

EVALUATING THE INTEGRATION OF TWO GOVERNMENT AGENCIES

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Context

A failure to recruit a suitable candidate to a country manager's position created a unique opportunity in Whyalla in South Australia in late 1997. It resulted in the manager of the local public housing agency (South Australian Housing Trust) being asked to extend his managing role to jointly manage both the housing and welfare services agencies (Family & Youth Services (FAYS)). The arrangement was set up as a 12-month pilot, and needed to begin immediately with limited opportunity to plan .

The background context to this joint management initiative was the establishment in October 1997 of the Department of Human Services (DHS) as one of ten super departments in South Australia to create opportunities for better integration and more effective and unified service delivery. This meant amalgamating all public health services, public and community housing, and welfare services, amounting to some 25,000 public servants, with an operating budget of 40% of the State government budget.

The aim of this paper is to outline the range of approaches to evaluating the joint management arrangement at Whyalla at the end of the 12 month pilot.

Environment

Whyalla is one of six provincial cities in South Australia, with a population of 23,975 (ABS Census 1996). It was historically a BHP company town based around the processing of iron and steel, which experienced rapid growth in the mid 1970s. (Substantial public housing was built there to assist economic development at that time.) Restructuring of this industry has since led to massive job losses and a declining population. (SA Centre for Economic Development, 1997) As in many country towns, the local government body has strong concerns about retaining government services and creating jobs.

The respective agencies for housing and welfare services are located in self-contained buildings 100 metres apart. The two agencies are similar in size (approximately 20 staff) and annual administrative budgets (\$1.1m). Both provide services at a front counter, by phone, by interview and in the field at the homes of customers.

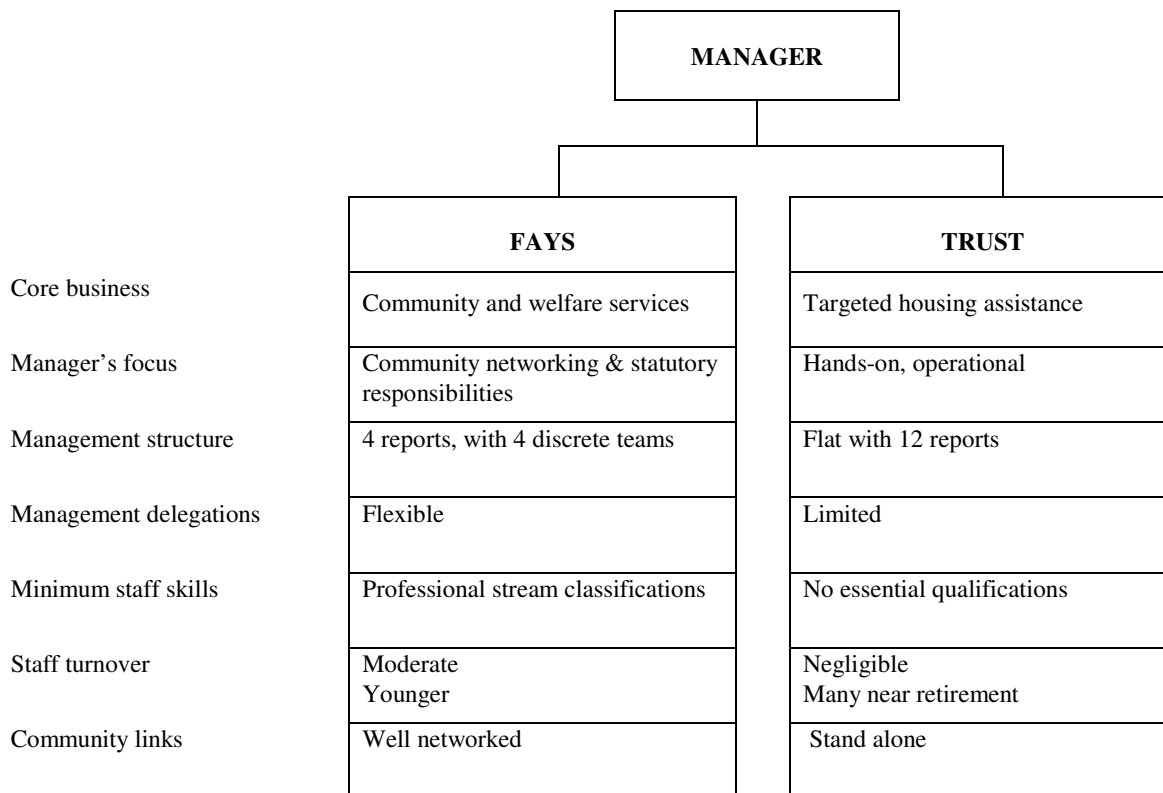
The main Housing Trust services are financial assistance with private rental, housing referral to supported accommodation options, and management of public housing. There is considerable focus on assessing the needs of customers against priority criteria (e.g. domestic violence, health and social problems).

The main FAYS services are supporting families and protecting children, helping people in crisis, managing and supporting children who are under the guardianship of the Minister, support for young offenders, general financial counselling and funding community agencies and facilities. FAYS also assesses customers for government concessions such as transport, council rates, electricity and water.

While there is anecdotal evidence of customers in common between the two agencies, strict confidentiality policies and discrete information technology systems are a significant barrier. Cross referrals occur to a limited degree where workers know each other, and to some extent where FAYS provides financial counselling to Trust customers with large rent arrears.

While the philosophies, values and target groups of the two agencies are similar in the field, their respective management structures and cultures vary considerably, and there has been minimal staff movement between them historically.

This chart summarises the characteristics of each of the agencies:



The Brief

The focus of the brief given to the manager at the start of the initiative and then to the evaluator was threefold:

- ◆ assess the strengths and weaknesses of the joint management arrangement
- ◆ identify opportunities for streamlining customer services
- ◆ assess opportunities for fostering partnerships with the local community.

The crux of the challenge was to address, and in turn measure, the cultural changes required to facilitate or underpin co-ordination and integration of staff and services. This was clearly a substantial challenge for the joint manager, who planned each week so as to spend roughly equal amounts of time at each agency. He was accountable to two (2) separate directors and structured local support and planning around him mainly in the form of a joint management team.

Approaches to Evaluation

While data collection for the formal evaluation was undertaken by a project officer, largely on-site, between September and November 1998, considerable additional data on staff performance and attitudes was collected across the 12 months.

A steering committee was formed to oversee the planning and implementation of the evaluation in accordance with the evaluation brief, and help communicate the progress of the trial to service delivery staff. The project officer reported to this group. In addition, a group of local stakeholders based in Whyalla was set up to provide guidance on consultative processes, and assist with communication strategies for facilitating the progress of the pilot. Members of this local group included Centacare (non government counselling and support services), the Community Health Centre, the Women's Shelter, the Whyalla Council and the Aboriginal Community.

One feature of the evaluation was that these stakeholders contributed different kinds of information. For instance, there was evidence of the Council views in the local newspaper and television and the Women's Shelter collected data on patterns of numbers of referrals.

For each of the stakeholders identified, a variety of qualitative and quantitative tools were used, as summarised below.

EVALUATION TOOLS

Stakeholders	Quantitative Tools	Qualitative Tools
Senior management of two agencies	<ul style="list-style-type: none"> • cost savings overall • monthly performance indicators (housing) • quarterly audits (housing) • quarterly reports about initiative 	<ul style="list-style-type: none"> • observations of reference group and manager • time sheets of manager • direct staff feedback • process analysis and observations
Staff	<ul style="list-style-type: none"> • self completion local survey • benchmarked major state staff survey (housing) • number of staff job swaps 	<ul style="list-style-type: none"> • interviews • focus groups • observations of evaluator on site • attendance at joint social events
Customers	<ul style="list-style-type: none"> • small self-completion survey • basic analysis of databases 	<ul style="list-style-type: none"> • customer feedback via third parties • newspaper invitation to comment
Community agencies/Council	<ul style="list-style-type: none"> • invitations to manager to external meetings • agency database on referrals 	<ul style="list-style-type: none"> • media coverage • reference group discussions • interviews • observed examples of agency collaboration

An indication of the use of these various tools across the 12 months of the pilot program are summarised below. While most data was collected locally, opportunities existed with some tools to benchmark activities in Whyalla with those of like agencies across the State.

TIMETABLE OF EVALUATION PROCESS

Local Tools

Formal Evaluation Brief

Evaluator on Site

Focus groups, interviews, meetings

Joint Social Events

Whyalla Staff Survey

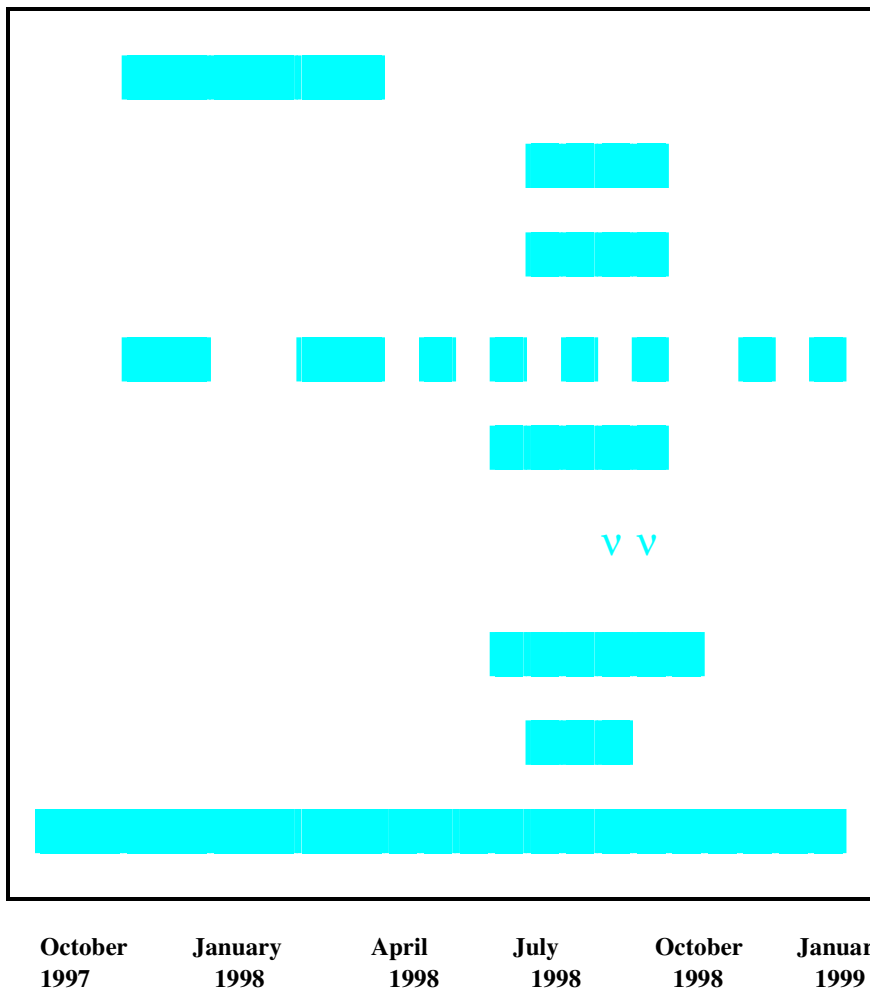
Customer Surveys

Statewide Tools

Trust Wide Staff Survey

National Customer Survey

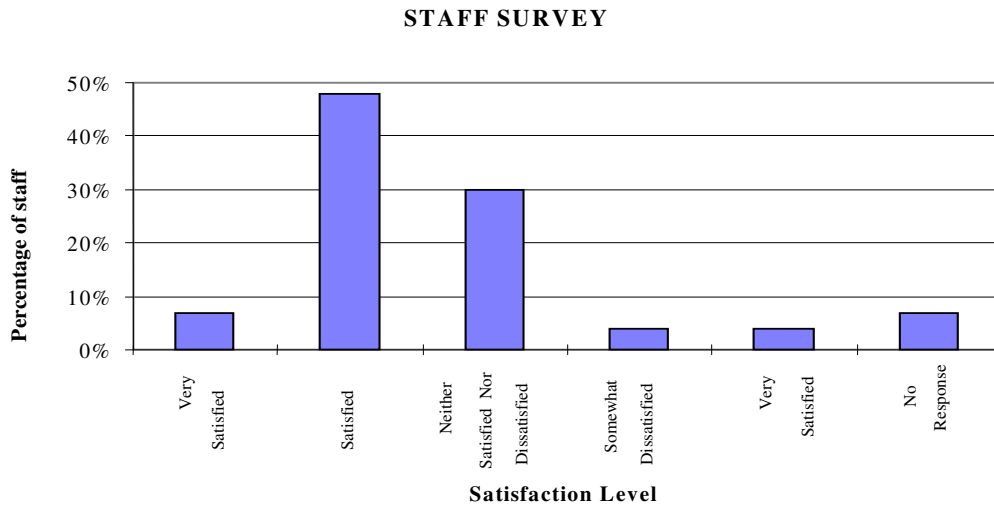
Monthly Performance Indicators



Evaluation of Management Arrangements

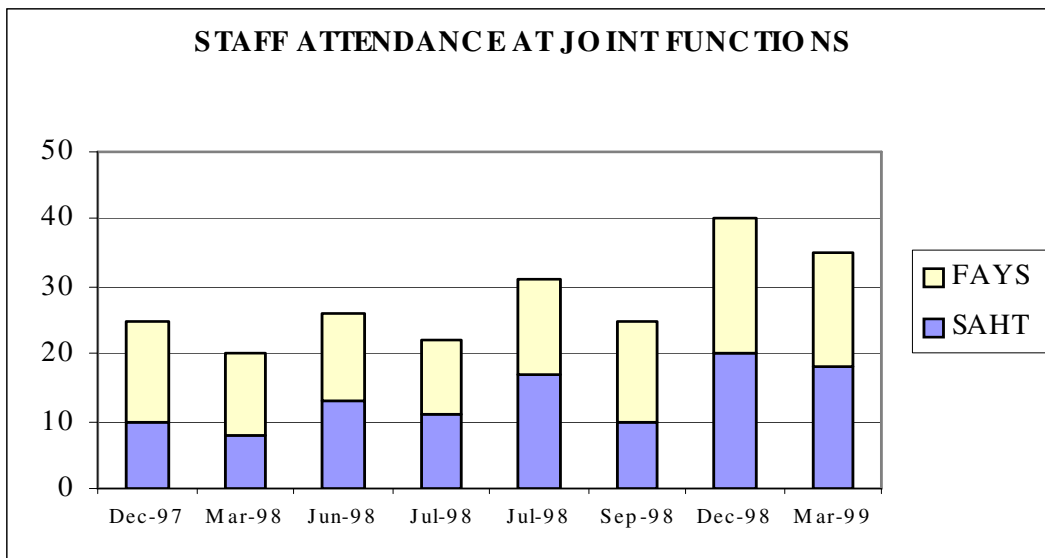
The value of this multifaceted approach was the depth and balance it provided, particularly to develop strategies to develop the pilot to its next phases. For instance, with respect to staff views to the pilot, evidence was collected variously, by way of focus groups, in-depth interviews with individual staff, and a self-completion questionnaire built around the issues arising from the interviews and focus groups. The visibility of the evaluator, on site regularly over several months, increased the depth of responses from staff themselves. It also gave the evaluator opportunities to observe levels and nature of interaction between the staff of both agencies. All of these approaches proved valuable to identify why views were somewhat polarised.

Because of the importance of a change in respective operating cultures to the success of the pilot, whenever possible, formally measured responses to issues were underpinned with informal measures. For example this chart shows the results and evaluation process of self-completed staff surveys to the question “How satisfied overall are you with the joint management arrangements?”.



More detailed questions in this local staff survey identified which strategies were successful in bringing the two operating cultures together. For instance, 56% of all staff indicated that the development of a joint business plan contributed to fostering the objectives of the pilot. High attendance levels at the joint staff function to launch the plan, reinforced this finding. 41% of staff felt there were improvements in training opportunities as a result of the pilot.

This next chart indicates how staff voted with their feet. It records attendance of staff at joint social functions which was seen to signify relative staff interest and acceptance of the two (2) agencies working more closely together.



Another evaluation mechanism to assess staff views of the effectiveness of the joint management arrangements was the comparison of the results of the local staff survey with the results of a very detailed survey of the housing agency staff held in August of the pilot year, which in turn could be benchmarked against state-wide results for housing staff. (The evaluators in this process were an independent firm in another State.) Interestingly, these results showed that Whyalla housing staff were the least satisfied in the State with markedly low scores on issues like “management effectiveness”, “staff morale”, and “leadership”. This suggested that in the local survey charted above, the dissatisfied staff were more likely to be from the housing agency, than the welfare agency.

This was verified in turn, by the qualitative data recorded in staff interviews. The welfare agency staff comments were mostly framed in this positive view:

“The arrangement has drawn the two agencies together in a more co-operative and supportive basis than occurred previously”... “to me it is working well”... “we see more of this Manager than our previous full-time Manager”.

Staff from the housing agency meanwhile recorded more negative observations along these lines:

“It has become so difficult to access the Manager”... “I feel a sense of loss”... “The project has not introduced any dramatic difference on the service that we provide”.

The management style and availability of the individual manager were clearly critical success factors for the pilot from staff’s perspective. This was also true for senior management who used additional evaluation tools to assess the impact of arrangements on the manager’s effectiveness. Comparisons of the manager’s time sheets with those of managers elsewhere, indicated that the breadth of the joint role was not sustainable in the longer term. There was some disappointment that only two (2) job swaps between the two (2) agencies occurred during the 12 months. From the perspective of the welfare agency, management was seen to have improved, however for the housing agency there was a decline in performance as measured monthly performance indicators. On the balance sheet there were marginal cost savings, related to paying one senior salary rather than two.

Evaluation of Customer Services

In reality, the full 12 months was needed to work towards bringing the cultures of the staff groups together. It was decided early on that the pace of change around any streamlining of the customer services should be determined by the staff themselves. The source of evaluation of this was the joint business plan developed during the pilot. Modest opportunities were identified here by staff for streamlining customer services. One example was confidentiality protocols around exchange of information on customers in common to improve customer outcomes. Another was the potential for a generic front counter position able to offer the services of both agencies.

A basic front counter survey of some 50 customers in August 1998 verified that the majority had no concept of the two (2) agencies being managed jointly, although a minority thought the concept had merit.

Overall, the evaluation showed no perceptible improvement in the standards or co-ordination of customer services. In fact, the levels of customer satisfaction with some housing services had declined compared with the previous year, and was low when benchmarked with services across the State. (Donovon Research,1998) (One could surmise that the decline in very satisfied customers was linked to housing staff's dissatisfaction with the joint management arrangements, as discussed above.)

Evaluation of Community Partnerships

The evaluation tools for this aspect of the brief were necessarily qualitatively based. The benchmark for assessing improvement in this could be the local media coverage early on in the pilot. Newspaper and television views indicated significant opposition with concerns around the following:

“FAYS should not be made to suffer because of cost-cutting measures by the government.”
(Whyalla News, 28 November 1997).

“Both positions have enough responsibility on their own. Imagine the combined pressure on both positions.”
“It’s just another example of bureaucracy having simply the figures and not the facts.”
(Whyalla News, 3 February 1998).

In subsequent interviews undertaken by the Project Officer, local politicians who were at first critical of the lack of initial consultation about the pilot and expressed fear that economic rationalisation was the driver, showed support and greater understanding of intent and benefits of the joint arrangements.

Opportunities for fostering partnerships with the local community were seen to be improved by the pilot, largely as a result of the manager of the housing agency extending his sphere of influence and being invited to a whole range of community meetings as a spin-off of this parallel role in the welfare agency. (The welfare agency was traditionally invited to a larger range of forums.)

The local reference group of agencies gave considerable informal evidence about closer networks they saw being fostered by the pilot. Unfortunately, only one (1) agency could provide documented evidence of increased referrals as a result of the pilot.

Results

In terms of the three objectives, the results of the 1998 pilot joint management arrangements for the housing and welfare agencies at Whyalla were mixed.

There were more strengths than weaknesses in the joint management arrangement. These included opportunities for staff to understand the business of the other agency, and better working relationship between the respective work teams.

The housing agency staff were less satisfied than the welfare agency staff. The range of evaluation tools from in-depth interviews, focus groups, and surveys through to the attendance at joint social functions, identified the reasons behind these differing perspectives. A decline in performance standards seemed to run parallel to staff satisfaction levels.

While during the pilot refinements were made to the flat structure of the housing agency to compensate for the reduced availability of that manager, the levels of dissatisfaction and performance identified in the evaluation led to recommendations at the end of 12 months around more wholesale change to the management structure.

The results of this aspect of the evaluation underline the importance of creating alignment of the two (2) staff cultures, before work could effectively begin on the streamlining of customer services.

Qualitative evaluation gathered from the media coverage, referral patterns, increased levels of networking and volume of invitations to meetings of human services providers, were evidence that across the 12 months the community took up the opportunities the pilot provided to foster partnerships between a range of government and non-government agencies.

Conclusion

Given the different management structures and cultures of the two (2) agencies, its success depended substantially on the degree to which the staff accepted and embraced the challenges resulting from sharing the one (1) manager.

The evaluation process was enhanced and strengthened by the use of multifaceted evaluation tools. This contributed to the credibility and integrity of the evaluation because of the verification and validation of information that was possible through the various levels of analysis. Quantitative data was validated against qualitative data.

The participative approach to the evaluation was also very effective, as it enabled the staff of both agencies to provide their comments, through interviews, focus group discussions, meetings, written comments, and completion of a survey questionnaire. The on-site presence of the evaluator provided opportunity to promote the purpose, scope, and processes for the evaluation to staff of both agencies. The evaluator had the opportunity to observe the nature of the business of both agencies, and the context/environment for service delivery.

This overall approach to the evaluation of the pilot provided the depth and balance required not only to assess formal and informal responses, but also to identify the issues behind those responses to help inform strategies to develop the pilot to its next phases.

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