

Good Customers, Good Customer Relations

Local Authorities and Providers: Partners in Children's Residential Care

Introduction

Placing authorities and children's residential care providers are both tasked with providing the best possible care for the children, in essence they co-parent. Their contributions may be separate and distinct, but they are both absolutely necessary to ensure vulnerable children get the care they need and deserve.

Although both parties should ideally work together in true partnership, the truth is that there is sometimes an unhealthy tension in the way they actually work with each other. This is not surprising, as the underlying relationship between the two is a complex one. Dealing with vulnerable children is necessarily emotive, even for professionals. There can be added pressures from adding a commercial element, whether in the form of budgetary pressure for placing authorities or pressure on operating margins for providers.

There are, however, ways for both sides to enhance the relationship to make it stronger, better and more effective.

It involves both sides thinking about how to make themselves more attractive as a partner to the other.

Placing Authorities as "Good Customers"

Placing authorities who contract residential care provision for children might not always think of themselves as customers, but when it comes down to it, that is exactly what they are.

Making a decision to pay money for a service, even on behalf of others, makes you a customer.

This is true, regardless of whether the provider of that service is external to your organisation or internal, whether the provider is in the voluntary sector or is the local authority.

When a customer pays for a service, especially one they purchase regularly, they usually have a very well-formed set of customer service expectations.

Savvy customers know exactly how to express those demands/expectations to the providers of the service and savvy providers pay careful attention to those expectations.

Successful customers, however, do not merely think about the relationship in terms of what is in it for them. The most successful customers think about how to turn relationships with providers into strategic partnerships, especially when the service is a critical one. Doing so

benefits both parties and their customers/service users – in the case of children's residential care, it benefits the placing authority, the providers and not least of all the children.

For customers of an important service, forming a strategic partnership with your supplier(s) begins with the notion of being a better partner by virtue of being a 'good customer'.

Here are a few 'good customer' guidelines:-

1) Start by thinking about your providers as strategic partners.

- Working together as partners will not happen overnight, but making a conscious decision that that's what you would like to do and articulating it to your partner is the only place to start. Every journey is easier if you start with a destination in mind.

2) Treat others as you wish to be treated.

- The Golden Rule is simple but always relevant.

3) Listen actively and seek to understand.

- When people talk, listen completely.

4) Understand that people make mistakes.

- Once the mistake is recognised, give them a chance to fix it.

5) Be reasonable and don't pass the buck.

- Do you really need it by tomorrow?

6) Communication. Communication. Communication.

- The key to all good relationships.

7) Think about what makes you attractive to providers?

- Especially when providers have a choice, what will make them want to work with you over someone else?

8) Re-evaluate demands that are likely to drive up a provider's costs.

- Every penny spent on bureaucracy or duplication is a penny less to be spent on improving service to the children and young people.

9) Seek to become a "customer of choice".

- If you are thought of as a customer of choice, you are much more likely to receive better service and preferential treatment. They do exist already!

The list above is by no means exhaustive. It is intended to stimulate thought to help encourage customers (placing authorities) to form strategic partnerships with their suppliers (children's home providers). For their part, suppliers should take careful note of the points just mentioned and start thinking about what, in turn, will make them 'good suppliers'.

Providers as “Good Suppliers”

Turning a relationship with placing authorities into strategic partnerships requires effort on the part of providers, as well.

Providers need to ask themselves, “How can I provide placing authorities with the best possible service?”

The key to that, in turn, lies in understanding who the customer is and what they want.

Who is the customer?

The term “customer” can be misleading. Depending on the product or service, the person buying something might or might not be the same person who uses it. There can be a whole raft of different individuals and even different organisations who can influence a single decision to purchase something, and who subsequently have a vested interest in that purchase. For this reason, the term “customer” is often too simplistic.

Business analysts sometimes think of customers as “decision-making entities” (DMEs) made up of at least six different roles that can be filled by the same individual for one product/service and by six or more different people for another. A possible DME for children’s residential care might look something like this:-

Buyers: Commissioning teams; Funding panels.

Users: Children and young people.

Gate keepers: Social workers; Social work managers; commissioning teams; funding panels.

Influencers: Social workers; social work managers; commissioning teams; therapists.

Decision makers: Commissioning teams; funding panels; social workers; social work managers.

Initiators: Commissioning teams; social workers; social work managers.

It is up to you as a provider to know who occupies those various roles for the placing authorities you work with. It is not good enough to simply know the category of people occupying the roles. You need to try to know who the individuals are. Each of those individuals will have different information and communication needs, which might vary according to which stage of commissioning process things are at (pre-commissioning; commissioning; post-commissioning). The individuals will each have different worries, concerns and goals. Good providers try to understand the needs each of the individuals involved and try to meet those needs.

What do placing authorities want?

It would be easy to try to lump all of the placing authorities in England together and come up with a list of “things they want”. Or better yet, survey them and create a generic list filled with

requirements in search of a definition like “excellent outcomes for children and young people.”

However, those types of lists and assumptions are exactly what you should get away from.

Rather, you need to communicate directly with the people in the placing authorities who use your service (or the ones you wish would use your service) to understand what is important to them when commissioning a place for a child or young person.

Perhaps you already have a good relationship with your customers and think you know what they want.

There is, however, an old saying: “The only thing you can safely assume is that it is not safe to assume anything.”

There is a quality management framework from the 1980’s called “SERVQUAL” which still serves as a popular analytical tool today. It was developed by Valarie A. Zeithaml, A. Parasuraman & Leonard L. Berry and the basis of the framework is that there are often “gaps” in key areas of delivering any service. Though we will not go into the entire framework in detail, there are nonetheless a few key gaps relevant for providers of children’s residential care, including gaps between:-

- What service customers actually expect versus what service providers think they expect.
- What service providers promise to deliver versus what they actually deliver.

The way to close those gaps is no secret. It requires a conscious effort to speak to your customers in an attempt to understand what their expectations are; in an attempt to set or re-set the expectations appropriately; and in order to subsequently run your organisation in such a way as to meet or exceed those expectations.

Working Together

In 2012, Dr. Sam Bennett authored “Stronger partnerships for better outcomes: A protocol for market relations”¹. It is a set of principles and behaviours designed to enhance the way everyone, including commissioners and providers, work together to deliver good adult social care and support. Much of what’s in the protocol, however, is perfectly applicable to the world of children’s care. For example, the “Principles of Engagement” are:-

Sharing risks: Mechanisms and support need to be in place to enable new thinking and to reduce the paralysis that comes with fear of failure. Likewise, stimulating innovation and developing new models of care and support needs all parties to be open to new ideas, able to share information about likely demand and prepared to spread the financial burden, particularly for new market entrants and small businesses without the reserves for research and development.

Reducing Bureaucracy: Improved market relations that involve significant additional calls on people’s time and the establishment of brand new arrangements will not be sustainable. As far as possible, existing structures should be used and partners

¹ http://www.thinklocalactpersonal.org.uk/_assets/NMDF/StrongerPartnerships_final.pdf

should identify, early on, which current activities might be stopped and replaced to avoid waste and duplication. All parties should give due consideration to the accessibility of the processes involved in developing local markets, including tendering and procurement, so that these are proportionate and fit for purpose and do not exclude people and organisations that might otherwise engage in them.

Building capacity: Commitment to building the skills, competencies and capacity of all key stakeholders to work together effectively, is an important feature of stronger relationships and better partnerships. A willingness to “learn by doing,” to be self-reflective and to honestly review progress will help ensure that improving market relations is a shared responsibility. However, it should be incumbent on the statutory organisations involved to set the example for the behaviour expected from all parties through their communication and interaction and to be ultimately held accountable by others for ensuring the protocol informs best practice in all market relations.

Understanding success: The starting point for change in the market place is a higher level of knowledge for all stakeholders about the factors that influence supply and demand. It is equally important to understand the perspective and experience of young people in ways that are practical and possible so this can shape and drive the process. All parties need to commit to identifying, measuring and articulating what works in delivering and commissioning effective care. The success of this protocol will depend on a shared willingness and ability to do this well.

There is a checklist of additional things to think about for commissioners and providers in Appendix A, which may be helpful for you and which was adapted from Bennett's “Stronger Partnerships” protocol.

Conclusion

Any distrust has to be dispelled if present in the relationships necessary for providing care for children. Everyone needs to be on the same team.

It is clear that everyone involved wants to ensure the best possible care for the vulnerable children in their charge. Essential is to address the supplier/customer relationship with an explicit ambition of the formation of strategic partnerships with key suppliers.

This paper has made a start in the exploration of some of the ways that both sides can nudge themselves, and each other, in the right direction.

Appendix A: Things to Think About...²

...when seeking to understand the local market:

Commissioners	<input checked="" type="checkbox"/>	Providers	<input checked="" type="checkbox"/>
Communicate a long-term, strategic vision for children in care, including children's residential care.		Understand the legal framework for providing services and develop stronger links with local communities and other providers.	
Understand financial pressures on provider organisations and facilitate open and honest conversations about costs and spend. Develop a shared view of what is a reasonable cost for services and know the relationship between cost and quality.		Understand the key pressures commissioners are under (e.g. squeezed resources, local politics) and be prepared to have open and honest conversations about costs.	
Understand the whole market for all types of children's care and develop a Market Position Statement including:- <ul style="list-style-type: none"> - Demographics, trends and population needs. - What is available locally at what cost. - Gaps and opportunities for growth. - Workforce information. - How resources are currently used and how this is likely to change. - What choices people are making. 		Share information about the service you offer and what works in providing support with commissioners and other providers. Be an active partner in developing a Market Position Statement.	

² Adapted from NMDF Briefing Paper 5: Building constructive market relationships, 2010 in http://www.thinklocalactpersonal.org.uk/_assets/NMDF/StrongerPartnerships_final.pdf

...when planning how the market needs to change and develop:

Commissioners	<input checked="" type="checkbox"/>	Providers	<input checked="" type="checkbox"/>
Take a whole market/system approach to planning and priority setting with other commissioning agencies and involve young people and providers in an open dialogue.		Engage in local planning and priority setting and respond to market needs and changes.	
Create the space and conditions for positive, courteous and respectful engagement with providers of all shapes and sizes, including through regular forums that are:- <ul style="list-style-type: none"> - Accessible and well planned. - Clearly state intended meeting outcomes. - Co-chaired with providers. - Attended by senior decision makers. 		Take opportunities for positive and productive engagement with commissioners and other providers and share responsibility for leading regular provider forums.	
Ensure there is good, across the board ownership of what quality means and how it is measured and assured.		Understand what quality means and how it is measured and assured.	
Develop a shared understanding of outcomes with young people and providers and how this relates to commissioning and contracting.		Develop a shared understanding of outcomes with young people and commissioners and how this relates to providing support.	
Consider the full range of mechanisms to secure supply in the local market and choose the most appropriate and proportionate one for the job (no reverse auctions).		Challenge complacency, inertia and resistance to drive change and improve the delivery of flexible, personalised support.	

...when intervening in the market:

Commissioners	<input checked="" type="checkbox"/>	Providers	<input checked="" type="checkbox"/>
Incentivise innovation and support market diversity, including small local businesses, social enterprises and third sector organisations.		Work with consumers and commissioners to shape and model creative and responsive services, including new ways of supporting people.	
Create a fair and competitive environment and support providers to manage the transition to new funding models – facilitate three way discussions around cost reduction to address budgetary pressures.		Demonstrate value for money and added social value in services – engage in three way discussions around cost reduction to address budgetary pressures.	
Develop the workforce and enable all stakeholders to understand each other's roles, responsibilities, drivers and risks.		Develop the workforce and market social care as a vibrant and diverse sector to work in.	
Work together with providers when problems are identified to find positive solutions.		Work together and commissioners, when problems are identified to find positive solutions.	