

SOCIALISING VALUE

Innovative methods for measuring value in social change activities

Position paper

NHS Change Day 2015 Re-Valuation



This position paper informed the NHS Change Day Overview Report 2015. It sits alongside the another position paper 'Designing platforms for social change' and should be read as such.

This paper contains evidence, argument and theory used during the NHS Change Day 2015 Re-Valuation. The purpose of the paper is to develop new thinking about the social processes of understanding value in the real-life instance of NHS Change Day, based on:

- countless interactions with local NHS Change Day 2015 activists
- conversations with a panel of experts in evaluation, measurement, systems theory and social movements
- development workshops with the Sustainable Improvement Team at NHS England
- miscellaneous wider, interested stakeholders.

The evidence and arguments in this paper were used:

- To develop and test some approaches to measuring value which were useful in re-imagining approaches to evaluation, using NHS Change Day 2015 as the worked example of this.
- To try to relate what was observed from direct engagement with local activists who had been involved in NHS Change Day 2015 to systems of measurement of value.

This paper is divided into a series of sections:

1. Measurement orthodoxies
2. Systems and measurement
3. Emergence and attribution
4. How do you sum things up?
5. Developing a measurement system
6. Three different ways of measuring
7. The challenges of assessing calculated value
8. Conclusion

The concept of return on investment (ROI) derives from the governance of private investor interests¹ It is a private sector metric used to report accurately to a company's shareholders how shareholder value has or has not been maximised. For other non-private sector organisations the transactions are different and therefore the metrics needs to be different.

ROI as a technique for measuring value is based on a set of assumptions, which include:

- It is authoritative, the final word.
- It is outsourced to a third party². Since impartiality protects the integrity of the value judgement, this tends to mean that ROI is 'someone else's concern'. In this respect, it is a social process that creates divisions, rather than creates social bonds.
- It tends to be that it is something that is done 'to you', rather than 'with you'.
- Quantifiable data is overwhelmingly relevant.
- Qualitative data can be included as evidence, if it can be turned into quantifiable data (coded etc.).
- There is a tendency to simplify complexity in order to create the observable conditions in which (quantifiable) data can be gathered, and to create the possibility of attribution of 'cause' with 'effect'³.
- The significance of context is played down, if not neutralised.
- The ROI is seen as 'absolute', the only value, and overlooks other forms of value which are both felt and known to be there; to those participating in the value generating activity and those benefitting from it.
- ROI is expressed as a ratio in the currency of pounds. Monetary value is supposed to be the ultimate measure of value (in that it trumps all others). If it is, that is because it is the best currency for earning more currency (e.g. further funding: it is the 'language' of funders). Monetary value is also assumed to be 'absolute': an objective scale of measurement. In fact this is an illusion: all value is socially constructed and relies on agreement (trading or horse-trading) among many actors (in an obvious example: "I promise to pay the bearer on demand the sum of...").
- The inquiry into value in ROI assessment is based on the assumption that we will assess the ROI value of doing what we intended to do/planned to do. It does not allow, readily, for innovation and unplanned impact. Typically, an auditor is testing for evidence of the extent to which you have done what you intended to do.

- The 'results' (return) that are valid are direct benefits. Indirect benefits (or side effects) are often described as 'unexpected consequences' (with negative connotations), rather than part of the 'added value'.

Some of these assumptions are modified by 'specialist' or 'marginal' theories and practices, for example.

- Realist evaluation, based on, among other things, on examining 'what works'.
- Methods like 'Prove It' and 'Social Return on Investment' try to broaden the scope of 'good outcomes' and make the perspectives of stakeholders more sophisticated. They also reduce the reliance on third parties in providing an 'expert view'.
- Both 'Prove It'⁴ and 'Social Return on Investment'⁵ make use of 'story boards' to help understand the logic behind action and intended outcomes (in effect a driver diagram or depiction of a theory of change).
- Crucially, in the light of NHS Change Day, these approaches also advocate a broader understanding of 'value' (as a way of thinking about 'return') than merely money or resources, but they tend to be predicated on arriving at a 'number' for value. The consequence of the 'social' in this context being that the number is derived from a consensual process of agreement over outcomes.
- There is emerging practice on the evaluation of social learning systems such as MOOCs (Massive Open Online Courses)⁶ and on network evaluation⁷, which propose ways in which the complex social dynamics of socially constructed systems of learning and knowledge can be valued.
- Interestingly, in the light of NHS Change Day, these latter trends in thinking about value also broaden the concept of 'investment' (in ROI), to include 'you' (as an actor), who chooses to invest your discretionary time and energy and resources in the realisation of the actions, the 'return' on which we are seeking to assess. This is a more sophisticated way of thinking about the 'volunteer' nature of social innovation activism.

It is increasingly clear that the kinds of activities, like NHS Change Day, that we are concerned to understand the value of are ‘system interventions’ (rather than ‘projects’ or ‘programmes’ with defined boundaries and a clear scope).

One way of understanding NHS Change Day is to think of it as a series of ‘interventions’, as ‘transitional’ or ‘parallel’ systems in which a temporary system develops and there is scope to learn about how to do things differently, or different things being done⁸. ‘Transitional systems’ or institutions⁹ (that is temporary, newly bounded systems which, for example, span corporate and clinical systems in which it is possible to explore and learn about new norms, such as working in collaboration, rather than competition). Such transitional systems have much in common with ‘platforms’ (in the sense of ‘platform markets’)¹⁰, such as systems of supply and demand in which no party can innovate on their own.

There are lots of materials thinking and theorising about systems that is relevant to understanding value, but this tends not to explore the assumptions made about how you understand return on investment. For example:

- Work by Jake Chapman¹¹ and DEMOS for the Prime Minister’s Delivery Unit has linked the challenges of deciding on value in systems to multiple points of view and differing paradigms.
- Socio technical models of transition, such as that from Geels 12 (2001)¹², describe the ways in which activities can move from the edge/niche of a system into the mainstream (socio technical regime), in ways which both relate to and, potentially, modify the prevailing environment (landscape as Geels calls it). By implication, those dynamics which facilitate the move from a niche into the mainstream/regime say something about the congruence of value. The time has come for the niche values to move into the organisations, as well as their usefulness as innovations.
- Barry Oshry’s¹³ work on ‘seeing systems’ is interesting in relation to NHS Change Day for two reasons: he proposes that systems are often ‘invisible’ and ‘seen’ in the symptoms one experiences from working in them; and that the generic experience of the people working in different parts of the system are very different: the ‘top’ is over stretched and feels responsible for everything; the ‘middle’ is pulled in all directions at once (‘torn’, as Oshry characterises it) and the ‘bottom’ is ‘done to’.
- Stafford Beer’s work on ‘viable systems’ is also highly illuminating, especially his interest in recursions, vertical and horizontal responses to variety and the need for sufficient (requisite) variety in order to maintain autonomy through time. These ideas, and the need for ‘horizontal’ variety to deal with local environments, are all highly relevant to understanding the types of value which NHS Change Day helps to create.
- Value is also a property of an emergent system. In such a system, value would be recognised through the emergence of patterns, ‘such as the flocking effect of birds’, in the mind of the observer.
- Attribution and causality are understood differently in systems theory; in terms of loops and feeds, forward and backward. One of the assumptions is that in arriving at a linear causal relationship, one is over-looking the complexity of the system that is known to be there in order to describe a simple form of correlation.



03 EMERGENCE AND ATTRIBUTION

The notion of 'emergence' is used widely in the world of NHS Change Day, more often than not as a metaphor to describe the experience of working in a setting which is uncertain and where the unexpected keeps happening. Emergence is a body of knowledge that is deeply theorized in mathematics and popular science¹⁴.

There are two types of emergence: 'novel' and 'weak'¹⁵. Novel emergence is something which 'just happens' and appears inexplicable. Weak emergence is always based on a relationship between the observer and the system being observed; such as a flock of birds acting 'as if' it had a mind of its own. Under the conditions of weak emergence, it is tempting to think 'if only you knew more about the system, you could predict...'.

A further way of defining emergence is not in the certainty that it has arisen through the interaction of components in a complex system, but in the uncertainty surrounding the effect which has been noticed. When an effect has been noted, but its cause is invisible, emergence is the process which we are observing. By definition, emergence stands in contrast or even opposition, to linear models of causality. That realisation challenges the assumptions of orthodox evaluation. For example, it would be difficult to conduct a conventional return on investment exercise in an emergent system.

Measurement of emergence, or of complex systems with 'emergent properties'¹⁶, is a frequent conundrum: it is the measurement of what is not there, or rather, what is not yet fully visible. It is informative to look to learning theory here, especially Vygotsky's concept of the 'Zone of Proximal Development'¹⁷. Vygotsky observed that most tests of learning assessed past achievements, which the students themselves had already surpassed by the time of testing. Vygotsky argued that what matters is their capacity to progress, not least as, that is what the teacher will need to know to design appropriate teaching to help them realise that progress. Vygotsky's Zone of Proximal Development concept focuses on capturing emergent properties in the learner, their capacity to learn, not their past learning.



The Zone of Proximal Development defines those functions that have not yet matured but are in the process of maturation: functions that will mature tomorrow but are currently in an embryonic state. These functions could be termed the 'buds' or 'flowers' of development rather than the 'fruits' of development. The Actual Developmental Level characterizes mental development retrospectively, while the Zone of Proximal Development characterizes mental development prospectively.

In the context of our Re-Valuation, Vygotsky's image suggests that we look for the signs ('green shoots' so to speak) of change to come, rather than waiting to record changes that have evidently happened.

Another helpful feature of emergent systems is their parallel with 'wicked problem'. Rittel and Webber's 1973 formulation of wicked problems in social policy planning specified ten characteristics:

1. There is no definitive formulation of a 'wicked problem'.
2. 'Wicked problems' have no stopping rule.
3. Solutions to wicked problems are not true or false, but good or bad.
4. There is no immediate and no ultimate test of a solution to a 'wicked problem'.
5. Every solution to a 'wicked problem' is a 'one-shot operation' because there is no opportunity to learn by trial and error: every attempt counts significantly.
6. Wicked problems do not have an enumerable (or an exhaustively describable) set of potential solutions; nor is there a well-described set of permissible operations that may be incorporated into the plan.
7. Every 'wicked problem' is essentially unique.
8. Every 'wicked problem' can be considered to be a symptom of another problem.
9. The existence of a discrepancy representing a 'wicked problem' can be explained in numerous ways. The choice of explanation determines the nature of the problem's resolution.
10. The social planner has no right to be wrong (i.e. planners are liable for the consequences of the actions they generate).

We can use the idea of emergence not only to describe the effects, but also to make clear the 'development over time' in NHS Change Day. It can also provide a way of understanding, from a fresh point of view, the challenges of planning and measuring NHS Change Day 2015. In an emergent system, planning, and therefore measurement, has to take on a different role, consisting of:

- Taking periodic soundings, rather than claim a full understanding of an end-to-end process (which a planned approach can often be claimed to be).
- Accepting that the planner has no 'right to be wrong'. Planning is close to dynamic improvising and can appear to observers as chaotic.
- Stressing the significance of 'sense making' as a process of measurement that inter-penetrates planning judgements (close to our notion of 'calibration', as discussed later in this paper).
- The responsibility of a planner and 'measurer' is on being right and to act in this way. (second bullet point insert) A planner and 'measurer' intends to make a difference to the process of emergence and the particular situation in which this is happening.



How do you sum up NHS Change Day 2015: both summarise it and add up the various platforms and outputs? There is also a challenge of aggregation in this: how do you 'add up' the local actions into a national valuation or picture? There is also a challenge of attribution: how do you link Change Day 2015 actions with results?

Seeing NHS Change Day as a system of systems (and a platform of platforms) helps to understand this, since it is never possible for all value to be visible to the platform (see How change happens – Theory Guidance Phrasebook). The system creates and distributes the value that it is there to bring into being, and no more. It is also illuminating to consider the 'fractal' quality of NHS Change Day: the patterning and value that can be seen in a local level will be of the same kind at every level of reality (since NHS Change Day is complex and complex reality is fractal).

Through the principles of loops and recursion in systems thinking, and the fact that in a platform cause and effect are not one sided, there is a strong argument in favour of understanding attribution in terms of a continuous flow rather than a line of inputs and outputs.

There is a link between how you assess value and your theory of change, both 'in use' and 'espoused'. Indeed, the notion of return on investment assumes that there is some relationship between what is invested and what is returned: a fundamental theory of change.

The following are connections between value and theories of change:

- The theory of change 'in use' makes a difference to what you value, and therefore what you consider to be 'return' (in any assessment of value). The same applies to 'espoused' theory (see below).
- The theory of change one espouses is an expression of the value one espouses. Therefore, both 'in use' and 'espoused' need to be held in mind to gain a fuller appreciation of value.
- The value of the same activity can be viewed through differing theories of change, with different conclusions about how to measure the value and the quantum. For example, if you think that network development is a key part of your theory of change, you will place a different value on those things that promote network connectivity, than if you think that precise and comprehensive guidance from commissioners assures change.
- In NHS Change Day, local settings and campaigns provide, in effect, a governance system through which it is possible to decide on what is of value. This happens through the platform. The platform, as a governance system, does not prescribe value.
- If you do not have a theory of change and related evidence base then it is difficult to apply multiplier values to outputs of social innovation activity. Strong worked examples of this include:
 - the use of the Sepsis Tool Kit and its links with prevention, with notional and actual savings to the NHS.
 - the connection between the widely valued outcome of improving patient experience, and the evidence reviews of the link between staff engagement and higher quality outcomes for patients¹⁸.

DEVELOPING A VALUE MEASUREMENT METHOD IN RESPONSE TO THESE ORTHODOXIES AND OTHER EVIDENCE

In response to these issues, the methods prototyped are characterised by:

- Cascading through levels of activity and organisations.
- Exploring different levels of granularity: some activities are national, some are personal to an individual activist.
- The micro, meso and macro levels of activity in NHS Change Day correspond to the niche, regime and landscape of the Geels' model of socio-technical transition.
- Iterating through time: through archived activity and real-time activity.
- Involving multiple perspectives; encouraging the local value owners to do this.
- Trying to enrich the understanding of the value-creators of their context.
- Collecting stories that express the value of what has been done, and recognising that such stories are themselves a type of impact.
- Listening to the account of the activity and its perceived value.
- Documenting the accounts of value, several times, through several levels (mainly niche and regime).
- Making the assessment of value a social process, openly resisting the 'out-sourcing' of value assessment and trying to model 'in sourcing' instead.
- Looking out for latent disputes over value. This is where the assessment of value becomes vague or avoidant. Our hypothesis for this is that, as in ethics, this may indicate a fundamental difference over what is of value. Conflict arises where there is no mechanism for arriving at a 'settled account' over what is of value.
- Assess the role of local governance systems in developing a 'settled account'. It appears from observation that there is no doubt of the value of NHS Change Day in those local settings where it is congruent with the local governance systems. The value is contested or less visible where there is no connection with a governance system.
- Opening up the recognising of the difference between direct and indirect benefits, and conjecturing that indirect benefits will always be of more value than direct benefits. This can work both ways: the direct benefits may be more readily visible (if they are calculable); but we could say that whatever the value that can be calculated, it is exceeded in value by the value of that which cannot be calculated.
- Pushing the boundary of the 'economy' to identify a fuller scope of what has been invested; understanding that participants in social movements and platforms (indeed people involved in 'caring') 'pay' to a significant degree with themselves.
- Investigating third party evidence and secondary data that can help provide metrics through which some activity and parts of the value can be measured, so that we can do a more or less conventional return on investment calculation, but in the expectation that this is an under-estimate because it only captures part of the value. This has been especially the case in the Re-Valuation of NHS Change Day 2015 in relation to the campaigns.

- Recognising that those parts of the value which cannot be included in a calculation are still visible and capable of being described by the value owners and their beneficiaries. This value, which lies outside calculations, can be calibrated¹⁹ ('I have my own register of what is of value, since this is what lies behind my decisions to do this, rather than that.') Calculation is a process of assessing externalised value based on direct benefits and calibration is a process of assessing internalised value based on indirect benefits.
- Develop the concept of 'good enough'²⁰ value, rather than assume that value has to be an absolute.
- Aggregation of value will be based on assumptions that come from a constellation of perspectives (in this case, the landscape revaluations (depth), the forensic analysis of the Twitter traffic (scope) and the census/survey (market share/ awareness). How we are able to aggregate, and the meaningfulness of aggregation, will depend on agreement about the nature of this organising context.
- The extent to which the 'emergent' characteristics of NHS Change Day influence one's view of what it is, influence the issue of aggregation. What emerges is a pattern: something that was indistinct becomes clear (at least for the moment, whilst there is insufficient disturbance).
- Following Vygotsky's learning theory in looking not just for patterns suggesting effects, but also the signs of effects to come: his 'buds' and 'flowers' instead of just 'fruits' (see the section on Emergence on page 6). Given we are measuring the capacity of a system or activity to make change, we need to capture that capacity going forward, as well as its (now static) outcomes looking back. We suggest this dimension to generating potential future change is measured through 'capacitation': for example, not just the current size and composition of the system, but its potential to grow in size and strength in future. ('Capacitation' is new language, to go with this new way of measuring).
- A political metaphor can illuminate the challenge of aggregating value that has been measured in different ways. They can be 'arranged' or 'federated': they can relate to each other in ways that keep their relative importance and meaning in place in an enduring way. One measurement of value does not 'boss' any other, as a way of regulating what would otherwise be incoherent.
- In adapting the evaluators truism that 'one cannot arrive at reliable inferences by mixing up apples and pears', we seek to relate apples and pears in recognisable 'patterns of value'. This is another, less political, metaphor that illuminates another way of thinking about how we group together value, to get to a 'bigger picture'.



06 THREE DIFFERENT WAYS OF MEASURING

The NHS Change Day 2015 local systems evidence suggest that there is a key distinction between three different types of value: value that you can calculate (mainly money and throughput/output); value that you can calibrate (often privately); and value that you can capacitate.

Here, we are coining the term capacitate for this last type of value to capture the value of system capacity (networked connections, numbers of connections, dynamism of relationships).

When we 'calculate' a measurement, we use a number. Calculation is a public act (or one risks little in making it a public act) and 'numbers' are 'data' and a 'measurement'.

When we 'calibrate' however, we are also measuring: weighing up, prioritising, deciding on the balance of the evidence etc. This is rarely public, at least not in origin. It is a private act of measurement; sharing the value judgements that arise from calibration is a significant mark of trust²¹. Perhaps calibration is a way of measuring value more closely allied with intrinsic motivators.

When we 'capacitate', we are gauging the extent of our connectivity to others; some by strong ties, some by weak ties. There is well-developed theory on this in relation to networks, and its significance in the NHS derives from the need to counterbalance the prevailed hierarchy (and its bureaucratic tendencies), increase speed of response (to incidents, to innovation etc.) and spread learning. There also seems to be evidence from the local systems that this 'capacity' value is a source of professional and personal support to many of the activists. Improved capacity, in the sense we are describing it, contributes to the handling of variety (both responding to variety of need and encouraging variety of response). This is one of the things that platforms do well. Everyone has a different NHS Change Day. NHS Change Day 2015 liberated people, even if only for that day.

There is also strong evidence from the local systems that the form of learning that is of high value is experiential learning. Learning by doing and then reflecting is an aspect of all of the local systems. The activists are often, though not always, relatively young. Part of what they learn from doing is 'encountering' each other and senior leaders in a different mode than the norm.

07 THE CHALLENGES OF ASSESSING CALCULATED VALUE

It is striking how much weight is placed on the 'number' when it comes to assessing value, since is it plain that there is so much of value that cannot be calculated.

Turning value into a number helps to reduce the likelihood of dispute over what is good. Over and above that, it binds us into a common (tacit) worldview that monetary value is and must be good (the higher the better); hence return on investment/traditional economic evaluation is bad for the NHS because it puts pounds above patients.

This is a particular challenge in systems where work is organised horizontally (on the assumption that this means that power may be more equally distributed between the parties). In such settings, we may fear (and assume) that differences over value might last for longer, since no party can use power to control the version of value that prevails. This paradox is at the core of socialising value; we could imagine a situation at work where substantial time and resource is spent making sense of differences in value. This is something that a platform can support.

This dynamic could lead an individual to keep what is of value to me, invisible to you; and could lead you to keep what is of value to you, invisible to me. Re-valuing involves exploring the gap between these two positions: seeing if we can arrive at a visible version of what is good that can stand alongside the numbers.

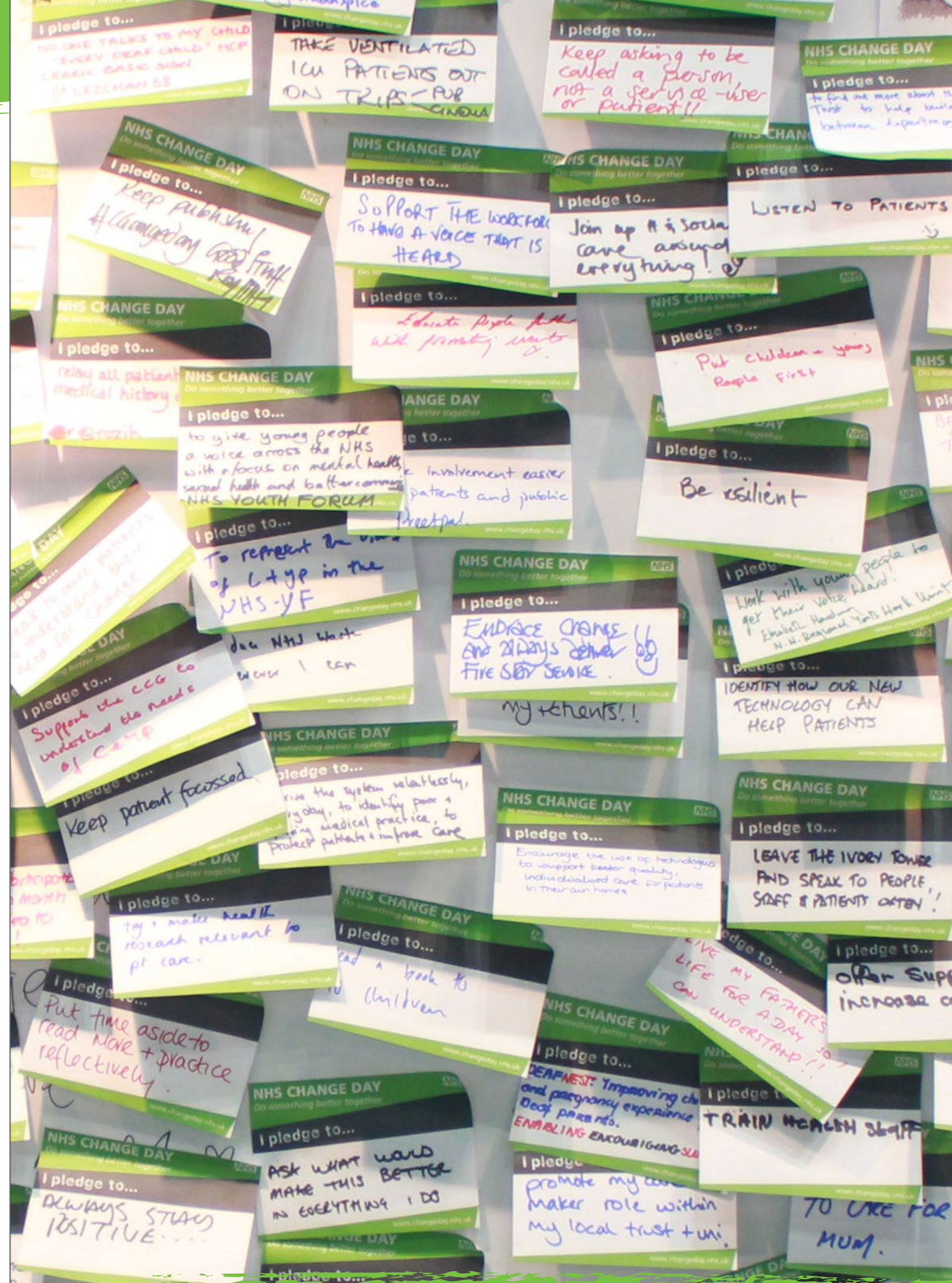


CONCLUSION

One of the universal drivers of participation amongst activists is their perceived value of engagement in the social movement. As such, 'social' and 'value' are inextricably linked. In fact, there is good evidence to suggest that one of the benefits of NHS Change Day 2015 is that it was a system for the social construction of value between the activists involved in it.

This presents a challenge to those seeking to make the value visible. To acknowledge this challenge and point to a response to it, we must look at the social process of value creation in which calculations were no more significant than other ways of measuring value. Indeed, to many activists, the calculations were of less value than their own register of the value of what they were doing.

By combining the visible and invisible nature of value with three dimensions of measurement (calculate, calibrate and capacitate), we can more fully measure the value of a social movement by seeing its value as arising from social processes, on the one hand, and that value creation was itself part of what animated and energised the social processes, on the other.



REFERENCES

1. Cliff Mills, Mutuo, in expert conversations in August and September 2015.
2. This is typically an auditor or an evaluator acting in a quasi-auditorial role.
3. Such a model of attribution is inconsistent with either emergence, complexity or systems thinking.
4. www.proveit.org.uk.
5. www.neweconomics.org/issues/entry/social-return-on-investment.
6. See draft evaluation reports on the School for Health Care Radicals for literature review on this.
7. For example, socialinnovation.ca/sites/socialinnovation.ca/files/NetworkEvaluation_Pocket_english.pdf.
8. Some of our discussions with Jon Walker, specialist in Viable Systems' Modelling, explored this distinction.
9. Harold Bridger, 1990, 'Courses and Working Conferences as Transitional Learning Institutions'.
10. platformeconomics.org/platform-markets; see Helen Bevan in HSJ describing 'change platforms' as opposed to 'change programmes' : www.hsj.co.uk/5078014.article.
11. www.demos.co.uk/files/systemfailure2.pdf.
12. www.sussex.ac.uk/webteam/gateway/file.php?name=fac-fgw-rp2002&site=25.
13. Barry Oshry Seeing Systems (Berrett-Koehler, San Francisco, 2007).
14. See for example, Johnson, S (2001) Emergence: The Connected Lives of Ants, Brains, Cities, and Software London: Allen Lane.
15. Fromm, J. (2005). Types and forms of emergence. <http://arxiv.org/ftp/nlin/papers/0506/0506028.pdf>.
16. See eg. Checkland, P (1999) Systems Thinking, Systems Practice (Updated Edition). Chichester: John Wiley & Sons.
17. Vygotsky, LS (1978) Mind in Society. Cambridge, MA: Harvard University Press.
18. For example, the Point of Care Foundation work on caring for staff as a way of assuring improvements in patient experience and outcomes. www.pointofcarefoundation.org.uk/Downloads/Staff-Report-2014.pdf.
19. In the sense that before we act, we 'weigh things up', and this assessment is relative to other things (i.e. involves value, rather than for example, price which is absolute).
20. In child development theory the concept of 'good enough' parenting was popularised by DW Winnicott. In summary, it describes a mother who is 'good enough' (not perfect) to allow for the infant's healthy development. en.wikipedia.org/wiki/Good_enough_parent.
21. Our earlier discussion of tacit value explored this.

