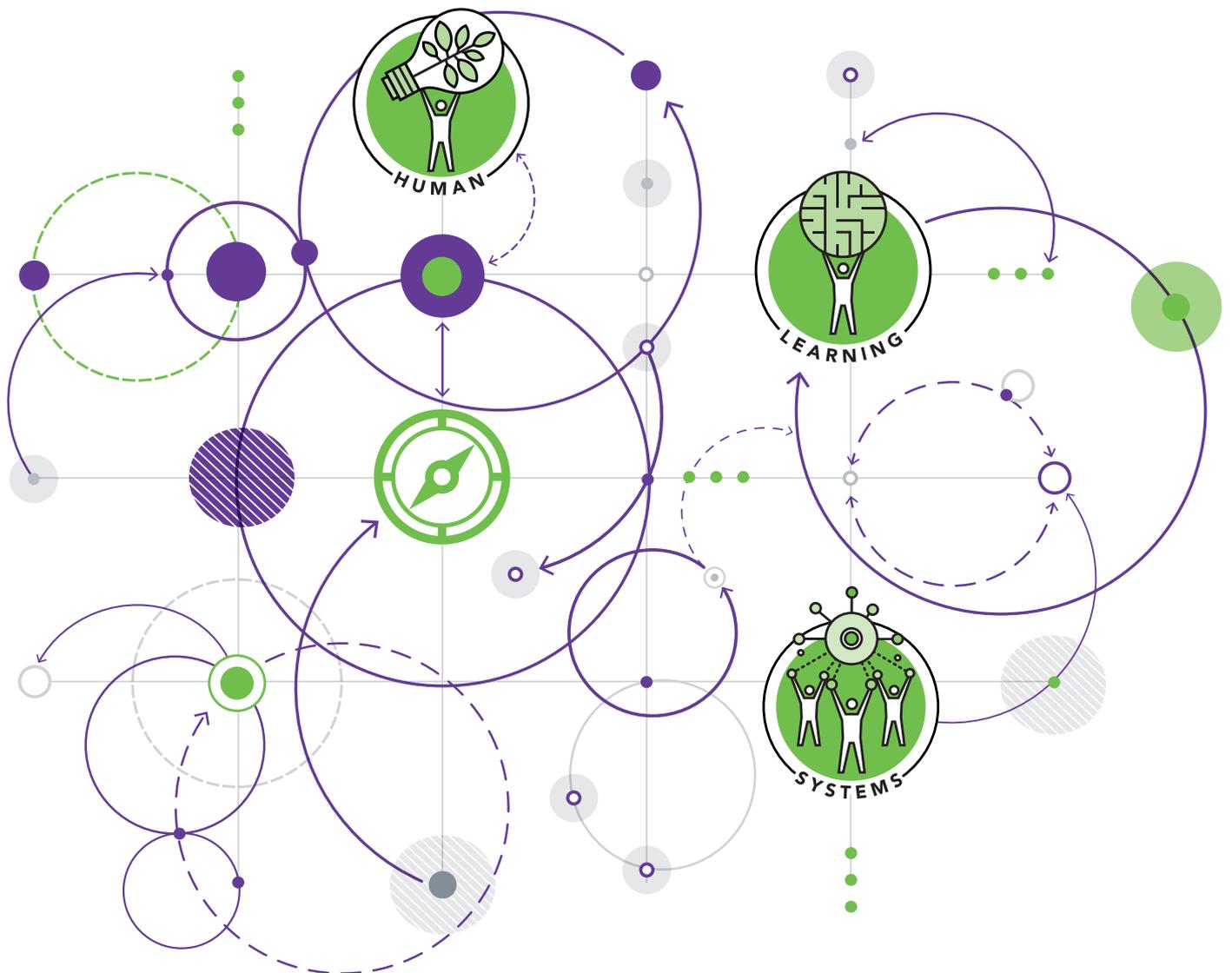


Exploring the new world:

Practical insights for funding, commissioning
and managing in complexity



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EXECUTIVE SUMMARY

The world is complex. If we want to contribute to creating positive social outcomes, we must learn to embrace this complexity. This is the *New World* that funders and commissioners are discovering:

- **People** are complex: everyone's life is different, everyone's strengths and needs are different.
- The **issues** we care about are complex: issues – like homelessness – are tangled and interdependent.
- The **systems** that respond to these issues are complex: the range of people and organisations involved in creating 'outcomes' in the world are beyond the management control of any person or organisation.

Building on the findings from our previous report, *A Whole New World**, we have spent the last 12 months working with a growing movement of funders, public sector commissioners, and organisations working on the ground¹ to begin to explore this New World: to find examples of practice that will help people to navigate it effectively.

This report explores the key features of their response: working in a way that is **human**, prioritises **learning** and takes a **systems** approach.

The purpose of this report is to share emerging practice by providing practical examples of what it looks like, and to explore the changes funders, commissioners and organisations working on the ground. have made to work in this way. This is what we have found a **Human, Learning, Systems (HLS)** approach entails:

I HUMAN

People who work in a way that is informed by complexity use the language of 'being **human**' to describe what they do.

This means recognising the variety of human need and experience, building empathy between people so that they can form effective relationships, understanding the strengths that each person brings, and deliberately working to create trust between people.

Managers talk about 'liberating' workers from attempts to proceduralise what happens in good human relationships, and instead focus on the capabilities and contexts which help enable these relationships. They talk about providing support that is bespoke.

For funders and commissioners, being human means creating trust with and between the organisations they fund. Trust is what enables funders and commissioners to let go of the idea that they must be in control of the support that is provided using their resource.



¹ Through this work we've found that language needs to change in line with practice. This language is yet to emerge, but we've tried where possible to avoid terms that do not reflect a 'human' approach such as 'frontline.'

“IT’S ABOUT BEING HUMAN. IT’S ABOUT LEARNING. IT’S ABOUT UNDERSTANDING YOUR PLACE IN THE SYSTEM”

Public sector change leader

I LEARNING



People working in this way also speak about **learning** and adaptation. They describe how their work is not about delivering a standardised service, but rather that it is a continuous process of learning which allows them to adapt to the changing strengths and needs of each person with whom they work.

This has enormous implications for funding and commissioning. We have seen that funders and commissioners use their resources to enable organisations to learn and improve. They are not purchasing services with particular specifications, they are funding the capacity to learn and adapt to continuously improve outcomes in different contexts.

This challenges traditional, narrow forms of accountability based on targets and tick boxes. To meet this challenge, organisations are recognising the multiple dimensions of accountability, and exploring who needs to provide what kind of account to whom. This process involves dialogue, not just data.

I SYSTEMS



Finally, people working in this way recognise that the outcomes they care about are produced by whole **systems** rather than individuals, organisations or programmes. Consequently, to improve outcomes, they work to create ‘healthy’ systems in which people are able to co-ordinate and collaborate more effectively.

From these organisations, we have learnt some of the characteristics of the ‘healthy’ systems that produce good outcomes, and the **System Behaviours*** that actors exhibit.

We have learnt that the behaviour of funders and commissioners is crucial to how relationships in the system are framed and understood. Funders and commissioners enable a collective, systemic response by reframing their relationships with providers. They no longer see a purchaser/provider split, they see a collective responsibility for creating the conditions for people to achieve better outcomes. They are stewards of a system of care and support.

What does this way of working achieve?

While the effects of working in a HLS way are only beginning to emerge, there are signs that:

- For people accessing support, it can result in better experiences, better outcomes and them being better equipped for life.
- For organisations and systems, it has potential to increase collaboration, enable innovation, build employee motivation, and deliver cost savings.

How change happens

We have learnt about the process of change organisations and collaborations have gone through to develop HLS approaches to funding, commissioning and providing support. We have identified the steps of change that different organisations have used to bring about HLS working.

Interestingly, the process of change seems to be an example of HLS practice itself. Organisations have created change by an iterative process of:

- Starting with purpose
- Understanding the system
 - Making the system visible
 - Building relationships and trust
 - Establishing shared purpose
 - Developing principles, values and behaviours

- Co-designing
- Experimentation, reflection and redesign
- Putting learning at the heart of governance
- Embedding and influencing

These processes of change may provide some navigational aids for the 'system stewards' seeking to enable change.

Building a movement

The next phase of work is to embed HLS practice as the norm in complex environments that aim to support people. To do that, all those who want to work in this way need to work together to test, learn and support each other to build a movement for change. We look forward to your company on this journey!

Examples and tools

At the end of this report we include a number of case studies, examples and tools to provide insights and guidance for people who want to begin working in a HLS way.



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