

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

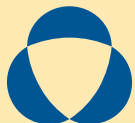
Part II. Designing the shift

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



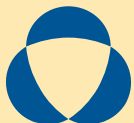
Impact

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

Claim & Account Center  L&I Secured

My profile

Logged in as: Janice Orcutt

Log off

 Help

Vocational Profile

Change Search Criteria

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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Firm	Timeliness of Progress Reports	Training Plans Approved First Time	Eligible Rec's Approved First Time	Useful Outcomes	Vocational Disputes	Vocational Disputes NAF	Complaints - See Profile Data	View Profile Data
QUALITY VOC SERVICES INC	100%	9		7				View
ACHIEVE CONSULTING TEAM	97%	9	9	9	19	15		View
D'ABOY CAREER HORIZONS	99%	8	9	9	21	17		View
OSC VOCATIONAL SYSTEMS INC	99%	8	9	8	82	67		View
PAC WEST REHABILITATION LLC	99%	8	9	8	27	23		View
GRANT & ASSOCIATES	99%	8	9	8	69	61		View
VOCATIONAL REHAB SPECIALISTS	100%	8	9	9	7	6		View
STRATEGIC CONSULTING SVCS	99%	8	9	8	401	323		View
OLSEN & ASSOCIATES INC	100%	8	9	8	9	9		View
ACTION VOCATIONAL RESOURCES IN	93%	7	9	8	15	10		View
RPM REHABILITATION & ASSOCIATE	95%	7	9	8	26	18		View
MAGNITUDE CONSULTING	100%	7	9	8	38	26		View
DEPT OF LABOR & INDUSTRIES	83%			8	2	2		View
PRECISIONARY								View

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Step 4: Continuous improvement

1. Independent evaluation
2. On-going stakeholder meetings

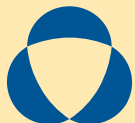
Results

- **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?



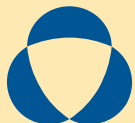
“Performance measurement”

impacts human beings.

Part IV.

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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Performance/Profile/Default.asp](http://www.lni.wa.gov/ClaimsIns/Voc/WorkWithLni/Performance/Profile/Default.asp)



Washington State Department of
Labor & Industries

Thank you!

