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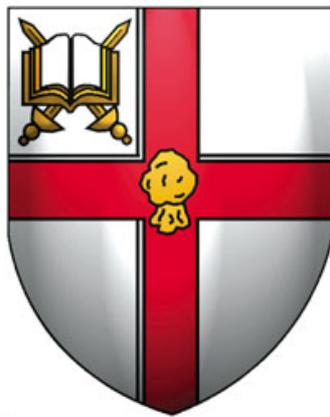
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CHESTER
BUSINESS SCHOOL

Department of
Business and Management

Business Process Re-engineering in Local Government:

Does One Size Fit All?

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Liverpool City Council

A Dissertation submitted for the degree of
Master of Business Administration

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Abstract

Organisational Change is firmly on Liverpool City Councils agenda, however managing change to achieve successful outcomes and at the same time maintain buy in from the workforce, often seems like too much to ask. Change will mean different routines, different processes, and quite often different surroundings; therefore opposition can often be fierce from those who have embedded themselves in a silo mentality, and refuse to look beyond their normal daily duties. Many fail to recognise that change is inevitable. By ensuring Liverpool City Council provides quality cost effective services, the executive management team is providing customers with services they want, and workers with long term employment prospects.

With this in mind, the executive management team has chosen Business Process Re-engineering (BPR) to implement organisational change. Critics, however argue that BPR has served its purpose and LCC is now in danger of pursuing a course of action without proof of its success across the public spectrum, or an explanation as to the rationale behind the strategic decision made by the Executive Management team?

Change can be introduced using various techniques. Investing all available resources into BPR as a vehicle for bringing about change, may prove costly if the skills and abilities of staff are lost during the process and the desired outcomes are not achieved. BPR like TQM or Benchmarking, is accepted as an effective tool for managing change, however there is very little research carried out to support the view that it is effective in all areas of public services. If LCC adopt a one size fits all approach, it may be in danger of becoming entrapped pursuing a process that many believe has served its purpose.

There has been extensive research carried out as to the value of BPR as a change management tool, but little in service areas that cannot repetitively follow a process approach. The purpose of this report is to critically evaluate BPR s value in service areas that historically provide services to the most vulnerable members of our

community, and asks whether LCC is in danger of running down high quality services, in pursuit of its vision to become a City with services rated quantitatively, as excellent.

The methodological approach to the research was focused on a select group of people who had recently undergone change, experiencing BPR both in its use and implementation, and are therefore in the best position to offer personal perspectives on its strategic and operational use.

The main methods used include a basic yes / no questionnaire for quantitative feedback and semi structured interviews to capture perspective on its qualitative value. The semi structured interviews proved most valuable in that much of the information, while not being tangible in quantitative terms, was excellent for offering personal insight into what works and why. The data gathered can be found in chapter 4 and is split into ten data display tables. None of the details of the interviews have been omitted, as all participants agreed to allow all the information to be used in the final report.

Both methods proved useful in that they enriched the research with valuable insight into people's perspectives, and offered a holistic view on BPR as a change management tool. Further, a lot of useful information was gained which can be used to improve the process during future change.

Given the limitations of this study it is recommended that any conclusions are put in perspective before changes to any current processes are made. Further research would be necessary to underpin the findings in this study, albeit this piece of work may serve to identify if it is indeed necessary to explore the topic in greater detail.

The findings in Chapter 4 provide a brief yet interesting insight into the outcomes of the research and can be directly linked to the research question. In the main most of the participants in the research agree that there are three key themes to emerge. They are:

- *Lack of Consultation*
- *Poor Communication*
- *Poor Information Management*

These three themes are further discussed in the conclusions in Chapter 5 and the recommendations in Chapter 6.

Declaration

This work is original and has not been submitted previously for any academic purpose. All secondary sources are acknowledged.

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Date: _____

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1.0 Introduction

1.1 Background to the research

“Change has always been a feature of organizational life”, Burnes (2004). Liverpool City Council is no different having in the past five years undergone major changes, both in the number of services it delivers and the way in which they are delivered. The decision to introduce change was driven primarily for political and economic reasons in addition to the executive managements need to meet the authority’s statutory requirements.

Change has been implemented using technological advancement within strict budgetary constraints, however the speed of change has meant the management process has been largely ignored. Boeker (1997) explains that the general aim of change is the acceptance of change to a new environment and or an improvement in performance. This view is supported by Schalk et al (1998) who argue change requires the deliberate introduction of new ways of thinking, acting and operating. It is clear that the changes introduced in the Homelessness service were intended to address all three.

There are of course critics of this viewpoint. They argue that change should not be planned but should be emergent as organisations adapt to an ever changing environment through one continuous process. This view is supported by Peters and Waterman (1982) and Burnes (2000) who believe planned change can suffocate the change process itself, by over complicating matters and causing, “Paralysis induced by Analysis.” This view point would explain how most successful companies in the USA embrace change are not overcautious and ensure change is introduced incrementally. Liverpool City Council, being time restricted, has adopted the big bang approach and had clearly followed this critique.

This approach allows LCC to achieve change quickly, but totally disregards Johnson and Scholes (2002) warning that if you want to ensure you retain the skills, routines and cultural beliefs of an organization, change must be introduced incrementally. In this way an organisation is more likely to ensure the commitment and acceptance of

the changes by staff, who in turn will contribute to achieving a successful outcome. Management should consider that resistance to change, by staff, can prove to be a significant problem as Ansoff (1990) reports that resistance to change introduces cost and delays in the change process itself.

The Homelessness Act (2002) required each Local Authority in England to publish a Homelessness Strategy by the end of July 2003. The Government set out its expectations of Homelessness Strategies, in the publications “Homelessness Strategies – A Good Practice Handbook” (2002) and “More than a roof” (2002). Liverpool’s response, “Tackling Homelessness in Liverpool” (2003), fulfils these expectations and sets out its aims for tackling and reducing homelessness over the proceeding 5 years.

Consultation and a thorough review of homelessness services in 2002 / 3 allowed senior management an insight into what the authority had to do to meet these needs. The main outcomes and conclusions of the strategy was that while Liverpool already had good provision, there remained room for improvement.

The following are areas were identified as needing to improve:

- Services could be improved by being more co-coordinated and “Joined Up”.
- Better integrated advice, assessment of need and access to support.
- To aim for customers to have only one contact with homelessness services.
- To help accommodate people in the system, more quickly.

LCC has now completed its five year plan. By joining up its homelessness services and changing the way homeless applicants are processed through the system, LCC is attempting to meet the main aims of the Strategy. The service is now delivered within Careline, a partnership between LCC and Liverpool Direct Limited and has the remit of delivering more effective, one point of contact, services within Supported living.

Ward (1994) advocates the ability of organisations to manage change offers both a competitive and strategic advantage in the market place. L.C.C does not as such have competitors, however its does have a responsibility to meet central government

performance targets. By reaching and maintaining these standards, Liverpool intends to attain “Excellent” council status befitting of a City that is to be Capital of Culture for 2008.

Business Process Reengineering of council services, to provide joined up working that is both cost effective and provides for the needs of its customers, is the strategic approach the City Council had adopted. Cypriss (1994) described BPR as a process which looks to simultaneously address all aspects of the service that affects performance; including the process activities, people’s jobs, the reward systems, organization structure, culture, role of managers and the values that influence behaviour and expectations, BPR does not simply eliminate steps or tasks in a process; it takes a holistic standpoint and questions the whole process Gotlieb (1993).

Guimaraes & Armstrong (1998) tested the impact of change management on company performance. They researched the degree of effectiveness in implementing business change across 19 companies in the U. S. A. and their findings concluded that both BPR and TQM initiatives require significant changes in policy and procedure, and that in implementing these changes, 70% are estimated to fail. This said if managed correctly, change is widely accepted as essential to organizational competitiveness and effectiveness.

The main aim of this research is to understand what Critical Success Factors need to be in place to ensure change is managed effectively thus allowing LCC to deliver real changes in how homelessness is tackled. It is time to move forward and achieve real change. LCC has an opportunity to drive through measurable homelessness improvements using local strategic partnerships and BPR (if proven successful) as a vehicle for change.

1.2 Research Question

Liverpool City Council has undergone a programme of significant change and clearly faces a lot more in the future. Their executive team previously led by Sir David Henshaw has established Liverpool as a World heritage site and is the Capital of Culture for 2008.

This level of change is expected to continue for the foreseeable future, particularly with the Government's Modernisation Agenda. More importantly, the public now demand greater accessibility of council services and are more aware of the policies and structures within individual service areas. Consequently, councils have made significant improvement in key areas and in the case of LCC, become rated as a 'good' authority under the comprehensive performance assessment framework. Liverpool's success in winning the European Capital of Culture in 2008 further marks a significant milestone in its drive to become a 'Premier, European City'.

Against this background and context, the Homeless team has also seen change following a fundamental review and resulting in the implementation of a new service structure in the November of 2005. The change process itself was led by Team Liverpool who previously project led all changes to all services corporate wide.

The main objectives of Team Liverpool are to provide top quality and timely support services that will be proactive in terms of advice and information given. This should ensure that decisions are taken against a background of sound political, economic and legal positioning and will be a facilitating partner for all services in the achievement of their goals. This is defined in the Service Strategy Statement and then translated into operational strategy by helping with the design of its services.

The plan should be publicised internally and discussed to ensure that the staff are aware of their role in achievement of the objectives. Similar to any Public Sector organisation, the Department's operations strategy is part of Liverpool City Council's overall strategy and in that sense is a 'top-down' reflection of the 'Corporate strategy'.

Nationally, BPR in local government is increasing in volume and complexity, due to rising expectations from customers and end users. In Liverpool, work for both the corporate centre and client department has risen in recent years and is expected to continue its upward trend. There is a clear need for Team Liverpool to look to the future, with the continuing legislative pressures for change, and the likely future extrapolation of trends affecting the demands for BPR and accommodation strategies.

A further aim is 'to provide comprehensive services which are responsive to the council's needs in an efficient and cost-effective way, both at a lower cost and a higher quality than the private sector. Further, the development of a strategic services partnership is inextricably linked to the delivery of a local authority's duty of best value. Changing environment, new technologies, and a shortage of skills and resources have thus made partnership initiatives inevitable. With the introduction of Best Value, the traditional idea of competition has given way to collaboration and co-operation promoting the idea of mutual benefit. It is about *how* to get the internal and external elements working together in a manner which is seamless from the viewpoint of the customer where both internal and external provider's pool skills and resources.

1.2.1 Question

What factors enable Business Process Re-engineering to be a successful change management tool, and in the absence of such factors, is the process likely to fail?

Research Aims

To identify the Critical Success Factors that need to be in place to ensure the change process is successful

To obtain an understanding as to how BPR works in practice when dealing with intangible public services such as that provided by Supported Living.

To assess whether LCC is in danger of becoming entrapped in tunnel vision and applying a one size fits all change management process across the spectrum of council services.

NB. Understanding the effectiveness of BPR for other LCC service areas is beyond the limitations of this study

1.3 Justification for the research

Change in any form irrespective of how minor will usually face opposition of some kind. To ensure its success organisations must be fully aware of the implications of change, not only to the organisation itself but to the individuals concerned. Clearly when the decision to change is made, the executive management team will need to have a vision as to why it is required. Unless these visions are shared with the individuals concerned, buy in is unlikely.

So ‘how is this achieved?’ In formulating the services strategies it is crucial to have clarity of strategy and ownership to ensure that staff can envisage the future direction the service will take. Information management is essential to ensure staff fully recognise and accept the need for change, its value and consequently the change in culture it will require. If this theory is accepted as correct, clearly there is a need to be aware of all cultural forces either blocking or facilitating change to avoid discrepancy between perceived strategy and the culture of the organisation concerned. In local government generally, and in the case of LCC specifically, there had been a strong blame culture, characterised by a hierarchical and mechanistic approach to management.

Alternatively, if this research concludes that BPR has limitations and will not always deliver successful outcomes, then LCC may be in danger of becoming stubborn in its persistence of driving through change using tools and techniques unsuitable to its environment and destined for failure. Historically, public sector services were intended to provide a basic level of service for all members of its communities irrespective of circumstance. It is usual that vulnerable customer have unique problems that cannot be resolved with simple yes / no answers and are perceived as using up resources that could be better utilised elsewhere. It is however not the position of public services to serve only those customers who are not considered troublesome at the expense of those who are.

1.4 Methodology

1.4.1 Introductory Overview

This research has been carried out using both qualitative and quantitative methods in order to obtain a balanced view on perception. Advocates of mixed research suggest this approach offers a more analytical method of gaining insight into less tangible views which of course perception surely is. It is certainly difficult to analyse conclusively perception without considering the social environments within which their perceptions are formulated.

Three semi-structured interviews were carried out to obtain the qualitative data required and using a questionnaire I was able to study quantitative data which was canvassed from the views of the remaining 16 people within the homelessness service. This approach combined both the positivistic and phenomenological paradigm and enabled the gathered data to be compared to the theories presented in chapter two.

As a previous member of the service examined, it was important that to ensure integrity the researcher remained impartial at all times during the interview process. The data from the questionnaires when compared with the data from the interviews contributed to creating a more complete picture of the views and perceptions of staff within Supported Living as to the value of BPR as a change management tool.

1.4.2 Limitations of Research

As this research was undertaken within the first year of change occurring, it was possible to examine individual perception while they were prominent in people's minds. Individual perception however should not be taken literally as views often change over longer periods of time. Change is often negatively embraced therefore the purpose of the study is not intended to examine why people hold the views they do, but to assess whether on this occasion peoples perceptions are positive or negative and to attempt to identify why.

1.5 Outline of the chapters

Chapter 1 Introduction:

This chapter outlines the background to support the reason for carrying out the research and attempts to justify, using theoretical and practical examples, why the research was undertaken.

Chapter 2 Literature Review

The Literature Review is a critical analysis of the theories, models and concepts that other theorists on the subject, have published. There is an emphasis in this study on the Critical Success Factors that contribute to BPR as an effective change management tool.

Chapter 3 Methodology

The methodology outlines the methods used to obtain the data through surveys and interviewing key personnel involved in the process. This research had a qualitative approach within a positivist paradigm. A paradigm is a framework comprising of an accepted set of theories, methods and ways of defining data. Your basic belief about the world reflects the way you design your research, how you collect and analyse data and even the way you write your thesis.

Chapter 4 Findings

This chapter brings together all the results of the questionnaires and interviews for analysis. Graphs in various formats are used to help highlight the results. The responses from the interviews are placed into Data Display tables, which can be found in this chapter and in Annex 1. They make the analyses of the qualitative data easier to decipher in relation to the questions asked.

Chapter 5 Discussion & Conclusions

Chapter 5 draws together the findings of the research and uses the information gathered to help critically evaluate the research question.

Chapter 6 Recommendations

Chapter 6 highlights the main problem areas and offers recommendations on how best resolve the issues.

2. Literature Review

2.1 Introduction

“Change has always been a feature of organizational life”, Burnes (2004). Liverpool City Council is no different having in the past five years undergone major changes, both in the number, and way its services are delivered. These changes are driven by political and cultural influences, the authority’s statutory requirements and improvements in its information technology. The speed of change, however, has meant change management and the tools and techniques available to facilitate change, have largely been ignored.

In 1999 the government produced a white paper for the purpose of bringing about significant transformation in public services. Unfortunately there is often a tendency in national government to think radical and act conservatively. The Modernising Government White Paper (1999) presented a mechanical change process that reflected a rationalist knowledge base that separated the process of change from the involvement of agents of change, Maddock (2002).

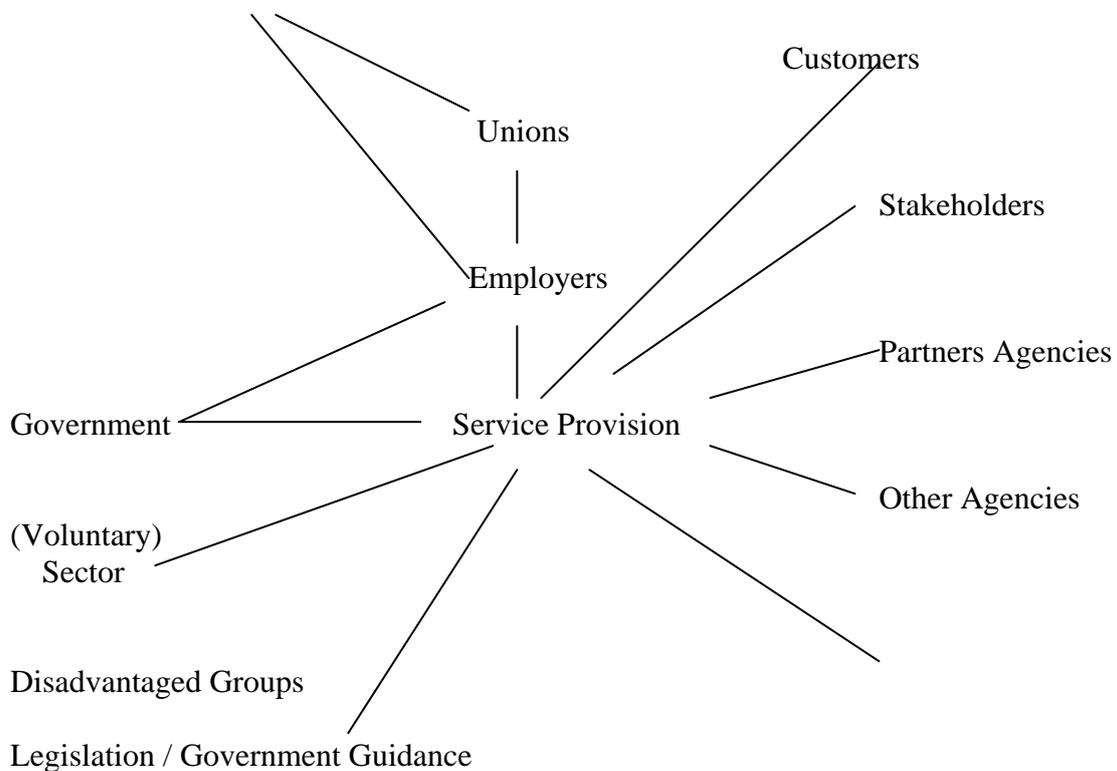
Traditionally, the concept of change within government had tended to rely on financial levers, restructuring and directives rather than acknowledging the need for new relationships and active people in the change process, Maddock (2002). The way change is managed and the appropriateness of the approach adopted, are likely to have major implications for the way people experience change and their perception of the outcome. It is therefore important to show strong leadership and commitment to the change process and develop a change plan that ensures the changes will be fully effected, Burnes (2000).

One way of understanding who is likely to be involved or affected by change is to design a Relationship Map (see Fig 1). For the purposes of this research The map will show all the key players who are likely to be involved in a change management process.

The Core of modernisation according to Maddock (2002) is how to involve staff and how to involve marginalized communities. Numerous government papers conclude that modernisation cannot work without the involvement and commitment of staff and communities (National Health Service Plan 2000). The challenge for government is to find ways of making public service efficient whilst also protecting standards and equity of distribution. Maddock (2002)

Fig.1. Relationship Map – Key Players in the Change Management Process

Local Authority Employees



2.2 Change Management

Boeker (1997) explains that the general aim of change is the acceptance of change to a new environment and or an improvement in performance. This view is supported by Schalk et al (1998) who argues, “...*Change requires the deliberate introduction of new ways of thinking, acting and operating,*” and Drucker (1980) who states, “*The talk you hear...about adapting to change is not only stupid, it `s dangerous. The only way you can manage change is to create it. By the time you catch up to change, the competition is ahead of you.*”

It is clear that the changes being introduced in the Homelessness service are intended to alter the way staff think and operate. Given the culture of the organization, effective change can only be achieved through careful planning and management. This view is opposed by critics who suggest that change should not be planned but should be emergent as organisations adapt to an ever changing environment.

The main driver for change within LCC is to meet the statutory duty of Best Value and has therefore re-engineered its services in an attempt to match its internal capabilities (including financial) with the external environment. The aim is to become more efficient and cost effective and at the same time, improve the range and quality of services it offers. Time restraints together with a need to achieve much in a short time, forced senior management to adopt the big bang approach (see Fig 2).

This radical (if not somewhat unusual) approach by LCC, allowed change to be achieved at a rate not previously experienced by its employees, and disregards Johnson and Scholes warning that if you want to retain the skills, routines and cultural beliefs of an organization, you must ensure that change is introduced incrementally. This will buy in the commitment and acceptance of change, which in turn should contribute to a successful outcome Johnson & Scholes (2002).

*Fig 2 Source: Types of Strategic Change (Exploring Corporate Strategy)
Johnson and Scholes (2002)*

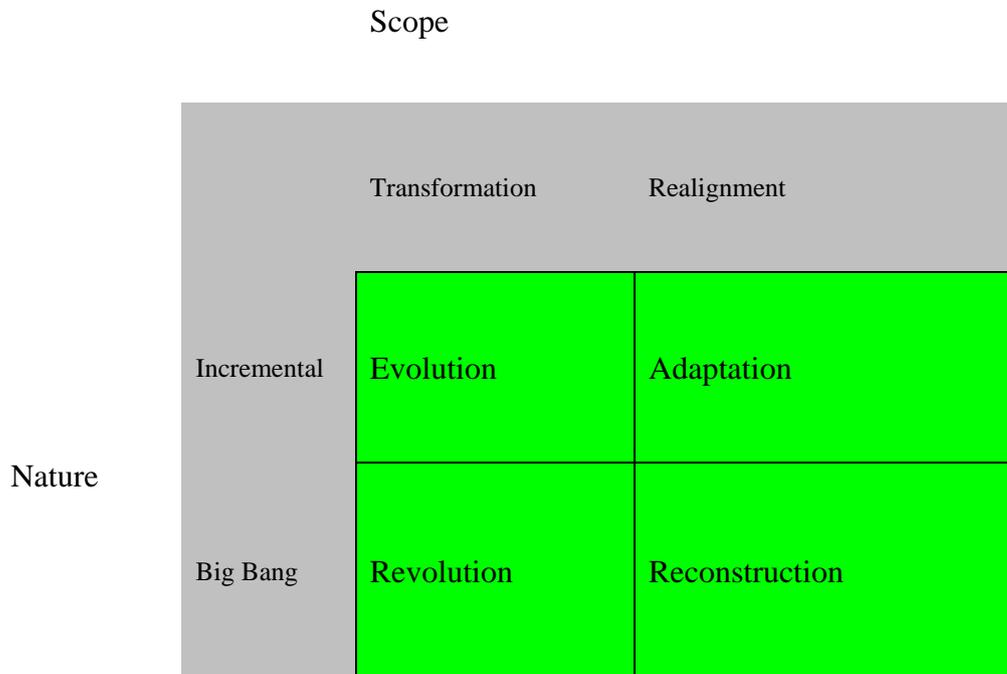


Fig 3 identifies five methods of managing the change process itself. The method of managing change adopted by LCC was `direction based` as this offers clarity and speed of change but risks lack of acceptance by staff who may not buy into the process.

Under the Labour Council, prior to 1999, this style was a mixture of education / communication and collaboration / participation. It was time consuming and progress was unclear, however a performance target had not yet been introduced and as such the Council was not seen to be in crisis. More recently, the style has again changed as the need for speed has disappeared.

Fig 3 Styles of Managing Strategic Change, Source: Johnson & Scholes (2002) p546.

Style	Means / Context	Benefits	Problems	Effectiveness
Education and Communication	Group Briefings assume internalisation of strategic logic & trust of top management	Overcoming lack of time consuming or mis - information	Progress may become unclear.	Incremental change or long term horizontal transformational change
Collaboration / Participation	Involvement in setting the strategy agenda and/or resolving strategic issues by task forces or groups	Increasing ownership of a decision or process may improve quality of decisions	Time consuming. Outcomes within existing paradigm	
Intervention	Change agent retains co-ordination / control: Delegates elements of change.	Process is guided & controlled but involvement occurs.	Risk of perceived manipulation	Incremental or non - crisis transformational change
Direction	Use of authority to set direction and means of change	Clarity & Speed	Risk of lack of acceptance and ill conceived strategy.	Transformational change
Coercion / Edict	Explicit use of power through edict.	May be successful in crisis or state of confusion.	Least successful unless in a crisis.	Crisis, rapid transformational change or change in established authentic cultures.

Fig 4 identifies some of the obstacles I consider have in the past hindered the process within the homelessness service.

Fig 4 Obstacles to Effective Organisational Change

<u>Main Obstacles</u>	<u>Manifested as:</u>
Poor Leadership	Lack of Vision Lack of Support for change Blocking Change Delaying Change
Weak Management	Fragmented Systems Powerlessness Poor Management Systems Preference to maintain the Status Quo
Culture	Change seen as a threat Turf protection Lack of self belief Political behaviour

As indicated previously, change within LCC is not readily bought into. This is evidenced by findings of the researcher in a survey of staff within Housing Advice, taken two years previous in 2004.

The results suggest staff believe management fail to consider the value or feelings of staff when implementing change. LCC have not published literature that shows this to be the case, however their failure to clearly communicate the need for change and its benefits, may prove a critical barrier to its success.

The 2004 research reveal the following outcomes:

- 75% of staff surveyed says they enjoy their work and feel part of an effective team.
- 75% of staff surveyed says the reason for change was not communicated clearly and overall has not benefited the customer or service.
- 100% feel they are valued by customers
- 100% feel they are valued by colleagues.
- 100% feel they are valued by their line manager.
- 75% feel they are not valued by senior management.
- 100% say that Training & Development is no longer an important issue as no-one has received any training of any kind in the last 18 months during the change process.

Pettigrew and Whipp (1993) identify five critical factors to managing change and achieving competitive success. They include; environment assessment, coherence, HR as assets & liabilities, linking strategic and operational change and leading the change.

2.2.1 Change Leadership

The modernisation process requires innovative leaders who are not afraid to be “off the wall” to inspire and stand above their own cultures, Maddock (2000). Good leaders are astute in their use of power. They build consensus for ideas, are democratic and have precise objectives and strategies, Hill and Jones, (2001).

According to Carter (2000) leadership is crucial to the success of a partnership. As the purpose for change is to deliver the homelessness function from Careline (a partnership organisation) then according to Carter good leadership is vital.

Leadership according to the Working Partnership framework involves communicating a shared vision, promoting ownership and commitment to the partnership and being alert to factors and relationships in the external environment.

Clearly as re-housing homeless applicants in the future, will require the help of external housing providers, good relationships with Housing Associations is strategically important.

Leaders should create a supportive environment for effective working and must sense and respond to what is happening during the term of the change project. Thompson (2001) supports this view, “strong leadership and vision is always required to champion the change process. The move from visionary to implementation though is difficult, Maddock (2000). Petigrew and Whip argue that there are three models of leadership (Fig 5) when implementing change:

Fig 5

Models of Leadership (Petigrew and Whip, 1993)

- Transactional: Where managers exchange money, jobs and security for compliance. Burns (1993)
- Transformational: Leaders motivate staff to adopt change as a way of achieving higher order goals rather than short term gains. This requires risk taking and building commitment.
- Representational: Requires leaders to represent some feature of their organization to those who are by no means their subordinates.

While you will find abundant literature within LCC websites to advocate a transformational leadership style that embraces change, the reality is that managers adopt a transactional stance. When change occurs and if it affects a particular service, history suggests staff consider themselves fortunate if they manage to retain a position within the new structure. According to Daft and Lengel (2000) leading change can be an exhausting and frustrating as up to 70% experience failure.

Johnson and Scholes (2002)² identify a need for all members of the organization to understand the need for change, what it is intended to achieve, and what the change process will involve. Understanding this may then encourage staff to buy in the changes.

Whittington et al (2005) conclude that whenever a business (whether public or private), goes through major change, an information gap opens up. Their extensive research highlights that in many cases human resource management plays a critical role in filling this gap. They researched 11 companies, surveying / interviewing 1,400 managers and found that HR played a critical role in 48% of all resistance of staff to accept change. This may prove to be a significant problem as resistance to change introduces cost and delays in the change process itself, Ansoff (1990).

2.2.2 Operational Change

Looking specifically at “Speeding up throughput,” it is clear that the old system was inadequate. In the Service industry, it is often difficult to identify exactly where during the operation the function is failing, as outcomes are usually intangible. In this case, however it is less vague as the homelessness review suggests supply quite simply does not match demand (see appendix 6). Consequently, a bottle neck is created within the process which has resulted in temporary accommodation in the city generally full to capacity all year round. To alleviate the bottleneck there is a number of measures that can be taken.

They are:

- Ensure that only essential work passes through the process. We can reduce numbers waiting offers by refusing non – priority cases.
- Be ruthless in taking away non essential activities.
- Spend proportionately more management time to ensure maximum throughput. Make interim arrangements to secure offers including the use of private landlord accommodation.

According to Nevin and Lee (2003), Liverpool’s population continues to decline yet there is increasing numbers of vacant properties. This makes it even more confusing to independent observers to understand why there is still a homelessness problem in Liverpool.

Liverpool C.C. advocates that it places customers at the heart of everything it does, therefore when reengineering a service there must be a definite overlap between

process and design. Generally Liverpool City Council is similar to a Service Shop in that its operations cater for both the extremes of Professional and Mass services. Specifically the Homeless Service operates similarly to that of a Professional service in that it is designed to cater for a low volume of customers with a high variety of needs.

The operational function is of a non-standard nature where staff show flexibility and offer a wide range of services to meet the customers individual needs. Customers will spend a considerable amount of time in the service process and are assessed on the basis of their individual need therefore the process must be highly adaptable, people based and consideration given to how the service is delivered. The aim is to provide a seamless service.

Shilver (2001) declares the following to be the test for a seamless service:

- Customers should flow through the service and experience no discontinuity.
- Staff should take ownership of the processes and of individual customers.
- Managers should take a process not a functional view, understand whole processes and where they fit into them, and work in cross functional teams to assess and improve the design.

The concept in design has been in my view neatly captured during Sir Monty Finnestons address to the department of Education and Science Conference (1990), “In my definition, design is the conceptual process by which some functional requirement of people, individually or on mass, is satisfied through the use of a product or of a system which derives from the physical translation of the concept.”

The main point of the description being that the purpose of the design activity is to satisfy the need of the customer.

2.2.3 Change Management and Performance

Performance management arrived during the 1970's when it was identified that organizations needed flexibility in order to facilitate change. Fundamental to any local authority is its human resource, therefore suggestions on how best introduce change, should include the people who deliver its services.

The idea has since evolved; that local authorities can use performance management as a method of examining and reviewing how its services are delivered, thus giving it the ability to respond quickly to an ever changing environment.

So what is performance management? Do we measure success using only quantitative techniques as they are easier to assess or are qualitative assessments of equal importance?

The majority of PIs agreed by local authorities concentrate mainly on quantitative factors and judge performance on factors such as; as how long, how many and at what cost. Qualitative assessment that considers welfare, advice and support is somewhat more difficult to measure, but is it less important? One definition offered by Mohrman *et al* (1995) describes performance management as '*a set of processes that have to be done in order to make sure that what people do and work at in an organisation will obtain the results that the organisation needs*'. This definition to me indicates that anything capable of being measured, that assists an organization in achieving its objectives, should be performance managed.

Bevan and Thompson's 1991 study identifies five key components that make up a good performance management system.

They include:

- Shared vision of corporate objective communicated via a mission statement
- Individual performance targets which are related to organisational aims
- Regular reviews of the progress towards targets
- Reviewing the process to identify training and development needs
- Evaluation of the overall process and its contribution to performance.

Fletcher (1993) suggests there are three key elements to effective implementation of performance management.

They include:

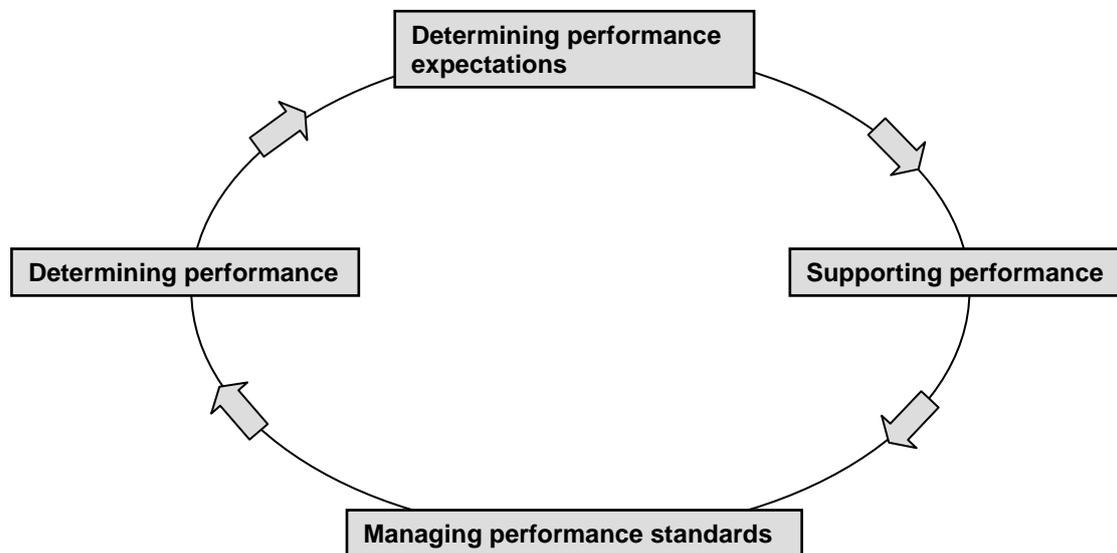
- Setting of clear objectives
- Formal monitoring and review
- Use the process to reinforce desired behaviour

Performance within homelessness had previously never been questioned. Indeed in 1998 the contribution of staff performance was singled out by the Government Audit Commission in *Inside Housing Magazine*, when it described the service as being “the shining light in an otherwise poor Housing Service.” The service has attained a quality marks (2001), two charter marks (1999, 2001) and three service improvement awards (1997/8/9) and has a proven track record in focusing on the needs of the customer.

Today’s climate demands more transparent ways of measuring performance. Experts agree there is no one right way of carrying out the performance management function but it must be tailored to the individual needs of the service, and retain a degree of flexibility to respond to change. Local Authorities provide a wide range of services and while it is possible to implement a uniform approach generally, individually it must be tailored to the needs of each service area.

Fig 6 identifies one such model adopted by Torrington and Hall (1995). The cycle identifies the performance management cycle which occurs uniformly throughout organizations. It shows performance management as a continuous process and not a single occurrence. Each stage is continually evaluated and refined through a series of processes to achieve success. Armstrong and Baron (1998) highlight a sequence of processes carried out within this cycle and suggest some likely outcomes (fig 7).

Fig 6 Performance Management Cycle. Torrington, D. and Hall, L. (1995).
Personnel Management: HRM in action. 3rded. Prentice Hall

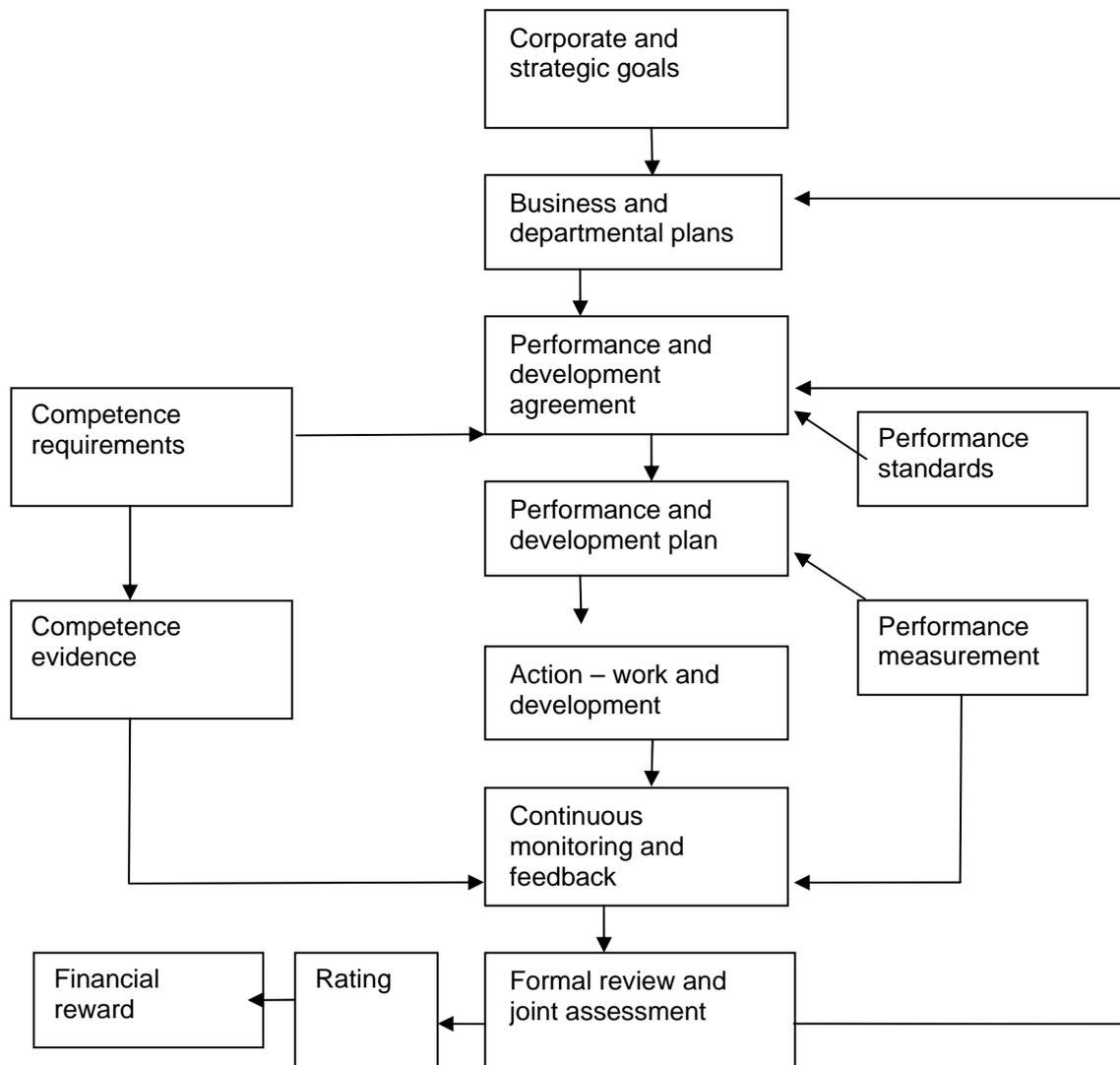


LCC uses a PMF that links its organizational objectives through processes designed to achieve positive outcomes. The contribution of staff in this process, both individually and collectively, is critical. i.e. Careline delivers the Homelessness service for LCC and individual performance is measured for both quantity and quality. Call response times are recorded together with random spot checks into the quality of advice given. Collectively, actual performance is measured against Pi`s thus allowing the service to demonstrate how it meets the service standards set by central government.

MaCaulay and Cook (1994) advocate effective performance management to be a framework that allows individuals to link in with team performance in order to achieve the best possible outcomes for the client. It is clear that there is no agreed single criteria for effective HR management, indeed Boxall & Purcell (2003) have published research showing some work systems as having both positive and negative results on performance.

Fig 7 The Performance – Management Sequence

Armstrong, M., and Baron, A. (1998). *Performance Management, The New Realities*. London, CIPD. (Adopted from Cave and Thomas 1998)



Critics such as Seddon (2003), Boland & Fowler (2000), McNamara (1997), and Rummler & Brache (1995) argue that it is impossible to accurately measure outcomes of PMS. Boland and Fowler argue that it is dangerous to only use quantitative measurement systems to gauge performance. Understandably, organizations find measurement of qualitative tasks more difficult as they are less tangible.

Seddon (2003) suggests that increased use of performance indicators has prevented employees from focusing on their true purpose. He argues that fear and a change of focus on what management want has altered how they perform their duties. His research questions both the success and value of Government initiatives by arguing that they have had no positive impact on customer perception of service delivery.

Critics of the process suggest it promotes a short-term view among managers, is too prescriptive and driven by executives and HR departments rather than line management. Many PMS are designed assuming managers can; clearly define goals, break them down into individual components, have buy in from participants and can easily be measured.

The validity of these assumptions is much criticized by Bach (2000) particularly in the area of performance appraisals, which form the core component of the process. This view is shared by Armstrong and Baron (1998), who state that these criticisms fall into two categories:

- a) 'it's a good idea but it doesn't work, and...
- b) It's a bad idea and it doesn't work'.

Within LCC, it is the responsibility of line managers to carry out appraisals and is designed to link personal and organisational goals. The function will help both managers and individuals identify gaps in knowledge or ability which can then be addressed through personal development plans. LCC's visions and values, and corporate aims and objectives are mirrored by each portfolio business plan which in turn influences the development plan of individuals.

The input of individuals is crucial to achieving 'buy in,' and if sensibly managed by setting achievable, realistic objectives, will add the most value.

2.3 Business Process Reengineering

Team Liverpool was formed to utilise Business Process Re-engineering (BPR) as a planned approach to managing change. Many experts believe this method to be the brain child of Kurt Lewin (Burnes, 2004) with his three phase model and for LCC presented a perfect planned method that provided clarity.

Three Phase Model

- | | |
|----------------------|---|
| Stage 1: Unfreezing: | Loosening and reducing forces that maintain existing values, beliefs and behaviors. |
| Stage 2: Movement: | Developing new attitudes, beliefs and behaviors. |
| Stage 3: Refreezing: | Stabilising new beliefs, values and behaviors. |

The planned or 'top down' approach has been challenged by supporters of the emergent approach. While bottom up or emergent change is desirable when the workforce is encouraged to embrace change, within LCC it is unlikely to occur in the immediate future. Change is not considered favourably as staff, in many cases, have endured six years of constant change, thus, as is the case within homelessness, the decision to change had to be from the top down and the approach needed to be planned.

McNamara (1999) identifies tools such as balanced scorecard, backward mapping, benchmarking, continuous improvement, business process reengineering (BPR) and total quality management as methods of examining and implementing change within an organization. There are a wide variety of tools available to managers when considering change. The choice of approach will often depend on the nature, resources and problems of the organization therefore must be tailored accordingly (Lawler et al 2001).

BPR is designed to simultaneously address all aspects of the service that impact on performance; including the process activities, people's jobs, the reward systems, organisational structure, culture, role of managers and the values that influence behaviour and expectations, Cypress (1994). It does not simply eliminate steps or

tasks in a process; it takes a holistic standpoint and questions the whole process
Gotlieb (1993).

Critics of BPR question its value as a tool for managing change. It is clear that it is the new buzz word within LCC but as Coulson –Thomas (1994) ask is it “Myth or Reality”. It has been described as hype, a triumph of packaging and even as a cover for downsizing or restructuring, however if properly utilized could prove to be a valuable element in a corporate transformation programme...a view shared by Coulson – Thomas.

Guimaraes & Armstrong (1998) empirically tested the impact of change management effectiveness on company performance. They researched the degree of effectiveness in implementing business change across 19 companies in the U. S. A. Their findings conclude that both BPR and TQM initiatives require significant changes in policy and procedure, and that in implementing these changes 70% are estimated to fail.

Gavin (1993) describes a learning organization as being, “skilled at creating, acquiring and transforming knowledge and modifying its behaviour to reflect new knowledge and insights”. As change has been on the strategic agenda for two years prior to the actual changes that occurred in Housing Advice, it will be interesting to see if anything had been learnt from previous restructures in other similar departments. Analysis of the survey results will identify this.

2.4 Entrapment

When an organization embarks on a concept that offers a solution to operational problems, it is normal to expect the concept to be followed until it is no longer effective. BPR has in many ways proven to be such a tool and has during the past three years been very useful in transforming Liverpool City Councils failing services into ones that are now rated as good. As a change management tool BPR has justified the investment it has had during this period however as identified previously, change for all things is inevitable. BPR has during this period been wholly used to transform services that are processed based and has not been tested less tangible services. The question this research is attempting to answer is whether or not, for LCC, BPR has served its purpose and the arguments for its use no longer valid.

The concept of entrapment has been defined in terms of an increasing commitment to an ineffective course of action. McElhinney and Proctor (2005) researched the topic in relation to the growing use of call centres in the Public Service sector. They explain, "...Perseverance with dubious projects can lead to an escalation of the level of risk and, while accepting the need to persevere, it may be argued that it is also self defeating." Further studies show that managers (and organisations they represent) can fall into the trap of over committing themselves and not recognising when it is time to stop.

Several reasons have been attributed to why individuals become over committed to a project, they are; the project itself, managerial motivations, social pressures and organisational pushes and pulls, McElhinney and Proctor (2005).

Platts (1994) s article "Entrapment – Every Managers Nightmare" explains how today's enterprise culture breeds only one thought, a concept with two dimensions – expansion and success. He continued by adding that some business ideas and indeed the organisations themselves are destined to burst simply because they are flawed and failure usually being blamed on management having too fleeting a concept to accommodate change and plain bad management. The overriding theme to the article is that if change is to occur, the process needs to be understood and managed effectively, if this is not done the process is doomed to failure. To compound matters,

instead of understanding what went wrong and why, further resources are allocated to the project to justify decisions and consequently the organisation becomes entrapped in its own inflexibility.

As explained previous BPR has been adopted by LCC as its tool for managing change. Social pressures have certainly contributed to LCC changing the way it delivers its services and the organisational drive to place as many services as possible within Care – line has become an unstoppable force. The question is whether all of these services are compatible with a call centre or is the organisation in danger of not knowing when to in the words of Staw and Ross (1987) “pull the plug”.

Entrapment is easily fell into, and for organisations judged on performance and service delivery, often dangerous. If it is shown that a course of action has been pursued without an explanation or rational as to why, the consequences can be irretrievable. Employees, their experience and vast knowledge of individual service areas, will be lost as they seek to find alternative employment, losing faith in the organisations ability and ambition to deliver good quality services. Change may be a finance driven solution to the Best Value pressures placed on local authorities, but it won't help achieve the performance targets they crave.

McElhinney and Proctor (2005) advise that within any project such as BPR, one should expect problems and prepare for the likelihood of short term unexpected problems. Staw and Ross (1987) argue that these problems may only serve to encourage and further increase an over commitment to a project. The cost of these problems however can be viewed as part of a necessary set of costs and required investment for achieving much bigger goals. As examined earlier the loss of expertise to a service and further investment in a service such as a call centre can impede the decision to withdraw from a project even if it is failing resulting in entrapment.

3.0 Methodology

3.1 Introductory Overview

The methodological approach applied to this research is intended to identify the critical success factors that need to be in place for BPR to be an effective change management tool. It is however difficult to analyse conclusively peoples perceptions of BPR working practices without considering the social environments within which their perceptions are formulated.

For the purpose of this research I have therefore chosen to use mixed research using both qualitative and quantitative methods which may offer a balanced view on perception. Advocates of mixed research suggest this approach is more analytical method of gaining insight into less tangible views which of course perception surely is. Bryman (1994, 2003) Hammersley (1996) and Morgan (1998) all suggest there are sequential relationships that exist between methodologies and offer frameworks to work within.

Three semi-structured interviews with managers was carried out to obtain the qualitative data needed, and the quantitative data was obtained using a questionnaire, from the remaining 16 staff that made up the homelessness service. This approach offered a combination of both the positivistic and phenomenological paradigm and could subsequently be compared to the theories in chapter two. The data acquired from the questionnaires revealed how staff within the service were affected during the change process and qualified the results of the interviews.

To give certainty to the results of the questionnaire and as the total number of staff involved in the change process amassed only fifteen in numbers, it was important to gain the views of as many staff as possible. Subsequently it was desirable for the validity of the research that a minimum of 12 staff completed and returned the questionnaires which equates to approximately a 75% return rate. While it is accepted that the survey size is fairly small, it should be noted that as it includes all of the staff, it is not a sample it is a census.

From the semi structured interviews data display tables were created to help analyse the information. The quantitative research from the questionnaires is related to perception thus the qualitative research from the semi structured interviews improves the applicability to the study and allowed information to be sought that:

Was undiluted and focused on individual perception.

- Allowed for detailed investigation.
- Prevented outside influences from distorting personal perception.
- Provided in depth understanding of personal context.
- Provided anonymity and data protection (if requested).

Having previously been a member of the service under examination, it was important to maintain research integrity by remaining impartial during the interview process. Prior knowledge of the Service however allowed for a better understanding of the mechanism, culture and personalities involved in the process which proved valuable during the interview process.

Interviews are similar in nature to questionnaires albeit fundamentally different. There are no specific yes / no questions more general guides to follow. The data contributed to creating a more complete picture of the views and perceptions of staff as to the value of BPR as a change management tool.

3.2 Methodological Considerations

3.2.1 Response Rate

When estimating the response rate needed to achieve an acceptable level of certainty, it was calculated that the minimum number acceptable would be to obtain the views of a minimum of 10 out of the 16 staff surveyed. This would equate to a 62% response rate, if however a 100% response was secured then the results would provide a high confidence level of accuracy in the data with 0% margin of error.

A high response rate is essential as in reality, when issuing questionnaires to people it is normal to get a number of non-responses. If this occurs the information examined can lose its validity as it may not be representative of the total population, further the

data may be considered biased. Any none responses would normally necessitate extra respondents being found however in this case the facility was not available. The groups chosen to be part of the survey were as follows:

Housing Advice	-	9 members
Homelessness Team	-	6 members
Careline	-	1 member
Total Group Membership	=	16 members

The response rate was twelve out of the possible sixteen thus achieving the 75% desired response rate. Notably the staff that declined to participate in the research are currently still in the employ of the homelessness service. The staff who did participate have either found alternative employment or else been redeployed to another service.

Staff can be reluctant to participate in research of this type for fear that outcomes will be detrimental to their service area. Self preservation is not unusual also but this form of reluctance does not usually extend to middle management. Two managers invited to participate in the research declined offering a busy work schedule as an explanation. Increased workloads are often a feature following change due to new systems, new procedures, new colleagues and new work places which all require time and effort to ensure they bed in smoothly.

3.2.2 Sampling Technique

The next step was to choose the most appropriate sampling technique. While a purposive sampling technique was desirable in that a small but heterogeneous population could typify the whole of the unit, in this case it was simply not practical. The logic on which this sampling strategy was chosen was linked to the theory identified by Saunders et al (2003) in that it is based on the fact that the sample should be dependant on the research question and objectives. Patton (2002) further emphasises this point by contrasting the need to select information rich cases.

3.2.3 *The Questionnaire*

The questionnaire was structured to cover 3 specific areas (see Appendix 1) associated with the findings of the literature review. The format of each question was kept constant for ease of completion and to ensure the highest possible response rate. Piloting the questionnaire would have been desirable as this would have allowed questions to be redefined where necessary; however given that I was surveying the whole of the staff facility was not available. I therefore used the experience of Professor T. Proctor who has amassed valuable experience in this line of research to test and fine tune the questions, thus ensuring the respondents would be able to answer.

Because the survey encompassed only 16 people thus limited by the size of the group memberships it would have proven difficult to use a sample pilot size of 10 which is accepted as being an adequate figure, as this equates to two thirds of the full survey. Ten is the accepted minimum figure for completing pilot surveys. Fink (1995).

3.2.4 *Interviews*

An interview is intended to be a purposeful discussion between two or more people, Kahn and Cannell (1957). They are accepted as being the best approach to obtaining data when the order and logic of the questioning may be varied, Healy (1991). As I was interviewing managers from different areas of the portfolio it was likely that they would have different perspectives of the value of BPR, therefore a method of adopting semi structured interviews technique was chosen and proved ideal.

The semi structured interviews were designed using information that emerged from the questionnaires. This enabled the research to explore and attempt to explain the themes that caused most areas of concern. The interviews allowed the researcher the opportunity to probe and explain or build on responses to questions, Saunders et al (2003). Interviewees often express ideas and words in particular way and one to one interviews afforded me the opportunity to explore these meanings and add significance and depth to the data obtained.

As identified by Hussey and Hussey (1997), “It is an opportunity to collect rich detailed data,” According to Saunders et al 2003 research suggests that participants prefer to be interviewed rather than complete a questionnaire. This is due to the fact that participants feel more in control of the information they are offering and the fact that they receive feedback during the interview on how the information will be used.

A list of key themes and questions were identified. Due to the flow of the conversation the order of the questions varied and other questions were used to explore the research question. In all four interviews were conducted on a one to one basis. All three interviewees were sent the interview topics prior to the interview itself to allow them time to consider their responses. This was all explained in a letter of invitation (see Appendix 2).

Each respondent was given clear instruction as to the length, content and time required to carry out the interview, and advised that at any time they had the right to decline to respond to any question. At the start of each interview, it was explained that the interview would be recorded of which each individual had the right to refuse. There were however, no objections; therefore a standard Dictaphone was used. Interviewees were informed that all information was confidential and if desired would remain anonymous. – No material was unrecorded.

3.3 Data Quality Issues

Saunders et al (2003) identifies a number of data quality issues in relation to semi-structured interviews. They are reliability, bias, validity and generalisation.

Reliability is concerned with whether alternative researchers would reveal similar information, Saunders et al (2003), and Bias is also a serious concern. Every effort was made to ensure that during the interviews there was not knowingly any form of bias displayed.

A non-standardised approach was chosen as this type of research takes into account that the circumstances to be explored are complex and dynamic. Using this flexible approach in an interview allows the exploration of very complex topics. Marshall and Rossman (1999) suggest that you should be clear when using a qualitative non-

standardised approach and that it is important to keep notes as to the design of the research.

A full range of questions was used during each interview. Open questions were used during the interview as well as probing and specific closed questions. The information from the interview was fully recorded on to a tape and was fully transcribed ready for analysis within 24hr of the interview (see Appendix 3). Permission was sought from each participant prior to the use of tape recording. Notes were also made during the recording as recommended by Ghauri and Gronberg (2002) to help maintain concentration and a clear focus.

3.4 Limitations of the Methodology

Qualitative data can represent both positivistic and phenomenological information, data analysis though remains poorly described, Morse (1994). There are no clear and accepted sets of conventions for analysis corresponding to those observed with qualitative data, Robson (1993). In an attempt to assess the content of the four interviews data display tables were used to help assess and analysis the answers given by the respondents. Using fragments of conversations is a cause for discontent as a representative or generality of the information, Bryman (1988). Every attempt was made to capture the fullness of each interview and in most cases all responses have been placed into one of the eleven data display tables.

As this research was undertaken within the first year of change occurring, it was possible to examine individual perception while it was prominent in people's minds. Individual perception however should not be taken literally as views often change over longer periods of time. Change is often negatively embraced therefore the purpose of the study is not intended to examine why people hold the views they do, but to assess whether on this occasion peoples perceptions are positive or negative and to attempt to identify why.

3.5 *Ethical Considerations*

The key issue for this study was simply around the reliability of the data and its validity. According to Raimond (1993), for data to be considered “Reliable”, you need to ask yourself, “Will the evidence and my conclusions stand up to the closest scrutiny?” and for data to be considered, “Valid” you need to consider the extent to which the research accurately represents what is really happening.

Ethical issues that may be considered as part of a study according to Saunders et al (2003) may include the subject being studied. In this case the subject was to look at the effectiveness of BPR in terms of achieving successful change. Secondly that the research population should not be subject to any embarrassment, in these particular cases all members of the groups surveyed were first asked if they wished or did not wish to participate. During the interviews, when confidential material was discussed the interviewee was asked if they wanted the tape recording to be stopped. At the end of the interviews and following full transcription each interviewee was given a copy of the Tran scripted interview and asked to indicate if there was any particular material they wished not to be in the transcript.

3.6 *Summary*

There were two formats chosen to carry out the analyses into the research question, **“What factors enable Business Process Re-engineering to be a successful change management tool?”**

These included a questionnaire and semi structured interviews.

The questionnaires were designed to be flexible in their approach so allowing the respondent a wide choice of questions that would bring out a variety of responses

Four interviews were performed based on the content of the questionnaires and aimed to add richness to the data collected in the survey. The results were then placed into Data Display tables to assist with the analysis of the responses. All four interviews proved very valuable to the study

4.0 Results and Analysis

4.1 Introduction

The research undertaken in this paper was carried out within the Supported Living Service of Liverpool City Council.

Liverpool has a population of over 450, 000 people. Across the City there is reported to be an estimated 33,750 (7.5%) vacant properties with over half located in the rented sector. This information was published by Nevin and Lee (2003) who proclaimed a high rate of vacant properties where apparent across Liverpool yet there still remains a high level of homeless presentations. Nevin and Lee (2003) advise, "Liverpool has a very high residential vacancy rate, with empty properties tending to be clustered in neighborhoods close to the city centre, or on the larger social housing estates on the urban fringe. These vacancies are the product of persistent population loss, changing aspirations and employment and income growth."

Because of these remarkable statistics, the Executive Management Team made a strategic decision to carry out a complete overhaul of its homelessness services in a bid to address the problems and thus reduce levels of homelessness. Amazingly, this particular service had five years previous been described in the Governments "Inside Housing" Magazine (1998) as "the one shining light in an otherwise poor Housing Service."

The council's new strategy is to create an environment of predictability by regenerating areas thereby providing enough sustainable properties in every area of Liverpool. The management and staff that participated in this study are all committed to improving this situation and tackling the root causes of homelessness by addressing the challenges of modern day living with more effective throughput, and entering into, cross boundary partnership working.

In line with the governments emphasis on reducing inequalities all the partner agencies recognize that collaborative working is the best way of addressing these issues and the best way of ensuring that the scheme and projects put forward are not just short term solutions but are here to stay.

This study offers the views and perceptions of the changes that have been adopted in terms of how they were introduced using a Business Process framework. The findings will then be compared to the annual performance indicators to identify actual service performance.

4.2 Research Design

4.2.1 Questionnaires

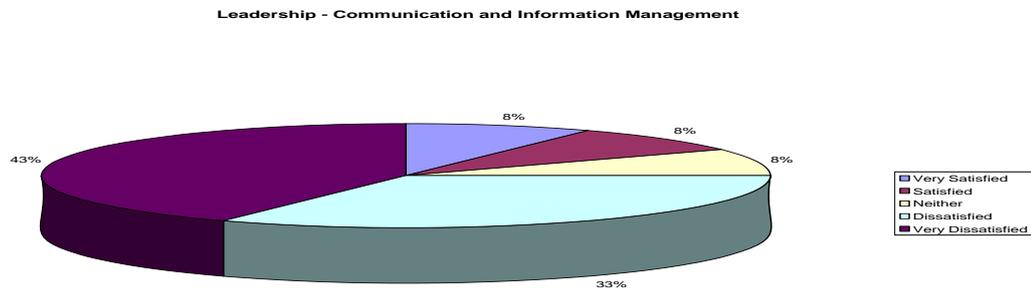
Following consultation for the theme of the questionnaire it was decided that the final design of the questionnaire would be handed out to 16 people who are all members of three particular groups that were involved throughout the process. Each group had input into the delivery of homelessness services across the City of Liverpool.

The questionnaire (see Appendix 1) was assessed for its findings and a variety of graphical formats were used to display the results as shown below:

The first questions related to leadership during the BPR process. They were asked to respond within the parameters of Very Satisfied to Very Dissatisfied. As part of the analysis of the findings for question 1 and 2, I have split the results into either satisfied or dissatisfied. “Neither” received a low response rate overall but was significant enough to warrant inclusion. The aim of these questions was to ascertain staff perception of how well the process worked in relation to leadership, operations and management of the process.

Figures 1 and 2 are examples of the responses to a few of the questions.

Fig 1 – Appendix 4



When asked to offer their view on how they felt communication during the process was carried out, staff responded with a very high dissatisfaction rate of 75%. To examine if this is critical to achieving buy in from staff we can relate this to fig 4 where ten out of twelve had good communicator in their top three qualities, six of which rated communication as number one. Creating a clear vision was number three and to do this again requires good communication between stakeholders in the process.

Fig 2 – Appendix 4

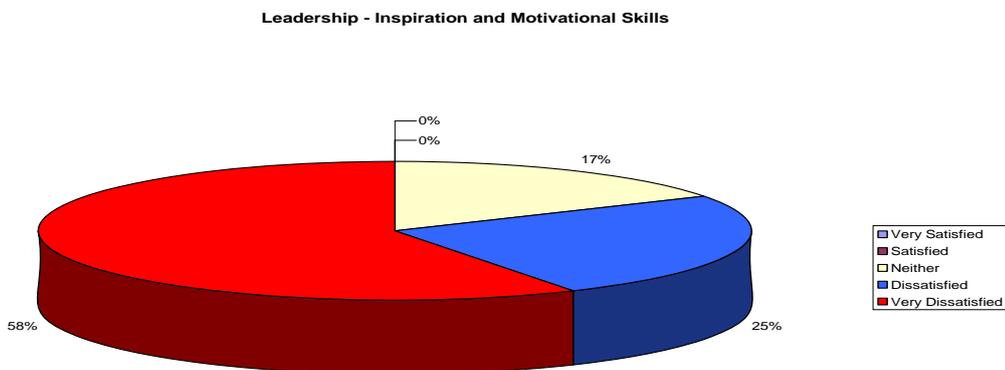
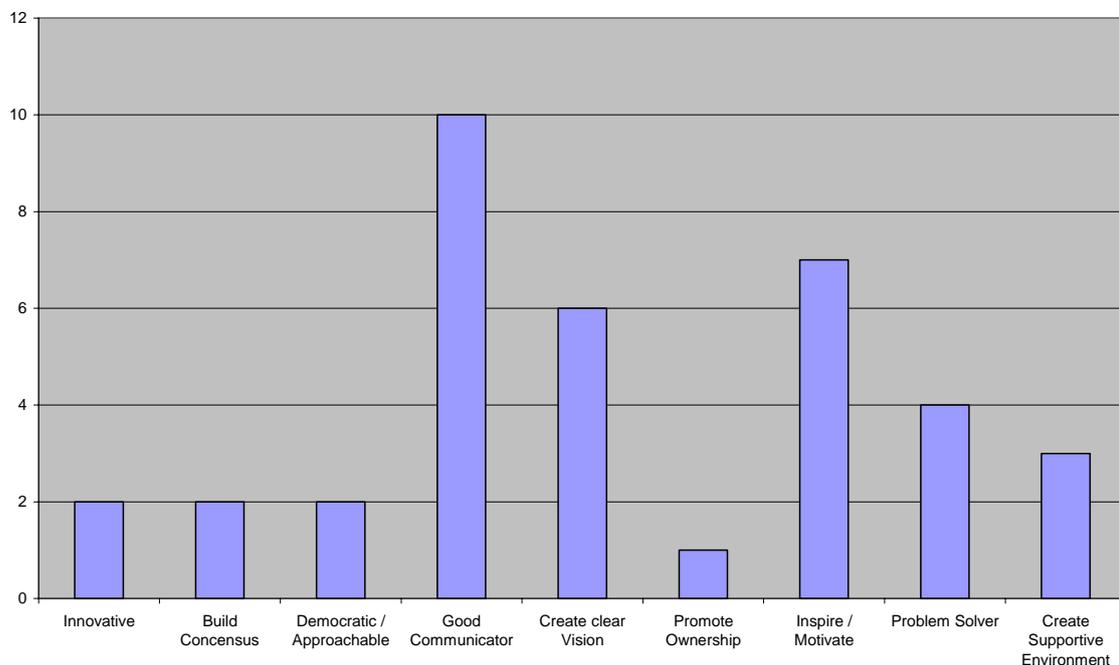


Fig 2 considers how well staff perceived they were inspired or motivated to embrace change. The findings again reveal a disappointing 83% were not satisfied, while the remainder didn't offer a view. More alarmingly no one perceived they had been motivated to any degree at all! As we will see in figure 4 inspiration and motivation was rated as the second most valued quality of a good leader indeed one third of the survey group rated it as their first choice.

Fig 4 identifies the key skills and abilities staff perceive their champion of change (or leader) should possess. The assumption cannot be made that if this survey was performed across the City Council, these results would be reproduced but from this evidence it is clear that the staff within the homelessness service want their leader or champion of change to possess the following qualities;

1. Good Communicator
2. To have the ability to inspire and motivate.
3. To be able to create a clear vision of the new transformed service.

Fig 4 – Appendix 4



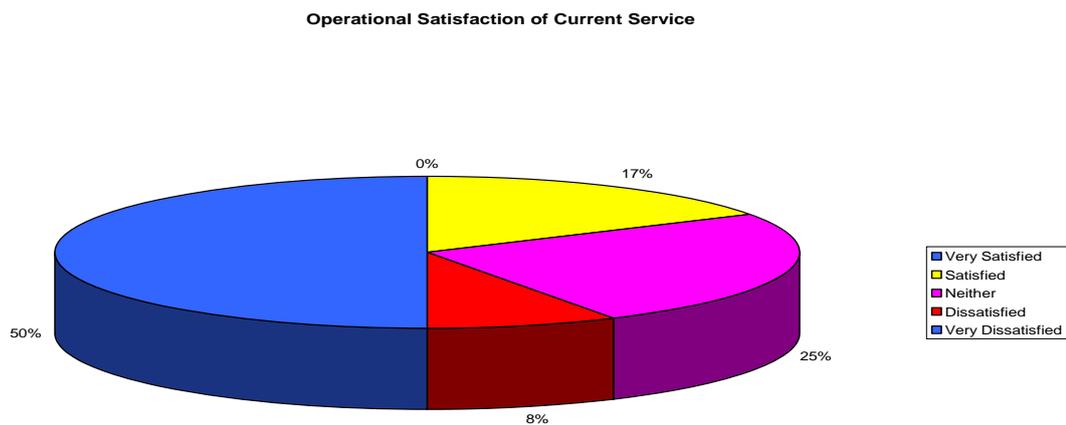
There is little doubt that in an ideal world the leader of change will have in some part all of the qualities mentioned in Table 4. As this is usually not the case, it seems that certainly within homelessness, staff value communication as very important. The ability to offer information in a way that is easily understood by the receiver is vital to the success of any project including those using BPR as a change management tool.

The chart clearly shows that a leader has to be a good communicator and be able to communicate a clear vision; with the least important quality as perceived by the respondents was the leader's ability to promote ownership. This is not uncommon as staff often have a personal link with how the existing service and may have negative

feelings toward any changes. Subsequently as staff have no intention of “owning” the new service they will rate the quality to promote it as unimportant.

Section two asked how staff felt in relation to the operational aspects of BPR, how it worked in reality and how it benefited service delivery. Figures 5 and 6 show the responses of staff, and give their perceptions as to how useful an operational tool they felt it was.

Fig. 5 – Appendix 4



Operationally, the process delivered some more encouraging news. Fig 5 reveals that 58% of staff are dissatisfied with how the operational function of the service of today. The remaining 42% were either satisfied or did not hold any strong feelings either way. This may be a reflection of how staff feel in their current jobs (they have all been redeployed following the changes) as opposed to having an in depth belief as to whether the service is in fact better operationally now than it was previously. Admitting it was operationally poor previously is often taken as personal failure.

Staff perception regarding operational functions either during or following the Business Process review is fairly evenly split. Following change it is expected that some people will like their new roles and some will not, this is not uncommon.

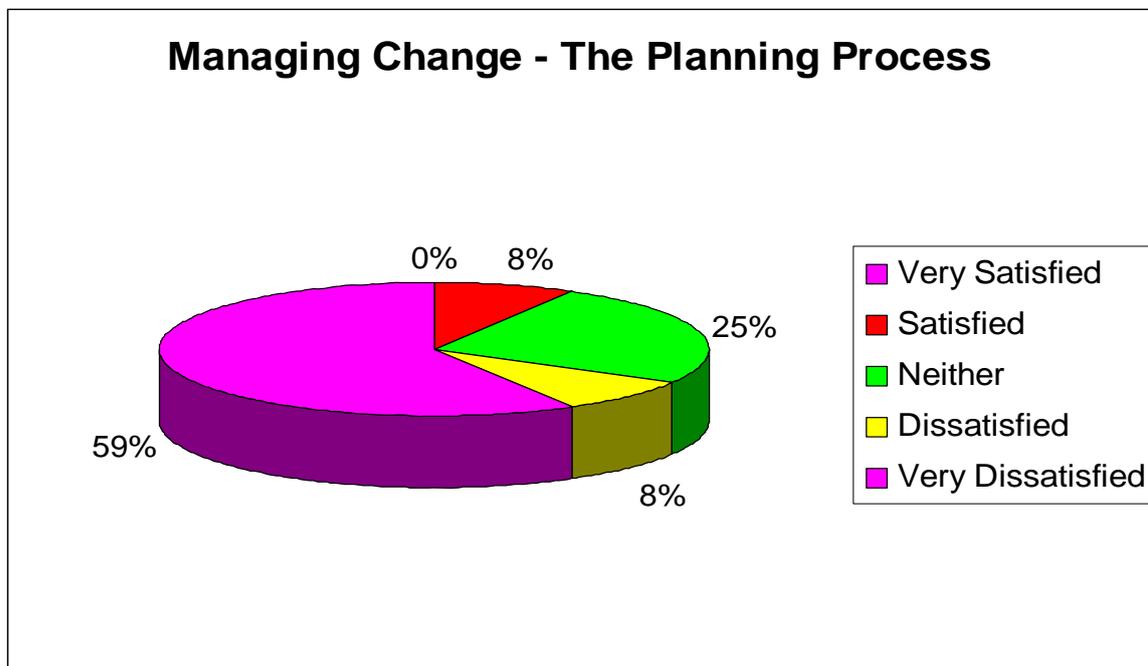
One question however reveals that despite half the staff believing the operational function had improved; their understanding of their new roles was still unclear. This was highlighted in Fig 8 where 84% of staff were dissatisfied with their understanding

of the new roles. The high statistic may possibly be an example of again a need to manage information better.

In relation to actually managing the change process, again results proved disappointing. In Fig 10 we can see that staff perceived there to be no plan as to how change could be achieved. Over 80% of the staff surveyed felt that nobody knew exactly where they were going and why. When asked how effective the change process was managed, again the response was negative.

Over 90% believe the management of change to be ineffective however this is not in keeping with earlier results which show that at least half the staff are or happy with the way operations were managed. Staff perception regarding how the process was managed may be linked to the length of time it took to bring about change. It should be noted that during the process, there had been a significant restructure of senior management which had taken time to bed in.

Fig 10 – Appendix 4



4.2.2 Interviews

During the field work three interviews were carried out in.

Those interviewed were as follows:

Interviewee No. 1, Project Manager Supported Living

Interviewee No. 2, Senior Manager Supported Living

Interviewee No. 3, Manager, Supported Living

To help analyse the responses to the questions raised as part of the semi structured interviews Data Display tables were constructed. Examples of these can be seen in the tables that follow:

Table 1 (Appendix 5) – Key Benefits of BPR?

Key Issue	Interviewee	Responses
	Interviewee No 1	Organisational change Optimum use of resources – Improve services Cuts out red tape and allows process mapping to make change happen. Performance Indicators improved Customers seen at a point of need in their own community Homelessness Prevention more robust No increased cost to the Authority
	Interviewee No 2	None - there hasn't been any significant benefits As a process it can work if handled effectively. There was a Lack of communication It was seen as being done to the service rather than being for the benefit of it. Nobody from the actual service was involved in the process It wasn't a smooth process It has reduced the impact of Service Delivery
	Interviewee No 3	Enabled the Service to link in better with other services Enabled the service to become more accessible to customers Better use of resources Better ICT assists link up with other housing providers i.e. Property Pool, Suisse (for holding data on clients) Investigation is now better as staff in floating

		support have opportunity to visit clients in their own environment. This facility was limited in the past.
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Table 1 identifies the key benefits Management perceive derive from the use of BPR as a tool for managing change. Depending on whose viewpoint we take there seems to be conflicting responses to the same questions. Generally all three interviewees believe that BPR is an effective change management tool. Its main function on behalf of LCC is seen as being able to reengineer services with the aim of transforming them into ones that become more robust, accessible and better meets the needs of its customers.

It was generally agreed that it facilitated optimum use of resources such as ICT and the staff that were available, however the process had very tight deadlines and acquiring additional resources was clearly not an option.

There was one significant area that provided conflicting opinions. Following analysis of the interviews it emerged that there was a significant difference of opinion as to what constitutes improved services. Interviewee No2 has clearly stated that there have not been in his opinion any clear benefits. This opinion seemed to reflect a view that perceived actual quality of service has been reduced. The interviewer remarked that there is now less customer contact, less time spent on individual case work and less interaction between staff in the homelessness service and housing providers.

It has become clear to the interviewee that obtaining a suitable offer of accommodation now proves difficult and on occasion impossible as Property Pool is not sensitive to people's individual needs. The system is intended to be transparent and auditable however the discretion Housing Managers can no longer be used subsequently their experience and knowledge of community sustainability can no longer be used.

The interviewee felt this was compounded by weakened links with other services such as Housing Benefits which had become less effective, as relationships deteriorated and information had become impossible to access.

This is a direct contradiction of what the other two interviewees perceived to be the case. They believe BPR is intended to help link in better with other services and thus provide more joined up services.

Table 6 – Appendix 5

Leadership - How is the BPR concept driven and what important factor contribute to effective leadership?

Key Issues	Interviewee	Responses
	Interviewee No 1	In terms of getting the change through having leadership support from Senior Managers. Motivation was the responsibility of Line Managers within the services under review. Leadership should have come from them. Project Leader was always at pains to explain to staff the reason for change to allay fears and advocate possible opportunities
	Interviewee No 2	Political driver – There was a clear goal to fit as many Services as possible within LDL regardless.
	Interviewee No 3	From the Top down. D. Henshaw was appointed because of his reputation of being driven. He had a track record of taking failing authorities and transforming them into authorities rated as good.

It could be viewed that the objectives of senior management was never made clear to middle managers. If this assumption is correct and all evidence points to this still being the case, then this could explain why perceptions differ so drastically.

Managing Information ensuring people who need to know do, is clearly an issue with staff in this particular service.

Leadership of the project was driven from the top down. There is clear evidence to support the view that the decision to change and use BPR was a political decision made on the recommendation of its Senior Management Team. This of course is not unique as it would be unwise of politicians to pay top executives the salaries they do, and then ignore the advice they give. It is reasonable to suggest that the business acumen of senior executives should possess the foresight to plan and implement what is required for Liverpool City Councils to achieve its objective of becoming a Premier European City.

Interviewee 1 explained that in terms of getting change through it was vital to have the support of Senior Management. What none of the interviewees said was that this support was continued right through the process; they were simply given the ball and allowed to run with it with interviewee 3 stating that in the view of senior executives the end seemed to justify the means.

Table 10 – Appendix 5

Organisation...does it work for LCC

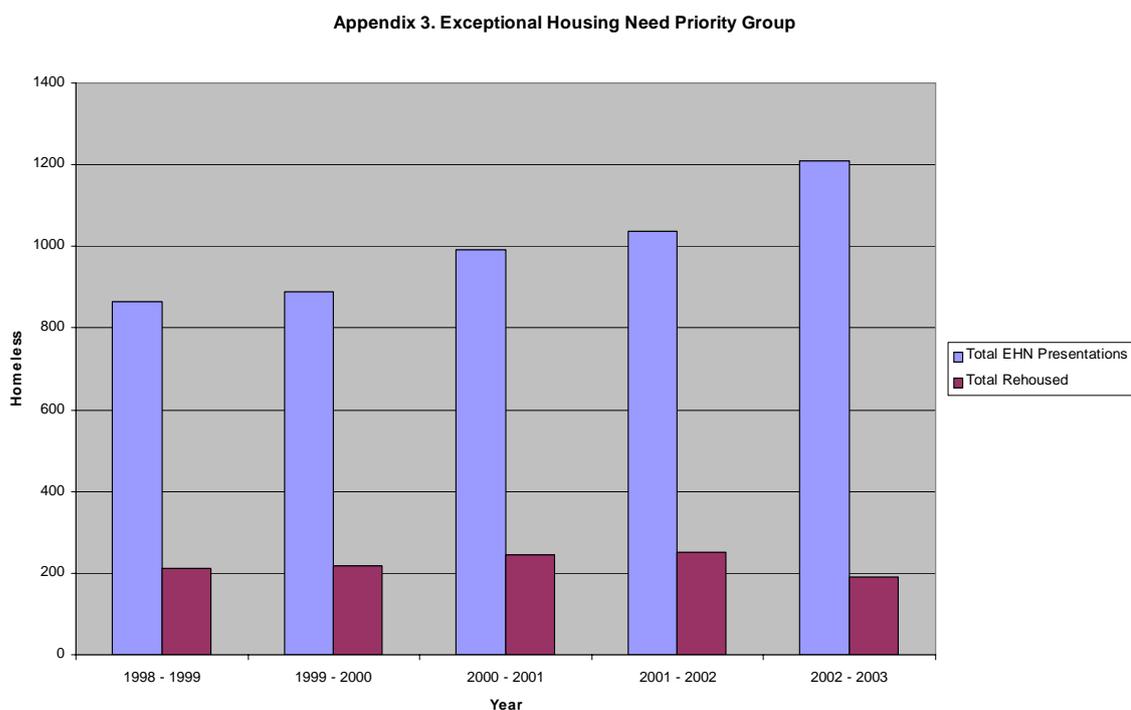
Key Issues	Interviewee	Responses
	Interviewee No 1	In terms of delivering better services “overall” - Yes BPR does work – you could argue it couldn’t have got any worse within LCC, but there is no doubt it does work
	Interviewee No 2	It works for LCC but not necessarily for the people of Liverpool in terms of Service Delivery It facilitates Services online such as ‘E Government’ Not all Services fit into the one stop model. Some do but not all as in some services it simply doesn’t work.
	Interviewee No 3	In the majority of cases it has worked for LCC. H. Benefits have been dramatically improved using the BPR process. However not all services are ideally suited to change using BPR as the change management tool. One size doesn’t fit all. This is especially apparent in services that are less tangible and less easy to quantify.

Table 10 asks simply if BPR works for LCC. The overall response was unanimously yes however each interviewee stressed that in their opinion, one size does not fit all. Fundamentally and in principle they believe the process to be a useful model.

The main theme that came from the study again stems from disagreement as to how it was used! In all ten Data Display tables were constructed each taking a similar format to the ones shown above. The responses within the tables were used to add richness and detail to the survey results and are used as part of the discussions in chapter 5. A complete list of Data Display tables can be found in Appendix 5.

4.3 Performance Indicators

Fig 8 Performance indicators for re-housing homeless applicants (Prior to Change)



We can however see that between 1998 and 2003 the number of homeless cases that presented had increased by one third rising from just over 800 to just over 1200. Despite the increase in numbers of presentations, the number of families re-housed remained fairly constant to around 200 per year.

Due to the changes within the Homelessness and Housing Advice services, performance figures have not been produced for 2003 / 4 and 2004 / 5 as indicated in the notes field of Fig. 9. Indeed a benchmark is yet to be established which according to Januarys comments will be available for 2006 / 7 year. This report can not therefore provide a before and after picture with which to compare.

Fig 9. Performance indicators Following Change - Housing Advice

Number of households who considered themselves as homeless, who approached the local housing authority's housing advice service(s), and for whom housing advice casework intervention resolved their situation.

Period	Target	Actual	Forecast yearly Outturn	Comments
Apr	Benchmark to be established			
May			Benchmark to be established	(Housing Advice) This service is undergoing significant reengineering work to enable the service to be delivered through the One Stop Shops. An appropriate management information system is being developed as part of this process which will enable the accurate and efficient capture of the required data.
Jun			Benchmark to be established	Benchmark to be established (Housing Advice) This service is undergoing significant reengineering work to enable the service to be delivered through the One Stop Shops. An appropriate management information system is being developed as part of this process which will enable the accurate and efficient capture of the required data
Jul			Nil Return	Benchmark to be established. This service is undergoing re engineering work to enable it to be delivered through the one stop shops. A MI system is being developed to enable the efficient capture of the required data.
Aug			Nil return	This service still undergoing reengineering to enable the service to be delivered from the OSSs. The MI system to capture this data is in place. The eventually shift in service delivery will enable the measurement of this PI.
Sep	Benchmark to be established	Nil return	Nil return	This service has been reengineered to enable the service to be delivered from the OSSs and will go live in October. The MI system to capture this data is in place. The shift in service delivery will enable the accurate measurement of this PI.
Oct	Benchmark to be established	Nil Return	Nil Return	The family homeless service has been reengineered to allow the service to be delivered through customer access via the One Stop Shops. This went live at the end of October 2005. This PI focuses on the prevention aspects of the service and the re-engineering of the service allows the One Stop Shops to effectively signpost service users at the initial point of contact. The Management Information system to capture this data is in place and will generate information from November 2005.
Nov	Benchmark to be established	0%	0%	Technical problems with SUIS have prevented capture of appropriate data for this PI. Work is continuing to resolve this problem. This PI focuses on the prevention aspect of our service. Information captured at OSS will enable us to gauge how effective the new service is proving to be.
Dec	Benchmark to be established	Nil Return	Nil Return	An improvement plan is now in place to monitor improvement actions and progress. A Business Enquiry has been submitted requesting the necessary technical adjustments to SUIS. Process Maps detailing methods of data capture will be completed by 26/01/06.
Jan	Benchmark to be established	Nil Return	Nil Return	Suis business enquiry will be implemented in time to produce end of year return and enable benchmark to be established for 06/07
Feb	Benchmark to be established	nil return	nil return	Resource to be identified for inputting backlog of advice cases. All fields now included on SUIS. Upon completion of backlog input reports will be run off SUIS and checked for accuracy by the Information and Intelligence Team. SIP sent to Audit Commission Officer for inspection.
Mar	Benchmark to be established	nil return	nil return	Resources identified to input data backlog (approximately 1000 cases) at the end of May to enable figure to be calculated for 05/06.

The performance indicators presented in Fig 10 show that generally overall for the year the length of stay in temporary accommodation increased by 12.5%. This figure however had fluctuated during September when at one point it was 34% down on the previous year.

Statistics don't always reflect a true picture and as these are the first figures produced since the service moved under the Careline umbrella we must consider that change often generates initial teething problems and a more appropriate comparison will be after the publication of the 2006 / 7 figures. New partnership working between housing providers and Careline is still being developed to improve the throughput of the families in the system.

Fig 10. Performance Indicators Following Change - Careline

The percentage change in the average number of families which include dependent children or a pregnant woman, placed in temporary accommodation under the homelessness legislation compared with the average from the previous year

Period	Target	Actual	Forecast yearly Outturn	Comments
Apr			0%	Comparison with last year's average) Development work is currently ongoing regarding the development of an appropriate management database to capture the data for this PI. The existing manual records will be replaced with a more effective management information system. Officers from Supported Living, LDL and Team Liverpool will take forward this process
May			0%	Comparison with last year's average) Development work is currently ongoing regarding the development of an appropriate management database to capture the data for this PI. The existing manual records will be replaced with a more effective management information system. Officers from Supported Living, LDL and Team Liverpool will take forward this process
Jun	benchmark to be agreed	0%	0%	Comparison with last year's average) Development work is currently ongoing regarding the development of an appropriate management database to capture the data for this PI. The existing manual records will be replaced with a more effective management information system. Officers from Supported Living, LDL and Team Liverpool will take forward this process
Jul			0%	Comparison with last year's average) Development work is currently ongoing regarding the development of an appropriate management database to capture the data for this PI. The existing manual records will be replaced with a more effective management information system. Officers from Supported Living, LDL and Team Liverpool will take forward this process
Aug			0%	System now developed to capture appropriate information. Processes now beginning which enable the inputting of all historical cases which will give outturns for this PI. Significant increases in presentations would suggest that this figure will also be an increase year on year.
Sep	benchmark to be agreed	34%	25%	Following work to determine the calculation of the outturn figure an outturn has been reported in October 2005. This shows a 34% increase in the average length of stay this year compared to last year although the figures should be treated with some caution until further outturns are available. The recruitment of a bed manager in the family hostels is providing focus and the provision of an increased number of targeted offers will lead to reduction over the latter half of this year.
Oct			25%	The service has implemented the post of bed manager into the family hostels. This is increasing the number of targeted offers to families and through increased liaison with Regeneration is increasing the supply of properties for homeless families. Future work to improve the PI includes the development of IT systems to ensure the calculation system is robust. In addition clear ownership now exists for this PI with the Manager Temporary Accommodation leading. Bi-weekly meetings also take

				place with colleagues from across the Council to ensure that all aspects of this and other homeless and temporary accommodation PIs are robust and improvement actions set.
Nov			25%	The service has implemented the post of bed manager into the family hostels. This is increasing the number of targeted offers to families and through increased liaison with Regeneration is increasing the supply of properties for homeless families. Future work to improve the PI includes the development of IT systems to ensure the calculation system is robust. In addition clear ownership now exists for this PI with the Manager Temporary Accommodation leading. Bi-weekly meetings also take place with colleagues from across the Council to ensure that all aspects of this and other homeless and temporary accommodation PIs are robust and improvement actions set.
Dec	benchmark to be agreed	34%	25%	Work is continuing to improve the throughput of families through temporary accommodation in the city. In addition the Floating Support team is putting measures in place to ensure rehoused families are given the appropriate back up to retaining their tenancies. In order to capture the incidence of repeat homelessness, further work is ongoing to ensure the appropriate technical adjustments to the SUIS system. This will enable the capture of data to measure the number of cases where families present twice in a two year period.
Jan			benchmark to be agreed	A business enquiry is currently being implemented regarding SUIS so that this data can be collected by the end of March 06 to provide a baseline for 06 / 07; A backlog of data inputting will need to be cleared and staff training take place to ensure routine data inputting takes place. A SIP is in place to facilitate this.
Feb			benchmark to be agreed	Backlog of data inputting now complete. All fields now included on SUIS. Reports run off SUIS will be checked for accuracy by Information and Intelligence Team in time for next monthly update. SIP sent to Audit Commission Officer for inspection.
Mar	benchmark to be agreed	-9%	-12.5%	Information and Intelligence Team have checked SUIS reports for accuracy and we can confirm that a robust data capture system is now in place. We have a decrease in March in the percentage change of placements in temporary accommodation. This is as a result of strong homeless prevention measures used by the authority

Fig. 11 Performance figures Following Change - Homelessness

The average length of stay in hostel accommodation of households which include dependent children, pregnant women and which are unintentionally homeless and in priority need

Period	Target	Actual	Forecast yearly Outturn	Comments
Apr				Two families rehoused. One after 32 weeks the other in hostel for 8 weeks. Continuing to ensure robust processes in place. Developing alternative options for rehousing but only limited availability of property. Reengineering of service progressing.
May				10 families rehoused during the period. Rehousing figures significantly up on previous month's figure of 3. May outturn includes an adjustment for April.
Jun				8 Families re-housed during the period. Staff continuing to work with clients to ensure they are bidding for properties on property pool therefore maximizing their rehousing opportunities.
Jul				4 families rehoused 2 of these within the 20 week target. Re-engineering of the service ongoing. New arrangements should help to maximize rehousing opportunities.
Aug				5 families rehoused from hostels with an average time of 18 weeks - 2 weeks below the 20 weeks target figure. Outturn adjusted for 3 previous cases.
Sep				The average length of stay in hostels is reducing and is ahead of target for the year. The placement of a bed manager into the family hostels is paying dividends and reducing the time spent by families in this type of accommodation. The use of targeted offers is and will drive this average length of stay lower.
Oct				The average length of stay in hostels is reducing and is ahead of target for the year. The placement of a bed manager into the family hostels is starting to pay dividends and reducing the time spent by families in this type of accommodation. The use of targeted offers will drive this average length of stay lower.
Nov				We significantly bettered our monthly target and are on target to improve on our yearly target. The Bed manager will continue to make targeted offers to drive the length of stay lower and close working with Regeneration Housing Management Services to make available properties will continue..

Dec				Although the figures have worsened in December the 3 families rehoused in the period had been in the hostels for significant lengths of time. It is a successful outcome that these 'long stay' families have now moved on. Overall 22 families have accepted offers of accommodation and will be rehoused as soon as their properties can be brought back into use. The free rooms in hostels will then give us more flexibility for moving more families out of other temporary accommodation and reducing expenditure on B&B.
Jan				The yearly forecast is ahead of target. However the current monthly actual is not meeting target: The January figures are a marked improvement on the previous month's outturn. Only four families were rehoused from hostels during the period and there were two adjustments to the outturns for previous months. It is likely that this reduced performance reflects the increased targeting of homeless families in other, more expensive temporary accommodation. In order to reduce expenditure in this area, more families have been made targeted offers. While this has had the desired effect and 17 families in this temporary accommodation have been made offers of rehousing, it has meant that there have been fewer offers available to families in hostels.
Feb				- We did not achieve our monthly target but we are forecasting to achieve our yearly target. There has been a 21.7% improvement on last years performance - There is still a shortage of available suitable accommodation and we continue to target offers to those in temporary accommodation whilst pursuing alternative housing options. The Bed Manager will use the Tenancy Deposit Scheme to reduce the amount of families in temporary accommodation when approval is given.
Mar				This months actual figure is significantly below (i.e. better than) the monthly target. The yearly forecast is also below the annual target. Nevertheless we are taking additional measures to further improve this e.g. better liaison with Enterprise Liverpool re void turnaround on housing offers to hostel residents and the introduction of the Rent Deposit Scheme.

The overall statistic for the average length of stay in hostel accommodation is actually down 33%. This statistic indicates that while the number of people who are accepted as homeless have slightly increased, the length of time spent in hostel accommodation has decreased.

There are a number of factors that could explain this:

1. People accepted as homeless are finding their own temporary accommodation. This is a somewhat unusual scenario but can happen. People finding their own temporary accommodation are usually classed as a lodger and not homeless. If this scenario is correct it may highlight poor interpretation of homelessness legislation.
2. People are using 1 month temporary tenancies provided by the local authority. Again this is not normal practice but is a loop hole in the legislation that authorities use to disguise poor performance. The practise is legitimate but could be considered unethical as the true homelessness situation is not being addressed.

While neither of the above explanations is satisfactory, in the short term and as a temporary solution to a teething problem such as securing better throughput to appropriate housing solutions, it is understandable. This is not a long term solution

however and will not contribute to erasing homelessness in Liverpool. Homelessness provision and the legislation that governs it, is a very complicated area, hence the reason why in Liverpool its function had historically being provided by specialists who have in-depth knowledge and experience of these areas.

4.4 Summary

The collected data was fully analysed and presented using a variety of formats such as charts, data tables and graphs in this chapter. The data was fully assessed against the research question and produced theoretical assumptions that either verify or contrast the outcomes.

Staff was asked what their perception was regarding how the whole process from start to end was managed. Figures 15 – 17 (Appendix 4) show that their perception overall was negative however this is not uncommon and staff judgement is often dependant on whether they perceive change has benefited themselves personally.

The reader must remember this report asks whether BPR as a change management tool is considered effective. Significantly half of those surveyed believed that operationally this had been the case. It is the lack of positive feedback regarding how the change was led and managed that causes most area of concern.

Fig 15

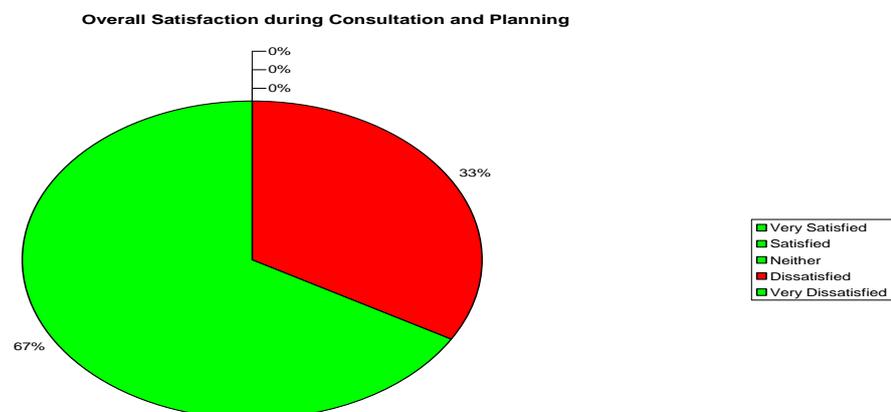


Fig 16

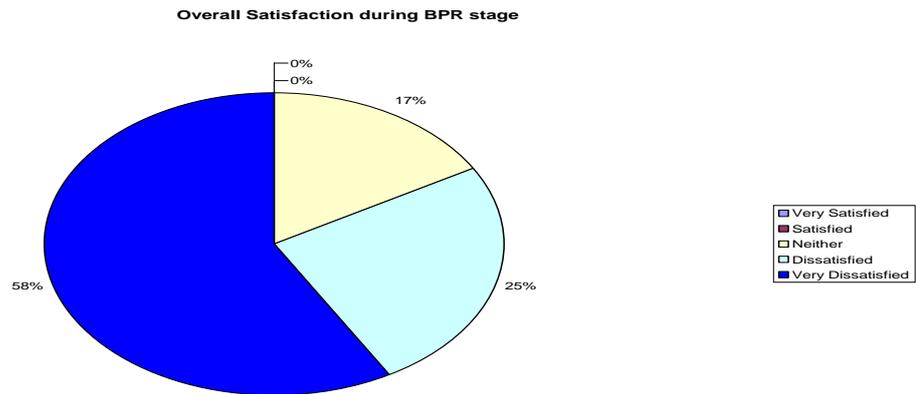
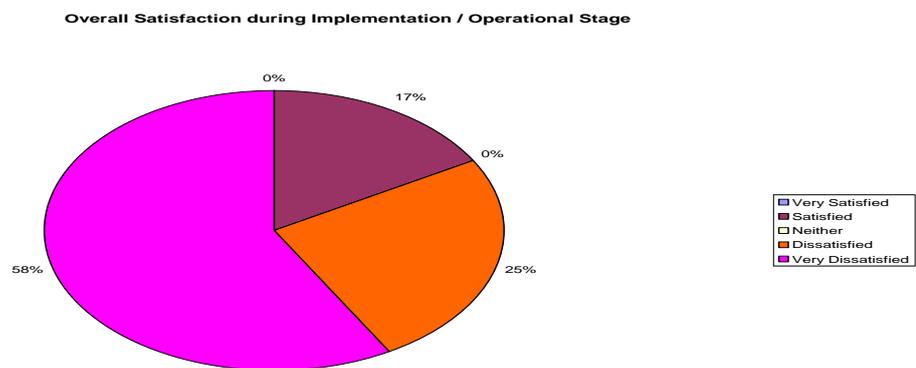


Fig 17



The main themes that came from both the interviews and the questionnaires are:

- Lack of Consultation
- Poor Communication
- Poor Information Management

These areas will be discussed in the conclusions and recommendations.

5.0 Conclusions

5.1 Introduction

With property prices having risen to ten times household incomes Liverpool has experienced significant changes in demand for social housing. The Halifax house price index indicates prices in Liverpool are now averaging £140,000 and have risen by 117% during the past 5 years (see appendix 7). In comparison average wages as published by the Nationwide for 2005/6 (Nationwide Website) is in some areas of Liverpool approx £10,000. While many people welcome economic boom, first time buyers can struggle to obtain homes in areas in which they want to live. In the south of the city, this is acutely apparent due to it being viewed as more desirable. Housing providers are now struggling to meet the demand for properties from groups that previously had not wanted social housing.

Homeless families are now in direct competition with other social groups, and are no longer afforded exceptional housing need preference. Securing appropriate accommodation from housing providers who operate on a points system as opposed to a need system is proving a barrier to speedy re-housing of applicants. The performance statistics in chapter 4 state success of the changes is dependant on a “speedier flow through the service experiencing no discontinuity”. Without adequate numbers of property offers from Housing Associations, the Homelessness Service cannot realistically expect to meet its targets.

The Homelessness review (May 2003) identified a reluctance of RSLs to offer good high quality properties to people who present as homeless. A key priority of the strategy was to link up with external housing providers by entering into partnership with RSLs in order to meet demand. As part of the BPR of the homelessness service this function was integral to its success yet this report can conclude that meaningful discussion does not seem to have taken place.

The service is now delivered by a partner organisation (Careline) who in turn relies heavily on other partner organisations (RSLs) to discharge its duties. During the interviews it became apparent that middle managers do not believe discussion has occurred between the two partners thus raising the question as to how a service can be

re-engineered without first knowing how it intends to secure the resources needed for the changes to prove effective. This question was raised with the executive director for Supported living, Dave Smith who agreed the issue needed addressing before the BPR process was completed.

The negative perceptions of staff as identified in chapter 4, has clearly been influenced by the difficulties they are now experiencing attempting to re-house their clients. Staff unable to fulfil this function through what they perceive as bad management seem to resent the fact that they are blamed for events beyond their control. The majority have a strong sense of loyalty and commitment to the service and their customers and have taken failure to achieve real results for homeless families personally. As identified by the results from the questionnaires, there is clear frustration at the in-effectiveness of the new procedures which could have been avoided through better communication and consultation.

5.2 Change Management

Guimaraes and Armstrong (1998) state that regardless of the change methodology used, whether it is BPR or TQM, the factors important to success or failure are many, but most authors would agree that the process itself has to bear certain characteristics. They empirically tested change management effectiveness and conclude that effective Information Management and the systems that support them is a critical requirement for successfully implementing most modern business changes.

It is obvious that for LCC to take advantage of strategic opportunities such as partnership working and to address problems such as underperformance, they had to implement changes to their business processes and the organisation itself. There is however abundant literature containing stories of organisational failure while implementing change, and specifically in the case of BPR projects, 70% have been estimated to fail (Cafasso, 1993). Guimares and Armstrong (1998) believe that despite this, an organisations ability to implement change is widely proposed as essential for the organisation and state change is directly related to performance. In the case of LCC performance was the driver for change and therefore significant if it is to be deemed a success or failure.

This research set out to identify the critical success factors that need to be in place to ensure that BPR continues to be successful for LCC as a change management tool else it becomes entrapped following a methodology no longer suited to the changes required in its remaining services. As a baseline, three key areas were chosen as being critical to the process and its resulting effectiveness. The framework analyses people's perceptions as to the true effectiveness against the following categories:

- Leadership qualities during the process.
- Operational success following change.
- Management of the process.

This framework provided a very useful basis on which to build the research but was not intended to be restrictive. Participants while guided as to the purpose of the research were encouraged to expand further if they so wished particularly if they perceived a specific issue had relevance.

The categories provided a very generalist picture of BPR but attempted to look deeper into the issues that test the impact of change management on service performance. How change is implemented is an important determinant of its success. The literature on business change management reveals several pre-requisites for successfully implementing change which are; conformity to organisational objectives, employee and department participation in the change process, stakeholder input, progress monitoring and communication. Analysis of the data acquired in the research reveals an unwillingness of staff to actively contribute to organisational objectives as they believed them to be detrimental to their own. This was a direct result of poor communication, lack of stakeholder consultation and lack of employee and department participation in the change process.

5.3 Change Leadership

From the findings we can see that there is little doubt that effective leadership is an important issue for staff during the BPR process. Good leaders according to Hill and Jones (2001) are astute in the use of their powers and build consensus for ideas. They argue that a good leader is able to communicate the vision of the organisation

effectively and reinforce the importance of having a champion to lead a project. It is important to recognise that having good leadership is not just an important quality, but critical to project success.

It is clear from the questionnaires that staff felt leadership during the process was poor, power was used inappropriately and therefore consensus was not secured. Ideas were not sought therefore they were not given. The opportunity to achieve buy in was lost together with ownership and a willingness of staff to support change, hence LCC's vision of change became much more difficult to achieve.

5.4 Operational Success

Operationally the research gave mixed results. As a process for seamlessly transferring services BPR was not criticised indeed some staff positively praised it. As a mechanism for improving performance and making the service more effective the results were not so positive. As identified earlier in the chapter, if the changes are to be deemed an operational success then performance had to improve. Re-housing people, homeless or otherwise is reliant on the availability of properties to let. In relation to re-housing homeless applicants there are significant barriers not least the processing of applicants through the system.

The difficulty LCC face is that it re-engineered the service at the same time as entering into a partnership that relied on other partners in order to succeed. Consequently these partners or stakeholders had to be involved during consultation to enable a true picture of what is required operationally and the level of resources required. This wasn't done as is reflected in the performance statistics in chapter 4.

The interviews generalised on the importance of stakeholder involvement to prevent over complication and/or confusion as to what the research was trying to achieve. Nevertheless the data collated identified stakeholder involvement as a critical success factor which confirms the theory that stakeholder involvement is critical to any project that involves many organisations particularly if the organisations are from opposing business sectors. The findings as seen in Table 7, (Appendix 5) warned that

the level of stakeholder involvement was minimal therefore expected delivery to fail. Their fears were well founded and lessons must be learned for future projects.

The HDA (2003) wrote partnerships are real opportunities to change by mainstreaming and developing a more inclusive approach. By joining up services new partnership arrangements can develop services and share responsibilities so that services and programmes do not conflict or duplicate each other. This was the goal of LCC's executive management team during its vision for change. This research concludes people accept change as being inevitable and change it seems is what mainstreaming is about. However, one manager interviewed states, Table 11 (Appendix 5) "Not everything has to be mainstreamed".

5.5 Critical evaluation of adopted methodology

5.5.1 Introduction

Before deciding on the chosen methodology an in depth analysis was made into which methods would provide the research with the best possible reliable and valid information when reviewing new data against existing theoretical concepts identified in Chapter 2. According to Saunders et al (2003), the most important aspect of a probability sample is that it represents the population however in this research the survey involved all of the people in the BPR process thus is a census. It was also recognised that there would be a number of non-responses that if fell below 50% would not be representative of the population and thus resulting in bias. Three main methods were chosen, a fifteen point questionnaire and three semi structured interviews.

5.5.2. The Questionnaire

The questionnaire was designed using evidence from the literature review, the experience and expertise of Professor Tony Proctor and themes that came from carrying out informal discussion with managers involved in the BPR process. Despite the relatively small survey size, the results provided strong evidence regarding the importance of particular characteristics that enable BPR to successful implement change.

The questionnaire consisted of fifteen questions in three distinct areas. The format was constant throughout the questionnaire which made participation relatively easy and contributed to the response rate being achieved. The questionnaire attempted to capture the best possible information that was tangible complimented and supported the data gathered during the semi structured interviews. The data in turn could then be analysed against existing theories.

It is clear that some questions proved less effective than others. Having spoken directly to some of the respondents there was a consensus that while all the points were important, some were more relevant than others. For example one general remark was that after rating the top three qualities of a good leader, the rest were on a par and people just put ratings next to qualities without actually having a preference.

Certain questions failed to capture any really useful information and with hindsight could have been omitted. These issues were not picked up until after the survey was complete due to the relatively small number involved and the lack of opportunity to pilot the scheme.

In conclusion the questionnaire provided the research with much valuable information that could be evaluated against the research questions. It is also clear that with hindsight the questions could have been made less optional, i.e. not as many categories for the respondent to choose from, questions could have been less directional that is to say, not worded directly to a person's own experience, and without doubt any future questionnaire would need to be more carefully thought out in terms of using preferential ratings.

5.2.3 Interviews

A semi-structured approach was chosen because it allowed the research to explore themes that emerged from the questionnaires. According to Hussey and Hussey (1997) by taking a positivist approach and collecting qualitative data through the interview process it will add richness to the numerical data.

A list of key themes and questions were identified but due to the flow of the interview the order of the questions tended to vary and often came off at a tangent. This

however did identify issues that I had not previously considered such as the importance of partnerships especially if delivery will be reliant on them. In all three interviews were carried out and all proved to be very successful in relation to adding further insight into what worked and what didn't.

Semi structured interviews proved to be a very successful technique in gathering data to assist in the research. The interviewees may have related their responses to their own personal experiences but gave answers that would relate to service undergoing change using BPR as a model for change. The interviews also gave a deeper insight into what really matters to management. When the question of operational success or failure was raised the view was that quantitative statistics are often manipulated and do not accurately reflect how a service is performing and indeed its value to the community.

5.6 Conclusions of each research question

5.6.1 To identify the Critical Success Factors that need to be in place to ensure the change process is successful

The research provided a comprehensive analysis of staff perceptions and attitudes toward the characteristics viewed as important to BPR as a change management tool. The research strategy used both qualitative and quantitative methods to secure the opinions and perceptions of staff which was collated and analysed. As a result of this process the researcher was able to identify the factors staff felt were important to enabling successful change, and offer opinions as to whether in this case the desired outcomes were achieved. These factors have been identified earlier in the chapter where comparison was made against the quality of leadership, overall management of change and operational success.

Criticisms that could be leveled at the way change has been managed such as; poor communication, lack of leadership, no champion and lack of planning are some of the comments made by both staff and managers. It is clear that lessons need to be learnt from experience and in future adopt a framework that matches the environmental conditions of the time and the organizational constraints of the service.

Employees will always wish to appear competent in the roles they perform and thus accepting change is often considered as an admission of their own failure. This should not present a problem to the rationale manager who should recognise motivational needs and takes steps to disseminate information as it arrives.

5.6.2 To gain an understanding of how BPR works in practice in intangible public services such as that provided by Supported Living.

BPR is widely accepted as being a valuable tool for managing change, yet if incorrectly used will not prove effective. It is accepted that while a framework for change can be adopted, the actual specifics are individual to that particular organization or indeed service area. LCC has often been guilty of using a one size fits all approach which in the main has created problems. The popular view that emerged from the interviews is that one size does not fit all consequently management need consider a framework suitable for managing change within partner organisations.

Frameworks suitable for LDL (Liverpool Direct Ltd) may not be suitable for less tangible services where the culture is more deeply engrained. All partnership arrangements need to include design, be managed and possess the flexibility to improve its structure and processes, so that they inform and support strategy and actions. Public participation in decision-making, flexibility of the working arrangements and good communication are all aspects of effective organisation, Maddock (2002).

There is a need to involve stakeholders, people, and organisations, disadvantaged groups that are likely to be affected by the proposed activities. Failure may result in the objectives not being met. Employees need motivating in their own right. If an employees internal requirements are ignored their motivation will dwindle resulting in a further barrier. For their part what employees perceive as justification for their uncooperative behavior may only serve to strengthen Management decisions to bring about change.

It may be concluded that employee perception have an important effect on both individual and organisational outcomes. The evidence suggests change was not

managed in a way that included staff, considered the effects on moral and the subsequent effect this had on behavior and performance.

5.6.3 To assess whether LCC is in danger of becoming entrapped in tunnel vision and applying a one size fits all change management process across the spectrum of council services.

Most Managers consider they are steering well managed departments and are therefore reluctant to consider change for fear it infers they are failing in their role. If change is required the role is usually taken up by a project manager from outside the service. As most managers believe in what they are doing they will often continue to do so right up to the point of failure. This is true of both the manager who may also become a barrier to change and a manager forcing through change that has been ill conceived or badly implemented.

This research can conclude that change is clearly driven by political force intent on changing the role LCC plays in delivering services. Entrapment according to Proctor (1993, 1996) is an over commitment for whatever reason clouding the views of project teams, blinding them to rationalise decision-making and leading to entrapment. To this extent it could be argued that LCC is in danger of becoming entrapped, not by pursuing its objectives to outsource the many failing services, but the method it has chosen to do it. The demand to change quickly has clouded the decision making process even if it was done with the best intentions.

It was clear during the interview sessions that BPR is a valuable tool for implementing change in certain services, but not all. Project managers using this method stated that they had felt pressure to deliver the re-engineered package with limited resources in short time scales. This big bang approach did not allow for in depth analysis of such a complex service which has resulted in a service that pays lip service to statutory requirements and fails to meet the demands of the customer.

Inevitably this short sighted approach will require further review and restructure in the future to address the problems it is currently enduring. The research revealed that further discussion is already underway to address issues that should have been carried out prior to change. Agreements with Housing Associations on the number of properties that would be available is vital to achieving a successful outcome and

better working relationships with the housing benefit service is currently being discussed.

Perhaps services such as the one considered in this research are better served adopting an incremental approach that retains the skills and abilities built over periods of time. Certainly during the interview sessions it was apparent that middle managers preferred the incremental approach as it did retain the expertise of staff and allowed them as managers to build on their current practices incrementally. They believed that as long serving managers of the service, they were best placed to identify what needed improving and how. This view is supported by Quinn (1980) who argues that there exists logic in incremental strategy development through learning through doing. Logical incrementalism is viewed as a cognitive process in which collective managerial cognition results in enactment selection and retention processes that take form in incremental strategic change. It views the strategic development of an organisation as a process of building on current practices and managerial beliefs and about organisational competencies within a political and historical context. McElhinney and Proctor (2005)

Is it occurring?

If over commitment is identified as existing or having the potential to exist in the context of using BPR to create change in services not requiring drastic change this must be identified and dealt with. The line of over commitment is a thin one and very close to enthusiasm, commitment effort and valued passion. In the context of this research I cannot conclude that entrapment is occurring however, what would constitute a failure is where a lack of attention is paid to peoples concerns about the project with the outcome being a service that no longer meets the needs of its customer and focuses primarily on the standards set by Government. In this instance there is clear evidence that concern exists. Perhaps as a tool for managing change BPR has fulfilled its usefulness and the remaining more complex services require a different approach.

5.7 Limitations of the study

The study was limited to the member's one specific service area. This limited the type of response as the people surveyed had all experienced change at the same time. People's fears and bias were built up over a lengthy period of time allowing influences to rub off on one another. It is possible that perception was influenced by these fears as all responses were of a similar negative nature. The people in a position to offer positive views declined to participate possibly for fear that they already knew the likely outcomes and were reluctant to be associated. For this end the opportunity to get a more balanced view was lost.

The most significant limitation of this study was time. Due to time being a limiting factor the study was completed without being able to use a sample survey that may have assisted in posing more appropriate questions.

5.8 Opportunities for further research

Based on a survey of the relevant literature, this study is the first attempt at testing the effectiveness of BPR as a change management tool within Liverpool City Council for improving organisational services. Prior to the study there was no evidence to show it worked, indeed as identified in the Pier Group Review using Manchester and Bristol as Beacon Councils, "in terms of Homelessness, the service should not be placed into One Stop Shops as it doesn't work." While there are well established studies of BPR as a change management tool, they are limited in the area of complex public services and perhaps the methodology adopted in this study can be improved. It would be useful for researchers to further explore using different approaches, how significantly useful BPR is in reengineering public services.

Finally the results have offered a glimpse at the importance of managing change and monitoring and reviewing procedures throughout the process.

6. Recommendations

The Homelessness Review highlighted a need for major improvement in the operational approach to tackling homelessness. The Homelessness Strategy 2003 identified how it intended to do this, however it is clear from the research that subsequent actions have been driven primarily by senior management and not service users and stakeholders, a direct contrast to the strategy which states, "Homelessness needs to be considered more broadly within strategic partnerships across Liverpool...and continues...two key objectives are thus to work more effectively across agencies, and to involve homeless people and local residents in more frequent dialogue so that they can effectively influence the provision and delivery of services."

The organisation made a choice to radically change and used BPR to introduce it. The evidence found in this research shows people while reluctant to embrace change, will accept it is inevitable. In relation to BPR as a change management tool, there is no evidence to indicate it is no longer of use to LCC, indeed the operational transition was hailed a success, but caution should be taken over how it is used and where. One size clearly doesn't fit all and in some service areas can be detrimental. The following themes emerged from the research.

1. There is a lack of understanding around the subject of BPR and the types of services best suited to its mechanisms.
2. There was evidence that there was considerable resistance to change and a lack of buy in, yet there seemed no attempt to resolve the conflict. This was particularly so within middle management.
3. There seemed no real understanding or appreciation of the organisational issues that needed addressing to ensure the successful introduction of homelessness services into a contact centre.
4. There was an apparent lack of ownership around the vision of what the executive team wanted the homelessness service to deliver.

This research would recommend that different approaches to change are used to address different types of change. In order for BPR to be applied successfully, the evidence from this research suggests it is more likely to benefit changes where process dominates. In services where a high turnover of staff occurs, and culture is less deeply rooted such as call centre, BPR has proven effective. However in services where staff have worked for long periods, culture is deeply ingrained and in these situations, buying in change becomes more difficult to achieve. BPR is not a tool kit that considers culture.

The service researched in this report was such a service and needed a far softer approach. Stakeholders needed better communication and information flows to allow a holistic view of why change was happening and where it would fit in the new system. This wasn't done; information was selective at best and none existent at worst, communication was poor and staff commented that they felt like the process was being done to them and not part of it. LCC must learn from these mistakes and it is recommended that in future when attempting change, information management is a priority of the project team.

BPR is criticised as focusing entirely on processes, lacking the capacity to deal with other dimensions (Cao et al, 2001). This comment is untrue remarkably sums up the feeling of people throughout the duration of this research. If LCC continues to use BPR they must do so taking a more balanced stance. Galliers and Baker (1995) make a general recommendation that BPR should be integrated with a holistic perspective which may help increase the success rate of BPR projects from its current low level of 30%.

My recommendations can only echo those of Cao et al (2001) and Galliers and Baker (1995) and suggest LCC reconsiders its use of BPR for services mainly process driven, otherwise integrate its existing package with a more holistic perspective which can help to use multiple methods to address the dynamic interactions between different types of organisational change.

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Appendix

Appendix 1 – The Questionnaire

The Homelessness Service has recently undergone change in staffing levels, structure and service delivery. In order to achieve change Team Liverpool have used BPR as a change management tool. The purpose of this questionnaire is to gather your perception of how effective the change process was in three key areas, Leadership, Management and Operational.

The survey is an integral part of my final year MBA dissertation and will provide valuable information that can be used by senior management when either a strategic or operational change is required.

Your views are extremely important as you have direct experience of Business Process Re-engineering and its effectiveness as a change management tool.

Any information you provide will be anonymous and treated in the strictest confidence.

Questionnaire

Leadership

Q1 A good leader should possess the ability to clearly communicate the direction in which the service is heading and how this is to be achieved. Before change had occurred, how satisfied were you with the communication from management in relation to your understanding of the direction the service was taking.

(Please tick one box)

Very Satisfied	Satisfied	Neither	Dissatisfied	Very Dissatisfied
<input type="checkbox"/>				

Please give an example of how direction was clearly communicated via team meetings, e-mail updates etc. If this wasn't done please state.....

.....

.....

Q2 A good leader will have the ability to motivate and inspire their staff. How satisfied were you with the leadership shown during the change process?

(Please tick one box)

Very Satisfied	Satisfied	Neither	Dissatisfied	Very Dissatisfied
<input type="checkbox"/>				

Please give an example of an occasion where you were either motivated or demotivated.....

.....

.....

Q3 An effective leader has the ability to maximise the resources at his/her disposal. In terms of matching skills/abilities of individuals to roles, please indicate how satisfied you were that this was done effectively.

(Please tick one box)

Very Satisfied	Satisfied	Neither	Dissatisfied	Very Dissatisfied
<input type="checkbox"/>				

Please explain your reason or give an example (if applicable)

.....

.....

Q4 Please rank in order of importance the following qualities that you feel a champion of change should possess?

(Please rate in order of importance, where 1 is Most Important and 9 is Least Important)

Qualities a Change Leader should possess	Importance Rating
Innovative	
Build consensus	
Democratic / Approachable	
Good communicator	
Create a clear vision	
Ability to Promote ownership	
Inspire / Motivate	
Deal effectively with problems	
Create a supportive environment	

Of the 9 qualities please circle the ones you observed during the change process

Operational

Q5. How satisfied are you with the effectiveness of the service today in relation to service delivery and statutory responsibility.

(Please tick one box for each of the stages)

Very Satisfied	Satisfied	Neither	Dissatisfied	Very Dissatisfied

Please indicate how you believe the service has improved / declined

.....

Q6. How satisfied are you that the level of responsibility you enjoyed in your role before change is the same as it is now in your current role?

(Please tick one box for each of the stages)

Very Satisfied	Satisfied	Neither	Dissatisfied	Very Dissatisfied

Please give example (if applicable)

.....

.....

.....

Q7 Role change can often create new responsibilities which in turn can create stress. In relation to your new role, how satisfied are you that stress levels have not increased.

(Please tick one box for each of the stages)

Very Satisfied	Satisfied	Neither	Dissatisfied	Very Dissatisfied

Please give example (if applicable)

.....

.....

.....

Q8 Role change can often create ambiguity in that individuals don't know what is expected of them. Often management don't communicate or explain to staff what is expected of them and where within the process do they as individuals fit. How satisfied are you that you were given a clear understanding of what your new role would be and how it contributed to dealing with homelessness issues?

(Please tick one box for each of the stages)

Very Satisfied	Satisfied	Neither	Dissatisfied	Very Dissatisfied

Please give example (if applicable)

.....

.....

.....

Q9 In terms of usefulness and from your experience how effective do you rate Business Process Re-engineering as a Change management tool?

(Please tick one box)

Very Satisfied	Satisfied	Fair	Dissatisfied	Very Dissatisfied

Please give an example of how you feel it was effective / ineffective.

.....

Q10 Local Authorities must demonstrate how each service is delivered in keeping with Best Value. In terms of operational cost, do you feel the service is now better providing better value for money?

(Please tick one box)

Very Satisfied	Satisfied	Fair	Dissatisfied	Very Dissatisfied

Further comment if you are aware of how the service does / does not provide value for money.....

.....

Management

Whenever change occurs there is often disruption to service delivery. Change can also affect individuals in terms of personal performance and routine. How effective do you feel the following areas were managed?

Q11 In terms of **planning** the management of change, how satisfied are you that the process followed a plan that was managed effectively? Please consider how planning involved / used the experience / knowledge of all stakeholders affected by change.

(Please tick one box for each of the stages)

Very Satisfied	Satisfied	Neither	Dissatisfied	Very Dissatisfied

Please give example (if applicable)

.....

Q12 Once decisions are made as to how change is to occur it is important that management direct the process in terms of communicating to staff what is expected of them. How satisfied are you that the direction of the changes was being effectively managed?

(Please tick one box for each of the stages)

Very Satisfied	Satisfied	Neither	Dissatisfied	Very Dissatisfied

Please give example (if applicable)

.....

Q13 Champions of change should take ownership, however it is important that activities are delegated to those individuals best placed to carry them out. How satisfied were you that the right people were given the right tasks that allowed change to occur smoothly.

(Please tick one box for each of the stages)

Very Satisfied	Satisfied	Neither	Dissatisfied	Very Dissatisfied

Please give example (if applicable)

.....

Q14 In order to facilitate a seamless handover from old systems to new, it is vital the organising the changes is managed. How satisfied were you that changeover was organised effectively?

(Please tick one box for each of the stages)

Very Satisfied	Satisfied	Neither	Dissatisfied	Very Dissatisfied

Please give example (if applicable)

.....

Other

Q15 How satisfied are you with the overall management of the change process during the Consultation / Planning stage?

(Please tick one box for each of the stages)

Very Satisfied	Satisfied	Neither	Dissatisfied	Very Dissatisfied

Q16 How satisfied are you with the overall management during the Business Process Re-engineering stage?

(Please tick one box for each of the stages)

Very Satisfied	Satisfied	Neither	Dissatisfied	Very Dissatisfied

Q17 How satisfied are you with the overall management during the implementation / operational stage

(Please tick one box for each of the stages)

Very Satisfied	Satisfied	Neither	Dissatisfied	Very Dissatisfied

Please give example (if applicable)

.....

Once again THANK YOU for completing this questionnaire. Please return to Neil Thomas via e-mail or by post at 1 – 7 Brougham Terrance, Liverpool L6.

Appendix 2 – Letter of Invitation

From Neil Thomas
Environmental Health Enforcement Officer
Liverpool Environmental Health & Trading Standards Service

Direct Line: 0151 225 6052

To: Interviewee No 1 Senior Project Manager
Supported Living Portfolio
LCC

Dear Mr Y

Thank you for taking the time to consider my request to interviewed

I am currently in the middle of completing my final year Masters in Business Administration dissertation looking at the key factors that enable BPR to successfully facilitate change within a Public sector organisation.

To assist you with the proposed format of the interview and to offer you the opportunity to consider the reasoning behind why BPR was selected by LCC as the vehicle for managing change I have enclosed a copy of the questionnaire that I am also using to collect views on BPR in general.

As part of my research I have chosen to carry out 4 interviews. The responses from both the questionnaires and interviews will be discussed against the theoretical models and ideas.

Following completion of the dissertation a full copy will be made available for you to keep.

You may if necessary remain anonymous.

I would be most grateful if you could contact me to arrange a date, time and venue for the interview.

Kind Regards

Neil Thomas
Environmental Health Enforcement Officer

Appendix 3 – Transcript of Interviews

Interview transcript 1

Interviewee:

Business Process Reengineering. How effective is it as a change management tool?

What do you think are the key benefits of BPR?

What are or have been the benefits In terms of service provision and the delivery of Homeless Service improvements...

In terms of bringing together and better using Skills and Abilities of staff

Is there the possibility of it producing a negative effect?

What key factors need to be considered when deciding what needs to change and how?

Are there political and senior executive influences and if so what impact do they have?

.

Is the political support for change visible?

Leadership. How is the BPR concept driven?

Organisation...does it work for LCC

What about stakeholder involvement? To what extent are they included in the process?

Resources...is this a reason to change

Organisational Learning..is the process being monitored? Do we learn from our mistakes?

Opportunities..how does the process present oppoortunitioes both in terms of service and individual?

What are the barriers?

Mainstreaming..is this what BPR is about?

Anthing to add

Appendix 4 – Results of Questionnaire
 Fig 1

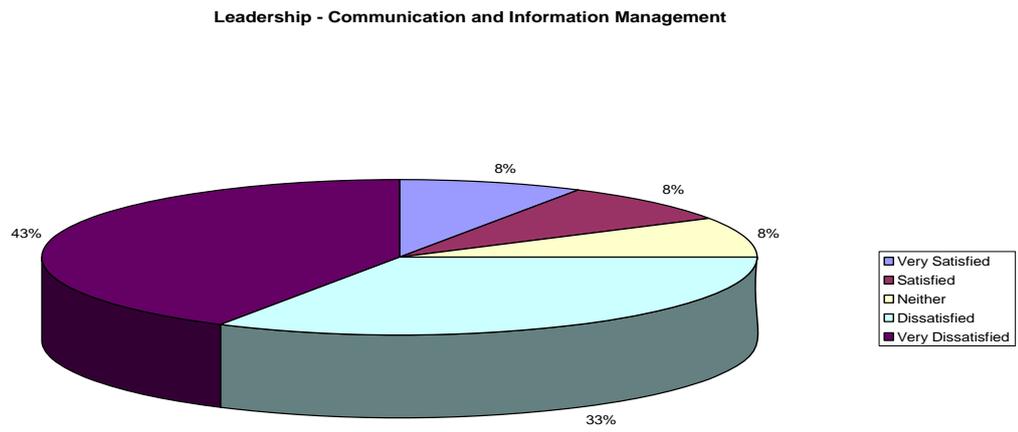


Fig 2

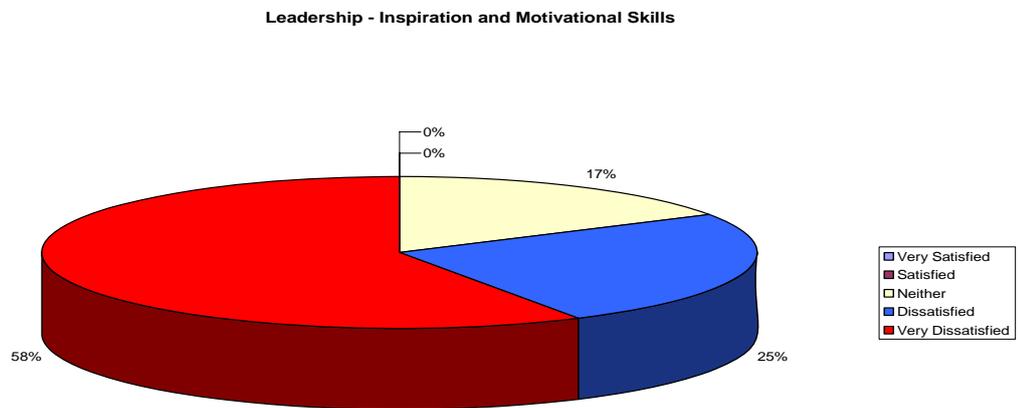


Fig 3

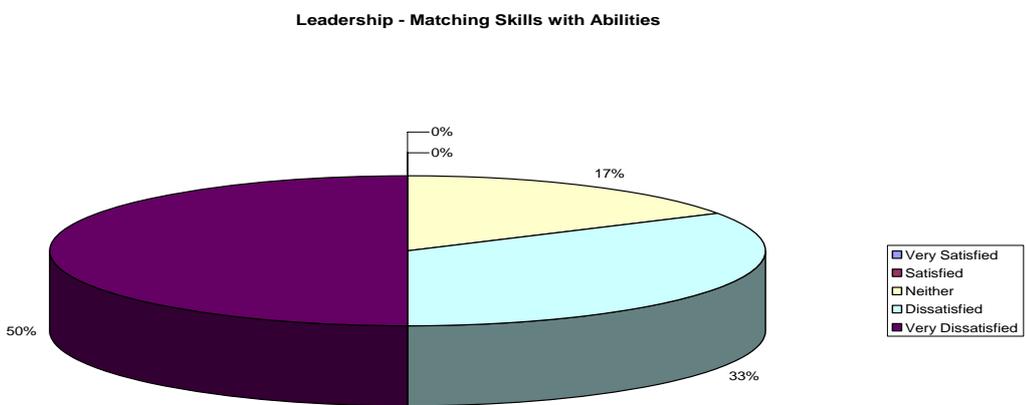


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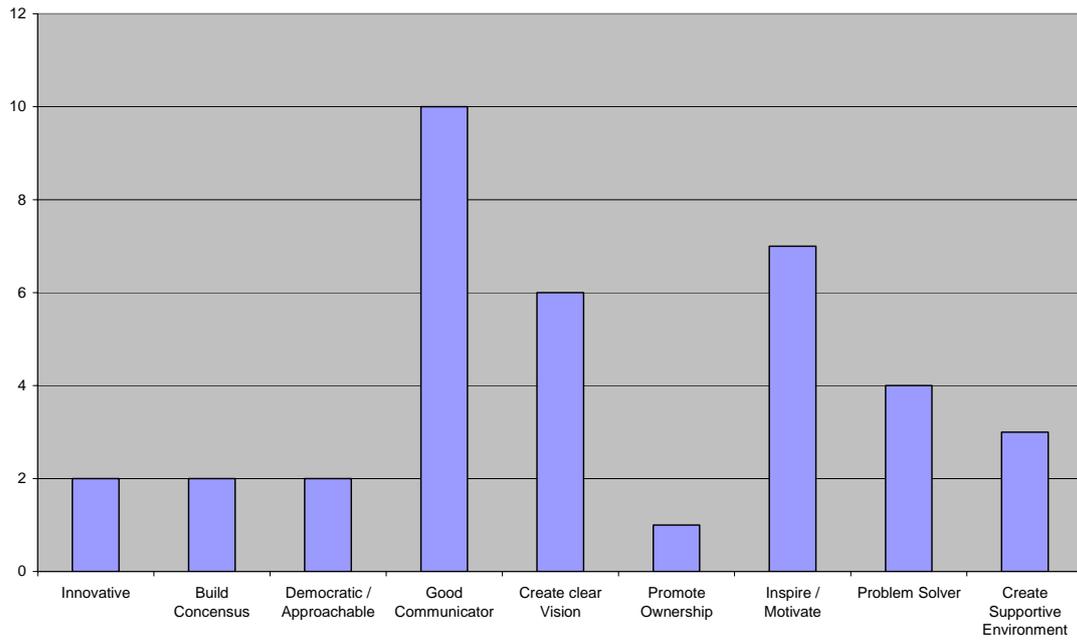


Fig 5

Operational Satisfaction of Current Service

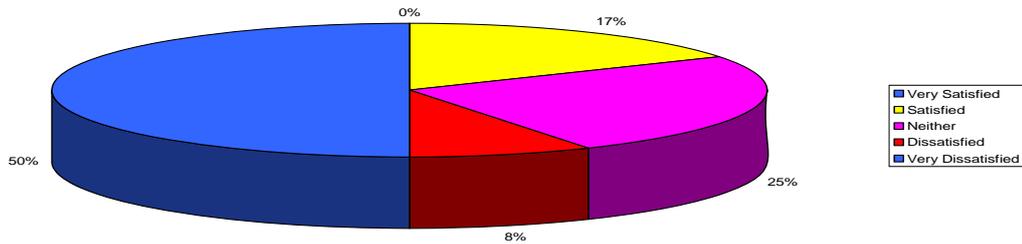


Fig 6

Levels of Responsibility

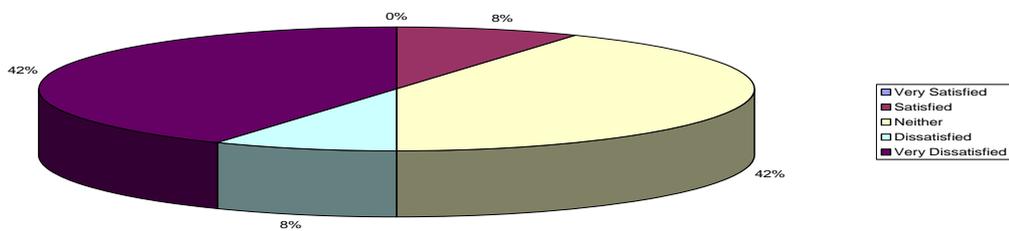


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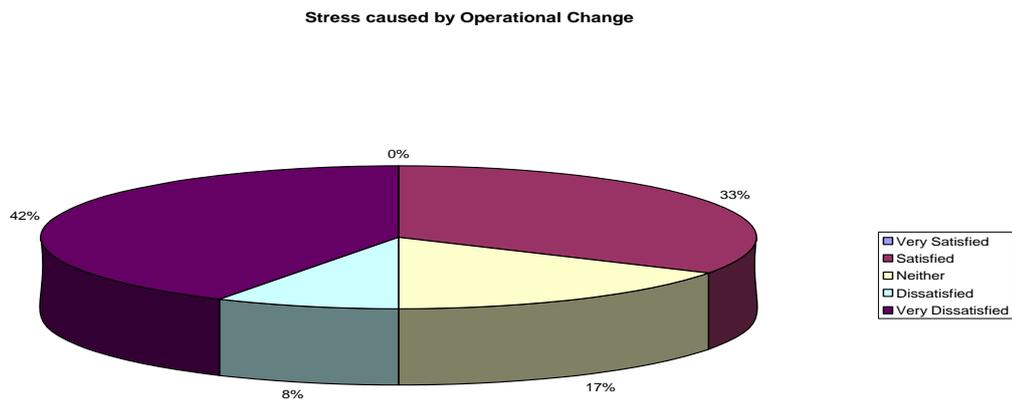


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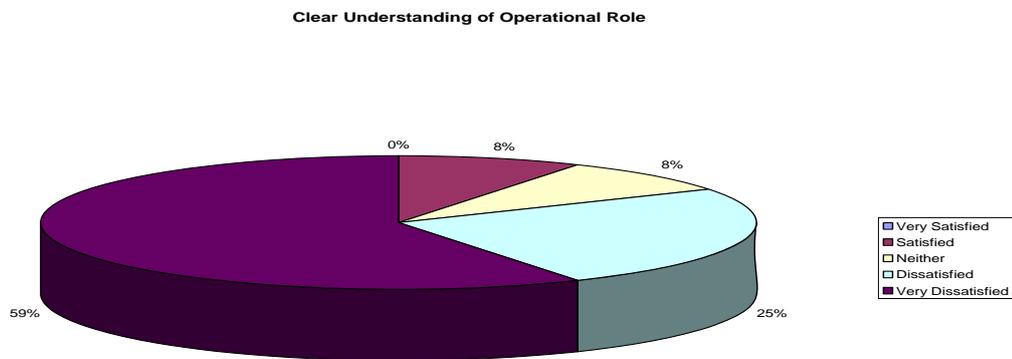


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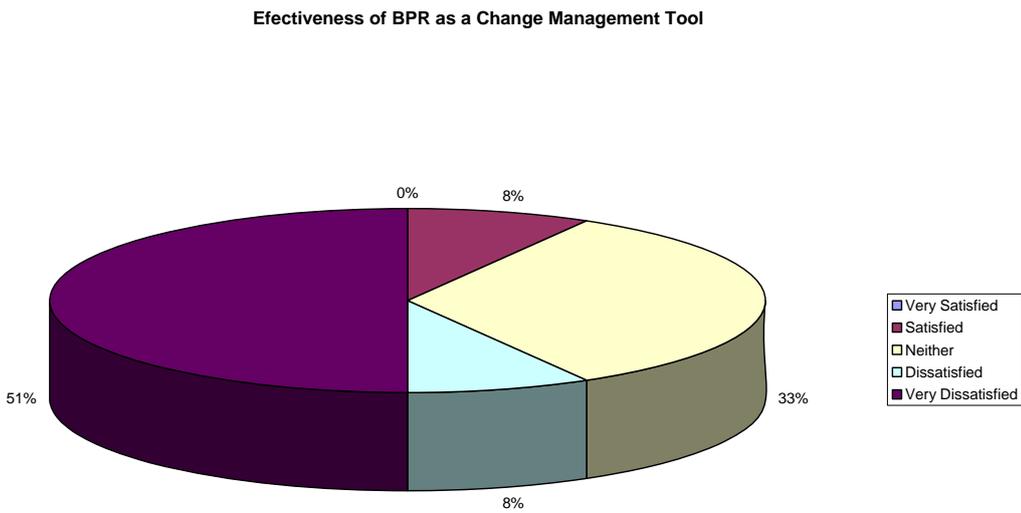


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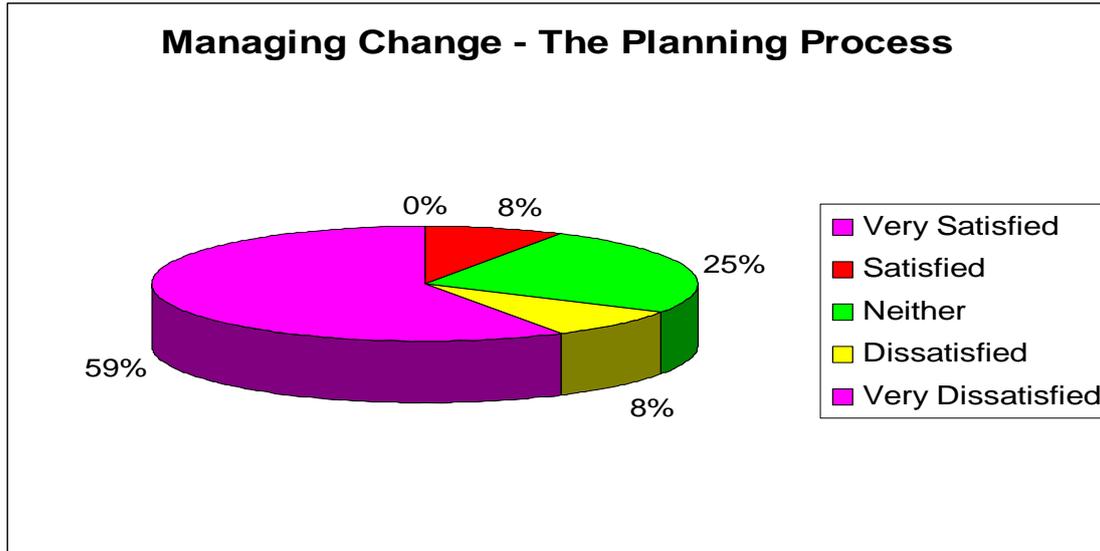


Fig 11

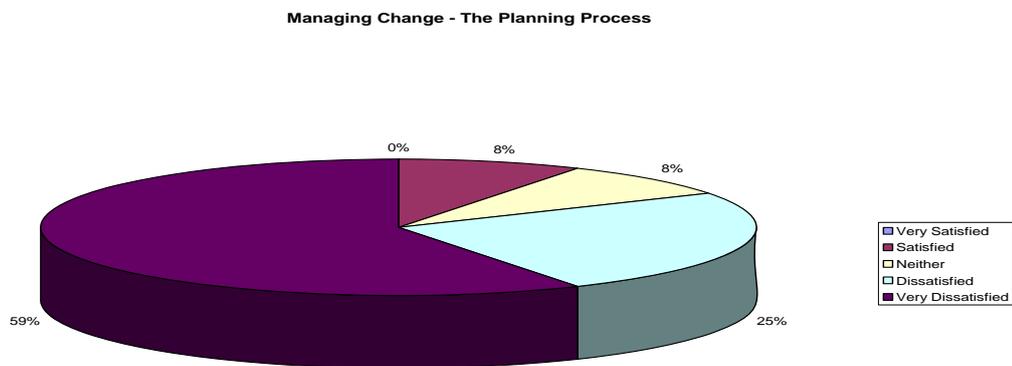


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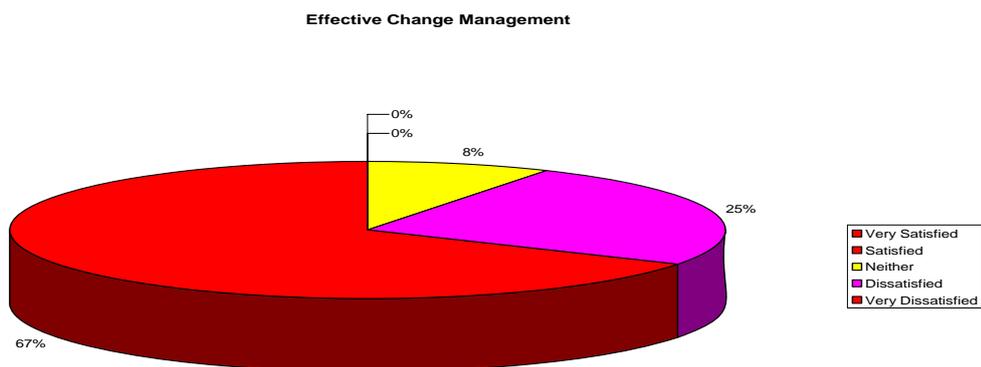


Fig 13

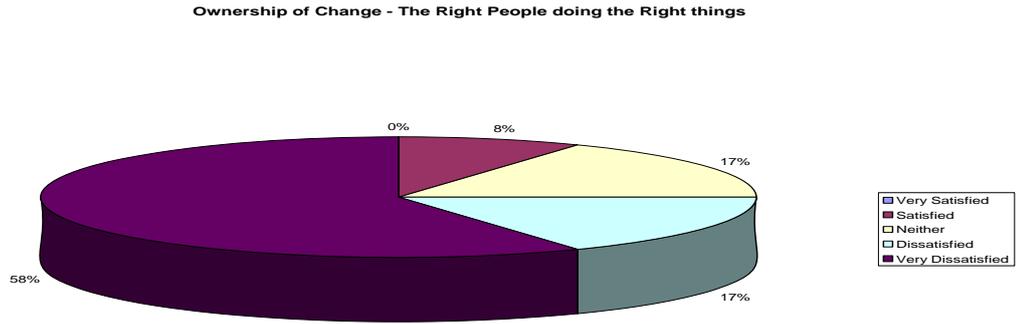


Fig 14

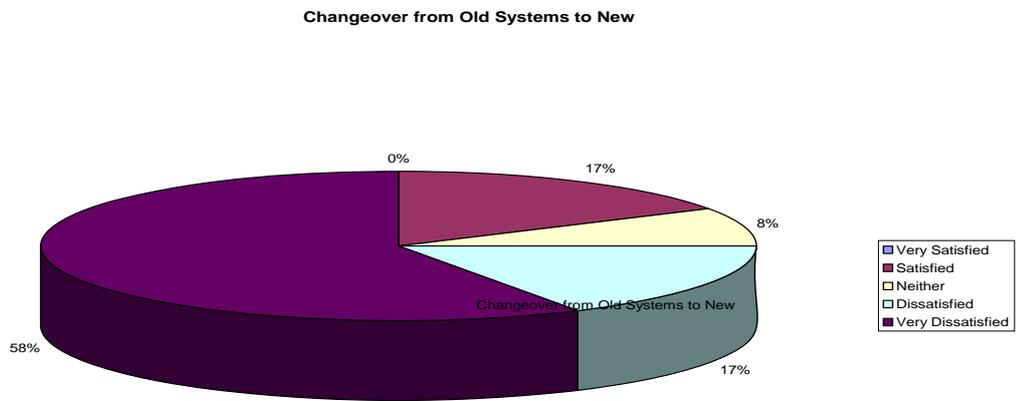
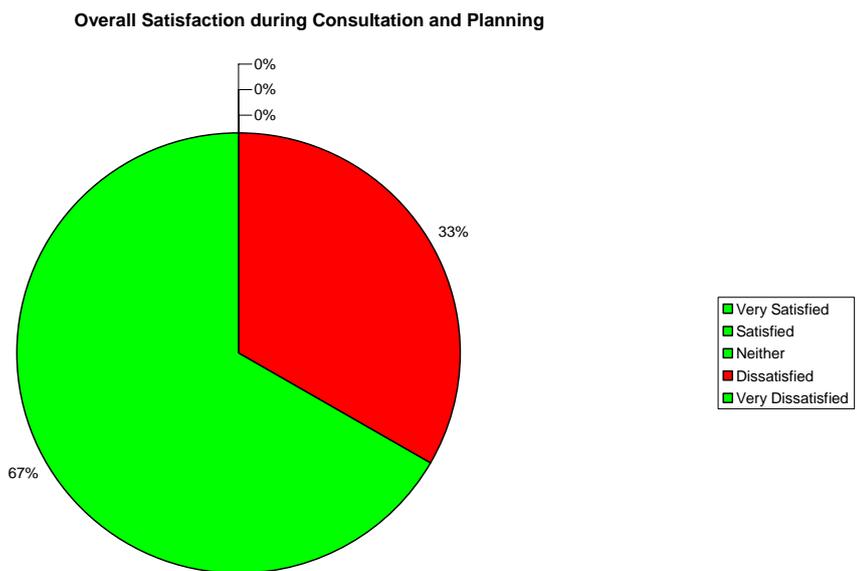


Fig 15



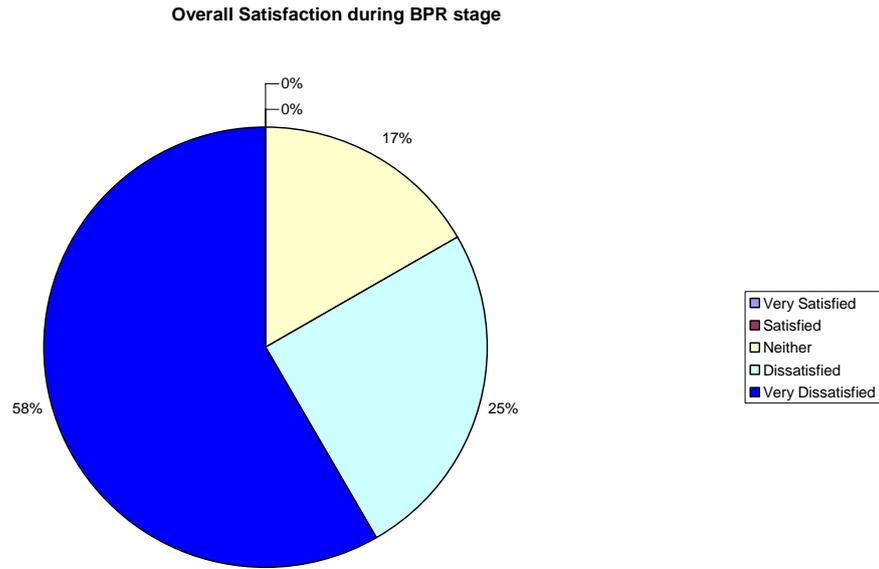
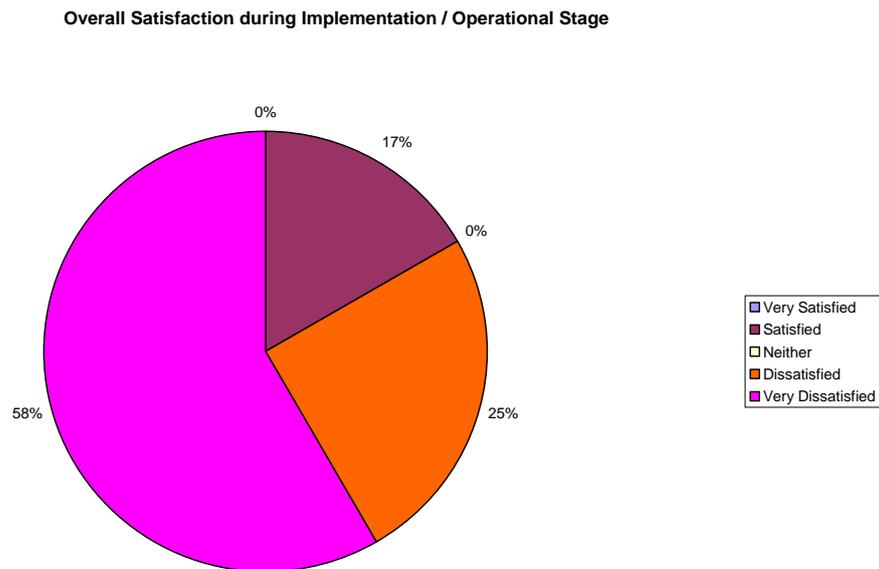


Fig 17



Appendix 5- Data Display Tables

Table 1 - The Key Benefits of BPR

Table 2 – Negativity, a consequence of the process?

Table 3 – Key factors that determine change.

Table 4 – Barriers to change

Table 5 – Political and executive influences.

Table 6 – Effective Leadership

Table 7 – Stakeholder Involvement

Table 8 – Resources

Table 10 – Does it work?

Table 11 – Any other Information

Data Display Tables – Interviews

Table 1 – What are the key benefits of BPR?

Key Issue	Interviewee	Responses
	Interviewee No 1	Organisational change Optimum use of resources – Improve services Cuts out red tape and allows process mapping to make change happen. Performance Indicators improved Customers seen at a point of need in their own community Homelessness Prevention more robust No increased cost to the Authority
	Interviewee No 2	None - there hasn't been any significant benefits As a process it can work if handled effectively. There was a Lack of communication It was seen as being done to the service rather than being for the benefit of it. Nobody from the actual service was involved in the process It wasn't a smooth process It has reduced the impact of Service Delivery
	Interviewee No 3	Enabled the Service to link in better with other services Enabled the service to become more accessible to customers Better use of resources Better ICT assists link up with other housing providers ie Property Pool, Suisse (for holding data on clients) Investigation is now better as staff in floating support have opportunity to visit clients in their own environment. This facility was limited in the past.

Table 2 – Is it possible it will have a negative effect?

Key Issue	Interviewee	Responses
	Interviewee No 1	Always going to be the case as it is radical change Yes as there may have been an information gap between staff and management
	Interviewee No 2	In relation to the actual service the benefits are at best limited therefore the effect has been mainly negative

		<p>Strategically in relation to Senior Management, the PIs have gotten worse therefore you would assume they would be negative.</p> <p>The information gathering process is now less robust”</p> <p>It is now much more difficult to feedback on performance</p> <p>The process was driven from the top with desired outcomes identified without consultation as to whether (1) it will work (NOT) (2) it can be achieved which in the interviewees opinion, it couldn't.</p>
	Interviewee No 3	<p>Yes. Square pegs do not fit into round holes. BPR is rigid in that it has a structured format and does not take into considerations factors that are not quantifiable.</p> <p>The customer will also suffer which in itself is negative as LCC is not producing the service its customers want as is states in its method statement.</p> <p>Negative affect on finance - hostel spaces are now full as prevention is not being performed.</p> <p>Staff within the homelessness service felt BPR was being done to them as opposed to being part of the process. Poor communication.</p> <p>Staff in One stop shops may become increasingly stressed if without the necessary traing required to deal with homelessness issues they are unable to cope with demand.</p>

Table 3 – What key factors need to be considered before deciding on change?

Key Issues	Interviewee	Responses
	Interviewee No 1	<p>The strategic decisions of Senior Management i Performance Indicators may indicate a need for change.</p> <p>Finance. Best Value demanded that in terms of Housing Advice the whole system needed to change both Radically and Quickly.</p>
	Interviewee No 2	<p>Communication with all people in process</p> <p>Consultation with all people in process</p> <p>Knowledge of how the Service operates and how it interacts with other Services within the Authority</p> <p>Stakeholder involvement – No service operates in isolation (Especially Social Services which comes into contact with the most vulnerable people in community)</p> <p>Needs to be tailored to particular service</p>

		<p>“One size doesn’t fit all”</p> <p>It is vital to have a champion to drive through change.</p> <p>The leader must have an in depth knowledge – <u>Vital</u> so as not to miss out important inputs from other Services</p>
	Interviewee No 3	<p>Where the service currently fits within the organisation</p> <p>Where the service want to sit within the organisation.</p> <p>What financial and staffing resources is req. that allows the service to deliver the quality it requires.</p> <p>Is there the opportunity to increase resources.</p> <p>What statutory responsibilities does LCC have</p> <p>How can we best meet / deliver this responsibility.</p> <p>Stakeholder involvement ie customers, housing providers, existing experience of staff in relation to what is achievable. This includes management aswell as front line staff. Other services</p>

Table 4 - What are the barriers to change?

Key Issues	Interviewee	Responses
	Interviewee No 1	<p>A lack of buy in, understanding and knowledge from ‘middle management within many service areas.</p> <p>ICT infrastructure does not facilitate BPR in many cases.</p> <p>Getting key Project Workers to deliver the information necessary for a successful outcome.</p>
	Interviewee No 2	<p>Unwillingness of staff to adopt change particularly if (1) there seems to be no benefit (2) there is no consultation (3) it is viewed as change for change sake</p> <p>Lack of Resources in that it doesn’t allow for effective change. BPR may identify an area req. change however limited resources limits what is achievable.</p>
	Interviewee No 3	<p>Staff willingness to cooperate</p> <p>Stubborn Personalities</p> <p>Management. Both their willingness to cooperate and their knowledge around the subject of BPR and what it takes for it to succeed.</p> <p>Managers with their own agenda – Empire Building and / or self preservation</p>

Table 5 - Are there political and senior executive influences and if so what impact do they have?

Key Issues	Interviewee	Responses
	Interviewee No 1	Yes as any change must go through members Must be signed off therefore this assumes the political support must exist.
	Interviewee No 2	There is a political drive to move as much as possible into contact centres even though there are some Services that cannot be provided over the phone. Recent reports called Pier Group Review on Manchester and Bristol who are Beacon Councils suggest that in terms of “Homelessness,” the services should not be put into One Stop Shops as it doesn’t work
	Interviewee No 3	Definitely. Politically homelessness is an issue that nobody wants. Not in my back yard is a quote that reflects this. LCC wants to keep its council tax down. One way is to no longer be a service provider. Intergrating services into partnerships is a political decision. Secondly selling off assets helps keep C. Tax low. Private organisations have access to grants that local authorities don’t. Executive management team want to be rated as excellent thus services that don’t meet PIs have to go or are subject to BPR which means they will go. The aim of executives is to put as many services as possible within LDL thus absolve themselves of responsibility.

Table 6 - Leadership. How is the BPR concept driven and what factor contribute to effective leadership?

Key Issues	Interviewee	Responses
	Interviewee No 1	In terms of getting the change through having leadership support from Senior Managers. Motivation was the responsibility of Line Managers within the services under review. Leadership should have come from them. Project Leader was always at pains to explain to staff the reason for change to allay fears and advocate possible opportunities
	Interviewee No 2	Political driver – There was a clear <u>goal</u> to fit as many Services as possible within LDL regardless.

	Interviewee No 3	From the Top down. D. Henshaw was appointed because of his reputation of being driven. He had a track record of taking failing authorities and transforming them into authorities rated as good.
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Table 7 – What about stakeholder involvement? To what extent are they included in the process?

Key Issues	Interviewee	Responses
	Interviewee No 1	Internal stakeholders were integral to obtaining successful outcomes. External – DPM/Customers/Agencies/Consultants were all consulted prior to deciding on the way forward. Stakeholder consultation backed up the approach derived from strategy but was not a driver for change.
	Interviewee No 2	As a stakeholder - NONE. Staff in other areas of the homelessness service where definitely not consulted and they are a stakeholder. Service Users – There wasn't any consultation with service user groups that the interviewee is aware of. "Nobody spoke to me and nobody spoke to my team"
	Interviewee No 3	Prior to change consultation was carried out with all stakeholders. The recommendation was to merge all services within homelessness into one central location. During the process and since its implementation there has not been any.

Table 8 – Limited Resources...is this a reason to change?

Key Issues	Interviewee	Responses
	Interviewee No 1	Optimum use of resources. Part of the argument was asking the question, are we best using what we have. After full analysis the conclusion was "no we weren't!"
	Interviewee No 2	Under resourced services is a valid reason for cutting costs however this is due to poor funding systems and not necessarily a reason to dissolve the whole service area. Better use of resources is a valid reason for change but shouldn't be the only one".

	Interviewee No 3	Yes. The demand on the service could no longer be met by the staffing levels that existed. As such performance was in decline which meant change was inevitable. The only other way these problems could have been addressed was to input more resources and this simply was not an option.

Table 9 - Organisational Learning. Is the process monitored and do we learn from our mistakes?

Key Issues	Interviewee	Responses
	Interviewee No 1	There is post implementation review at the end of the process however once change has occurred you don't just leave it you evaluate it to see if it works. The PIs for this year suggest it has.
	Interviewee No 2	Yes we do. The Family Homelessness stats are now being very closely looked at since the change in order to learn if we can do it better. Yes we have learnt from our mistakes as because of the problems encountered with change to Family Homelessness and Housing Advice the procedure stopped and didn't continue with MDAC & WDAC as had previously been proposed.
	Interviewee No 3	I don't believe we do. The agenda is hell bent on driving through change irrelevant of how it occurs. The end justifies the means in senior management eyes. Consultants are drafted in then terminated half way through the process which does not allow change to flow from beginning to end. Further how can the organisation learn if all the experience and knowledge of the process is taken away with the consultant. We monitor outcomes but not processes.

Table 10 – Organisation...does it work for LCC

Key Issues	Interviewee	Responses
	Interviewee No 1	In terms of delivering better services “overall” - Yes BPR does work – you could argue it couldn’t have got any worse within LCC, but there is no doubt it does work
	Interviewee No 2	It works for LCC but not necessarily for the people of Liverpool in terms of Service Delivery It facilitates Services online such as ‘E Government’ Not all Services fit into the one stop model. Some do but not all as in some services it simply does not work .
	Interviewee No 3	In the majority of cases it has worked for LCC. H. Benefits has been dramatically improved using the BPR process. However not all services are ideally suited to change using BPR as the change management tool. One size doesn’t fit all. This is especially apparent in services that are less tangible and less easy to quantify.

Table 11 - Anthing to add

Key Issues	Interviewee	Responses
	Interviewee No 1	BPR can be used across services irrelevant of what the services delivers. The framework would change not the process!!!! Would have been nice to have the staff on board but this wasn’t the case due to poor communication .
	Interviewee No 2	Despite how negative comments seem I do believe it is a good tool when used in areas in which it is more suitable One size does not fit all Not everything has to be mainstreamed
	Interviewee No 3	You can lead a horse to water but you cant make it drink – Unless staff are involved in the whole process they will never buy into the process or the desired outcomes. Even when change occurs their negative attitudes may only serve to underperformance and so PIs.

Appendix 6 – Outcomes from the Homeless Review

- To prevent homelessness by working together in a more co-coordinated way
- To increase early intervention through better integrated advice, assessment of needs, re-housing, and access to support
- To increase the number of people accepted and able to be re-housed
- To ensure that assessments for accommodation and support needs are accessible to and completed for all applicants
- To develop the right amount, type and quality of temporary accommodation to meet varying needs
- To help homeless people access appropriate permanent accommodation, with appropriate support, more quickly
- To aim for people to have only one contact with the homeless services
- To develop common referral systems in order to provide better information for planning, integrate the work of service providers, and raise the standards of the service
- To develop a continuous dialogue with homeless people in Liverpool.

Appendix 7

Halifax House Price Index

Region: North West**SECOND QUARTER 2006**

Standardised Average House Price in the North West (seasonally adjusted) £141,956

Key Points

- The annual rate of house price inflation in the North West is now 8.6%, close to the UK average of 9.4%. In the past quarter prices in the North West rose by 0.2%.
- Over the past five years house prices in the North West have risen by 117%.
- The average price of a house in the North West is currently £141,956. This compares to the UK average of £177,962.
- Nelson in Lancashire recorded the fastest rise in house prices in the region with a 29% increase over the past year. Nelson is also the most inexpensive town in the North West with an average price of £99,117 and is the only town in the region with an average house price below £100,000.
- Greater London prices are now 1.9 times higher than those in the North West, compared with 2.7 times in Q2 2002.

www.hbosplc.com/economy/includes/NorthWestQ22006.doc