

Improving operational delivery in government:

# A good practice guide for senior leaders



National Audit Office



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This is a practical guide for senior leaders in organisations that contribute to providing government services.

**We are the UK's independent public spending watchdog**

# Introduction

Government spends significant resources on delivering public services. In 2020-21, central government departments alone expected to spend £456 billion on the day-to-day running costs of public services, grants and administration. To get the best value from that spend, in the face of emerging operational challenges, government needs to be effective in how it manages and improves services.

This guide highlights principles of operational management – the specific skills and ways of working needed to translate policy intent into effective services for end users. Building on our previous analysis of government’s operational management capability, the guide describes the ‘whole-system’ approach needed for organisations to deliver outcomes together that they cannot achieve alone.

The guide shares insights on how to improve performance. We describe examples of good practice, even when all aspects of delivery may not have been perfect. We will continue to work with government to identify and share more good practice examples over time.

We do not underestimate the difficulty of addressing some of the questions this guide asks you to consider. Building better capability will take sustained individual and collective action over many years. Our hope is that the guide will help leaders improve the value for money of public services for the taxpayer.

The National Audit Office (NAO) scrutinises public spending for Parliament and is independent of government and the civil service. We help Parliament hold government to account and we use our insights to help people who manage and govern public bodies improve public services. The Comptroller and Auditor General (C&AG), Gareth Davies, is an Officer of the House of Commons and leads the NAO. We audit the financial accounts of departments and other public bodies. We also examine and report on the value for money of how public money has been spent. In 2019, the NAO’s work led to a positive financial impact through reduced costs, improved service delivery, or other benefits to citizens, of £1.1 billion.

If you would like to know more about the NAO’s work on people and operational management, please visit our [dedicated pages](#) or contact:

**Alec Steel**  
Head of people and operational management  
alec.steel@nao.org.uk  
020 7798 7577

**James Comer**  
People and operational management specialist  
james.comer@nao.org.uk  
020 7798 7035

**Scott McMillan**  
People and operational management specialist  
scott.mcmillan@nao.org.uk  
020 7798 5436

If you are interested in the NAO’s work and support for Parliament more widely, please contact:

Parliament@nao.org.uk  
020 7798 7665



## What is the guide about?

### Who this guide is aimed at:

This is a practical guide for senior leaders in organisations that contribute to providing government services. These include:

- accounting officers;
- chief executives;
- director generals and directors;
- chief operating officers; and
- people responsible for specific services or operations.

The principles apply equally whether your organisation’s role in the service is policy design, front-line delivery, or overseeing whole sectors or policy outcomes. They apply to a specific service, a whole organisation and across multiple organisations.

### This guide is in four parts and covers five areas to get right:

#### Why action is needed

##### Adopting a whole-system approach

- 1 Aligning objectives, funding, governance and accountability
- 2 Closing the gap between policy design and service reality

##### Managing operations in your organisation

- 3 Building technical and leadership capability
- 4 Meeting diversity of users’ needs
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# Why action is needed

## Action is needed to meet government's operational challenges and improve services

### Operational management capability gives organisations the resilience to face current pressures and turn policy intent into effective services

Government is experiencing a unique combination of financial and operational pressures. These pressures highlight how important it is that government can design, manage and improve the services it provides. Building that capability will help in handling continuing policy challenges, such as the following:

- **Responding to COVID-19**

Building, operationalising and improving new and existing services, such as test and trace, and employment support; learning from the effectiveness of interventions and the lived experience of service users, and adapting at pace.

- **Exiting the European Union**

Designing and providing services, and improving existing ones to meet new requirements, particularly relating to the border. This needs organisations to work together on problems that span boundaries, and to consult and take action with many stakeholders.

- **Tackling climate change**

Achieving complex long-term goals, such as net zero emissions, where no single organisation controls what happens but where the actions and behaviour of the people affected determine the outcome.

- **Securing financial sustainability of local government**

Recognising the situation on the ground and the knock-on effect of funding choices made by departments on the sustainability of local services. Government needs to understand the total burden on local government and its capacity to meet multiple service pressures.

- **Overcoming structural delivery challenges**

Understanding how different delivery models affect how government provides services across organisational boundaries. This includes complex delivery chains that may involve different central government departments, local and central government, and many other bodies in the public and private sector. Examples of these are in the criminal justice system, and in health and social care.

- **Modernising and reforming the civil service**

Delivering the aims of the Civil Service Modernisation and Reform programme to change the way the civil service works and improve outcomes for citizens. This requires a focus on civil service capability, the tools and data to support it, and removing barriers to cross-government working and innovation.

### Our evidence points to the benefits of investing in operational management capability for improved performance

We have conducted 40 assessments of operational management capability in organisations, including 115 services, since 2010. Our evidence identifies patterns of capability across government, areas to work on, and the benefits for government and service users. It highlights what the better-performing organisations have in common (see [Annex](#)).

Our evidence points to a relationship between improving operational management capability and organisations performing better. For example, the Crown Commercial Service (CCS) improved operational management capability between our first assessment in 2015 and our second in 2018. In the same period, it increased the commercial benefits for government from £521 million in 2015-16 to £945 million in 2018-19 through improved take-up of its frameworks. Customer satisfaction improved from -41.5 to +48, as measured by its 'Net Promoter' scores between 2015 and 2019. Employee engagement increased from 53% to 68% over the same period. CCS people survey results have consistently improved above the departmental medians for the civil service. On 'Leadership and Managing Change' (where, excluding 'Pay and Benefits', government's aggregate scores are lowest of all the areas) and 'Organisational Objectives and Purpose', CCS scores improved by 21 and 19 percentage points respectively between 2014 and 2019.



**There is significant potential to improve services for users by improving operational management capability**

Our evidence shows examples of organisations improving operational management capability but limited collective progress across government. Government’s aggregate operational capability is low and the pattern is similar over 10 years of our assessments (Figure 1).

**Figure 1 rating**

**Full maturity**

Good evidence against all criteria. Full maturity equals world-class operational management as detailed in each of the five areas

**Partial maturity and improving**

Good evidence against a range of maturity criteria, and assurance that the organisation’s past and current activity is likely to move the organisation towards full maturity

**Partial maturity**

Good evidence against a range of maturity criteria

**No evidence of maturity**

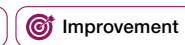
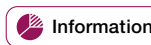
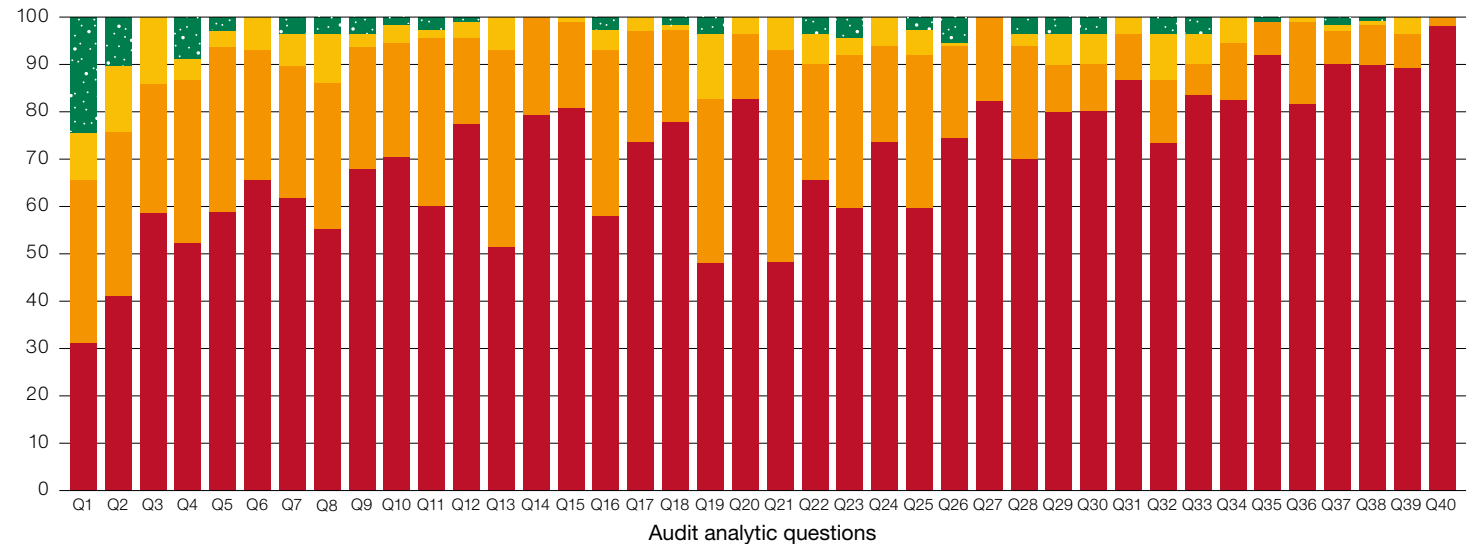
Limited evidence against the maturity criteria for the question

**Figure 1**

Government’s operational management capability

Our aggregate assessments of organisations and services, using 40 audit analytic questions, show low levels of maturity.

Percentage of assessments within each maturity rating



**Notes**

- 1 We have completed 40 assessments of operational management maturity in organisations, including 115 assessments of services since 2010, judging the maturity of organisations or services against 40 questions.
- 2 The questions cover five interrelated areas of strong operational management: Strategy (using strategy to define and inform operational activity); Information (using information to manage and improve process performance); People (helping people manage and improve process performance); Process (ensuring the end-to-end process has the capacity and capability to meet demand); and Improvement (using continuous improvement to target areas of most benefit).
- 3 See Annex for further details of our approach, including the 40 questions of our audit analytic and how we developed them.

Source: National Audit Office analysis



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Of the five areas of our assessment (see Figure 1), improvement capability has the lowest levels of maturity. Government needs to address this to achieve the Modernisation and Reform programme's ambition of improving services. There is a need to build skills and a consistent approach to continuous improvement, but these are not enough on their own. Our evidence shows that the greatest influence on improvement capability comes from giving people opportunities to innovate, and ensuring that they are clear about how their work benefits the end user.

Government's operational challenges are complex and difficult to resolve. They involve people and organisations inside and outside government with a diverse range of needs. It is impossible to fully predict how everyone affected will respond to government's interventions. Outcomes result from the interactions of all people and organisations involved. Our data confirm that it is not one single thing that matters but several. Similarly, neither one person, nor one organisation, controls with certainty what happens in addressing complex operational challenges. Organisations need to take a whole-system approach to achieving government outcomes, while also improving their capability to provide services.

We have seen significant benefits for different types of end user in different sectors when government gets this right. For example, we have seen how better operational management resulted in additional military aircraft on the front line. Improved operational management has allowed some healthcare organisations to reduce the length of patients' stays and readmission rates, and elsewhere we have seen improvements leading to more timely payment of benefits.

## Senior leaders must create the environment for everyone to take a whole-system approach

Departments and professions across government have tried or supported a whole-system approach for many years. It is a part of both Green Book appraisals and the Public Value Framework. We have seen organisations at the centre of government, such as the Cabinet Office, and operational departments, such as the Ministry of Justice, apply whole-system thinking but the approach is not universal or well embedded. An increasing number of our value-for-money reports refer to the need for organisations to work more effectively together. In 2020, 14 of our reports and 15% of all our recommendations had findings related to such system problems.

Other countries use whole-system approaches for complex, multi-organisation policy challenges that have an impact on a diverse range of people. Examples of such challenges include domestic violence, child protection and public transportation.

A whole-system approach is relevant to the long-standing challenges that we have reported on in the sectors of justice, immigration, and the health and social care interface. It is also relevant to current cross-governmental challenges such as European Union (EU) Exit, the ongoing response to COVID-19, and achieving the ambition for net zero emissions.

**In this guide, we identify two areas for senior leaders to focus on to achieve a whole-system approach:**

- **Aligning objectives, funding, governance and accountability** across all the organisations contributing to delivering a successful outcome. Organisations can only achieve joined-up working on outcomes if the underlying ways of working, including regulatory regimes, support them to do so. In around two-thirds of organisations we assessed, we found no clarity on how accountability aligns across end-to-end delivery.
- **Closing the gap between policy intent and service reality** – incorporating an understanding of the lived experience of people upon whom policies have an impact when designing and providing services. In over 50% of our assessments, we found a lack of clear links between the strategic objective of the organisation and how services were running.



## Senior leaders still need to address operational management capability in their organisations

### Strengthening individual organisations will reduce 'firefighting' and help them meet the complex challenges of government

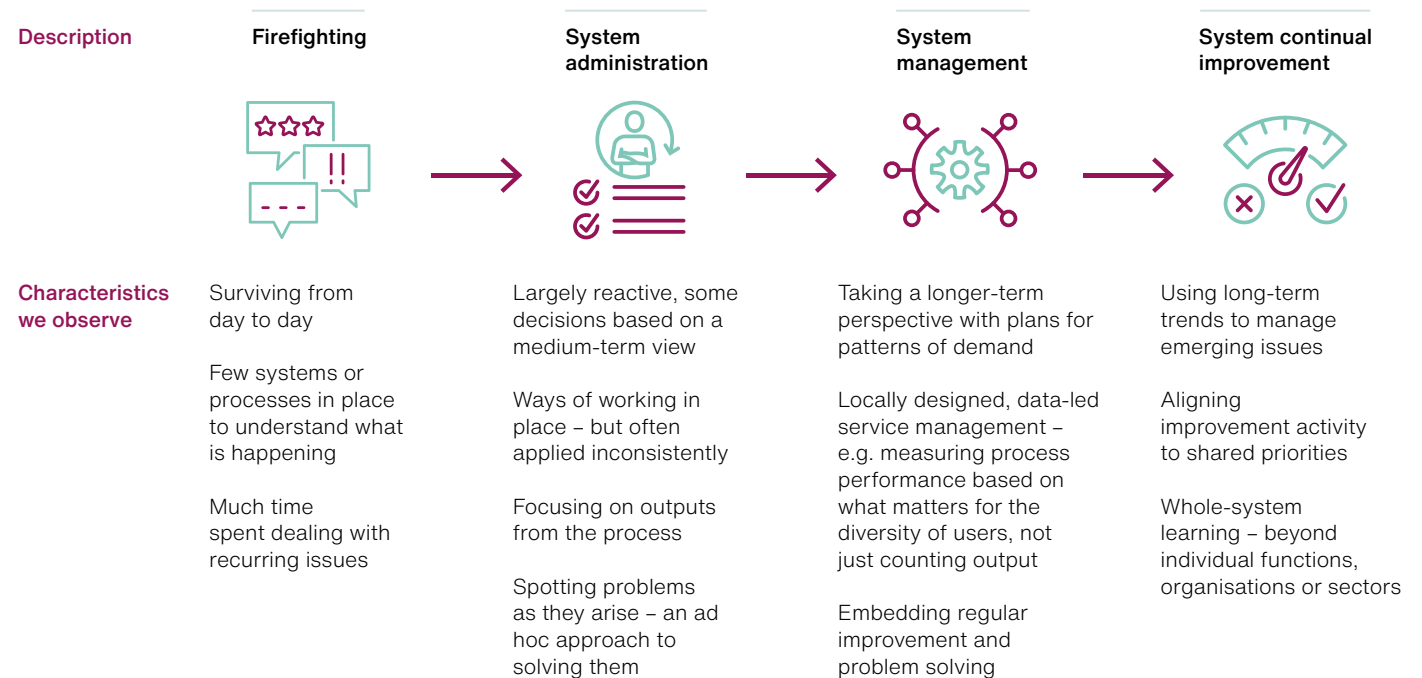
Mature operational management builds effective, efficient, resilient organisations that can adapt to the changing demands and challenges they face. However, in the period since we reported in 2015, we have still seen government often operating in a firefighting or 'system administration' mode, reacting in an unplanned way to problems as they arise and surviving from day to day (**Figure 2**).

Organisations can move towards 'system management' and 'system continual improvement' by taking a longer-term perspective, making better use of data to understand current system performance, and continually improving ways of working. These behaviours allow organisations to respond more effectively to day-to-day problems, and build resilience and capability to meet longer-term objectives in a more controlled way.

**Figure 2**

Behaviours observed at different levels of operational management maturity

We have often seen reactive behaviours limiting an organisation's ability to systematically learn and improve



**Note**

1 Organisations may exhibit characteristics from different stages of this model concurrently and progress may not be linear. For example, an organisation may be predominantly 'firefighting' but exhibit characteristics of higher maturity in some teams.

Source: National Audit Office

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## More action is needed to build capable organisations and embed the benefits

Government needs to take action to address the root causes of operational problems that lead to repeated NAO value-for-money recommendations on poor delivery of services to users. In 2020, 20 of our value-for-money reports and 21% of our total recommendations related to problems with government's operational management capability.

### We identify three areas for leaders to focus on within their organisations:

- **Building technical and leadership capability**

Knowing what it means to design, run and continuously improve services, and create the right environment for others to be successful in their roles. This applies whether you are providing services, managing parts of an organisation or leading a wider system. Evidence from our data shows that, in most parts of government we visited, leaders did not create an environment that helped people to effectively manage and improve services.

- **Meeting diversity of users' needs**

Designing services that meet the needs of the diversity of people who use them. The ability to adapt to changes in users' needs was lacking in a significant majority of the government organisations we assessed.

- **Taking an end-to-end service perspective**

Making decisions about your part of the service for the benefit of the whole service, rather than for the benefit of a single function or a single organisation's part of the service. We found a lack of clarity around how services flow from end to end to their users in over 80% of the organisations we visited.



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# Adopting a whole-system approach

## Aligning objectives, funding, governance and accountability

### What we mean

Most government policies involve multiple organisations. The organisations involved need to know how to deal with complexity and uncertainty, and to adapt as they understand more about what is happening. Objective setting, funding, governance, regulatory and accountability processes need to support a cross-cutting focus on users' outcomes rather than being barriers. Leadership behaviours and actions need to enable both vertical department-focused and horizontal whole-system-focused accountability. Organisations need to think about how to measure performance or success when it is difficult to separate individual contributions to policy objectives, such as reducing prisoners' reoffending, improving mental health and reducing loneliness.

### Benefits of getting it right

Policy outcomes rarely rely on just one government organisation. Success relies on the actions of everyone involved, including the behaviour of organisations working on behalf of, or independent of, government, and the people using services. Alignment and transparency on purpose and progress allow informed decisions on future interventions. The right governance mechanisms allow this to happen at the pace needed to address operational risks. Our work shows a need to understand how the different parts of the system integrate and the

importance of adapting ways of working for different contexts – for example, new cross-government governance structures set up for EU Exit and COVID-19 vaccine challenges, and collective accountability arrangements put in place to address the challenge to achieve net zero emissions.

Managing Public Money sets expectations of a joined-up approach: good value is judged for the Exchequer as a whole, not just for the accounting officer's organisation. Such an approach needs clearly defined roles and responsibilities to avoid gaps in accountability to Parliament for taxpayers' money. But our published audit work shows that government has repeatedly struggled to align objective setting, funding and accountability across different organisations: 38% of our reports since 2019 have included recommendations on improving alignment on funding, objectives or accountability.

The 2020 Spending Review allocated £200 million from government's planned £1,011.5 billion of total managed expenditure budgeted for 2021-22 to a Shared Outcome Fund, in addition to £200 million allocated the previous year. The Fund supports pilot programmes on new ways of working collaboratively across the public sector. The Spending Review also stated that there would be an increased focus on cross-cutting outcomes in areas where closer working between departments could help achieve better results.

## The priority areas that our data tell us to get right

Our analysis shows that capability against the following questions on alignment has a strong correlation with operational management maturity:

- **Is everyone aligned on objectives and outcomes?**

Our analysis shows that aligning objectives, governance and accountability has a strong correlation with operational maturity. A precondition for accountability is clarity on intended outcomes, who contributes and how, so that everyone aligns on those goals. Efficiency without alignment produces ineffective whole-system outcomes. Within individual organisations, our evidence shows that only around a quarter of them create complete clarity on goals.

- **Is there a shared understanding of how people and organisations across the system will be held to account, including measuring whole-system performance?**

Informed decision-making needs mechanisms that ensure an understanding of what is happening across the whole system and why. Holding people to account for what they say they will do is not about hierarchy alone. People need to have full and frank discussions based on data and evidenced insight, rather than opinions on what is happening. In around two-thirds of the organisations we assessed, we found a lack of clear accountability for end-to-end delivery.





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### Practical actions that senior leaders can take:

- **Build and maintain a shared understanding of desired policy outcomes**

Work collaboratively with all organisations across the system to establish a shared understanding of objectives and service outcomes. Agree ways of working to make consistent trade-offs between conflicting objectives and priorities in different parts of the system. Use the likely impact on outcomes for users as the basis for trade-offs. This is often difficult, needing time and investment from senior leaders, particularly as each organisation's goals can evolve. It also needs participation from all organisations affected, whether their role is setting the funding approach, policy design, front-line delivery, or overseeing whole sectors or policy outcomes. Those affected can include the centre of government (HM Treasury and Cabinet Office), central government departments, local delivery bodies and non-governmental organisations.

- **Ensure that organisational behaviours support system working**

Build shared perspective and trust with others, and make collaboration the norm, sharing or pooling resources for the best overall outcome. Ask whether organisational behaviours support openness and transparency, and allow information to flow freely to those in the system who need it.

- **Be clear about what success is and whether you are getting there**

Agree how to manage tension between accountability for whole-system outcomes and individual organisations' objectives. Design measures to understand what has happened as well as those to spot potential operational risks and to trigger intervention. Make performance information available to everyone involved. Put in place formal and informal ways of working to bring people together, to enable understanding of performance and to agree actions. Decide the frequency based on operational need rather than diary capacity.



### Common pitfalls and warning signs:

- **Misaligned incentives**

Organisational objectives that conflict with others or with wider system aims. Performance measures and rewards, based only on what happens in one part of the system, can encourage behaviour that hinders overall effectiveness and outcomes for users.

- **Over-reliance on hard accountability measures**

Accountability between organisations that relies on hard performance measures (such as service level agreements) can create problems. They can make it harder to remove perverse incentives that only become apparent later. Organisations can end up measuring what they agreed to, or can measure, rather than what is needed, based on an emerging understanding of how the system is responding to interventions and the effect on outcomes.

- **Using performance measures that do not consider the view of people dealing with users**

Measures designed by people far from where the service is provided may focus on the wrong indicators. They often focus on what is easy to measure, such as outputs produced, rather than quality of service from a user's perspective. Focusing on quality, as defined by service users and those closest to them, helps to understand and meet diversity of service users' needs. It reduces the demand that organisations create elsewhere when they do not meet those needs.



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## Example of good practice: collaborating to achieve shared goals in Washington State

**Problem:** Washington State is using a new approach to tracking and managing government accountability and performance. The previous performance management system worked, but it mostly focused on individual agencies rather than the whole system. It missed opportunities for collaborating with other agencies and partners on major quality-of-life goals.

**Approach:** The *Results Washington* approach is bringing greater alignment between how the State measures performance and what matters to citizens. Goals are now defined based on what citizens say they value, not what agencies the State happens to have or what those agencies think they should be doing. The approach is bringing agencies together with a focus on shared goals. To facilitate collaboration, teams of agency directors are assigned to 'goal councils', each focusing on a particular area, such as education, the economy or the environment, with specific, measurable objectives. Measures are defined in conjunction with citizens, representative stakeholder groups and experts in the

field. It is a participatory process producing metrics that measure the right things, which are meaningful to citizens. One agency is accountable for each objective but all have clear responsibilities for contributing. The Governor meets with one of the five goal councils each month to review how the State is performing against each goal and to discuss strategies. The sessions are streamed live over the internet and posted online along with the goals, improvement strategies and current metrics.

**Benefit:** The approach is building more credibility for the State in how it is judging and adapting what it is doing in responding to performance. Involving citizens in discussing performance during the results reviews is providing a reality check for staff on what really matters to citizens. It is bringing benefits in all goal areas – for example, in Health and Safety by increasing to 84% the proportion of long-term services and support clients receive in home and community-based settings. This is saving millions of dollars, compared with the cost of providing that care in a nursing facility.

Source: National Audit Office research

### Other relevant NAO publications:

[Accountability to Parliament for taxpayers' money – balancing safeguarding value for taxpayers' money and satisfying ministers](#)

[Improving government's planning and spending framework – integrating planning and spending to achieve medium-to-longer-term value for money](#)

[Government's management of its performance: progress with single departmental plans – planning and managing public sector activity](#)

[Choosing the right FABRIC: a framework for performance information – principles for a developing a good system for performance information](#)

[Learning for government from EU Exit preparations – setting up new governance arrangements](#)

[Achieving government's long-term environmental goals – setting direction, oversight and coordination, and monitoring progress for large-scale behaviour change](#)

[Achieving net zero – integrated planning and progress monitoring to manage interdependencies; engaging the public sector with industry and with citizens](#)



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## Closing the gap between policy design and service reality

### What we mean

Government must ensure that what to do, and how, is informed by the knowledge and practical service experience of all organisations affected by the policy. This will need different bodies across the public or private sectors to work together across organisational boundaries. In particular, there will need to be strong links between central and local government to provide high-quality services to people locally.

### Benefits of getting it right

For service users, it is inconsequential which organisation delivers a public service. The most important feature is whether they experience a seamless service that meets their needs where and when they need it. If government gets this wrong, it leads to disjointed services and negative outcomes for users, and inefficient duplication or rework for government bodies as they try to fix service problems. Government needs the ability to understand whole-system implications so that it can change and respond in an informed way. When those best placed to know users' needs are involved, shared objectives are more likely to be based on what matters for service users. This approach also supports better decisions about whether and how to implement new services, and the effect on existing ones.

This is important because organisations providing government services are often remote from those that create policy. For example, in 2018-19, local authorities spent £18 billion on adult social care, and gave schools front-line funding of £28 billion to implement policies set centrally. Using only one perspective on how to design and implement policy solutions can miss the bigger picture. Our work on building an effective test and trace service for COVID-19 shows the effect of missing opportunities to benefit from the insights of local expertise, particularly in serving diverse communities. Our work on the roll-out of COVID-19 vaccines includes similar findings.

### The priority areas that our data tell us to get right

Our analysis shows that capability in addressing the following questions on policy and users' needs has a strong correlation with operational management maturity:

- **Is there a true shared understanding of the policy problem to solve and users' needs when forming the system's strategic objectives?**  
Designing policy is difficult when done in organisations that are separate or removed from where services are provided. Organisations responsible for policy and services need to collaborate with each other, and with people and organisations across the wider system, to understand the impact of policy changes on new and existing service users. Our evidence shows that there is no link between capability in strategic management of the system and capability in service delivery. Being good at one does not automatically lead to the other – great policy-making does not guarantee great services. In over 50% of our assessments, we found no clear link between strategic objectives and how services are delivered.

- **Are changes in operational requirements made in an informed way when government priorities change?**

Organisations need a detailed understanding of how potential changes in priorities will have an impact on service users. This includes how new or amended services will affect different types of service user, and what capacity and capability government needs to provide them. Knowing this information allows more evidence-based decisions on changing priorities and speed of response. No organisations we assessed demonstrate full maturity in this area.

- **What is the current demand for the system and is there capacity and capability to absorb more work?**

Multiple places in government can create competing demands on organisations – for example, on local authorities who are providing services. Service design, or redesign, needs to consider total demand on organisations to ensure that capability and capacity exist to provide it. In nearly three-quarters of our assessments, we found no evidence that organisations had enough understanding of the capacity and capability needed to meet users' demand. For example, we have reported on the Department for Transport's problems in improving local bus services because of lack of capacity and capability in local government.



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### Practical actions that senior leaders can take:

- **Get to know your service users**

Leaders of organisations responsible for designing policy and services need to understand the experience of people using the service. Building insight can include going 'back to the floor', gathering routine users' feedback on the service and having discussions about users' experience with people working across the system. Leaders should know about changes in users' satisfaction, regardless of the length of the delivery chain.

- **Have information that tells you which parts of the system are struggling**

Measures need to show where there are emerging risks of services failing, not just report output performance. They need to inform those responsible for managing parts of the system on performance across organisational boundaries. A sound understanding of cumulative capacity and pinch points is needed to identify problems anywhere in the end-to-end delivery chain that has an impact on users' satisfaction.

- **Create clear responsibility and accountability for fixing problems**

When service delivery is working well, or going wrong, people need to know about it to decide what to continue doing or to change. The problems that arise in complex multi-organisation systems can have implications for policy and broader sector management. These types of problems often affect or need action by organisations in different parts of the delivery chain. Identifying and fixing problems needs collective understanding on escalation routes, clear ownership of problems, and open and honest transparency about these problems.



### Common pitfalls and warning signs:

- **Policy and operational teams working on their own**

Delegating responsibility for designing new services in isolation of policy creation or deciding fixes for policy problems without involving the people who do the work.

- **Over-estimating whole-system resilience to cumulative demands**

Assuming that a system can absorb changes in priorities or new policies on top of existing commitments without affecting capability to provide current services.

- **Over-reliance on formal team-based accountability and reporting lines**

Setting expectations for more joined-up working across organisations without building networks or informal relationships to hold each other to account.



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### Example of good practice: using local insight to help achieve policy aims of protecting rough sleepers

**Problem:** The potential impact of COVID-19 on rough sleepers was, by March 2020, of great concern. The poorer health of rough sleepers, combined with their adverse living conditions, means that they are particularly susceptible to respiratory illnesses and vulnerable to serious illness from contracting COVID-19. Many rough sleepers spent time in communal shelters, and would have been unable to self-isolate if they developed symptoms of COVID-19. They would have been at risk of transmitting the virus to others. While central government had an estimate of the total number of rough sleepers, it needed local insight to address the problem.

**Approach:** The government launched its 'Everyone In' campaign. It asked local authorities to offer accommodation immediately to all rough sleepers and those at risk of being on the streets because of the pandemic's health risks. The Ministry of Housing, Communities

& Local Government (the Department) took a 'hands on' approach, working intensively with local authorities, homelessness charities and hotel chains. Close working with the voluntary sector was important because charities often had detailed knowledge of the most vulnerable rough sleepers. This meant that the Department, working with local authorities, could pinpoint where rough sleepers were gathering and move them into accommodation.

**Benefit:** By the end of November 2020, Everyone In had helped more than 33,000 people find accommodation. There have been relatively few deaths among homeless people linked to COVID-19. By closing night shelters and taking other actions to reduce transmission, Everyone In may have helped to prevent more than 20,000 infections and 266 deaths among the homeless population over the period to June 2020.

Source: Comptroller and Auditor General, *Investigation into the housing of rough sleepers during the COVID-19 pandemic, 2019–21*, HC 1075, National Audit Office, January 2021, available at: [www.nao.org.uk/report/the-housing-of-rough-sleepers-during-the-covid19-pandemic/](http://www.nao.org.uk/report/the-housing-of-rough-sleepers-during-the-covid19-pandemic/)

### Other relevant NAO publications:

The health and social care interface – overcoming barriers and risks to enable national and local bodies to work together effectively

Childhood obesity – co-ordinating across departments and wider activities that influence outcomes



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# Managing operations in your organisation

## Building technical and leadership capability

### What we mean

People need different operational management capabilities depending on their role in an organisation. For example, those in front-line operational roles must be able to identify, raise, and solve day-to-day problems. Those managing services need capability in using and interpreting data, such as trend analysis, to spot and anticipate problems, and ask the right questions of their teams. Those leading organisations need to be able to create the conditions that allow this to happen, including an environment that values quality, learning and improvement. Those leading organisations in pursuit of collective aims need the skills and behaviours to collaborate effectively when providing a service that relies on other public or private sector organisations.

Organisations need to ensure that everyone has the necessary management and leadership capability to do their current role well. They should also build leadership and management capability into career progression rather than see it as something to learn later as a senior leader. Taking a systematic approach to building these capabilities in everyone ensures that they are not lost when people move on to new roles.

### Benefits of getting it right

Better technical and leadership capability helps organisations improve how they run the business-as-usual operations and meet future challenges:

- Interpreting and forecasting demand has been vital throughout the COVID-19 pandemic. For example, understanding infection rates, demand for personal protective equipment, or predicting admission rates and discharge of patients from hospitals.
- In 2019, only 50% of civil servants believed it was “safe to challenge the way things are done” in their organisation. The effects of EU Exit, such as at the border, and COVID-19, for example to provide employment support, require many new schemes and ways of working. These complex challenges need an innovation approach that accepts that there will be failures as well as learning.
- Addressing some complex challenges, such as climate change, requires new skills. In our report on [achieving net zero](#), we identified a need for leadership and technical capability across government to address risks and achieve government’s goals. We reported that government needs people who can lead, manage and work in complex systems, and good workforce planning to ensure that the right technical skills are in the right place.

Our evidence shows that much of government continues to lack these capabilities. We found in most of our assessments that leaders of organisations are not creating the right environment for effective process management and continuous improvement. People rarely get training on how to improve their processes, nor are they encouraged to do so. We also see repeated gaps in how information is used to improve performance. Our visits to public and private sector organisations in the UK and internationally show that building these capabilities is possible.

The repeated issues in our value-for-money reports reflect the operational impact of a lack of technical and leadership capability. This causes repeated problems with service quality and inefficiency, and contributes to large-scale crises, such as the Windrush situation.

The centre of government recognises the importance of building leadership capabilities. It has introduced new capability-building approaches since we published our good practice guide on operational management in 2015. The Civil Service Leadership Academy and National Leadership Centre focus on gaps in leadership capability. The New Curriculum and Campus for Government Skills brings together those existing offers with plans for a Service Delivery Academy for operational delivery.



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### The priority areas that our data tell us to get right

Our analysis shows that capability against the following questions on management and leadership has a strong correlation with overall operational management maturity:

- **Do leaders create the right environment for effective operational management and continuous improvement?**

Leaders should encourage staff to talk openly about problems to solve and raise ideas about improving. Our data show that leaders in most parts of government are not creating an environment that facilitates effective management and improvement of services.

- **Is continuous improvement a high priority for the organisation?**

Staff need the skills, methods and time to spot, raise and fix problems. We found no evidence of this happening in nearly three-quarters of the organisations we assessed.

- **Does the organisation give suitable time and resources to continuous improvement?**

The organisation's plan for improving should include what skills it needs, the number of people to train and allocating time for it. Creating a separate team for improving the organisation or training a small number gives the wrong signal about whether improvement is important to all. There is no evidence of giving relevant time and resources to staff in over 80% of the organisations we have assessed.



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## Practical actions that senior leaders can take:

- **Create clarity of purpose**

Leaders need to communicate priorities clearly to inform the purpose of improvement work – ensuring, for example, that everyone knows what users of services value most. Leaders need to be clear with everyone in the organisation on priorities so they can identify which problems to fix first in their part of the business.

- **Equip people with the ability to use data for making decisions**

Managers of business processes need to have the right information and the capability to interpret it, and to spot problems quickly. For example, equip the people managing services with skills to analyse and understand variation in process performance. This allows them to identify and respond to different types of problems effectively. Real-time data should inform decision-making. Those who use data to make decisions should be given the statistical tools, techniques and capabilities to do so.

- **Make it possible for everyone in the organisation to contribute**

Some of the most successful organisations credit their success to a working environment that encourages openness, innovation, and challenge of current thinking. Leaders should ask what barriers and problems people

need help with to improve how they work. How are recent improvements making a difference in providing services and achieving strategic outcomes? If improving is a priority, then show it by making clear that spending time on improving the organisation is as valuable as providing services. Show people how to include improving in daily conversations, and ensure appraisal and development conversations align with this intent. Senior leaders should see failure as an opportunity to learn rather than an exercise in sharing out blame.

- **Make it clear that everyone is responsible for solving problems**

Organisations need to make clear to people what types of change they can make and who has authority for changes outside their span of control. Clarify how to solve problems in different contexts and provide training in structured problem-solving. Put in place a way for people to escalate and make visible those issues that need more senior support. Senior leaders are best placed to broker and lead resolution of some issues that span across their organisation or between organisations. This might include changes in one organisation that have an impact on another function or a separate organisation's ability to perform its role effectively.



## Common pitfalls and warning signs:

- **Improvement intent not backed up by action**

Senior leaders say they value improvement and innovation but without giving staff the necessary tools, techniques or time to do them well. Continuous improvement becomes an add-on activity with disconnected or one-off change projects that are not core to daily work.

- **Senior leaders underestimating the impact of what they say and do**

The questions and reports that senior leaders ask of people in their organisation may have unintended consequences. For example, asking questions that are misaligned with a good technical understanding of how to manage services well can unduly influence how people respond and the decisions they make. Conversations with staff and requests for reports that focus on past performance will not encourage thinking on quality, learning, wider system issues, or the end users' perspective.





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## Example of good practice: self-organising teams at the Independent Office for Police Conduct

**Problem:** The Independent Office for Police Conduct (IOPC) has many casework teams that review complaints about local police investigations. People in the teams are typically set targets to complete a set number of casework activities in a given time period. Like many government services, the effort, skills and knowledge needed for individual cases vary significantly. Yet the IOPC's previous approach for allocating work to individuals and assessment of their performance did not reflect the complexity of the cases. The complexity of cases had a greater influence on assessing an individual's performance than their capability to do the work. The IOPC leadership team wanted to design better ways of working to engage people in their work while maintaining a focus on the performance of the service.

**Approach:** The leadership team experimented with giving casework teams ownership of how to manage their workload. Leaders moved from a directive approach to giving casework teams space and trust to define new ways of working, including how to manage their workload. Casework teams took responsibility for deciding how to meet casework demand collectively and how to measure performance. IOPC's continuous improvement team helped build technical capability in managing demand, designing new processes, measuring performance and understanding people's preferred ways of working.

**Benefit:** This new approach revealed team members' preferences about which types of cases they liked to work on. Previously leaders had assumed that all members of the team disliked complex cases, because they take longer to complete and impact individual productivity. In giving the case management team more autonomy, they discovered that some people preferred these cases, finding them more interesting and rewarding. The team moved from allocating on an assumed equity basis to allowing people to choose the type of work they enjoy doing and find more rewarding. Individuals can now expand their knowledge by selecting cases on subjects they are keen to learn about. The casework teams can assign work to people with particular expertise or subject interest and can identify earlier on if they need input from other parts of IOPC. Casework teams can see all work-in-progress and work yet to start. Greater transparency allows people to offer support to others, and they use regular team meetings through the week to agree what work each person will take on. The casework teams decided to assess their performance using team measures rather than individual productivity. Total output has remained the same despite fewer people working in the team and spending more time on project work and additional responsibilities. IOPC says that productivity in one casework team may have increased by 33% compared with 12 months ago. A staff survey shows that people are happier and feel more valued and trusted, working in the new way.

Source: National Audit Office operational management assessment of the Independent Office for Police Conduct, with follow-up discussions

### Other relevant NAO publications

[Achieving net zero](#) – establishing and filling gaps in technical and leadership capability

[Capability in the civil service](#) – understanding capability gaps and how they have an impact on capacity to deliver

[Specialist skills in the civil service](#) – assessing the success of a functional approach to developing capability

[Good practice contract management framework](#) – good practice in managing service levels and value for money over the duration of contracts

[Commercial and contract management insights and emerging best practice](#) – insights for senior leaders responsible for commercial relationships and contracts



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## Meeting diversity of users' needs

### What we mean

Government processes can be complex and the users of services are not a homogenous group. They have a diverse range of characteristics, preferences, needs and abilities that reveal themselves in many ways. Some groups are more or less likely or able to access services using particular channels. They have different characteristics that affect what they want, need or are entitled to when they do access the service. Any changes to policies or processes may also impact different groups in different ways.

### Benefits of getting it right

Providing and improving services requires government to understand the characteristics of people using its services and what is needed to provide 'good' services. At a minimum, government needs to meet the Public sector equality duty and ensure that it eliminates unlawful discrimination and advances equality of opportunity. More broadly, accessing services or completing a process should not be more difficult for people with more complex needs, as we saw with Universal Credit. Designing services based on the majority of users can happen when automating or digitising processes. It can create difficulties for some users in accessing services, increasing the total cost of dealing with calls and complaints to resolve problems. Changes to policy or processes that do not consider users' diversity can have unintended consequences on particular groups. We have seen examples in the Windrush situation and our work on protecting vulnerable consumers in regulated industries.

Understanding the diversity of users' needs is important if government is to address its current challenges – for example, in designing employment support schemes for the COVID-19 pandemic or thinking about how to change behaviour that is having an impact on climate change. The challenge of EU Exit needs government to consider impacts on a diverse range of traders of varying sizes, locations and markets. Having good information in advance about those affected by a policy decision will help government predict and deal with any negative impact of changes in circumstances to particular groups.

### The priority areas that our data tell us to get right

Our analysis shows that capability against the following questions on understanding users has a strong correlation with operational management maturity:

- **Are the objectives for the services based on what users want?**  
Objectives for services should be built and regularly tested by asking the people who use them what matters. Our evidence shows that most organisations do not take enough account of users' needs when setting their objectives. Those with clear accountability and ownership of end-to-end processes are more likely to understand users' needs.

- **Is performance assessed against the diversity of service users' requirements?**

Organisations should use measures of quality of services provided and users' satisfaction to understand performance. Despite this, our evidence suggests that over two-thirds of the services we assessed do not have suitable measures for understanding how well users' needs are met.

- **Are we able to pick up changes in users' demand quickly?**

A good understanding of demand is needed, using trend analysis and forecasting, for different types of user, and having plans in place to meet any changes. In over 80% of our assessments, services did not have enough knowledge and agility to respond to such changes.

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### Practical actions that senior leaders can take:

- **Build your organisation's understanding of what different types of service users need or want, and keep it up to date**

Organisations should have a flow of information to provide insight on the experience of individual users and types. They should routinely plan to ensure that changes to policy or processes do not unintentionally harm a particular group of users. When introducing new technology, identify if it might unintentionally exclude some types of service users, and whether it frees up people to provide services for users with more complex and diverse needs.

- **Focus performance measures on what users want**

Measures for understanding organisational performance should relate to user-defined requirements for quality. Senior leaders should have visibility of underperformance and take it seriously. Be clear on how to adjust performance measures built into performance contracts if they misalign with changing users' needs. The information should be updated according to the pace and risk of the service provided to enable timely interventions. If the process is high volume or the consequences of getting things wrong are high risk, ask yourself how soon you need to know about it to make informed decisions on what to change.

- **Show that diversity is important to you**

The organisation's behaviours and actions – both internally and with users – should reflect what it values, and the importance of diversity and inclusion.



### Common pitfalls and warning signs:

- **Focusing service design on common or easiest types of demand**

The process cannot meet less common or harder cases, which are often when people have complex needs and need services most. Our experience shows that people in some socio-economic demographics, including older age and vulnerable groups, can find it more difficult to access and use public services. This is often the case when the service channel is digital.

- **Using performance measures based on averages**

For example, understanding users' demand only on an overall or average basis. The needs of different types of user may require different levels of effort or expertise, which have implications for teams' capacity and capability, and process design. Performance measurement based on averages can hide problems that affect particular groups.

- **Making assumptions about what is important for service users**

For example, assuming that speed of service is most important for all types of service user, even if it comes at the expense of quality of service.



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## Example of good practice: army recruitment – designing processes to attract and serve more diverse applicants

**Problem:** To meet its defence objectives, the British Army (the Army) requires the right number and quality of regular and reserve forces. Since 2012, the Army and Capita Business Services Ltd (Capita) have worked together to manage recruitment through the Recruiting Partnering Project (the Programme). The Programme's aim is to recruit the quantity and quality of soldiers needed each year to maintain the Army's ability to meet its defence commitments. The Army and Capita (the Partnership) did not recruit the required numbers in any of the first six years of the Programme amidst a challenging recruiting environment. The Army's target population is shrinking and young people are less likely to join the Armed Forces. In the first six months of 2018-19, half of regular soldier applicants took up to 321 days from submitting an application to starting basic training. There was a wide range of recruitment times. Some applicants completed the process quickly but there were high numbers of candidates voluntarily dropping out of the process (47% in 2017). Before 2018, there had been no substantive changes to the recruitment process.

**Approach:** In 2018, the Army reinforced its strategic relationship with Capita and introduced a Personnel Campaign to increase recruitment and stabilise the size of the Army's workforce. The Campaign focused on reducing recruitment times, converting more applications into recruits and attracting a more diverse range of applicants to reflect the society from which the Army recruits. They tried several approaches to widen the pool of applicants, respond to the needs of different types of applicants, and appeal to women and people from ethnic minorities. This included a marketing campaign in 2019 to attract applications from people who may not have traditionally seen the Army as a career choice. The Partnership also changed the recruitment process. They challenged long-held rules about medical conditions, such as asthma, and tailored the process to different types of applicants. This included offering development courses to help people

improve their fitness ahead of attending assessment centres and more focus on candidates moving through the process at the speed they want to, rather than as dictated by the Army. Introducing virtual engagement means applicants can attend remotely rather than travelling to local recruitment offices. A new digital communications platform allows applicants to communicate anonymously and directly with serving soldiers, asking questions they may be uncomfortable to ask face to face.

**Benefit:** The changes helped tailor the recruitment process to different types of applicants and increase the number of people recruited. The number of applications reached a five-year high following the 2019 marketing campaign. In 2019-20, the Partnership reported that the number of regular soldier candidates starting basic training had increased by 53%, filling 100% of vacancies, though some were delayed in starting basic training because of the start of the COVID-19 pandemic. The Partnership identified the change in advertising as a factor in increasing the total number of applications by 7% in 2019-20 and improving the diversity of candidates. In 2019-20, the number of candidates from ethnic minorities joining the Army increased by 48% and the number of women by 68% compared with 2018-19. The Partnership told us candidates can do more of the process online and progress their applications quicker, which is beginning to improve the flow of applicants. For example, moving to offering the 'Army Brief' online has shown that it can reduce the number of people who fail to attend. Candidate satisfaction with the process is increasing. The Partnership report that 93% of candidates described their recruitment experience as 'good' or 'very good' in 2020-21 compared with 88% in 2019-20. The Partnership say that applications have increased again in 2020-21, by 4% compared with 2019-20, and that they achieved 100% of demand for new recruits.

### Other relevant NAO publications:

Regulating to protect consumers in utilities communications and financial service markets – getting insight on consumers, what they want and barriers they face

Handling of the Windrush situation – understanding how systems, guidance and process can contribute to negative outcomes for different types of users

Vulnerable consumers in regulated industries – working together better to ensure that vulnerable consumers get the support they need

Source: Comptroller and Auditor General, Ministry of Defence, *Investigation into the British Army Recruiting Partnering Project, 2017-19*, HC 1781, December 2018, with follow-up discussions, available at: [www.nao.org.uk/report/investigation-into-the-british-armys-recruiting-partnering-project/](http://www.nao.org.uk/report/investigation-into-the-british-armys-recruiting-partnering-project/)



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## Taking an end-to-end service perspective

### What we mean

People working with an end-to-end service perspective know how their work and other organisations contribute to meeting the service user's outcome. They understand their role and what others need from them, such as what information and when, to complete their part of the end-to-end process. There is good understanding of how demand flows across organisational boundaries. Any changes in level or type of demand are visible to people later to help them plan to meet it. There are ways to decide on improving the whole end-to-end process for the benefit of the end service user.

### Benefits of getting it right

Government services evolve over time. What starts as a simple process can often become part of interconnected policy interventions and related services for the public. Managing service delivery in one organisation can be challenging enough. It becomes more difficult when the end-to-end user journey crosses between different organisations. The service user can be

both customer and supplier in different parts of the end-to-end process. How they interact with the service, the challenges they face, and the effort they put in can go unseen, particularly as the number of digital solutions increases. Changing processes risks unintended outcomes if the reasons for service failures are unclear from a user's standpoint.

Achieving value for money requires government officials to make decisions that are good value for the Exchequer as a whole, not just for the organisation they work for. Adopting an end-to-end service perspective can help public service managers strike the difficult balance between their obligations to deliver results for the vertical accountability and funding stream they work in, and acting in the public interest. Doing so can lead to higher-quality work passing through the end-to-end system, improving efficiency and providing better outcomes for users. For example, when we assessed Immigration Enforcement, they told us that new handheld technology made their end-to-end process more efficient by ensuring they capture information that is needed at a later stage.

### The priority areas that our data tell us to get right

Our analysis shows that capability against the following questions on taking an end-to-end perspective has a strong correlation with operational management maturity:

- **Is it clear how processes flow end to end to the user of services?**

Everyone working in the end-to-end process must understand how the objectives for their part contribute to the outcome for the end user. The organisation should know how its work integrates with the wider end-to-end system – what quality of inputs it needs, and what others need from its processes. This must allow service users to complete their part of the process easily and effectively. We found a lack of clarity around how services flow from end to end to their users in over 80% of the organisations we visited for our assessments.



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- **Is the organisation agile enough to respond to changing users' needs or demand levels?**

The organisation should understand how demand flows through its processes and how changes impact its capacity to meet it. Scrutinising demand data – actual and trend forecasts – ensures that processes and people can adapt to a known 'plan B' to meet higher or lower levels of demand. Organisations in the end-to-end process need to know the cumulative demand, including on service users. Decisions on how to respond to changes in demand are made with full knowledge of the capacity and capability to cope, without creating new pinch points or bottlenecks elsewhere. More than two-thirds of services we looked at during our assessments did not know precisely what their users needed and when that changed.

- **Is there a process owner with defined roles and responsibilities for the end-to-end process?**

This is critical when processes cross between different organisations. There needs to be an agreed way to resolve tensions between a function or organisation's interests and the service user's outcome. This relies on joined-up working. Clarity helps make better decisions for the whole process. For example, one part of the process may take more time or incur cost to reduce the effort or cost elsewhere, or improve the service provided. In more than three-quarters of our assessments, we found no such evidence of clear process ownership.

- **Is the right performance information available at all levels of the organisation?**

Performance information should include a balance of quality, people, cost and output measures. We often see organisations focus on output at the expense of quality measures, telling them what has happened after the fact rather than why. Decisions on how to change are based on opinion or best guesses rather than evidence. In over 60% of organisations, we saw limited evidence of effective monitoring of process, directorate or organisational performance. Measuring quality of handoffs between parts of the process, and how frequently this is done right first time, helps identify when performance does not meet required standards and causes additional work or work-arounds. We saw problems with the quality and availability of performance data in our report on [transforming rehabilitation](#).



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### Practical actions that senior leaders can take:

- **Understand what matters for end users and make that the critical requirement when designing and improving services**

New process design or improvements must use an explicit understanding of what internal and external users need. Involve everyone across the end-to-end process and focus on the service user's perspective.

- **Create transparency on end-to-end process performance**

Organisations can cause unintentional performance issues in other parts of the end-to-end process. It is important to create flow of data in real time across organisations to identify problems quickly and decide how to improve services. People must have the information they need to perform their role in the organisation. If people managing daily processes, running a directorate and leading an organisation are all using the same metrics, then they are unlikely to have everything they need to make the decisions their role requires.

- **Create accountability for solving process problems**

Leaders should appoint 'process owners' accountable for integrating all parts of the end-to-end user journey. This includes putting in place an approach to solving problems that cross organisational boundaries (including suppliers, as we saw in our work on the [free school meals voucher scheme](#)). Use an end-to-end process perspective to make the business case for investing resources in one organisation that lead to increased efficiency in another.



### Common pitfalls and warning signs:

- **Not confirming the needs of those in other parts of the end-to-end system**

Assuming the needs of people working in other organisations can lead to rework, backlogs and cost elsewhere in the process. It can delay users' access to services, push demand onto other government services and create cost in dealing with complaints.

- **Measuring quality and output only at the end of the process**

Using quality checks at the end of the process stops errors reaching the end user but does not identify where they occurred or how to improve. Measuring quality throughout the end-to-end process helps identify the frequency and impact of problems and solve them at source. Output measures at the end of processes only tell people too late that something is wrong.

- **Using an organisational, function or task-based approach to changing services without considering wider consequences**

Focusing on benefits for your organisation may conflict with what provides most benefit for the end user.



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## Example of good practice: collaborative working in the creation of new employment support schemes

**Problem:** On 20 March 2020, government announced the Coronavirus Job Retention Scheme (CJRS), followed on 26 March 2020 by the Self-Employment Income Support Scheme (SEISS) as part of its economic response to the COVID-19 pandemic. The ambition was to implement these schemes quickly to provide financial support to businesses and individuals. The target was to build and launch a claims service for CJRS by the end of April 2020 and for SEISS by the beginning of June 2020. The scale of the challenge was potentially increased by the lack of pandemic contingency planning and existing employment support schemes that could be easily adapted. The departments concerned could not follow standard processes comprehensively because of the compressed time frame to design each scheme.

**Approach:** HM Treasury led on policy design and HM Revenue & Customs (HMRC) led on the administrative design and then the implementation and administration of the schemes. HMRC and HM Treasury officials worked collaboratively to develop the response under lockdown conditions, engaging regularly with senior ministers. HMRC agreed clear principles for both schemes, including that the claim process should be simple and the grant

calculation straightforward. Policy and operational staff in both organisations worked closely during design and implementation to ensure that policy choices were feasible, seeking to balance the need to implement support for people quickly with the need to guard against fraud.

**Benefit:** The departments implemented both schemes ahead of schedule, with CJRS available to employers from 20 April 2020 and SEISS to the self-employed from 13 May 2020. The schemes were relatively straightforward to apply for, and payments quickly reached those who applied. The schemes were largely successful in protecting jobs through the initial months of the pandemic. We reported that by July 2020 HMRC had received 2.6 million claims for the first SEISS grant and by September 2020 the CJRS had supported 9.6 million jobs. We recommended that HM Treasury and HMRC should continue to work together to monitor the performance of the schemes, and to continue to adapt and improve them post-implementation. The Public Accounts Committee recommended that the lessons learned from close working between policy and operational staff should be shared with other government departments.

Source: Comptroller and Auditor General, HM Treasury and HM Revenue & Customs, *Implementing employment support schemes in response to the COVID-19 pandemic*, 2019-21, HC 862, October 2020; House of Commons Public Accounts Committee, *Covid-19: Support for jobs*, Thirty-Fourth Report of Session 2019-21, HC 920, December 2020, available at: [www.nao.org.uk/report/implementing-employment-support-schemes-in-response-to-the-covid-19-pandemic/](http://www.nao.org.uk/report/implementing-employment-support-schemes-in-response-to-the-covid-19-pandemic/)

### Other relevant NAO publications:

Choosing the right FABRIC – a framework applying principles for developing a good system of performance information

Challenges in using data across government – the quality, standards and systems needed to use data effectively

Shared service centres – building shared understanding on the case for change and each party's role in delivering it





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## Summary guide for senior leaders: questions to ask when improving operational delivery, plus common pitfalls and warning signs to look out for

### Whole system



#### Aligning objectives, funding, governance and accountability



##### Questions to ask:

Is everyone clear on each other's strategic objectives, where they do and do not align, and how to resolve conflicting priorities?

Do leaders' behaviours and actions encourage transparency and collaboration across boundaries?

Is there agreement on how to manage tension between accountability for whole-system outcomes and individual organisations' objectives?

##### Common pitfalls and warning signs:

Organisations' objectives or incentives that conflict or create problems in achieving wider system aims.

Inability to adjust accountability measures that are not working, or that do not consider changes in how the system is responding.

Whole-system performance measures designed far from where the service is provided, and which are not based on what the service user thinks is important.



#### Closing the gap between policy design and service reality

##### Questions to ask:

Is there shared understanding of the policy problem to address – whom to involve in achieving it, and whom it will affect?

Do we have a way of getting a timely understanding of the needs and experience of users, regardless of where we are in the system, particularly when making changes?

Do we have ways of working to escalate problems with providing services, capacity and capability, and emerging risks to those who need to know?

##### Common pitfalls and warning signs:

Not involving those delivering the service in its design or in solving service problems.

Assuming there is capacity and capability elsewhere to absorb new commitments without affecting service quality.

### Your organisation



#### Building technical and leadership capability

##### Questions to ask:

Are our priorities for improving clear, and are we giving time and resource to it?

Do our people managing services have the right capability – including understanding variation in demand, using data, and spotting and fixing problems?

Does everyone feel safe to challenge the thinking of leaders and to raise concerns without repercussion?

##### Common pitfalls and warning signs:

Underestimating the impact senior leaders have by only asking questions and, for reports, about output rather than on quality, learning or the end-users' perspective.

A mismatch between improvement intent and action. For example, leaders encourage innovation but do not equip people with the capability or time to do it, or they only support one-off change projects that are separate from daily work.



#### Meeting diversity of users' needs

##### Questions to ask:

Are we making decisions based on a detailed understanding of the actual or likely impact on different types of people using our service?

Do our performance measures reflect how good quality is defined by the full range of people using our services?

Do actions and behaviours, within and outside the organisation, reflect our intentions on diversity and inclusion?

##### Common pitfalls and warning signs:

Service design meets the most common or easiest types of demand. The process cannot meet more atypical and harder cases.

Performance measurement is based on averages, masking service problems that affect particular groups.

Assuming what is important to different types of users. For example, focusing on speed and outputs when quality may be a higher priority for some.



#### Taking an end-to-end perspective

##### Questions to ask:

Is there agreement on the accountability for managing the end-to-end process, and solving problems that have an impact on different parts of it?

Do data flow transparently and in real time across organisations to allow all to identify service problems quickly enough?

Do our measures tell us how well we are meeting the quality needs of others in the end-to-end process?

##### Common pitfalls and warning signs:

Not confirming the needs of people in other parts of the end-to-end system.

A focus on output at the end of the process rather than measures that identify unmet users' needs or costly failings all the way through.

An organisation, function or task-based approach to improving the process rather than one that focuses on the total benefit to end users.