  • Be resolute about values and vision
  • Be flexible about solutions
Be transparent

- Share your intent. Be authentic, kind and constructive.

- Share project timelines and resource limitations. If you cannot share information, explain why.

- Promise only what you can deliver.

- Embrace the paradox that vulnerability is strength. i.e. You don’t have to know everything.
The 5 Principles

- Find the order within the chaos
- Invest in trust
- Engage all stakeholders
- Manage strategically
- Be transparent
Summary - What really counts?

“Performance measurement” impacts human beings.
A few recommended readings

- **Crucial Conversations** - Patterson, Grenney, McMillan and Switzler
- **The Speed of Trust** - Stephan Covey
- **How Remarkable Women Lead** – Joanna Barsh and Susie Cranston
- **The Art of Convening** - Craig and Patricia Neal
- **True North** – Bill George
- **Finding Our Way** – Margaret Wheatley
- ”joy in workmanship” – introduced by Dr. Deming (or Scherkenbach)
- **Love Works: Seven Timeless Principles for Effective Leaders** – Manby
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Thank you!