Meeting: Trust Board – 31st October 2008

Title: Organisational Development Proposal

Executive Summary: The Trust is about to embark on a 3 year OD plan. The proposal covers workstreams, outputs and the process to be followed to ensure that the plan is a success and that value for money is obtained from this investment.

Items for discussion: The Board are asked to consider the following:
1. whether the plan is focusing on the right areas
2. agreement on the year one priorities
3. input on the key result areas
4. whether the Workforce Strategy Committee is the right Committee to oversee implementation.

Recommendations/decisions required: Board level support is essential to ensure success of this important programme for the Trust. Board members need to agree the level of financial investment available for the OD plan.

Financial implications: As above

Legal implications: None

Impact upon patients: Patient care will be improved if the OD plan is implemented successfully.

Impact upon carers: As above

Consultation/Communication: Executive Board has approved the OD proposal in Oct 2008

Risk issues: None

Name of Lead Executive Director: Oonagh Fitzgerald Director of Workforce and Education

Name of Author: Oonagh Fitzgerald Director of Workforce and Education
Organisational Development Proposal

1. Background

Swindon and Marlborough NHS Trust is at a pivotal point in its development. The Trust is progressing through its Foundation Trust application with a view to becoming a Foundation Trust in December 2008. Our focus is on improving quality while sustaining financial viability so that we can continue to invest in services, according to locally identified needs and demands.

Our Foundation Trust application is reinforced by key moments in our organisational history.

- Swindon and Marlborough obtained Trust status in 1994
- The hospital moved from Princess Margaret Hospital in Swindon to its current location as a PFI hospital in 2002
- The 128 bed Brunel Treatment Centre was opened in 2005
- A redundancy programme in June/July 2006 made 86 staff redundant.
- Our medical model of management was introduced in 2006
- Our reference costs are 86 (2007/2008). Lowest for any PFI in the UK
- At the end of the financial year 2007/2008, a £835k surplus was achieved.
- Our new Chairman, Bruce Laurie arrived in Feb 2008
- Our IBP/5 year strategy was approved by the Trust Board in 2008

Acknowledging this history, Swindon and Marlborough NHS Trust wants to move forward and continue to develop as an organisation. Our aim in embarking on this process is to:

1. better equip ourselves to achieve our vision and strategic objectives as set out in our IBP
2. provide an overarching framework to review and consolidate existing workstreams and to develop others
3. support the change and transformation process and ensure it is linked to the achievement of our organisation objectives, including the introduction of service line management. Service Line Management is applying data to inform strategy, planning and operational issues, including service design, workforce optimisation, decision rights and levels of accountability. We believe this approach will enable the organisation to deliver improvements in quality and productivity at the specialty level, driving up the performance of the organisation as a whole
4. to ensure staff have the skills to move the organisation from good to great and embed a culture of sustainable improvement and performance management so that people are held to account for delivery
5. embark on a three year Organisational Development programme.

2. Key areas of focus

2.1 Vision

This has been discussed extensively and agreed as part of our Integrated Business Plan. Our vision is to be:

“The provider of choice by delivering high quality specialist services, within the resources available, which delight our patients and commissioners and to establish sound, viable business partnerships by forming strategic alliances with our primary care trusts and other key partners.”
The OD programme will support distilling this vision throughout the organisation and to our members, governors, GPs, stakeholders and our community. The existing work underway to review communication channels and the internet/intranet will also support this programme of work.

2.2 Culture

Our organisation culture defines our beliefs and attitudes (the way we think and do things here). Our culture is developing to better recognise the importance of consistently delivering safe high quality care that meets the needs of our patients, values our workforce and supports working in partnership and also supports innovation and improvement.

Our values are to:

- always listen to our patients, local people, commissioners and staff
- be a good collaborator and partner
- work honestly, openly and with integrity, to encourage innovation and take bold decisions and to strive to be an exemplary employer

We aim to embed this culture by improving safety and to use safety as a key driver to our improvement work and to ensure that we deliver services which are “right first time”. Clinical teams will be supported to improve the quality of care. Ideas to support innovation such as the ‘Dragon’s Den’ approach as a method of bidding for small funds will be introduced as will mechanisms for sharing learning across the organisation.

Quality and improvement measures should be a core part of the Trust’s performance management and clinical governance reporting systems. We will use Lean and other tools to improve systems and process. Staff and their skills will be developed to enable them to design processes, systems and pathways to support this.

The behaviour of those inside the Trust is also influenced by personal values, beliefs and professional culture. We need to be able to pool the best of these values and behaviours, accept these as a minimum standard so that all our patients receive a positive experience whilst they are at the Trust. A Staff Charter of rights and also responsibilities will be developed and embedded to support this.

We will support our staff to develop a customer care focus for those who look after our inpatients, outpatients and for our ‘front of house’ staff. A behavioural framework will be agreed as part of our Customer Care Strategy, one strand of which is our ‘Go the extra smile’ campaign. We will use our governors to support us in developing and implementing this strategy.

We also want to foster a culture where performance management is embedded in all levels of the organisation and that staff are held to account but also that they are clear about their responsibilities.
2.3 Organisational Structure

The Trust has structured its clinical services into four Clinical Directorates. Each Directorate is operational managed by an Associate Medical Director. Each Directorate reports to the Medical Director.

Each Directorate is supported by a General Manager, Modern Matrons and Deputy General Managers as well as corporate support from finance, information, employee services and human resources. We intend to transfer line management accountability for Directorate Accountants, Human Resource Advisors and, in time, information analysts to each Directorate, who will be managerial accountable to the General Manager and professional accountable to their corporate/professional head of service. Each Directorate has devolved responsibility and accountability for the delivery of the Integrated Business Plan and for their income and expenditure.

The Directorates are now well established, although they need support and development to strengthen the Directorate performance management culture and to take forward service line management, to further embed strategic planning, service/pathway design, workforce optimisation and governance frameworks.

Whilst there is a history of positive working between Directorates, we want to build on this and avoid piecemeal, uncoordinated change initiatives by ensuring that planned changes anticipate implications across the organisation. We also need to support the Directorates to achieve substantive, rather than tokenistic employee involvement in the change process, moving beyond communication to achieve engagement. This could be achieved through building skilled change management teams with the right mix of skills and experience.

We want our Directorate teams and clinicians to working with health and social care staff to actively market and plan services with health partners and work effectively across organisations (e.g. our Local Council) to ensure services are integrated. To do this effectively they will need to understand the corporate aims of the Trust, contracting, finance and governance arrangements.

2.4 Decision making/Autonomy

We recognise that clearly defined decision rights and accountabilities are crucial to support the Clinical Directorates structure and help to build a culture of empowerment, responsibility and accountability. Clarifying decision making will enable us to move from a managed autonomy approach to an earned autonomy approach, thus enabling clinicians to be empowered, responsible and able to innovate.

Developing rules of engagement ‘framework of agreement’ between Directorates and the Executive and Trust Boards would support Directorate development will be an output of this workstream.

2.5 Governance and Performance Management

As part of the FT application, the Trust has commissioned a number of external consultants to undertake additional work.

1. Tribal undertook an OD diagnostic in 2007
2. Finnamores have supported Board development sessions
3. Deloittes undertook a historical due diligence review in Spring/Summer 2008 to ensure our preparedness for our application
A detailed action plan has been developed following the latter review which will ensure the Trust has robust governance structures and processes in place that are fit for purpose. The Trust also appointed a Board Secretary to strengthen our corporate governance. As a successful FT, the Board Secretary will play a key role in developing and maintaining links and communications with our governors and members.

Achievements are also monitored by the Trust Board so that there are ongoing measures of how the organisation is performing. The Key Performance Indicators (KPIs) are derived from the Department of Health, Operating Framework, Healthcare Commission Annual Health Check requirements, Service Level Agreements, IBP and corporate objectives.

The current structure of monthly performance meetings between Executive Directors and Directorate Management teams will remain in place. The dashboard model will also continue and will be refined as priorities change. The ward dashboard will be developed as a method of highlighting hot spots and areas of good practice in the Trust.

We want to embed a culture of performance management throughout the organisation (see above).

### 2.6 Engagement, Involvement and Communication

The Trust has become much more outward looking with many examples of partnership working. We will continue to look out to learn from best practice in all sectors so that we can be a leading edge organisation. A key focus of the marketing strategy is to increase our geographical area. We will develop personal relationships with GPs as a strategy to increasing our catchment area.

We recognised that reputation management is key to this as is delivering our workforce strategy to make certain that we are the provider of choice for our local population through gaining a better understanding of the needs of our patients and to positively manage our reputation.

We recognise the need to agree principles and values to underpin our stakeholder engagement and these are being developed with support from an external consultancy called Basis.

With regard to public engagement, we believe that our patients need to have more information about and more influence over their care. Through our Governors, (our critical friends) we will engage with the local community to involve patients and the public in the design, delivery and development of local services. We need to develop mechanisms where we gather and systematic use feedback to improve care in the Trust. Feedback will also be used for service planning and teams and individuals will be encouraged to actively involve patients in service improvement. This will be achieved through leadership, collaboration and participation at all levels.

We also wish to encourage members to take part in training initiatives for staff such as customer care and communications training.
3. **Enablers**

In order to achieve these goals, it is clear a number of further goals need to be achieved.

3.1 **Surplus generation**

A sound financial platform will be maintained and surplus generated year on year. Mechanisms must be agreed with and understood by staff and line managers for priority setting. Effective communication will need to take place to ensure that staff and stakeholders are clear about the decision making process. We recognise that we need to review our reward and recognition systems to support the change in behaviour required to operate as a Foundation Trust.

3.2 **Learning and Development**

We wish to strengthen the Trust’s learning culture and enable and encourage staff to develop the skills and capabilities necessary to improve care and to achieve the Trusts priorities.

Line managers will be supported to manage the individual development of their own teams in line with Trust and Directorate priorities linking in with the Trust’s strategy and objectives. The annual budget will be targeted according to these priorities which will be increasingly met through work based learning, e-learning and traditional learning methods.

3.3 **Leadership**

To successfully deliver high quality patient care and operate as an effective Foundation Trust, we need to ensure appropriate skills and capabilities exist at all management levels and to ensure that the Council of Governors has the capabilities to deliver its agenda.

We also recognise the importance of a clear sense of direction for staff. Strong and consistent leadership is required to make sense of the complex changing environment. Effective leadership is also key to ensuring that management processes are supportive in making sure that plans are turned into action are monitored and improved for staff. Attached as Appendix one is a separate proposal for Leadership Development.

We recognise the need to agree management and leadership competencies and development needs of the Directorate management teams, to ensure we manage our talent appropriately and that succession plans are in place and also to review the corporate infrastructure that supports the Directorates ability to deliver effective services.

Board development will also continue to ensure that our Board is effective, is focusing on strategy and is ensuring that the organisation is delivering to plan.

3.4 **Clinical and Management information**

Ward dashboards will integrate clinical and management information from Board to Ward which will promote strong service improvement. Quality and safety reporting will be strengthened including lessons learnt and behaviour which will lead to a chance in clinical practice.
Service line management (SLM) allows clinicians and teams to identify the activity costs of care. We will use the introduction of SLM to devolve responsibility and accountability for delivery further into business units in Directorate teams. The information team’s work plan will be agreed by Directorates to ensure that Directorates have the right information on which to base their service development decisions. This OD plan will support the cultural change required to make best use of SLM.

3.5 Staff wellbeing

Our staff need to be valued and supported to improve their own health at the same time as we improve the health of our local community. Initiatives will link with the Trust’s values and beliefs and will include stress management and broader health promotion initiatives. Improvements in our staff survey results as well as sickness absence and turnover levels will be monitored to demonstrate improvements.

4. Next Steps

The Trust is looking for an OD partner to support us with this programme of change.

Success in the short to medium term will be evidenced by improving patient and staff and trainee survey results, Annual Health Check ‘excellent’ scores, delivery of agreed financial position, stronger links with stakeholders and greater ownership of strategic vision of both staff, members and the local community. Key result areas will be agreed by the Executive Board and Workforce Strategy Committee will oversee the implementation of the OD plan.

Outputs for year one of the OD plan will be agreed by the design team and will include: Management and leadership competencies agreed and gap analysis, Leadership development intervention (e.g. programme, mentorship scheme) commissioned, framework of agreement between Executive team and Directorates, introduction of SLM, development of Staff Charter and behavioural framework and performance management framework for the organisation.

Systems to monitor progress of workstreams (some projects will be owned by short life groups and others will be owned through existing project groups) will be established and reports on progress and achievements will be made bi-monthly.

Timeframes

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<thead>
<tr>
<th>Event</th>
<th>Timeframe</th>
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<tbody>
<tr>
<td>Trust Board approval</td>
<td>October 2008</td>
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<tr>
<td>Design group to be established and Specification finalised</td>
<td>November 2008</td>
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<tr>
<td>Tender deadlines</td>
<td>December 2008</td>
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<tr>
<td>Selection process</td>
<td>January 2009</td>
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<tr>
<td>Launch and Delivery commences</td>
<td>Spring 2009</td>
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<tr>
<td>Measurement and review</td>
<td>Ongoing</td>
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<td>OD plan will be refined each year and concluded in</td>
<td>2011</td>
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Oonagh Fitzgerald
Director of Workforce and Education
Appendix 1

Proposal for the development of a Leadership/Management Development programme

1. Background

Swindon & Marlborough recognises that to increase organisational effectiveness, the development of management and leadership skills amongst our staff is vital. The Trust recognises that effective leadership development is about developing both the individual and the organisation, therefore this document is an integral part of the Trust's OD plan.

We acknowledge that unless we are receptive to innovation, supportive to learners and have an expectation that learning will be applied, we are unlikely to secure real benefits from our investments in management and leadership development as a Foundation Trust.

Foundation Trust status will require managers to be increasingly creative, flexible and willing to change and try new ideas. It also requires that leaders are better equipped to support and develop staff, engaging with them and providing them with opportunities to make a difference to patient care. It is therefore vital that any management and leadership development that the Trust provides, meets the needs of the staff who will be undertaking management and leadership roles. Underpinning this change is the desire to develop an open and positive culture in the Trust and to develop our staff engagement so that staff are appropriately involved in decision making. The Trust recognises that culture can only be changed using high level leadership and management skills.

In particular, the Trust recognises that there are development needs when staff move from clinical to managerial roles and from operational to strategic roles. Further the Trust's innovative medical model of management requires our clinicians to have whole role competency.

2. Aims of the programme

To ensure that those leading change in the Trust have access to a learning system that provides them with the skills necessary to initiate successful change programmes that will make a difference in the way services are delivered to patients and to the work experiences of staff.

3. Target group

The participants for this rolling modular programme will be multidisciplinary and will be drawn from all areas of the Trust. They are not expected to necessarily be senior managers and do not necessarily need to have formal ‘change management’ or ‘project leader’ roles or job titles. Participants will include Associate Medical Directors, General Managers, Lead Clinicians, Ward Managers/Sisters, departmental managers, administration managers and others.

4. Requirements

Swindon & Marlborough requires support with the development of our capability to manage and lead in a highly complex and changing environment. In particular, we would like to introduce a management/leadership competency framework against which staff can be measured using the Leadership Qualities Framework. We would also like to commission a leadership programme for our top leaders.
Outputs of the programme will include a framework for recognising early, where a member of staff has got management and leadership potential so we can develop that potential i.e. a co-ordinated approach to talent management and effective succession planning providing sustainability for the Trust and career opportunities for staff.

It is also recognised at Swindon & Marlborough that there is an under-representation of people from black and minority ethnic groups in leadership positions.

As stated in the NHS South West document ‘Action to enhance leadership capability and capacity in the South West’ (February 2008), all development activity should be focused and practical, tough and demanding and supported by improved governance and management arrangements.

Particular common themes mentioned in the document and relevant to Swindon & Marlborough’s expectations are –

- The focus of leadership development should be relevant to specific delivery challenges in the Trust recognising that leaders learn best by doing and reflecting on real life leadership challenges and experience. Participants should be able to apply what they learn and be encouraged to do so.
- The particular needs of BME staff should be addressed in the development of the programme
- Participants in the programme should have explicit backing of their line manager and organisation
- Entry criteria should take account of the ability to benefit, the motivation and the commitment of all involved. This will require a greater degree of openness and challenge in appraisals for some.
- Leadership development should focus on the essential qualities that have been shown to be fundamental to good leadership in the NHS – vision, delivery, involvement and decision making.
- Development activity should be shaped in part by it’s participants and should include a mixture of assessment, taught elements to stimulate and stretch participants, action based learning, performance focused coaching, master classes and core studies, exposure to best leadership practice, individual reflection with evidence of insight, access to wider peer networks and regular and rigorous evaluation will focus on what has been achieved rather than just participant satisfaction with the learning experience.

Leadership development should also be inextricably linked to the Trust’s objectives as set out in our Integrated Business Plan and Business Plan 08/09.

5. Potential framework for the programme

The framework for the programme will combine work based learning with formal (taught) input. The work based element is anticipated to take place either in the individual’s department through a series of live projects or teams across Departments/Directorates. If possible experience can be gleaned from other organisations.

It is anticipated that the programme will use the skills of individuals experienced in various change activities already working in the health economy and the local business community. It is also anticipated that on completion of the programme, participants will have the skills, confidence and opportunity to continue to share learning and best practice across the Trust, across the health community and wider business community.
The content of the taught element of the programme could include the following areas:

- Influencing and conflict management skills
- Financial management
- Process mapping
- Report writing
- Negotiation skills
- Using and understanding service line management
- Project planning/management
- Decision making
- Using and understanding key performance indicators
- Chairing meetings
- Delivering successful change programmes
- Business planning skills
- Team leadership and development
- Effective partnership working
- Managing conflict
- Staff management
- Conducting an effective appraisal

Each module will be evaluated to ensure it is adding value to the achievement of both individual and organisational objectives and to ensure that the learning is being applied.