IMPROVING PUBLIC SERVICES:

GIVING SERVICE USERS A STRONGER VOICE IN SETTING TARGETS

Many organisations faced with the challenge of improving service delivery (and sustaining that improvement) seem to rely on just doing what they've always done but trying to do it better. Too often the way delivery organisations respond to the challenge of targets (e.g. through changing organisational priorities that influence what service is delivered and how it is delivered) serve to undermine public confidence in that organisation and in those politically responsible for its performance.

Since meeting customer expectations is at the top of the decision-making hierarchy, why do so many organisations believe they know how to meet them without engaging those customers in shaping how that organisation works? One reason may be that, historically, the process of setting service priorities and making strategic decisions about how an organisation achieves its objectives has largely excluded the voice of customers. The failure of the recent boost in public investment in the health and education services, to take but two examples, to achieve commensurate improvements in public satisfaction with these services should provide one source of a stimulus to some serious discussion about how to do better.

Customer satisfaction reflects an overall assessment based on both positive and negative judgements. Surely spending an extra £10bn on a particular service (a big plus) cancels out a few horror stories in the tabloid press (a small minus)? However, this simple arithmetic is capable of leading the most earnest public sector CEO in the wrong direction. The way the public generally, or service users more specifically, rate a service is a critical issue for service providers and resource providers including, politicians, alike. However, unlike their private sector counterparts, many public sector CEOs do not know which aspects of their operation create public value and which aspects destroy it. And those that do sometimes struggle to ensure that the difficult balancing act between hitting targets without destroying public confidence in the service does not create so many mixed messages that the goal is unachievable.

The key message is a simple one. If you want to deliver a successful service involve service users in deciding which goals are paramount. Operational effectiveness rarely equates with public satisfaction, public confidence or public value. Service users are "co-producers" of the outcomes service providers strive to deliver and services need to be designed to meet their expectations and to respond to their priorities. Designing and delivering services without a deep understanding of what matters and what matters most to these customers is a recipe for uncertainty at best and wasted investment and destroying public value at worst.

Targets can be useful but only if they measure what's really important and if they don't act to create new incentives that distort the behaviour of the organisation in unexpected and unwanted ways. The growing awareness of the limitations of existing methods of target setting in bringing about the scale and direction of organisational improvements runs the risk of failing to exploit the power of operational targets to exert a strong influence on organisational behaviour. The key challenge is to identify which targets will deliver the long-sought improvements in service user confidence and satisfaction.

Revised and refreshed targets are more likely to produce the kind of outcomes service providers are seeking if they come with explicit freedoms to use local discretion. Service providers don't have a recipe book that tells them how to raise public satisfaction with a particular service. Learning how to do better relies at least in part on service providers at the local level having the freedom to take measured risks and the freedom to fail as well as to succeed in pursuit of genuine and sustainable improvements in service satisfaction levels.

Summing up, a stronger, more customer focused perspective can only benefit service providers in pursuit of creating the kinds of services users want and the ways in which these services are delivered. Improving service delivery as judged by service users requires a radical re-think on targets, especially how they are developed and greater local freedoms in how they are met.

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