REALISING STRATEGIC CHANGE IN THE NHS: EXTERNAL PERSPECTIVES

CHAIR
Siva Anandaciva, head of analysis, NHS Providers

SPEAKERS
James Featherstone, chief operating officer, Healthcare at Home. Formerly a management consultant and senior vice president at Quintiles.
Chris Perry, director of change, Taunton and Somerset NHS Foundation Trust. Formerly had senior board level roles in operations management at, amongst others, Sainsburys and Starbucks.
Mike Taylor, chair, Cumbria Partnership NHS Foundation Trust. Formerly had senior roles in Shell, the public and third sectors as well as the armed forces.

This panel session looked at a number of key themes on how to enable strategic change, drawing on the panellists’ experience in senior roles both inside and external to the health service.

- Sir John Gieve highlighted a number of examples of strategic change in his previous roles:
  o In the Home Office – he was responsible for slimming down the portfolio of the Home Office. The capacity and capability of the management to do this was challenging, but the complexity of the challenges was greater, and there are clearly parallels here for the NHS.
  o Bank of England – was at the bank during the time when it was going through substantial change in its role and responsibilities as a result of the financial crisis. At the same time there were numerous changes being made throughout the financial system both in government and in the sector, but there was no one looking at the systematic financial impact of everything in the round. There is clearly a parallel in the NHS in that there are multiple layers of regulation but things might and do fall in the gaps.
  o In a previous role in a small business, they had to work with what they perceived as short contracts of 5 years. It was felt that this wasn’t long enough to develop a more strategic approach – this is the same challenge that the NHS faces, operating with one year contracts which do not give enough time to plan strategically.

- Chris Perry talked through a number of strategic change projects he was leading at the trust including HR change / development of the workforce and the move towards an accountable care organisation. He noted:
  o When working on cultural change, you need to focus on performance and value in the widest sense (including “candour” in its wider sense rather than the narrow definition it usually holds in the NHS). Also noted “collective leadership” is key - everyone has to lead change.
  o Noted the need to move from process to outcomes, to ensure any change makes sense for both clinicians and management.
  o At Sainsburys, it was relatively easy to correct ‘programme’ mistakes but the biggest change he has to deliver was in the culture, making people connected with a purpose. Noted in the NHS we use a lot of different ‘levers’ to create cultural change but without really thinking through what will make the change meaningful or lasting.

- Mike Taylor spoke about his previous experiences at Shell and the military, and highlighted that his trust was unique as it is simultaneously involved in the vanguard and success regime processes:
One area he mentioned in detail was a change process his trust went through: the trust had doubled in size in 5 years but the senior management team had not changed and were still focussed on one area of service delivery. As chair, he embarked on a consultation across the trust about what kind of CEO the organisation should be looking for. What he received from the staff was 1) we really want them to exhibit a clear purpose, vision, strategy and 2) They need to be open, transparent and embed public sector values, involving staff “to nth-degree”. This bottom up approach helped align the staff and executive about what was needed to deliver strategic change in the trust once a new CEO was appointed.

- James Featherstone talked through his career leading strategic change for organisations, some of his key lessons were:
  - Ensure the organisation is in a place to walk the journey after the strategic vision is set. This means really testing to see if the organisation is ready, willing and able to move forward.
  - From a Healthcare at home perspective, noted clinical homecare didn’t feature in the Five Year Forward View, but said we clearly we need to embed this in any future vision of the NHS.
  - Emphasised the need for clear articulation of strategic goals and how they should be delivered. Also mentioned that adapting models at scale can and should be an iterative process, but testing as you go is more of an option in the private sector than the NHS.

- Participants discussed questions from the floor and the chair, raising the following points.
  - NEDs have the breadth of experience necessary, and execs have the capacity and capability but they are micromanaged by regulators and the national level, with each regulatory intervention triggering others or overlapping - this acts as a barrier to strategic change.
  - Related to the above point, it was noted the need to provide value in the short term continually hampers leaders from thinking strategically – they have prove value immediately or they are simply not allowed to do their jobs properly.
  - The NHS needs to have a good idea of what a great chief executive in the NHS should be - we keep changing our mind between having a vision vs operational grip. Addressing this requires more of a systematic executive development programme.
  - The ability to take and scope strategic decisions is poor compared to private sector. In the private sector everyone knows how the business works, and understands the nuts and bolts. However in the NHS there is still so much siloed working within and between organisations it is difficult even get to grips with the right questions to ask.
  - There is a concern that consultants, the system’s most highly trained and educated staff, don’t often take (or are given) responsibility for running the system - not tapping into this type of resource is a unique feature of the NHS – the most highly trained staff in other industries invariably dominate the management.
  - It was mentioned trusts are trying to plan 5 to 10 years ahead but with no access to accurate forecasts about what income they will receive.