

AN APPROACH TO ORGANIZATIONAL CHANGE

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BACKGROUND

My internship at the Department of Social Services (DSS) in San Francisco County provided me the opportunity to examine one aspect of the General Manager's "Reconfiguration Plan". This particular topic was of great interest to me because it allowed me to see first hand how a large complex agency is approaching organizational and programmatic changes. With change issues on the horizon in Alameda County, and in my own department, I thought this would be a great learning experience. I was interested in how decisions gets made, the intricate process of developing a plan for change, and how staff get involved in the process. I was curious about any organizational values executive staff and program managers used in their decision-making process that I could use in my work.

During the internship I also took the opportunity to learn more about Welfare Reform and the impact it will have on the General Assistance Program, and finally how the Budget & Planning Office is organized, sets policy, and tracks legislation.

The entire internship allowed me to have a sharper awareness of the constant changing dynamics in a large public service environment. Spending time in and around the General Manager's Suite and interacting with executive staff during times of vital change, not always planned, was rewarding. My work environment is vastly different being isolated in a suburban setting far removed from the main Social Services Agency offices.

Before I began the task of examining the proposed changes, I needed to understand SF DSS as an organization and an agency. I wanted to understand the unique nature of the "City/County " the interplay and lines of authority between the Mayor, the Social Services Commission, and the General Manager. Therefore, I spent time reviewing some basic documents i.e. the organizational chart, annual report (FY `94/95), budget proposals (FY'96/97), etc., and interviewed key staff on topics such as organizational culture, hot issues, and the role of the community advocates. I had the opportunity to attend one Social Services Commission meeting when the new budget was being proposed and the Mandatory Rent Payment Program for clients receiving GA was terminated. (An action taken by the new Mayor and ratified by the Social Services Commission.)

RECONFIGURATION: GA/FOOD STAMPS MERGER

There are at least three program changes under consideration at SF DSS. One is the General Assistance/Food Stamps Merger. The others are the establishment of a Family Services Center which will co-locate AFDC, GAIN, and Children/Family Services. An expanded Employment Program for General Assistance clients is a third plan. Improved client services is the key reason for initiating change, as I learned from an interview with the General Manager, Mr. Brian Cahill. In addition, he acknowledges that change will be necessary with Welfare Reform and Block Granting.

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Getting Started

I decided to concentrate on the GA/Food Stamps Merger only. Having limited knowledge about the GA program and how it's administered, I needed to gain some background first before I could begin to understand the merger and the implications for change. So I immersed myself in General Assistance by doing the following:

- Reviewed the local plan, budget, program design, policies, and procedures
- Interviewed GA Program Manager, Section Supervisor, and a mix of line staff
- Followed the typical path of a GA applicant
- Witnessed the intake interview and the evaluation process
- Observed triage while visiting the SSI Project

As a result of this experience, eligibility workers and clients now have names and faces. They are no longer classifications of people, and random case files. While engaging in discussions, conducting interviews, and reading committee reports, the implications for the change are now more real.

A Model for Approaching Program Changes

San Francisco currently operates two separate General Assistance (GA) and the Food Stamps (FS) Programs. Entirely funded by the County's general revenue, GA aid payments were \$50,981,460 during FY 94/95 and clients receiving payments averaged 14,622. (Typically, GA recipients are single adults.) Nearly 50% of the recipients were unemployable due to temporary or permanent disabilities. An individual on GA receive \$345 per month. The number of SF DSS staff assigned to GA is 165.

Unlike GA the Food Stamp Program is federally funded with a State and Local match. In FY 94/95, 56,000 people received benefits. Although the dollar value of the benefits was \$46,200,000, the County's required match was approximately \$15,000,000. The number of SF DSS staff assigned to FS was 172. The FY 96/97 Budget proposal includes a reduction of 21 positions. None are proposed for the GA program.

My research revealed that merging the above programs is not a new concept. Other counties in California currently operate merged GA/FS programs. Alameda County is one of them, however I am not sure of the reasons why. I gathered at least four good reasons why SF DSS is considering the merger. They are listed below:

1. Improved client services
2. Cost containment
3. Elimination of "duplicative workers"
4. Improve fraud detection

The reallocation of resource and staff would also meet the future needs of block granting and Welfare Reform. I learned from conducting staff interviews that this is not the first time a merger

between GA and FS is being considered. In fact it was attempted at least two times before. Line staff therefore have some reservations about the merger actually happening.

This case study does not discuss the details of each specific program element, but examines the process that the program managers and committee team leaders used to develop a recommendation for the General Manager.

In January of 1995 a feasibility study was conducted by the Food Stamp Program Manager. A committee was composed, a survey was conducted to see how other counties operated, and a report was submitted establishing that significant cost savings could be realized if the programs merged.

In the Fall of 1995 a new committee composed of several individuals working in both programs and at various levels convened a series of meetings to establish a model that linked GA and FS. In order to focus on the many aspects of the merger from client intake, reception, work flow, caseloads, etc. subcommittees were formulated to that some of the details could be worked out and then brought back to the larger committee. What was so amazing to me was to learn and actually see eight different models with flow charts completed by the committee. The models were developed in the "spirit of building something new" taking into consideration the expertise of everyone who contributed to the design development. Finding linkages and overlap in two major public assistance programs, each with vast numbers of clients is not an easy task.

It wasn't easy selecting one model to recommend for the merger, so more discussions occurred and a "modified version" of the two closest ones was to be recommended. The committee actually voted on the models and after the strengths of the two were each discussed, the recommended model became a "blended version". It was evident that a balancing of work flow issues, caseload issues, and improved client services was an ongoing consideration by committee members. Even after the recommended model was agreed to, the committee still went through the process of assessing the pros and cons. Again, balancing the issues, this time internal and external issues were tackled. Issues such as worker specialization, case file accuracy, the "advocates" were being addressed.

The actual recommendation to the General Manager included other alternatives and options to be considered, as well as a review of the strengths of some of the models not recommended. This was an important part of the process. He was also provided the criteria or "yardsticks" used by the committee so he knew how each model's potential was evaluated. These yardstick measurements included such things as: Will the model create a meaningful delivery system and improve the relationship between the eligibility worker and the client? Will quality control be improved? Will internal fraud prevention be maximized due to a different review process? What will be the timing for cases to flow through the new process?

Once the model had been agreed to the next phase included categorizing the remainder of the recommendations into areas that effect the policies and procedures. This process broke down the elements of each program into details that needed to be dealt with at either a program/department level, or an executive level/Board of Supervisors (BOS) level. The latter having to do more with policy changes.

Keeping Staff Informed

Naturally, planning a GA/FS merger was no secret. As I was learning about the process, I asked about any staff concerns. Of course, there were many (too many to include in this case study). The committee chair shared with me the newsletter he developed to address the various concerns of the DSS GA and FS staff. What was so impressive was the fact that the "Merger Newsletter" was written periodically by the chair (with committee member help) that highlighted progress, profiled members and their contributions to the process, and tackled the issues. The newsletter help to dispel rumors and gave an opportunity for the employees to ask questions and raise issues directly with the committee members involved. Also it provided information on progress of the planning and helped to reduce the amount of inaccurate information being circulated.

Where are the Tensions and Conflicts?

It is not the same developing a new procedure or merging a program on paper and trying to implement it with real workers and real clients. When I asked about the potential conflicts and if there are any tensions regarding the merger planning I got some good information and insights into reality. The issues are legitimate and worth mentioning.

The obvious conflicts have to do with different policies, procedures, and regulations of the two programs. They require different knowledge and expertise. Others say the cultures of the GA and the FS program are not the same. Tensions exist in the management styles. One manager is more collaborative and uses team building approaches to problem solving. The other use a delegated authority approach and maintains more autonomy at the management level. Finally, worker attitudes will play a role in the merger since employees acknowledge the differences in this area.

Current Status of the Merger

Most people I spoke to about the merger will agree that the GA/FS merger is still in the planning stages and that it is reasonable to believe that the merger will happen, some day. With the change in the Mayor's Office and with the General Manager, staff agree that this project has entered into a "slowdown period" and that there is a "climate of uncertainty". Others agree it is bound to happen because public service administrators will be forced to "do more with less" and the fiscal climate will be increasingly strained. Therefore program managers will need to continue a process of improved service delivery and program consolidation wherever they can in order to build capacity for service. The current General Manager is confident that the proposals and recommendations put forward have strong merits and that the new General Manager will implement the merger.

BUDGET, PLANNING, AND LEGISLATIVE ANALYSIS

I spent some time with the Director of Budget and Planning and reviewing materials produced by her department. The Office of Budget and Planning conducts legislative policy analysis and prepares reports to executive staff, the Social Services Commission, and the Board of Supervisors. This particular department is within Administration. The Director reports to the

Assistant General Manager and she oversees four senior staff people: 2 planners, 1 cost containment manager and 1 fiscal/budget operations manager. Numerous other fiscal administration positions such as those dealing with contracts, etc. report to the fiscal/budget operations manager.

The four staff members reporting to the Director provide high level staff support in the areas of budget analysis, planning, and policy analysis. One position conducts more legislative /policy analysis than the others and is responsible for setting up legislative tracking systems conducting the analysis, providing summaries to the executive staff, and requests feedback on impacts from the program managers.

In addition to working with program managers and executive staff, this office also works closely with the Sub-committee of the BOS, the City Lobbyist (or Director of Gov't Affairs), the Legislative Analyst Office in Sacramento, and the City's Controller.

The strengths of this arrangement lie in the ability of the staff to 1) effectively monitor programs from a both a performance and a fiscal standpoint; 2) track mandated changes, including those policy decisions made at the BOS or City level; 3) to initiate and lead collaborative efforts for programs in DSS; and 4) to find "fiscal opportunities" by thinking broadly and seeing program and financial relationships. The key is to get to know the programs and the policies extremely well. Planners work closely with the program managers and provide the conduit needed for important budget and policy information. A well coordinated budget planning effort will ensure cost sharing ratios and revenue streams are maximized and appropriately leveraged.

The Assistant General Manager contends that since the budget is the primary policy document, and federally mandated as well as local policies impact the budget, the functions must be coordinated together. She also maintains that it is the responsibility of the Budget and Planning Office to "connect everyone's thoughts" through a collaborative process.

In Alameda County, the budget and planning functions are separate and decentralized. However coordinated, it is not cohesive and many people have program knowledge, but too few have budget knowledge. Legislative tracking is "assumed" and conducted within the departments, however there is no specific job classification or person assigned. Program planning occurs within the various departments which are divided by services and benefit areas.

Another newly formed planning group is composed of program specialists and managers across all disciplines. They are charged with pulling together and leading a large collaborative effort which involves the external community in Welfare Reform Planning.

I would recommend to our Social Services Agency Director and the Executive Committee to evaluate the strengths of SF DSS Budget and Planning Office mentioned above and consider a more cohesive arrangement between the planners and those who work on the budget. Also, for those lacking the budget experience, an effort to do some cross training can easily be accomplished. The same could be accomplished for any budget staff who need to have more solid program knowledge. In fact, because of some problems my department experienced this year as a result of not knowing how the SSA budget cycle and planning process works, I

designed a series of budget training sessions for my planning staff. I committed myself to learning the County's budget process so that both I could ensure the planning and budget functions could operate more efficiently. In addition, a more effective communication system with the Budget Officer is being developed.

WELFARE REFORM AND THE IMPACT ON THE GA PROGRAM

Several reports have been compiled to date by the Budget and Planning Office. The last report prepared revealed that as more clients applied "during the first twelve months of welfare reform, GA payments would increase by as much as \$12.25 million " and clients on aid would increase by roughly 3000. In addition about 10,500 clients could lose their eligibility for federal public assistance. The majority of clients losing eligibility fall into these categories:

1. SSI - Legal Immigrants
2. Food Stamps Legal Immigrants
3. IH SS - Legal Immigrants
4. SS I- Drug and Alcohol
5. Food Stamps - Employables

Also, AFDC recipients will become eligible for GA if time limits are applied under Welfare Reform.

The report also revealed that SF DSS will stand to lose \$4.6 million dollars in administrative funds due to block granting. This is realized as an increase in County costs. These are preliminary projections absent any conclusive federal legislation or further state regulations and reform decisions. The bottom line is that the GA program will be required to support families and individuals at a much higher rate as they become ineligible for the federal programs of the future. An ongoing concern for SF DSS is the impact other neighboring counties policies will have on SF's General Assistance Program even without the reform legislation. When coupled with Welfare Reform, the situation is only exacerbated.

CONCLUSIONS AND RECOMMENDATIONS

In my analysis of the GA/FS Merger, I found that it is no news that planning for change is a slow and intricate process and the issues go beyond procedure, policy, and function. The more serious challenges and obstacles are more about people than things or processes. My recommendations for any major organizational or programmatic change would be to pay close attention to those things that don't get recorded in the vision or planning document. Things that have to do with human nature, worker attitudes, management styles, and individual or group philosophies about provision of benefits or services. I've learned that it's imperative to 1) articulate the vision to the affected groups; 2) be open and inclusive when engaging ideas; 3) ensure some action is taken immediately to give credibility to the plan and the process; 4) and finally to find an effective way to communicate any progress.

I found the process to be well documented, planning to be extremely organized; tasks, deadlines, and responsibilities to be adequately accounted for and movement was evident. I was impressed

with the committee's endurance and commitment to spend the time on the arduous task of developing a model that they could recommend. My assessment is that true collaboration existed in that the committee had the will to build something that didn't already exist.