ADMINISTRATIVE INVENTORIES:
WHAT DID THEY SAY?
(Summary Report)

JUNE 27, 1997

PREPARED FOR:
ROYAL COMMISSION ON WORKERS’ COMPENSATION
IN BRITISH COLUMBIA
VANCOUVER, BC
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EXECUTIVE SUMMARY

Since 1991 the WCB has commissioned a series of seven Administrative Inventories to describe and assess the features and performance of the workers’ compensation system in BC. These Inventories have attempted to examine the WCB’s core functions (e.g., prevent accidents, assess employers, administer claims, rehabilitate injured workers, resolve disputes) as well as the overall system.

The scope and “methodological soundness” vary greatly from Inventory to Inventory, as one would expect given that 11 different reviewers participated and given that there is no generic literature or “manual” to describe the objectives and methodology of an Administrative Inventory.

In the attached report we have summarized the key, generally supportable observations and recommendations found in the various Inventories, giving greater attention to what the most recent Inventories have said about the system’s policies and performance.

Because the Royal Commission is likely more interested in looking ahead to the future mandate and design of the system (versus its historical performance) we have summarized below the consistent and supportable (but non-prioritized) issues that run through the Inventories’ findings about the system’s future direction. They include the need for the WCB to:

- Achieve greater stability at the top.
- Establish a clear, outcome-focussed direction.
- Forge stronger linkages, both internally and externally, with others who are pursuing similar goals.
- Achieve greater timeliness in serving clients.
- Ensure that WCB staff are empowered, accountable and have the right skills.
- Conduct more research and evaluation.
- Design, test and introduce new service delivery models.
- Do a better job of understanding and controlling program and administrative costs.
- Put more information into decision makers’ hands.
- Manage change more effectively.
CHAPTER ONE:
WHAT IS AN ADMINISTRATIVE INVENTORY?

1.1 THE ROYAL COMMISSION NEEDS CREDIBLE ANSWERS TO SOME TOUGH QUESTIONS ABOUT THE SYSTEM’S PERFORMANCE

The Royal Commission on Workers’ Compensation in BC has been asked to examine a diverse array of complex, high profile, emotionally-charged issues over a short period of time. To complement and support their own research and fact-gathering activities, they are naturally interested in receiving credible information from other objective sources on the performance of the workers’ compensation system in BC:

• **Current Performance**: How well is BC’s workers’ compensation system performing? Is that performance getting worse or better over time? How does that performance compare to other jurisdictions? How significant are the gaps, if any?

• **Future Performance**: What principles or standards should guide the design of any future system? What changes, if any, should be made to the system to improve its performance? Why?

1.2 THE ADMINISTRATIVE INVENTORIES REPRESENT A POSSIBLE SOURCE OF ANSWERS TO THOSE QUESTIONS

In 1991 the Chair of the newly-instituted Board of Governors for the WCB wished to have a thorough description of the organization which he and his Board colleagues were expected to govern. Even more importantly, and in his words, he also wanted a means of reviewing the Board’s performance which would:

• create a baseline against which the future performance of the Governors and the new legislative structure can be assessed; and,

• have an expert view of the Board based on credible and sound information … [to] identify what are real issues requiring attention within the system and to assist in setting priorities.¹

The Chair was informed about a “tool”, called an Administrative Inventory, which had been developed in 1987 by the not-for-profit Workers Compensation Research Institute (WCRI) of Cambridge, Massachusetts. At that time, WCRI had conducted Administrative Inventories in five different American states. According to WCRI, the purpose of its series of reports is to provide a thorough description of the workers’ compensation system in a particular jurisdiction so that all participants (employers, injured workers, agency managers, legislators, etc.):

• Have a better understanding of the key features of their own system.

• Can make informed comparisons between their system and others.

¹ These two goals are taken from the Chair’s Preface to the first Administrative Inventory which was published in 1991. That first Inventory was meant to be the “model” for all subsequent Inventories of the WCB.
Can undertake informed policy discussions.

Although the focus of WCRI’s Administrative Inventory Model is on describing, not evaluating, the system, the WCB Chair decided in 1991 to use the Administrative Inventory Model to describe and assess the WCB. His intention was to have the same reviewers return four years later to conduct a follow-up study to measure the performance of the Governors and of the new legislative structure.

With that objective in mind, and at a direct, out-of-pocket cost of more than $500,000, the Chair commissioned a series of Administrative Inventories. (Because of a number of factors, WCRI itself was unable to conduct the reviews. Instead, the Chair contracted with other Canadian and American organizations to perform the Administrative Inventories.) Exhibit 1.1 identifies the seven different Inventories that were completed for the WCB, during the period 1991 to 1997, pointing out which of the system’s core functions were addressed; Exhibit 1.2 defines which organizational units were included in the reviews. (The “check marks” denote which functions or units were covered by the Inventories; a “blank” means that that particular core function or organizational unit was not addressed.)

1.3 OUR REPORT SUMMARIZES THE INVENTORIES’ FINDINGS

The Inventories have covered many key aspects of the workers’ compensation system in BC. They were often conducted by acknowledged experts in such issues. The reports therefore represent a potentially-valuable source of descriptive information, conclusions, opinions and recommendations about the BC workers’ compensation system.

The purpose of this document is to summarize the key findings of the Inventories, as input to the Royal Commission’s own deliberations. The next Chapter summarizes what the most recent Inventories have said concerning the current performance of the five core functions of the workers’ compensation system. Chapter Three summarizes what the Inventories recommended about the system’s future direction if performance is to improve. (A separate report from us contains more details on all of the above.)

In reading the following Chapters, the reader should note that:

- There are no priorities assigned to the Chapter Three observations nor to the Chapter Four recommendations. This is because it is a methodological feature of the Administrative Inventory Model to not assign priorities to its findings.

- The Inventories do not usually provide specifics on how an issue ought to be dealt with nor on how changes ought to be made. This is because it is a methodological feature of the Administrative Inventory Model to not provide such a level of detail.
## EXHIBIT 1.1
### AN OVERVIEW OF THE WCB’S ADMINISTRATIVE INVENTORIES: CORE FUNCTIONS COVERED

<table>
<thead>
<tr>
<th>INVENTORY</th>
<th>AUTHORS</th>
<th>DATE OF PUBLICATION</th>
<th>WHICH CORE FUNCTIONS WERE REVIEWED?</th>
<th>COST TO WCB</th>
</tr>
</thead>
<tbody>
<tr>
<td>2) Occupational Safety and Health in British Columbia: An Administrative Inventory</td>
<td>Drs. Kathleen M. Rest and Nicholas A. Ashford</td>
<td>October 1992</td>
<td>PREVENT ACCIDENTS: ✔️</td>
<td>$77,000 (US) plus expenses</td>
</tr>
<tr>
<td>3) Workers’ Compensation Board of British Columbia: Assessment Department Administrative Inventory</td>
<td>Dr. H. Allan Hunt</td>
<td>November 1992</td>
<td>PREVENT ACCIDENTS: ✔️</td>
<td>Unknown</td>
</tr>
<tr>
<td>5) Medical and Rehabilitation Programs in Workers' Compensation: An Administrative Inventory in British Columbia</td>
<td>Drs. Jane Fulton and John Atkinson</td>
<td>May 1993</td>
<td>PREVENT ACCIDENTS: ✔️</td>
<td>$129,800 plus expenses</td>
</tr>
<tr>
<td>7) Occupational Health and Safety in British Columbia: An Administrative Inventory of the Prevention Activities of the Workers’ Compensation Board</td>
<td>Drs. Kathleen M. Rest and Nicholas A. Ashford,</td>
<td>February 1997</td>
<td>PREVENT ACCIDENTS: ✔️</td>
<td>$120,000 (US) plus expenses</td>
</tr>
</tbody>
</table>
### EXHIBIT 1.2
**AN OVERVIEW OF WCB’S ADMINISTRATIVE INVENTORIES: ORGANIZATIONAL UNITS COVERED**

<table>
<thead>
<tr>
<th>INVENTORY AND DATE</th>
<th>WHICH CORE UNITS WERE INCLUDED?</th>
</tr>
</thead>
<tbody>
<tr>
<td>1) Workers’ Compensation in British Columbia: An Administrative Inventory at a time of Transition 1991</td>
<td>✔</td>
</tr>
<tr>
<td>2) Occupational Safety and Health in British Columbia: An Administrative Inventory 1992</td>
<td>✔</td>
</tr>
<tr>
<td>3) Workers’ Compensation Board of British Columbia: Assessment Department Administrative Inventory 1992</td>
<td>✔</td>
</tr>
<tr>
<td>5) Medical and Rehabilitation Programs in Workers’ Compensation: An Administrative Inventory in British Columbia 1993</td>
<td>✔</td>
</tr>
<tr>
<td>7) Occupational Health and Safety in British Columbia: An Administrative Inventory of the Prevention Activities of the Workers’ Compensation Board 1997</td>
<td>✔</td>
</tr>
</tbody>
</table>
CHAPTER TWO:
WHAT DID THEY SAY ABOUT CURRENT PERFORMANCE?

2.1 THERE ARE GAPS IN THE MOST RECENT INVENTORIES’ COVERAGE OF PERFORMANCE

The Inventories were supposed to measure performance. However, as we point out in our separate reports on the Inventories’ coverage and methodology, there were four factors which affect the usefulness of the Inventories as a tool for measuring and reporting on performance:

- The Inventory Model, as developed by WCRI in the United States, was not intended for such a task.
- “Performance” was never defined and as a result it was not clear as to which dimensions or attributes of performance were to be examined by the Inventories.
- Some core functions (e.g., manage investments and support line operations) were not included in the Inventories’ scope.
- Some features of the Inventories’ methodology (e.g., reliance on anecdotal evidence, small samples, lack of performance indicators), coupled with a lack of available data within the WCB, meant that the Inventories sometimes lacked valid and credible evidence to support their observations about performance.

As a result of the above, there are gaps in the most recent Inventories’ coverage of the system’s performance. As seen by the blank spaces in Exhibit 2.1, there are several important performance issues which were not addressed in those Inventories by valid, evidence-based observations. (In this Exhibit, a “dot” means that a particular performance issue was addressed via valid, evidence-based observations, for a particular core function. The number below the dots refers to the relevant Inventory.)

2.2 THE INVENTORIES DO PROVIDE SOME USEFUL AND SUPPORTABLE OBSERVATIONS ON PERFORMANCE

In spite of those gaps in the Inventories’ coverage, the Inventories still have some important observations on some critical aspects of the system’s performance. In the rest of this Chapter we summarize what the most recent Inventories have credibly observed about the performance of the system’s core functions. We also highlight some high profile observations which are not supported by evidence.

2.3 CORE FUNCTION: PREVENT ACCIDENTS AND INDUSTRIAL DISEASE

The most recent Inventory on this function was released in early 1997. It had these supportable observations:

- Appropriateness of Policies and Regulations: The Inventory applauded the WCB’s progress in developing new regulations and raised some concerns about the process used to develop and revise regulations.
• **Appropriateness of Strategies:** The Inventory spoke highly of the WCB’s more strategic approach to accident prevention, noting that more internal integration was taking place, new external partnerships had been formed, and more research was being funded. It was concerned about the dominant role of claims data in shaping prevention strategies and raised an alarm about the declining use of the laboratory.

• **Appropriateness of Resource Levels:** The Inventory noted the increase in the budget allocation for the Prevention Division but raised concerns about inadequate attention to occupational disease and the questionable use of the time of the WCB’s physicians, engineers, and first aid officers.

• **Appropriateness of Skills:** The Inventory commended the Division for adding skills in ergonomics but observed problems in the new hiring process and in staff development.

• **Appropriateness of Linkages:** The Inventory commented positively on the number of opportunities for stakeholder and public involvement but pointed out problems in two experiments which used tri-partite committees.

• **Responsiveness:** The Inventory concluded that the Division had responded well to the first Inventory and expressed concern about the number and extent of the Division’s new initiatives and activities.

• **Monitoring and Reporting:** The Inventory noted the Division’s increased use of data but concluded that the WCB continues to lack adequate analysis about causes and consequences in spite of the data available to it. It commented on uninformed strategic decisions, unexploited data resources and research, missing accident data, and the use of insufficient performance measures.

The most recent Inventory had several “high profile” observations which were not supported by credible evidence, but represent the opinions of the Inventory’s authors:

- The WCB in BC is an exemplary organization, arguably the best in BC.
- The prevention situation in BC would be far worse without WCB intervention.
- The overall outcomes of the Regulation Review process are generally excellent.
- The Prevention Division has significant morale problems that are more acute than before.

### 2.4 CORE FUNCTION: ASSESS EMPLOYERS

The most recent Inventory on the assessment function was released in 1996. It had these supportable observations:

• **Clarity of Management Direction:** The Inventory observed that the function’s objectives are broad, largely unstated, and do not offer much scope for examination of particular performance issues.
• **Appropriateness of Policies:** The Inventory noted distortions and a lack of balance in the design of the classification system and its associated policies.

• **Appropriateness of Strategies:** The Inventory was positive about the strategies of openness, easy access and targeted audits.

• **Client Satisfaction:** The Inventory referred to a consultant’s survey which showed a good level of satisfaction amongst employers.

    The most recent Inventory had several “high profile” observations about the assessment function which were not supported by credible evidence:

    • There has been a substantial turnaround in employer acceptance and the Department is one contrary example to an otherwise gloomy picture of external community relations.

    • The Department’s administrative costs are falling.

2.5 **CORE FUNCTION: ADMINISTER CLAIMS**

    The most recent Inventory on this function was released in 1996. It had these supportable observations:

    • **Appropriateness of Policies:** The Inventory noted that BC pays benefits that are found in most jurisdictions in North America. However, the Inventory could make no comment on the adequacy and equity of those benefits, noting that by setting benefits at a percentage of the worker’s gross (versus net) level of earnings, BC is out of step with most other Canadian jurisdictions.

    • **Appropriateness of Service Delivery Models:** The Inventory noted that the WCB’s “queuing model” has potential to lead to improved decision making but was concerned about delays and bias of the “linear” adjudication model.

    • **Achievement of Intended Results:** The Inventory noted increasing appellate activity and deteriorating paylag performance.

    • **Reasonableness of Costs and Productivity:** The Inventory observed that significant staffing growth had not resulted in significant performance gains in the adjudication or management of claims.

    • **Responsiveness:** The Inventory concluded that the Division had not performed well in the past in responding to the need for positive change.

    • **Monitoring and Reporting:** The Inventory noted that many more measures, not just paylag, should be used to report on performance.

2.6 **CORE FUNCTION: REHABILITATE INJURED WORKERS**

    The most recent Inventory on this function was released in 1996. It had these supportable observations:
• **Clarity of Management Direction:** The Inventory observed that it is still not clear what the function’s intended outcomes were supposed to be: employability or employment.

• **Appropriateness of Strategies and Service Delivery Models:** The Inventory pointed to a lack of strategic planning, the barriers to implementing an early intervention strategy, and the delay in introducing the disability management model.

• **Appropriateness of Resource Levels:** The Inventory concluded that the allocation of resources was inequitable and the allocation of staff’s time was questionable.

• **Appropriateness of Skills:** The Inventory was especially concerned about the lack of experience, ongoing professional development and in-service training.

• **Appropriateness of Tools and Facilities:** The Inventory applauded the facilities at the Rehabilitation Centre but noted that staff lacked the need computer tools and handbooks.

• **Reasonableness of Costs and Productivity:** The Inventory pointed to exploding and unexplained increases in program expenditures.

• **Responsiveness:** The Inventory concluded that the function had not responded well to critical changes in its external environment (e.g., changing demographics, changing labour market) and had not made positive changes in response to the original Inventory.

• **Monitoring and Reporting:** The Inventory concluded that the Department does not have an adequate system to determine the total effectiveness of services provided to injured workers.

### 2.7 CORE FUNCTION: RESOLVE DISPUTES

The most recent Inventory on this function was released in 1996. It had these supportable observations about the resolution of non-medical disputes:

• **Appropriateness of Polices, Structure and Linkages:** The Inventory noted the numerous levels of appeal and that in most cases, the appeal is essentially costless to the worker. It concluded that the upshot of these design features is that the system implicitly encourages appeals. It also observed a frustrating lack of clarity over the Appeal Division’s Policy Role and an ongoing lack of clarity over the independence of the Chief Appeal Commissioner. It commended the system for avoiding the expensive involvement of lawyers and noted an improving relationship between the WCB and the WCRB.

• **Achievement of Intended Results:** The Inventory focussed on the WCRB and observed delays, a potential for inconsistency and a lower “allow rate.” After examining the operations of the Appeal Division, it concluded, in a carefully worded statement, that:

> “The Appeal Division has been well run; it may be the best in North America in terms of the timeliness of reasoned, written appellate decisions.”
The same 1996 Inventory also examined the role of Medical Review Panels in resolving medical disputes. It focussed primarily on delays and noted that the average time to process an appeal had grown to 723 days; of that amount, 384 days passed before the scheduling of the panel.

2.8 THE OVERALL SYSTEM

The 1996 Inventory focussed on the Compensation Services Division but also provided a range of supportable comments and recommendations on the progress and performance of the overall system.

- **Clarity of Management Direction:** The 1996 Inventory noted that the WCB had made progress in clarifying its direction by initiating a comprehensive strategic planning effort in 1995. However, the Inventory concluded that the WCB had still not met the challenge of achieving a clear focus on demonstrable outcomes rather than process or activity.

- **Appropriateness of Policies:** The Inventory concluded that there was a desperate need for a deeper level of research and quantitative analysis.

- **Achievement of Intended Results:** The Inventory concluded that there had been little or no demonstrable improvement in system performance since 1991 and that various shortcoming have plagued the realization of the goals of the new WCB. As evidence, it noted an upward trend in long term disability claims, an upward trend in the duration of disability, an upward trend in appellate activity, and a deterioration in timeliness of payment. However, they also noted that BC provides “generous” benefits that “rank among the best in Canada.” (Note: The Inventory did not cover the system’s results in prevention and rehabilitation.)

- **Reasonableness of Costs and Productivity:** The Inventory used statistical evidence to support its view that the costs of benefits were “exploding” with no clear understanding of the underlying reasons. It also noted that rising administrative costs were starting to be controlled.

- **Responsiveness:** The Inventory was positive about WCB’s willingness to change but not so optimistic about its chances of success.

- **Financial Performance:** The Inventory noted that a key contributor to the WCB’s financial performance was its investment income but warned that the drain of rapidly rising pension and health care costs were preventing the WCB from achieving its goal of attaining a fully funded position without drastic increases in assessment rates.

- **Monitoring and Reporting:** The Inventory concluded that the WCB is in “desperate” need of the analytical capacity to explain its own performance.

Despite many of the serious problems that it observed, the Inventory also made the following high profile statement:

“British Columbia is among the very best systems in North America for both injured workers and their employers.”
We note that this conclusion is based on the authors’ knowledge of the other systems in North America and how they perform. However, key comparative outcome measures (e.g., paylag, level of client satisfaction, return to work rate, accident rate, etc.) are not provided as evidence in the Inventory.
EXHIBIT 2.1
ON WHAT PERFORMANCE ISSUES DO THE MOST RECENT INVENTORIES HAVE SUPPORTABLE, EVIDENCE-BASED OBSERVATIONS?

<table>
<thead>
<tr>
<th>PERFORMANCE ISSUES</th>
<th>CORE FUNCTIONS OF THE WORKERS’ COMPENSATION SYSTEM</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>PREVENT ACCIDENTS</td>
</tr>
<tr>
<td>1. <strong>Clear Direction?</strong> Does the function have clear and understood goals and objectives?</td>
<td>• (6)</td>
</tr>
<tr>
<td>2. <strong>Relevant Objectives?</strong> Are those objectives relevant to the needs of the clients served by that function?</td>
<td>• (7)</td>
</tr>
<tr>
<td>3. <strong>Appropriate Design?</strong> Has the function been designed to achieve its objectives? That is, does it have appropriate:</td>
<td></td>
</tr>
<tr>
<td>• Legislation, policies and regulations?</td>
<td>• (7)</td>
</tr>
<tr>
<td>• Strategies?</td>
<td>• (7)</td>
</tr>
<tr>
<td>• Activities and service delivery models?</td>
<td>• (7)</td>
</tr>
<tr>
<td>• Organizational and governance structures?</td>
<td>• (7)</td>
</tr>
<tr>
<td>• Resources?</td>
<td>• (7)</td>
</tr>
<tr>
<td>• Skill sets?</td>
<td>• (7)</td>
</tr>
</tbody>
</table>
## Core Functions of the Workers' Compensation System

<table>
<thead>
<tr>
<th>Performance Issues</th>
<th>Prevent Accidents</th>
<th>Assess Employers</th>
<th>Manage Investments</th>
<th>Administer Claims</th>
<th>Rehabilitate Injured Workers</th>
<th>Resolve Disputes</th>
<th>Support Line Operations</th>
<th>The Overall System</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Tools, facilities and support mechanisms?</td>
<td>⬤</td>
<td>⬤</td>
<td></td>
<td></td>
<td>⬤</td>
<td>⬤</td>
<td>⬤</td>
<td>(6)</td>
</tr>
<tr>
<td>• Set of external and internal linkages?</td>
<td>⬤ (7)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>⬤</td>
<td>⬤</td>
<td>(6)</td>
</tr>
<tr>
<td>4. Achieving Intended Results? Is the function actually achieving its goals and objectives?</td>
<td>⬤ (6)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>⬤ (6)</td>
<td>⬤ (6)</td>
<td>(6)</td>
</tr>
<tr>
<td>5. Satisfied Clients? Do the clients of that function judge it to be satisfactory?</td>
<td>⬤ (6)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>⬤ (6)</td>
<td>⬤ (6)</td>
<td>(6)</td>
</tr>
<tr>
<td>6. Reasonable Costs and Productivity? Are the costs and productivity of that function reasonable and under control?</td>
<td>⬤ (6)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>⬤ (6)</td>
<td>⬤ (6)</td>
<td>(6)</td>
</tr>
<tr>
<td>7. Responsive? Is the function able to adapt to changes in its external environment?</td>
<td>⬤ (7)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>⬤ (6)</td>
<td>⬤ (6)</td>
<td>(6)</td>
</tr>
<tr>
<td>8. Positive Working Environment? Does the function provide a positive working atmosphere for its staff, offer appropriate opportunities for development and achievement, and promote commitment, initiative and safety?</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>⬤ (6)</td>
<td>⬤ (6)</td>
<td>(6)</td>
</tr>
<tr>
<td>9. Protecting Critical Assets? Does the function safeguard its important assets so that the organization is protected from the danger of losses that could threaten its success, credibility and continuity?</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>⬤ (6)</td>
<td>⬤ (6)</td>
<td>(6)</td>
</tr>
<tr>
<td>PERFORMANCE ISSUES</td>
<td>PREVENT ACCIDENTS</td>
<td>ASSESS EMPLOYERS</td>
<td>MANAGE INVESTMENTS</td>
<td>ADMINISTER CLAIMS</td>
<td>REHABILITATE INJURED WORKERS</td>
<td>RESOLVE DISPUTES</td>
<td>SUPPORT LINE OPERATIONS</td>
<td>THE OVERALL SYSTEM</td>
</tr>
<tr>
<td>-------------------</td>
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</tr>
<tr>
<td>10. <strong>Financial Results?</strong> Does the system generate sufficient revenues to cover its costs?</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>(6)</td>
</tr>
<tr>
<td>11. <strong>Unintended Impacts?</strong> Does the function have any negative, unintended impacts?</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>12. <strong>Regular Monitoring and Reporting?</strong> Is the performance of the function reported and carefully monitored on an ongoing basis?</td>
<td>(7)</td>
<td>(6)</td>
<td>(6)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>(6)</td>
</tr>
</tbody>
</table>

**Code for Inventories:**


CHAPTER THREE:
WHAT DID THEY SAY ABOUT FUTURE DIRECTION?

Ten themes arose consistently in most of the Inventories’ credible recommendations about the system’s future direction. (As was mentioned in Chapter One, the Inventories attach no priorities to these themes nor do they provide specific recommendations on how an issue should be addressed):

3.1 THE NEED FOR STABILITY AT THE TOP

The Inventories continually comment, with evidence, on how turbulence, turmoil and turnover have diverted the attention of WCB staff from the task at hand. An over-riding theme is that the system needs to:

• Develop an effective and stable governance structure with a clear understanding of what “governance” means and who is responsible for what.

• Minimize the continual and dramatic shifts in priorities and regulatory philosophy.

• Provide more stability at its senior executive level.

• Remove the uncertainty concerning the independence and policy-making role of the persons who head the various appeal bodies.

• Make policy decisions and ensure that policy decisions are implemented.

3.2 THE NEED FOR A CLEAR, OUTCOME-FOCUSSED DIRECTION

Many Inventories note with evidence that the system’s goals, strategies and direction are unclear to WCB staff and to stakeholders. For example, what are the WCB’s paramount objectives? What is the purpose of vocational rehabilitation? What outcomes are to be achieved? The Inventories conclude that until the system’s intended results are known and agreed-upon, the system will not be able to progress and will face difficulty in responding to emerging and lurking changes in the workplace and in the labour market.

3.3 THE NEED TO ESTABLISH LINKAGES WITH OTHERS IN PURSUING A COMMON GOAL

The Inventories stress that the system and its various parts cannot afford to operate in isolation as has happened in the past. According to the Inventories, the WCB needs to establish linkages with external parties, including:

• Other potential providers of needed services, ranging from rehabilitation to training;

• Other federal and provincial organizations who are also in the same business; and,

• Stakeholders (i.e., injured workers and employers) so that their needs and levels of satisfaction are known to the system’s decision makers.
The Inventories also credibly note that within the WCB itself, greater integration needs to be achieved; all units need to work together in an integrated alliance to prevent accidents and industrial disease first, rehabilitate injured workers second, and compensate injured workers third.

### 3.4 THE NEED FOR TIMELINESS

The Inventories point to significant delays in the system. One would expect such delays to generate great dissatisfaction amongst injured workers. If one assumes that “timeliness” of a decision is often as important as the size of the benefits ultimately awarded to an injured worker, then the Inventories use evidence to make it clear that the system needs to improve its performance in:

- Speeding up the initial payments to injured workers;
- Reducing the major delays in arranging for a hearing by the Medical Review Panel and in obtaining a decision from them; and,
- Generating timely decisions from the Workers’ Compensation Review Board.

### 3.5 THE NEED FOR THE RIGHT SKILLS IN AN EMPOWERED AND ACCOUNTABLE WORK FORCE

A credible theme that runs through the Inventories is the need for the WCB to continually enhance the skills and accountabilities of its front line staff, including Claims Adjudicators, Vocational Rehabilitation Consultants, Board Physicians, and Field Inspectors. The reports are usually critical of the level of professional and staff development offered and conclude that the WCB will only be able to respond to client needs and the new demands of the changing world of work if their staff have the set of technical, managerial and personal skills to do their job.

Once the staff have been carefully trained in the goals and objectives of the system, the Inventories stress that they must be allowed to get the job done, with clear performance expectations and competent supervision.

### 3.6 THE NEED FOR RESEARCH AND EVALUATION

The Inventories were largely unsuccessful in evaluating the extent to which the WCB has achieved its intended results. The authors’ major reason for this gap is their inability to access credible, current and complete data on WCB’s outcomes. Throughout all the Inventories there is a credible cry for the WCB to take advantage of the data available to it, to convert that data into useful management information, to use that information when designing strategies and deciding on policies, and to measure the success and impact of those strategic and policy decisions.

The Inventories warn that if the WCB cannot do the above, then its success will be defined by others and it will not be able to demonstrate its accountability to the system’s stakeholders.
3.7 THE NEED FOR NEW SERVICE DELIVERY MODELS

The Inventories often conclude, with evidence, that the WCB cannot afford to continue doing the same old things in the same old way; new models of organizing and delivering its services must be designed, pilot-tested, evaluated, and if shown to be successful, implemented across the system. According to the Inventories, the new models should incorporate decentralization strategies, case management principles, partnerships with external agencies, and enhanced efforts for early intervention.

3.8 THE NEED TO UNDERSTAND AND CONTROL PROGRAM AND ADMINISTRATIVE COSTS

The 1996 Inventory used detailed evidence to support its views about “exploding” costs that were increasing at an “alarming” rate. It warned that the desired goal of putting the Accident Fund into a positive financial situation was out of reach and noted that increases in administrative costs were not matched by corresponding increases in productivity nor in outcomes. It warned about increasing costs and called for more explanation and analysis into why this was occurring.

3.9 THE NEED TO PUT INFORMATION INTO THE DECISION MAKERS’ HANDS

A credible theme in most of the Inventories is the lack of management information readily available to decision makers, even though the WCB has numerous reports and pieces of data throughout the organization. The Inventories conclude that if managers and staff are to be truly accountable for their policy and operational decisions, then they must have the requisite information to support them.

3.10 THE NEED TO MANAGE CHANGE

Most of the core functions had an initial Inventory and then a follow-up Inventory, usually about four years later. The latter Inventories document some of the changes that were attempted but often conclude, with examples, that the actual progress has been “disappointing.” The Inventories make it clear that if the WCB is to respond to new issues and to improve its performance, then it must become more effective in the way it manages change.