

Press Release  
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# New Work & Income Case Management System

Work and Income is changing the way it engages with those it aims to assist. Last week Patricia Reade, head of Work and Income, announced that beneficiaries will no longer be supported by a dedicated case manager, but will now see or talk to whoever is next available ([http://www.nzherald.co.nz/nz/news/article.cfm?c\\_id=1&objectid=10649803](http://www.nzherald.co.nz/nz/news/article.cfm?c_id=1&objectid=10649803)). This is a significant shift over the personalised system used previously, and has raised concerns amongst some of those who work with the unemployed.

“I think they risk missing the wood for the trees” says Laura Black, Chief Executive of the Methodist Mission. “Sure, this gives Work and Income a higher throughput of clients per case manager. But we’ve experienced this kind of case management before and the failure it brings with it. Even something as simple as trying to get through the automated voice activated phone systems that a lot of power and phone companies use is enough to drive a person spare.”

“Work and Income is by necessity a fairly complicated bureaucracy, and navigating it successfully is hard for most people. For those who have lost jobs, are struggling to get work, and are experiencing high levels of family and financial stress, it will now be doubly difficult. For those who have any difficulties with systems or processes, and we know that a large proportion of Work and Income clients have low levels of literacy, it may actually defeat them. The morale and motivation of those without work to find work will be directly and negatively affected.”

Ms Black notes that the Minister of Social Development, Paula Bennett, has been at the forefront of national discussions around incentivising and motivating those on benefits into work, and she wonders how it is that this shift in case management systems will support those goals. “I can’t see how it’s going to add much. The idea that this should bring savings is understandable at first glance but any detailed analysis would show that these will be false economies. If something is worth doing, its worth doing well especially when dealing with families under stress, and these are people who study after study shows benefit from personalised, careful and caring attention. Faster is not the same as better.” Ms Black points out that fears raised by the Government of beneficiaries trying to “game” the system will “just have been made easier; its much harder to fool one person who keeps a close eye on you than it is to play one case worker off against another”, but her main concerns are for ordinary people trying to engage positively with Work and Income.

Ms Black is predicting that the move will actually produce “less bang for the buck, not more” over the long-term. She also says that “as with the proposal that beneficiaries be required to buy new not second furniture to, it seems that there is lack of faith in front line Work and Income staff coming out of Wellington. In our experience Dunedin Work and Income staff put great effort into providing caring, focussed, and skilled support to those they work with, and they have strong success rates especially when the current economic climate is considered. It would be a very great shame in fixing what is not actually broken, to loose that.”

Work and Income has adopted the new system after undergoing a Lean Six Sigma process, a form of total quality management review generally delivered by external consultants. Lean Six Sigma processes have been criticised ([www.wikipedia.org/wiki/lean\\_six\\_sigma](http://www.wikipedia.org/wiki/lean_six_sigma)) in the United States for having an overly narrow focus, and prioritising short term cost savings over long-term effectiveness. According to one report as many as 91% of large US companies undergoing the process lost market value afterwards, suggesting, in the words of Ms Black that “it is hardly the silver bullet we’ve all been looking for.”

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