



Understanding Personalisation

*Implications for third sector infrastructure
and their work with organisations
on the frontline*

Research Briefing

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Introduction

This research briefing highlights the findings of an ESRC Third Sector Placement Fellowship which explored the implications of the personalisation agenda for third sector organisations. The Fellowship was a partnership between the Centre for Economic and Social Research (CRESR) at Sheffield Hallam University and a network of local infrastructure organisations (LIOs) in South Yorkshire¹.

The project was developed in response to concerns about the impact the personalisation agenda will have on frontline third sector organisations (TSOs) and how LIOs should support their members through the period of transition. The Fellowship ran from February to May 2010 during which time a series of primary and secondary research tasks were undertaken.

What is personalisation?

Personalisation is at the forefront of government policy to modernise public and is broadly defined as:

“...the way in which services are tailored to meet the needs and preferences of citizens. The overall vision is that the State should empower citizens to shape their own lives and the services they receive”

Prime Minister's Strategy Unit, 2007

Personalisation is seen as a response to growing dissatisfaction about the limitations of existing welfare services which it is argued prevent individuals with disabilities or support needs from living independently (Morris, 2006). The ‘choice and control’ offered by personalised services are often contrasted with the ‘one-size-fits-all’ approach of traditional service delivery in the way that services and support are tailored to individual needs (Boxall et al, 2009).

It is clear, even at this time of considerable political and economic uncertainty, that personalisation is here to stay. The third sector should therefore consider personalisation as more than just a change in the way services are *funded*, but as a step-change in the way they are *designed and delivered*. It is perhaps better therefore to consider personalisation as the *outcome* of a process of service transformation which may or may not include changes to the way activity is funded.

¹ The four project partners were: Voluntary Action Rotherham (lead partner), Voluntary Action Sheffield, Voluntary Action Barnsley, and Doncaster Council of Voluntary Services.

Research Findings

We found that personalisation represents a series of threats, challenges, and opportunities, all of which have considerable implications for frontline TSOs and LIOs and the ways in which they carry-out their work. The findings from the research are considered in terms of *organisational development*, in particular the different stages of development that exist within frontline TSOs in relation to personalisation; and in terms of the *challenges* frontline TSOs face, in particular the distinction between the environmental and operational factors which have the potential to limit progress.

Organisational development

We found that there are three broad types of organisation at different stages of development with respect to personalisation:

- *Organisation type 1 - fully developed.* These organisations are well developed and prepared for personalisation. For them personalisation represents a huge opportunity to develop the range and quality of services they provide
- *Organisation type 2 - under developed and at risk.* These organisations are aware of the personalisation agenda but do not have resources to fully understand the implications or build the capacity necessary to respond effectively. For them personalisation represents a looming threat to their sustainability if they are unable to build the capacity to respond effectively
- *Organisation type 3 - under developed but not at risk.* These organisations have low awareness of the personalisation agenda and do not have the capability or resources to build the organisational capacity necessary to respond effectively. For them personalisation represents a huge opportunity to develop new and innovative community based services but low awareness and limited resources mean this opportunity may be missed.

Challenges

We found that the challenges frontline TSOs face fall into two broad categories - *environmental and operational*:

- *Environmental challenges* - These are the external barriers over which TSOs have very little control. They are closely linked to the development of personalisation policies and practice at a local level where the pace of change is tied up in the

ability and willingness of local authorities to progress and embed the culture and processes required to facilitate a step-change in service delivery.

- *Operational challenges* - These are the organisational changes TSOs will need to make if they are to respond to personalisation effectively. They are particularly associated with the transition from traditional models of funding such as block contracts to personal budgets, and the need to market and deliver services in new and different ways.

Implications

Each challenge will affect the different types of organisation discussed previously in different ways.

For *organisation type 1* the main challenges are environmental. They have embedded change within the organisation at a faster pace than the local public sector bodies and in many respects are waiting for them to catch up. For these organisations there is a growing concern that personalisation may prove to be more of a myth than a reality, tied-up in changes to the way services are funded rather than the ways in which they are delivered.

For *organisation type 2* operational challenges are most pressing. They will need to make significant changes to the way they cost activity, administer finances and market services. Their staff and volunteers will need to deliver services in new and more flexible ways. If they are unable to make these changes relatively quickly, particularly if their block contracts are cut or reduced, there is a real possibility that these organisations will not be sustainable in the longer term.

For *organisation type 3* there are operational and environmental issues that need to be addressed. They face similar operational challenges to *organisation type 2* but their needs are not as pressing. They do not need to change in order to survive but they will need to change if they are to make the most of the new opportunities available to them. However, these opportunities might not emerge if the market does not develop sufficiently or if existing barriers prevent them from entering the market at all.

Recommendations for Local Infrastructure

In response to the research findings we have outlined a series of recommendations for LIOs about how they could support front line TSOs more effectively as personalisation is implemented. Our recommendations fall into three broad themes which we summarise below.

Improving the environment

LIOs could facilitate an improvement in the external environment in which personalisation is being developed by supporting three key activities.

- *More effective engagement with the public sector:* In areas where levels of third sector representation are low LIOs should lobby key public sector officials and elected members for improved third sector involvement.
- *Promoting advocacy, support planning and brokerage:* LIOs should promote the importance of advocacy, support planning and brokerage with local commissioners. In parallel they should work with the relevant local TSOs to explore the feasibility of independently resourced approaches.
- *Supporting market development and intelligence:* LIOs should support market development by maintaining an up to date picture of which TSOs are providing personalised services and the types of services provided; by holding regular 'marketplace' events, where TSOs can showcase their services; and by facilitating a network or forum through which third sector service providers and public sector officials can share information about unmet and emerging needs.

Organisational capacity building

LIOs could support frontline TSOs to build their capacity respond to personalisation by offering a range of tailored organisational support activities.

- *Raising awareness amongst small providers:* LIOs should consider how to raise awareness amongst smaller TSOs. This might be through community level events, or by utilising existing community networks and partnerships.
- *Managing the transition from block contacts:* LIOs should work closely with public sector commissioners to ensure that the impact of the transition process is minimised. They should support frontline TSOs to develop models and

frameworks through which to manage the transition and share learning from this activity with LIOs in other areas.

- *Developing and supporting organisational capacity:* LIOs should develop 'packages' of personalisation specific support in the areas such as financial management, marketing, training and workforce development, and human resources and legal advice.
- *Providing back office functions:* LIOs, perhaps in partnership with umbrella bodies, should explore the feasibility of and demand for the provision of back office functions, in particular whether economies of scale would lead to a cost saving for TSOs and sufficient income generation for LIOs.
- *Promoting alternative funding models:* LIOs should promote the benefits of social investment products as source of additional resources where appropriate, and support TSOs to identify and apply to social investment providers.

Towards a more strategic approach

The types of support outlined above will work most effectively they are contained within a more strategic approach to LIO personalisation activity. Such an approach will require a number of key ingredients.

- *Strategic leadership:* LIO Chief Officers, Directors and Senior Managers should consider making responding to personalisation an organisational priority, for example by ensuring it is embedded in business and project plans and encouraging teams to undertake more joined-up activity.
- *Raising awareness:* LIOs should consider how awareness of personalisation within their organisations could be increased. This might involve a series of briefings, presentations or workshops through which the issues could be explored.
- *Providing a coherent package of support:* LIO Chief Officers should consider how their organisation could provide a 'personalisation support package', either on their own or through collaboration with nearby partners.

- *The role of umbrella bodies:* Umbrella bodies should consider the most effective ways to identify, monitor and disseminate information about good practice by LIOs supporting TSOs respond to personalisation.

Final Reflections

The findings from this research represent a start point in understanding the impact of the personalisation agenda on frontline TSOs and how the response of LIOs might be shaped. In most localities personalisation policies in health and social care are only now being rolled-out on a large scale and in other areas of public service delivery the implementation of personalisation within mainstream provision is some way off. As such the full impact of personalisation on the third sector may not be understood for a number of years. LIOs will need to monitor the impacts on the organisations they support on an ongoing basis, either through formal longitudinal research or from intelligence gathered by LIO staff working with TSOs on the frontline, to ensure that their approach to supporting the sector remains appropriate, particularly as additional needs emerge.