The Human Services Value Curve

A Framework for Improved Human Services Outcomes, Value, and Legitimacy

LEADERSHIP FOR A
NETWORKED WORLD

A World of Outcomes and Impact

Leaders of human services organizations have worked hard — very hard - to respond to the major structural and social challenges of this era. New case management methods, advances in information technology, and improved collaboration have fostered unprecedented efficiency. Yet in a world where the outcomes from services drive both the reality and perception of public value, more must be done to create measurable impact, build public trust, and gain the legitimacy that society requires. In these turbulent and complex times, much is at stake.

Take for example a case where U.S. Marshals found four children slain by their mother in a Washington apartment. A review of this case revealed that multiple government and non-profit organizations had contact with the family in the preceding months. While signs of impending danger might have been noticed if these organizations had collaborated, each organization worked in a "silo" – no integrated business model, governance, processes, systems or structures were in place to share information and enable a coordinated response.

Contrast that to a case in which a mother of four packed up a small car and drove 200 miles to leave an abusive husband and start a new life. She had no home for the family, little education, and just enough money for gas and that day's food. To help the family, government and non-profit human services organizations knitted multiple resources together to create an outcomes-oriented set of services. As a result, the mother was able to raise her children in a secure environment, and they went on to successful careers as an educator, an officer in the U.S. Army, an accountant, and an artist.

While both cases are rare, they illustrate not only the challenges that at-risk families face, but also the range of possible outcomes that can transpire. The cases also illuminate what's at stake for human services organizations striving to help individuals, families, and communities attain a self-sufficient, healthy, and sustainable future.

Importantly, these examples are a touch-point for leaders to reflect on these questions: Does my organization have the capacity to deliver the best possible outcomes and impact? How can we grow the capacity to deliver the outcomes, impact, and value society urgently needs?

The Capacity Imperative

For most leaders, reflection will inspire thinking on how human services systems, organizations, and programs are designed – and the promise and peril of attempting to change it all. The peril is palpable, as the human services environment is marked by dramatic cultural, social, financial, technological, and political disruption. However, this environment also creates an unprecedented opportunity to harness new methods, new technologies, and new operating models that can increase organizational capacity. This newfound capacity can help human services organizations not only meet today's demands, but also build a foundation for the inevitable challenges of the future.

Yet what does "capacity" really mean in human services? At a system level (the way society forms its institutions, structures, and their interdependence and boundaries), it's about visioning and reformulating how sectors and resources align and work to attain common goals and legitimacy. At an organizational level (the federal, state, private, and non-profit entities within the system that are serving people) it's about delivering measurable change that individuals, communities, and society value. At an individual level, it means providing solutions that empower people to reach their fullest potential in an independent and sustainable way. Capacity for achieving outcomes is grown in three ways:

- First, systems and organizations can become more **efficient** at delivering outcomes – i.e., they can pursue innovation in their current operating and practice models in order to produce outcomes with a level or reduced amount of resources.
- Second, systems and organizations can become more **effective** at attaining outcomes – i.e., they can drive innovation in their current operating and practice models in order to measurably improve the quality of outcomes.
- Third, systems and organizations can develop entirely **new capabilities** – i.e., they can transform competencies and abilities in order to deliver previously unattainable outcomes.

Thus, generating the capacity to reach individual, family, and community-centric outcomes is the central thread to meeting today's demands, building for the future, and gaining the legitimacy society requires.

The Human Services Value Curve

To help human services leaders make progress on their capacity-building journey, Leadership for a Networked World reviewed best practices and worked with practitioners as part of the Human Services Summit at Harvard University to develop a framework referred to as the "*Human Services Value Curve*." As a human services organization advances along the curve, the enabling business models support new horizons of outcomes. The levels are described in brief as:

- **Regulative Business Model:** The focus is on serving people who are eligible for particular services while complying with categorical policy and program regulations.
- **Collaborative Business Model:** The focus is on supporting people in receiving the best combination of services for which they're eligible by working across agency and programmatic boundaries.
- **Integrative Business Model:** The focus is on addressing the root causes of individual and family needs and problems by coordinating and integrating services at an optimum level.
- **Generative Business Model:** The focus is on generating healthy communities by co-creating solutions for multi-dimensional family and socioeconomic challenges and opportunities.
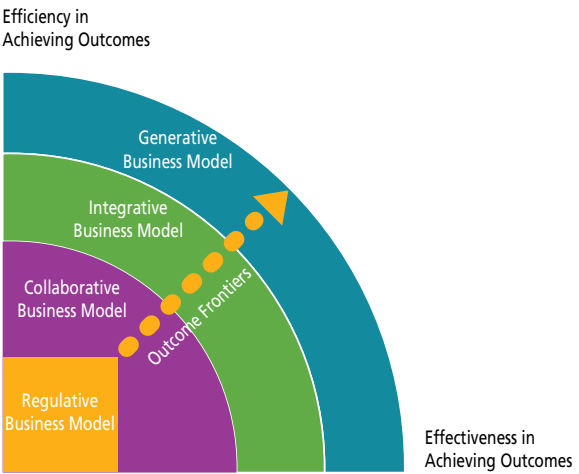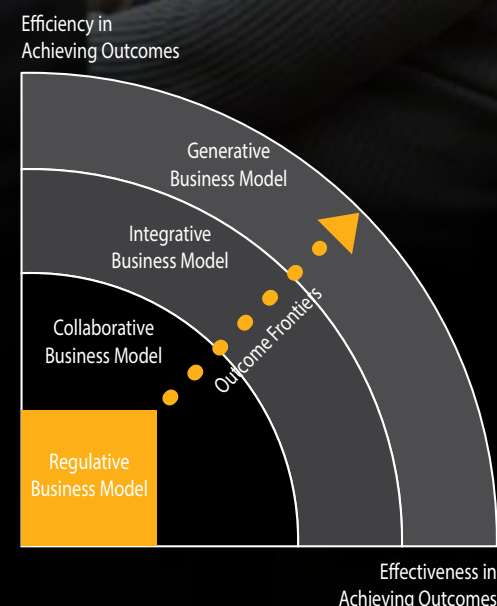
The Human Services Value Curve is not a one-size fits all solution, but rather a framework to help leaders envision and create a path for their organization. In addition, the levels of the Human Services Value Curve are fluid, meaning that you may see your organization at various levels depending on the program. In traversing the curve, a growing "outcomes orientation" drives innovations in the organizational model (the way work is organized and governed) and innovations in the technological model (the way work is improved through systems and information technology). The resulting increase in capacity enables the human services organization to mature and deliver broader and more valuable outcomes.

Regulative

Regulative Business Model serves as a baseline – all human services organizations start here and must meet this level in order to comply with program contractual requirements. With this basic business model, programs and processes are developed and managed categorically and are usually aligned with discrete funding streams. Information technology and support tools are designed to support program-specific management, funding, eligibility, case management, and customer interactions. In practice, operating at this level enables an organization to react to a crisis and respond to acute problems, which are valuable traits. Yet too much emphasis on regulative competencies will diminish the organization's ability to meet greater and more comprehensive service demands. When making the first moves beyond a Regulative Business Model, one should look to the mission of the organization and the outcomes desired from programs. Then, take a portfolio view by scanning programs to assess where collaborative connections can be made.

Efficiency in Achieving Outcomes

- Generative Business Model
- Integrative Business Model
- Collaborative Business Model
- Regulative Business Model

Outcome Frontiers

Effectiveness in Achieving Outcomes

Regulative: Diagnostic Metrics and Checkpoints

- **Outcomes & Impact Design:** The enterprise is actively defining and documenting outcome goals that flow across programmatic boundaries and is developing a standardized set of measures to track progress.

- **Organizational & Practice Design:** The enterprise is maintaining current managerial and operating processes while designing new approaches for capacity-oriented work and cross-program service delivery.

- **Systems & Technology Design:** The enterprise is piloting systems, technologies, and tools that help bridge silos and build the cross-program and cross-organization communication necessary for the future.

For example, in the state of Louisiana and Hampton County, Va., Regulative business models provided needed funding, but silo-based organizations and customer overlap produced inefficiencies. In both places, moving up the Human Services Value Curve meant inspecting under the hood of multiple organizations.
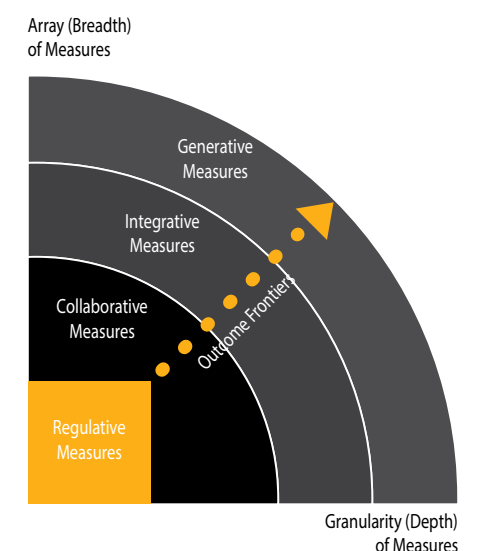
A primary issue for both systems was multiple agencies serving the same families, which escalated costs and resulted in service gaps or redundancies. In Louisiana, four agencies served children and families, but while many of the parents of families needed the same services that are in family assistance, they were not linked to those services. Client interaction was almost all face-to-face and paper-intensive. In Hampton County, 16 different federal and state programs were funding similar treatments with each funding stream having a different local match while state costs were rising by 20 percent annually.
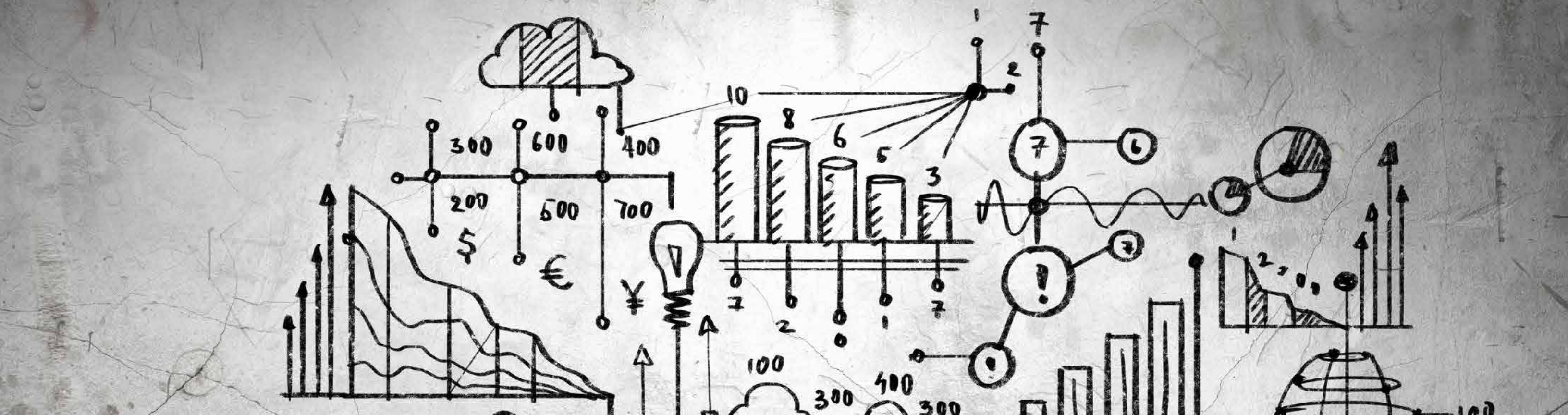
To become more outcomes-oriented, leaders in both systems moved towards the collaborative level. Louisiana's silos have turned into Common Access Front End (CAFÉ) which integrates management and delivery of services through a customer call center, electronic case management, an online client portal, and a worker portal providing cross-program views of customers. Hampton County benefitted from gubernatorial support of the Comprehensive Services Act (CSA), which stressed family focused, community-based outcomes found from community reviews and tailor-made response plans. Some Hampton successes include steep drops in foster care and residential treatment and 99 percent of the funding provided by legislation to work with vulnerable families goes toward community-based interventions.

Regulative: Outcomes and Impact

At the Regulative level, a human services system and its organizations can provide measures of the inputs and outputs (such as program investment, number of families receiving services, percentage of cases closed in a given time period, etc.) that describe and quantify the activity, efficiency, and basic trends of human services programs over time.

Looking forward, leaders can start to build a foundation for more impact by assessing the quality of existing program data and developing a plan to improve data usefulness and data governance in ways that enable better collaboration across organizations and improved outputs.

Array (Breadth) of Measures

- Generative Measures
- Integrative Measures
- Collaborative Measures
- Regulative Measures

Outcome Frontier

Granularity (Depth) of Measures

System Redesign and the Power of Technology

Since the mid 1900s most human services programs, processes and systems have been formed in "silos" – the categorical agency lines of business. Historically this served a good purpose, as categorical management made it easier to match services to distinct constituents and to raise and track funding. But as the silos have grown, so has complexity. Agencies and programs developed their own infrastructure, processes and systems, and as complexity increased, tradeoffs had to be made between efficiency and effectiveness in the production of services. This has led to not only system-wide inefficiencies but also less cohesive customer service.

Organizational leaders historically had two broad options for optimizing this "production function." They could pull resources (capital and labor) in and focus on maximizing efficient production through standardization of processes and technologies and direct central control – but this limited flexibility and responsiveness at the local agency level. Alternatively, they could push resources out and provide extensive customization and local control of production to agencies – yet this option ignored volume efficiencies, produced duplication and raised overall costs to taxpayers. It was a lose-lose proposition.

Now the formula has changed. Within just the past few years, the convergence of information and communication technologies, network-enabled business models, and hybrid governance methods has created new capabilities for cross-organization collaboration and system-wide capacity growth. These innovations interrelate and include:

- Governance and Organizational Structures: Advances in governance theory – particularly around how to synchronize management and business process across organizational boundaries – have led to new ways in which policy and programs can be managed. In addition, activities that form how an organization designs, produces, markets, delivers and supports its services have been subjected to collective knowledge (such as time and motion studies) and are now able to be done faster, leaner and in "flatter" organizational structures.
- Network-Enabled Business Models: Networks, data, analytics and communication tools make cooperation and coordination possible in configurations where the transaction costs would have been prohibitively high in the past. The hardware, software and networks that enable an organization to create, store and use information in all its forms have advanced to a point where people can work "virtually" and processes can be streamlined, integrated and synchronized over any distance. Networked government can now provide control, accountability and predictability, while also accommodating flexibility and innovation.

- Shared Expertise, Processes and Technologies: Shared services – a method of ordering work so that business processes and the people who do those processes are brought together in a new and more efficient and effective ways allow workers to specialize in processing transactions quickly and effectively. This drives down cost and enables the organization to transfer costs from back office business processes to programs that really impact clients.
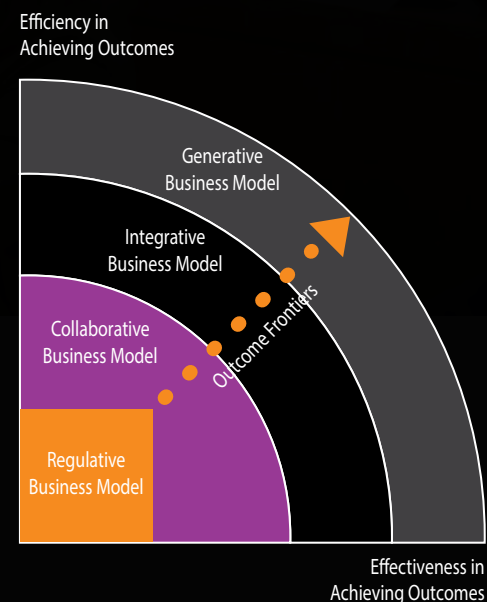
Human services enterprises that adopt these new models of doing business will be better able to meet demands for improved services and lower costs through:

- Returns to Scale – organizations can produce more with a constant proportion of inputs, i.e., "We can do more with the same amount of resources." The consolidation and combination of certain functions can reduce fixed costs by removing duplicate departments or operations, lowering the cost of services, thus increasing taxpayer return on investment and public value.
- Economies of Scale – organizations can produce more when input proportions are variable, i.e., "We can double our output with less than a doubling of cost." Instead of multiple agencies working at less than full capacity, a single (shared service center) or smaller set of agencies can leverage processes and technologies, maximize existing capacity and decrease overall costs.
- Economies of Scope – organizational outputs by a single entity are greater than outputs that could be achieved by two different agencies each producing on their own, i.e., "We can share expertise and processes to get more for less." In these cases, human services organizations can gain efficiencies associated with demand-side functions, such as increasing or decreasing citizen or customer contact in areas such as common intake and application processing.

In sum, harnessing newfound capacity with the combination of new governance and organizational structures, network-enabled business models, shared services, and extending it across boundaries increases capacity and public value in human services.

Collaborative

As a human services organization progresses to a "Collaborative Business Model," the focus expands beyond program "silos" and categorical management to support individuals and families in receiving the best mix of services for which they are eligible and in helping them address immediate needs. In this level the vision and mindset of the organization is on learning and adopting new collaborative competencies that can mature and scale for the future. In action, entities collaborate on some policy and programs and may have some common information and referral, intake, eligibility, and team-based case planning. The technologies and tools adopted facilitate limited cross-organization information sharing and decision-making.

Efficiency in
Achieving Outcomes

Generative
Business Model

Integrative
Business Model

Collaborative
Business Model

Outcome Frontiers

Regulative
Business Model

Effectiveness in
Achieving Outcomes

Collaborative: Diagnostic Metrics and Checkpoints

- **Outcomes & Impact Design:** The enterprise is shifting from silo-based output reporting to the measurement of outcomes by collecting information and metrics deeper within organizations and across programs.
- **Organizational & Practice Design:** The enterprise is working towards a customer-centric organizational model by sharing case information, coordinating services across programs and organizations, and shaping client-friendly solutions.
- **Systems & Technology Design:** The enterprise is actively adopting systems, technologies, and tools that enable communication, information sharing, and decision- making across programs and organizations.

Take for example the move to Collaborative Business Models in Michigan, Massachusetts, and Australia.

In Michigan, collaboration across sectors came to the fore as the State of Michigan and non-profit service provider Matrix Human Services partnered on holistic services and launched "Transition to Success" in 131 state schools. The system of care merged already-funded services focused on breaking generational poverty into research-based interventions: comprehensive case management, volunteerism, life coaching, and financial literacy. Matrix helps clients map and execute their futures, and provides a curriculum for faith-based, education, and government agencies. As a result, client household income soared, and the program is a cornerstone of the governor's plan to integrate public programs, private partners, and informal networks to deliver services in client neighborhoods.
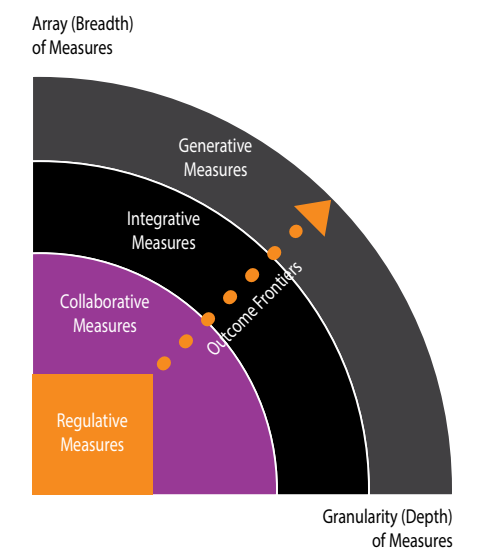
In Massachusetts, officials created a new platform to measure outcomes across state agencies and programs in order to find areas for improved efficiency and effectiveness. The program, called "EHSResults" collects data and metrics for every state-run human services program. Agency heads together evaluate and retool functions and work across agencies to improve system-wide outcomes. Citizens like that results are online, and agency staff appreciate the easy-to-access metrics to self-assess performance. The resulting collaborative mindset has established a foundation for cross-agency innovation and solutions that are citizen-centric.

The Australia Department of Human Services is embracing a Collaborative Business Model to address many of the same challenges that governments around the world are grappling with, including changing demographics, long-term economic shifts, and a demand for more effectiveness and efficiency from human services investments. Australia is responding to these issues by tightly aligning their outcomes goals with cross-program collaboration and automating several systems and processes. For example, by connecting their Medicare system with Centrelink (assessment-based services), the country has been able to save more than $700 million over three years while improving access to services for citizens.

Collaborative: Outcomes and Impact

At the Collaborative level, a human services system and its organizations can provide measures on short to mid-term program outputs and outcomes (such as a client achieving self-sufficiency as opposed to leaving a program as a result of non-compliance) by capturing, correlating, and communicating cross-program data on efficiency and effectiveness.

As leaders strive for more impact, deeper collaboration on cross-program measures can be leveraged to not only assess whether or not programs that work together improve outcomes relative to silo-based programs, but also improve data governance and program design.

Array (Breadth)
of Measures

Generative
Measures

Integrative
Measures

Collaborative
Measures

Outcome Frontiers

Regulative
Measures

Granularity (Depth)
of Measures

Outcomes and Impact:
New Views based on Analytics

As human services leaders respond to current demands, they're squeezed from multiple sides. On one side is the demand for ever-increasing services. On the other side is demand for ever-increasing transparency and return on investment. It's like a vise-grip that gets tighter by the day. Human services leaders must adopt new ways to measure and communicate outcomes – but how?

The Human Services Summit hones in on the issue of measuring results by looking at how human services leaders are measuring outcomes and translating them into "impact" – the effect on individuals, families, communities and society. At the Summit, we define the value-chain of measurement as:

Inputs: The factors of production such as human capital, technological capital and general materials that are put into the development of a program or service.

Outputs: The program – such as job training, nutrition assistance, cash assistance etc. – that serves a stakeholder, constituent or client.

Outcomes: The result – such as a job found, nutrition delivered, aid delivered – of the program or service for an individual stakeholder, constituent or client.

Impact: The public value – measured across organizations – that a program(s) or service(s) delivers for taxpayers, constituents and clients over duration of time.

HISTORICALLY, ORGANIZATIONS HAVE BEEN HELD ACCOUNTABLE PRIMARILY FOR MEASURES SUCH AS THE LEVEL OF INPUTS THAT FLOW INTO THE ORGANIZATION AND THE RESULTING OUTPUTS. Now, public sector and non-profit organizations are choosing (and being driven) to measure outcomes and impact more robustly.

This new capacity for measuring results is enabled by the intersection of networks, inexpensive data storage and data analysis methods (both people and software and what often colloquially are referred to as "big data" and "analytics") that allow better measurement across the entire value chain of inputs, outputs, outcomes and impact. When these measures are put together, managers can assess the performance of a human services system from a wider perspective – across departments, agencies and jurisdictions, as well as a more granular perspective – deeper within programs and operating units.

In the human services world, these new capabilities will enable managers and stakeholders to take multiple views of outcomes and impact. These dimensions can be represented graphically as:

Dimensions of Outcome and Impact

Measures across organizational boundaries	**System View** Measures that leverage trend and root cause analysis system-wide in order to forecast future performance and expected effects (such as families most likely to benefit from new forms of case management and services) of new interventions and program innovation.	**Impact View** Measures of the human services system-wide generative effect that enable new valuation and solutions (such as performance-based contracting, pay-for-success options, etc.) and improved service design, (creating, starting and ending programs) development and delivery.
Measures of single organization	**Organizational View** Measures of the inputs and outputs (such as program investment, number of families receiving services, percentage of cases closed in a given time period, etc.) that describe and quantify the activity and basic trends of a human services program or organization over time.	**Client View** Measures of how a human services program has achieved broader outcomes (such as a client achieving self-sufficiency as opposed to leaving a program as a result of non-compliance) for individuals and families by capturing, correlating and communicating deeper data and detail.
	Measures of internal inputs and outputs	**Measures of client results and outcomes**

As a human services leader develops a full view of the system, s/he can learn what practice models, case management methods, interventions and incentives are most effective in achieving improved outcomes. Further, this newfound analysis can be used as a lever to flow what works backwards through the organization – by knowing what leads to the best outcomes, a leader can mobilize to adopt new business models, innovate operating methods and reform organizational culture.

The private sector has been experimenting with and refining analytics for the past few years. Large retailers such as Target and Walmart, for example, are mining customer data and purchasing behavior to not only better understand what a person is likely to purchase this week, but also what that same person may need next month. This "predictive analytics" has brought a sea change to the ways retailers manage their supply chain and their merchandising and has helped them decrease costs, increase revenues and improve overall shareholder value.

The public sector is not far behind – and in some cases is ahead of the curve. Take officials in the Washington State Department of Social and Health Services, for example. They're using predictive modeling based on cross-enterprise data and statistical analysis to identify persons or families who have complex needs and are "at risk" for costly service utilization and problematic outcomes. Case teams synthesize information from more than 30 data sets, analyze resource spikes and trends and then use this analysis as part of a larger care management process. These new capabilities enable caseworkers to anticipate client issues and proactively improve or stabilize the client's health, independence and safety while reducing their use of intensive crisis services. In the non-profit world, the Hillside Work-Scholarship Connection (HWSC) program, part of the Hillside Family of Agencies in Rochester New York, is using data on client risk factors to predict the probability of high-school graduation. As patterns are found, the HWSC caseworkers can target the most effective interventions and tailor solutions to individual clients. This relentless use of analytics has led to dramatic results – 91 percent of HWSC kids are graduating on time compared to 50 percent for all district students, resulting in a predicted net return to the community of $42 million.
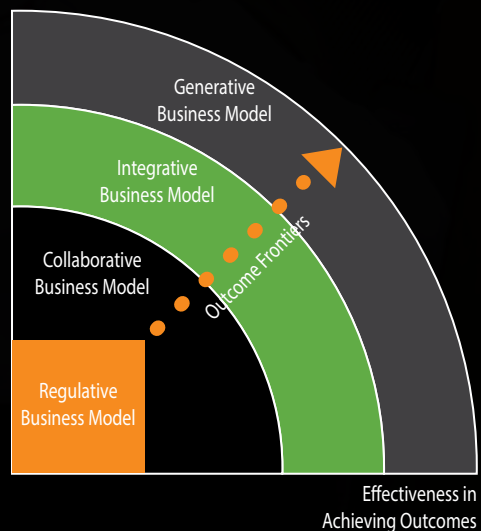
What's certain here is that the power of data, networks and analytics will bring a new era of capacity and accountability to the human services world. What's uncertain is how fast and thoroughly leaders will move to adopt new methods of analytics-based management. The early adopters will work out some of the privacy, cost and change-management issues that come with the new territory, but it will take sustained leadership to create organizational cultures that will embrace and act on analytics in human services.

Integrative

With an "Integrative Business Model," the focus broadens to complete integration of multiple programs and services in order to improve customer service, increase participation, and support data-driven policy and decision making. In addition, the mission and operating model of the organization is supporting a shift to whole-person and family centric service design. Strategically and operationally, the enterprise bolsters family centric outcomes through seamless, cross-boundary collaboration. Information technologies support enterprise-wide back-office processes, as well as front-office innovations such as individualized client services focused on self-sufficiency, improved health outcomes, and social inclusion.

Efficiency in Achieving Outcomes

Generative Business Model
Integrative Business Model
Collaborative Business Model
Outcome Frontiers
Regulative Business Model

Effectiveness in Achieving Outcomes

Integrative: Diagnostic Metrics and Checkpoints

- **Outcomes & Impact Design:** The enterprise is activating an outcomes model that connects desired impact to overall community priorities and expands the focus to include cross-agency outcomes, metrics, and real-time situational awareness.
- **Organizational & Practice Design:** The enterprise is establishing new governance structures, management and operating processes, and data and analytics that focus on and help employees support and drive customer-focused outcome goals.
- **Systems & Technology Design:** The enterprise is implementing an integrated, single-view system for case management across programs and organizations and enabling service collaboration and outcome tracking by customer and by aggregate.

Look to the State of Ohio, New York City and Spain for prime examples of the move to an Integrative Business Model. In all three places human services systems faced similar challenges - skyrocketing demand and spending, silo-based services, and cumbersome technology – all of which led to suboptimal outcomes and value.

In Ohio the Office of Health Transformation was established to oversee strategic planning and budgets on key initiatives including modernizing Medicaid, streamlining health and human services, and engaging non-profit and private sector partners. A key strategy was integrating state and local silos into an 11-agency Health and Human Services Cabinet that publishes an integrative health budget. As a result, an outcomes-oriented mission has taken hold, with local health districts utilizing shared services and creating health plans by region, officials utilizing data and analytics to shape policy, and sectors working together to track performance measures.
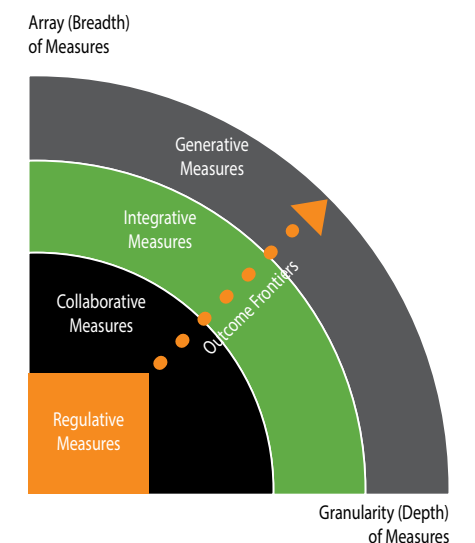
Spain has moved to increase human services collaboration and integration in order to respond to the surge in demands from the lingering financial crisis. The reform plan touches the entirety of public administration, and brings forward a new vision and model for the Spanish welfare system – one that is more integrated and efficient, more sustainable and outcomes-oriented, and more responsive to citizen needs. Spain's strategies include increasing coordination and integration across all administrative levels to reduce duplicities, using analytics and technology to evaluate public policies, and squeezing savings out of the integration of health and welfare services. Since 2008, Spain's efforts have saved more than $21 billion (Euros).

For their move to integration, New York City health and human services (HHS) officials focused on performance management and data analytics by launching HHS Connect, a system integrating 35 programs across 15 agencies. A new outcomes model represents HHS Connect priorities, impacted client groups, and outcomes, and is used for every HHS initiative. Today, each initiative must pay for itself through measurable outcomes and metrics such as savings, reduced headcount, or greater productivity. In addition, citizens get a one-stop online shop for multiple program eligibility and online benefits access, and a worker portal allows staff to see metrics and analysis across agencies.

Integrative: Outcomes and Impact

At the Integrative level, a human services system is capable of assessing and communicating a range of system-wide performance indicators on program effectiveness, efficiency, outcomes, and impact, and leveraging these insights to not only optimize current performance, but also build basic predictive modeling into case and program management.

Moving forward, leaders can improve capacity by leveraging trend and root cause analysis in order to forecast future performance and expected effects (such as families most likely to benefit from new forms of case management and services) of system innovation.

Array (Breadth) of Measures

Generative Measures
Integrative Measures
Collaborative Measures
Outcome Frontiers
Regulative Measures

Granularity (Depth) of Measures

Human Services Transformation:
The Adaptive Challenge

If changing the business and practice model of human services enterprises is so vital to meeting current and future demands, why do so many transformation initiatives fail?

Ron Heifetz, the King Hussein bin Talal Professor in Public Leadership and Founder of the Center for Public Leadership at Harvard Kennedy School, helps Summit participants address the issue of how to move human services organizations through the challenges of adapting to a new business model, capabilities and culture.

To start, leaders must recognize moving up the Human Services Value Curve for what it is – a long-term transformation. When a human services system and its workers are grappling with adopting a new business model, new technologies and new processes, two forms of innovation happen simultaneously – technical innovation and organizational innovation:

• Technical Innovation: This form of change is what we're most used to. Organizations and people experience this when implementing incremental change (such as updating a process, technology or management method) within their current organizational structure, authority lines and knowledge set.

• Organizational Innovation: This form of change is where most people and institutions get uncomfortable, as it requires the development and adoption of new competencies and capabilities – often within a new environment, governance structure and organizational design.

Combine these two dimensions and you have an "adaptive challenge" on your hands. Heifetz explains: "An adaptive challenge requires experiments, new discoveries, and adjustments from numerous places in the organization. Without learning new ways – changing attitudes, values and behaviors – people cannot make the adaptive leap necessary to thrive in the new environment. The sustainability of change depends on having the people with the problem internalize the change itself."

"In nature you have these three basic tasks – determining what to conserve, what to discard and what innovations and new 'DNA' will enable new capacity. This is important as a leadership metaphor because really significant change is highly conservative – small changes in DNA can result in major leaps. This is counterintuitive because many of us talk with enthusiasm about innovations and change without anchoring it in all that's not going to change. And then we frighten people and they respond to the sense of loss rather than all that's going to be preserved."

Ronald Heifetz,
Harvard Kennedy School

Heifetz suggests transformational change cannot be affected completely through authority or (change) management. Rather, it takes a person (or set of complimentary-acting people) to actively mobilize stakeholders to address real and perceived loss of important ideals, values and competencies that have been in place for years while also actively learning new competencies, capabilities and culture. This form of "exercising leadership" is needed to move people through the adaptive challenge.

When a person or group isn't mobilized to work through their adaptive challenge, the resulting fear of loss and disturbance can spur people to work against the new vision and derail a human services initiative. Common examples of maladaptive behavior include:

"Exercising leadership then is to identify what you want to conserve, while at the same time identifying what you want to change. Work with your people to create a vision for the future, yet attach this new vision to the historic mission and ideals. Bring in innovation and new ways of working and new competencies, but all the while pace the change in a way that enables people to deal with the losses and make the gains their own."

Ronald Heifetz,
Harvard Kennedy School

• **Avoidance:** People disengage from the initiative – consciously or unconsciously – as they avoid the pain, anxiety or conflict that comes with actively working through the gains and losses.

• **Direct Push-back:** People will actively fight the changes taking place and advocate for previous practice models and methods of work.

• **Circumvention:** People will work around leadership and lobby agency heads, legislators or whoever will lend a sympathetic ear in order to delay, distract or derail the initiative.

• **Shadow Processes:** People will secretly keep past processes and operating models (undermining efficiencies that come from new models) in order to retain a sense of control.

Clearly the importance of exercising leadership through the human services adaptation is critical to success. During the Summit session, Heifetz offered recommendations for mobilizing individuals, organizations and yourself:

• **Identify the Adaptive Challenges:** Be in a position where you know what will happen next. If you assess and forecast where the adaptive challenges will arise you can start working with the people and units affected – moving problems to the surface and resolving the difficult tensions and trade-offs related to their changing roles, capabilities, loyalties and identity.

• **Start with Micro-adaptations:** Realize that people need time to work through adaptive challenges – and get to know their limits. As the saying goes; "Keep it hot enough but don't let it boil over." One way you can achieve this is by creating micro-adaptations – small-scale innovations that set a sustainable pace for subsequent adaptations. While doing this, create a "holding environment" (the term

originated in psychoanalysis to describe the relationship between the therapist and the patient) for groups to discuss all of the issues related to the change in a non-judgmental atmosphere.
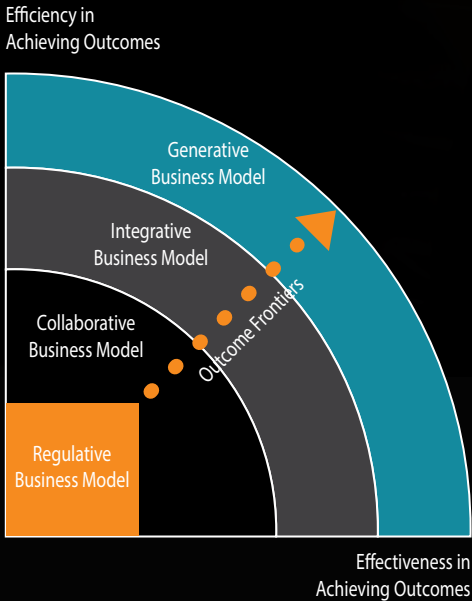
• **Understand and Assess the Psychology of "Gains and Losses":** A primary first step is to understand the perceived and real value gains and value losses to each category of stakeholder, i.e., data center managers will perceive the value vastly different than an authorizing body or a senior executive in the initiative. It is important to discover both sides of the gain/loss equation as perceived losses affect adoption as much as perceived gains.

• **Protect Voices of Leadership:** It's critical to find and protect the people who exercise leadership but who don't have the cover of formal authority. These people are the "change-makers" within an organization and usually have a high capacity for mobilizing themselves and their peers. Make sure you funnel them timely information, engage them in helping to voice the necessity of change, and protect them during the process.

• **Hold Steady:** Last – and most important – protect yourself. Realize that you are affected by the change and adaptation as much as others. Make sure you work through your personal adaptation – and even better if you can do some of it with others. A key element is clearly separating yourself from your role and understanding that maladaptive people will attack your role and your authority – don't take it personally.

To learn more about adaptive leadership, please review Ron Heifetz's groundbreaking books including: *"Leadership Without Easy Answers," "Leadership on the Line: Staying Alive through the Dangers of Leading,"* and *"The Practice of Adaptive Leadership: Tools and Tactics for Changing Your Organization and the World."*

Generative

At the Generative Business Model level the focus of the human services organization expands to address multi-dimensional family problems, socioeconomic issues, and opportunities required to generate long-term individual and community success. The foundation of a Generative human services system and its broad outcomes orientation is the deep and wide use of cross-boundary data and information. In action, the culture, managerial and operational processes, and technology of the organization will likely be adaptive and modular, allowing multiple programs and institutions to build, share, and deploy information and services on an ongoing and evolving basis. Additionally, social networks and advanced information analytics will help organizations synthesize information and trends across the ecosystem of organizations, jurisdictions, and communities in order to become predictive in nature – enabling co-creation of policy, resource generation, and modification of programs in response to real-time conditions.

Efficiency in
Achieving Outcomes

Generative Business Model
Integrative Business Model
Collaborative Business Model
Regulative Business Model
Outcome Frontiers

Effectiveness in
Achieving Outcomes

Generative: Diagnostic Metrics and Checkpoints

- **Outcomes & Impact Design:** The enterprise is capturing community-wide and partner-wide outcome measures in order to predict service needs, forge new partnerships, generate new resources, and create new high-impact solutions.
- **Organizational & Practice Design:** The enterprise is "boundaryless" and able to evolve policy, governance, programs, and processes dynamically to meet changing community outcome needs and co-create solutions with all stakeholders.
- **Systems & Technology Design:** The enterprise is leveraging predictive analytics and social technologies to synthesize information community-wide, track service loads and metrics, predict service demand, and communicate impact measures.

For a glimpse into the potential of a Generative Business Model, look at progress in the State of Washington and San Diego County, California.
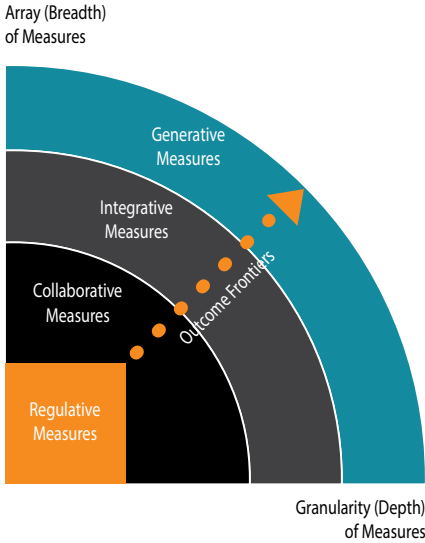
Washington State's Department of Social and Health Services was struggling to serve 2 million people under tight budgets and surging demand. Concerned, officials adopted an "Impact Statement" stressing family centered case management with a special focus on the first 2,000 days of a child's life. It was the beginning of generative work. Next, Washington integrated client databases to draw information from more than 30 data systems and adapted IT systems to synchronize processes across offices. This new model as enabled the state to conduct predictive modeling in order to identify clients who have costly needs or problematic outcomes and help caseworkers target interventions. Twitter and Facebook are used to communicate with the community and track service loads, and allow real-time responses.

San Diego County human services also took a Generative approach in order to respond to growing health and human services challenges. Leaders responded by creating an integrated agency comprising child welfare, behavioral and public health, and others in order to transform how the county approaches community security and health. The culmination of these efforts has brought forward "Live Well, San Diego!" – a 10-year plan to repurpose the county government's $5 billion annual budget and engage community partners to help all citizens thrive. The effort synchronizes physical health, behavioral health, and social services, and together, an array of agencies and community partners are now deploying wrap-around services, engaging in issues like education, literacy and housing, and delivering completely new value and outcomes.

Generative: Outcomes and Impact

At the Generative level, a human services system and its organizations can provide seamless and robust measures of long-term community-wide outcomes and impact (the cumulative effect of programs and services) and can harness this capacity to conduct rapid-cycle evaluation of program innovations as well as inform policy-making and overall system transformation.

As leaders look to the future, they can use Generative insight to create entirely new methods and measures of system valuation, and enable solutions such as performance-based contracting, social impact bonds, and pay-for-success options that can magnify overall community capacity.

Array (Breadth)
of Measures

Generative Measures
Integrative Measures
Collaborative Measures
Regulative Measures
Outcome Frontiers

Granularity (Depth)
of Measures

Summary

The human services community has a capacity challenge. The environment of increased demand, compressed resources, complex social challenges, and changing demographics has challenged the ability to deliver "public value" — the measure of how effective and efficient a program is in achieving outcomes.

In this new era, increasing the capacity to reach individual, family, and community outcomes is the central thread to meeting demands today and in the future. But to get there, human services organizations must first improve their business models.

The Human Services Value Curve provides a framework to help human services leaders improve their organization's business model over time, progressively improving the capacity to deliver broader and more valued outcomes and impact.

In traversing the Curve, leaders will have to drive systemic change by aligning organizational goals and boundaries, guiding the adoption of advanced technologies and analytics, measuring outcomes and impact across the system, and exercising adaptive leadership.

Success on the transformational journey represented by the Human Services Value Curve is the key to creating measurable impact, building public value and trust, and gaining the legitimacy that society requires. Most importantly, successful transformation is vitally important to creating a secure and vibrant future for individuals, families, and communities around the world.

About the Vision

Colleagues;

I'm thrilled you are working with the Human Services Value Curve.

I think every community, family, and individual should have an equal chance at reaching their full capacity, and the principles and methods in the Human Services Value Curve can help make that happen.

The reason I got involved in human services is very simple – at one time, human services programs helped my family. The combination of programs, community, family, and grit, created a "Generative" environment that helped my siblings and me thrive. I'm trying to pay it back – and pay it forward.

The Human Services Value Curve was created to be the guiding leadership and organizational change framework for the Human Services Summit at Harvard University. To build the framework, classic constructs in social sciences, theories from systems change, and principles from adaptive leadership were combined with analysis of transformational human services initiatives. The theory and practice were then synthesized into a framework that can help you lead your human services organization to better outcomes and impact over time.

The Human Services Value Curve wasn't created alone of course – the attendees of the Human Services Summit are actively shaping, building, and refining the overall vision and framework. I'm forever grateful for their hard work. Importantly, I would like to thank Accenture – as without their generous insights, resources, and support – the Human Services Summit and the development of the Human Services Value Curve would not have been possible. I would also like to extend gratitude to the American Public Human Services Association – their subject matter knowledge and advocacy for human services provides a solid foundation for the Human Services Value Curve and for the advancement of human services as a whole.

Lastly, please recognize that adopting and moving up the Human Services Value Curve is not easy work. President Kennedy once noted: "There are risks and costs to a program of action. But they are far less than the long-range risks and costs of comfortable inaction." In our era, leading human services transformation forward is challenging, yet to achieve the outcomes society needs we must not rest on comfortable inaction.

My sincere hope is that you will adopt the Human Services Value Curve and put a plan of action in place to create Generative solutions for your community.

Now let's get to work!

All the best,

Antonio M. Oftelie

Fellow, Technology and Entrepreneurship Center at Harvard
Executive Director, Leadership for a Networked World

LEADERSHIP FOR A NETWORKED WORLD

The mission of Leadership for a Networked World is to help leaders vision the future of governance, activate innovations, and realize transformations that generate capacity and sustainable public value.

Founded in 1987 at Harvard Kennedy School, LNW is now an applied research initiative of Antonio M. Oftelie, Public Sector Innovation Fellow at the Technology and Entrepreneurship Center at Harvard, part of the Harvard School of Engineering and Applied Sciences. LNW has delivered more than 200 learning events and advisory programs for public, private, and non-profit organizations globally. To learn more about LNW please visit:

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