

Leading across the health and care system

Lessons from experience

**Leadership
in action**

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The context

The American surgeon and writer Atul Gawande has argued that we are living in the 'century of the system' (Gawande 2014), where individuals and organisations cannot solve the problems facing today's society on their own. Instead, he proposed that we should design new ways in which individuals can work together in teams and across systems to make the best use of collective skills and knowledge.

National leaders in the NHS are trying to do precisely this. They are seeking to move away from competition as the guiding principle of the NHS toward collaboration. Integration is being favoured in place of fragmentation. And leadership is conceived as shared and collective rather than heroic. The development of new care models, sustainability and transformation plans (STPs), and accountable care systems are all examples of where these shifts are taking place.

But they are far from being complete. The reality for local NHS leaders is often very different. Collaboration is not easy when competition is still encouraged; the organisation of the NHS remains fragmented; and regulators often operate inconsistently. NHS organisations are also under extreme pressure to meet targets for services and reduce financial deficits.

In this context, it can be tempting for organisations to look after their own interests and performance rather than to work in partnership with others. However, this would be

a major missed opportunity to transform the delivery of care to meet the changing needs of the population. Doing this requires NHS organisations and their partners to work together to improve services and make the best use of limited resources (Ham and Alderwick 2015).

This paper offers those who are leading new systems of care some practical ways in which to work together to address the challenges they face. It draws on our work on the development of new care models (Collins 2016), sustainability and transformation plans (Ham *et al* 2017; Alderwick *et al* 2016), and accountable care organisations (ACOs) (Addicott *et al* 2015). It also informed by our work on the experience of people who have occupied system leadership roles (Fillingham and Weir 2014; Timmins 2015).

Five factors that facilitate system leadership

Our work with leaders who are grappling with what it takes to make a success of working in new care models, sustainability and transformation partnerships, and accountable care systems has informed our understanding of system leadership. We have found that five factors in particular (identified by our colleague Michael West, drawing on Hewstone and Swart 2011 and Baumeister and Leary 1995) offer a helpful way of framing the challenges system leaders are facing. We use these five factors in this paper and also draw on case studies from our research and our organisational development work.

1 Develop a shared purpose and vision

A key step in the development of system leadership is shifting from reactive problem-solving to building positive visions for the future:

This typically happens as leaders help people articulate their deeper aspirations and build confidence based on tangible accomplishments achieved together. This shift involves not just building inspiring visions but facing difficult truths about the present reality and learning how to use the tension between the vision and the reality to inspire truly new approaches.

(Senge et al, p 29)

Many of those involved in new care models and sustainability and transformation plans have invested time in developing

shared purpose and vision. In doing so they have had to confront 'difficult choices about the present reality' in the course of working towards 'inspiring visions'.

Greater Manchester has made more progress than most, with its strategic plan having been agreed around a year before STPs were introduced in the rest of England as part of its devolution agreement with the government (AGMA *et al* 2015). The plan was developed 'on the principles of co-design and collaboration' and is focused on people and places rather than the different organisations that deliver services. It is a practical example of the shared purpose and vision needed to underpin system leadership.

Greater Manchester has also put in place leadership and governance arrangements to support joint working. This builds on the work of the combined authority, which was formed to support system leadership across local authorities.

The leader and chief executive of Manchester City Council were central to this process and to the work now being done to engage NHS organisations in the wider devolution agenda. Frequent personal contact between leaders in local government and the NHS have helped in this process.

This takes people beyond pretending everyone is 'on board', creating the polite illusion of a cohesive team, towards identifying something they really want to achieve for their patients and populations. Progress has been more rapid where there is a history of collaboration between leaders and more challenging in areas where leaders have moved on frequently

and where collaboration is in its infancy, which is often the case in STPs where whole new sets of organisations come together for the first time.

2 Have frequent personal contact

Collaboration is a team activity that cannot be conducted at a distance. It requires leaders to have face-to-face meetings with each other in order to establish the rapport and understanding on which collective leadership hinges. Leaders will need to address issues as basic as whether they understand each other sufficiently to forge alliances, as well as whether mutual trust exists or can be developed. Collaboration also means understanding the person behind the role and the different, as well as shared, motivations and interests that exist among those seeking to collaborate.

Reflection and conversations enable leaders to hear different points of view and to appreciate each other's reality, emotionally as well as cognitively. This requires leaders to take time out to get together regularly - not only meeting when there is business to transact. Given the speed with which STP footprints were formed and plans developed and submitted, some senior system leadership teams are still fairly new and their time together has been limited and focused on pressing 'business' issues, rather than spent holding different types of conversations about the future across their local system.

When a group we worked with recently, who had been holding weekly conference calls and monthly face-to-face meetings to deal with business issues, finally put aside an afternoon and evening to spend together they made rapid progress tackling some complex issues.

The local authority and NHS leaders held exploratory discussions about how they could work together in very different ways in future. They worked on specific issues, with time to delve into each other's understanding of the risks and opportunities those offered - for example, how they might better integrate services for children and young people and for the local adult population, as well as taking a more active approach to improving the health of the local population.

By spending this time on a shared agenda, they were surprised at how quickly assumptions were unravelled and others' perspectives understood. Being released from a list of a dozen agenda items allowed them to explore, disagree and have time to find new solutions to longstanding local problems. Key messages across the leadership group were agreed and taken back by leaders into their organisations to maximise their collective impact. The group have agreed to meet in this format every six weeks.

3 Surface and resolve conflicts

The journey to collaboration and collective leadership is rarely straightforward. As in all relationships, agreements will go hand in hand with disagreements, which can be fatal if they are allowed to fester and undermine relationships and trust.

The absence of conflicts can be more worrying than their presence. This is because conflicts occur when difficult truths are confronted rather than suppressed. Conflicts and challenges should therefore be welcomed as a step towards system leadership, recognising that persistent conflicts can also be damaging.

Leaders need to find ways of surfacing and resolving conflicts before they become serious. This will depend on their ability to recognise conflicts, work them through and create the conditions in which it is safe to challenge. This can involve acknowledging the perceived power differentials in the room at the outset - eg, if the hospitals are seen to be leading the agenda on behalf of NHS England or local authorities are holding a 'right of veto' until they consult with their elected members. Simply naming these issues can be helpful.

It can also be useful to work on credible examples of potential conflicts - eg, how a fixed budget should be allocated between different organisations in the event of one organisation overperforming. Being prepared in this way can make it easier to address real conflicts when they occur.

With some system leadership groups, we have focused on the nature of dialogue being held to promote challenging exchange between different organisational leaders. Problems can occur when individuals become stuck, entrenched, or repeating the same point of view. In our work we draw attention to such patterns in conversations and support leaders in changing the dynamic to explore others' views rather than simply restate their own.

4 Behave altruistically towards each other

NHS leaders who are now seeking to collaborate with each other will often have found themselves competing in the past. Competitive behaviours reflect government policies based on using market forces and targets to improve performance, as well as behaviours such as pace-setting that have led leaders to be successful in their careers. It is hardly surprising therefore that developing collective leadership is often challenging.

The work of Baumeister and Leary (1995) suggests that leaders who are able to behave altruistically towards others can play a key role in developing collective leadership. This means approaching relationships with peers by asking 'How can I help?' and not 'How can I use our relationship to further my own position and that of my organisation?'. It means approaching collaboration by asking not 'How can I win in this discussion?' but rather 'How can we succeed together?'. In our work, we have been invited to work regularly with system leadership groups to support a more collaborative rather than win-lose style of negotiation.

A number of places are seeking to look at the bigger picture by focusing on the use of their common resources, such as 'the Leeds pound' and Salford Together. Organisations and their leaders work collaboratively in taking decisions in place-based systems rather than focusing on what is in their own interests. In Salford, the CCG and the council have created an integrated commissioning committee to oversee the commissioning decisions for all adult health and care services across the resident population.

The hope is that by discussing how to meet the needs of the population being served, they will make progress in developing altruism and mutuality and avoid 'the tragedy of the commons', which occurs when self-interested behaviour works against the common good (Hardin 1968).

5 Commit to working together for the longer term

Collaboration is more likely to happen when leaders know that those with whom they are working are committed to working together for the longer term. This matters because of the investment of time and energy needed to build effective relationships. Leaders may calculate that this investment is worth making only if there is reasonable certainty that those they are collaborating with are likely to be ongoing partners in transforming the systems for which they are jointly responsible.

As systems form and reform within STP and ACO structures, leaders are being pushed to find ways of accelerating their ability to act 'long term' in what is often a transitory phase. In our experience, time invested in going beyond the superficial or transactional at an early stage enables leaders to work faster and with agility as the next phase of development emerges.

Part of the system leader's role is to share the picture of the future within their own organisations and not to shy away from the impact the changes may have. Inevitably leaders will often encounter cynicism. Such cynicism is often borne of frustration and a sense of 'being done to'. Building an understanding of the long-term possibilities and engaging people in shaping the plans that impact the future health and care of populations takes time - and is the investment which makes the difference.

A tangible example of progress in developing system leadership between local government and the NHS, with a focus on long-term aspiration, is described by Fillingham and Weir (2014) in a case study of the 'Living Longer, Living Better' programme in the city of Manchester. The programme is overseen by the health and wellbeing board comprising NHS and local government commissioners and key statutory providers in the city. The engine room in this work is the city-wide leadership group comprising key leaders from partner organisations. The multi-agency group of eight senior leaders (one from each of the partners) was created to develop a 'blueprint' for the way forward. This group captured the vision for Manchester as being 'Living Longer, Living Better' (Manchester City Council 2013).

The way in which this group has gone about its business has been a catalyst for an emerging new approach to public sector leadership in the city. As other new programmes of work came about, which could have been seen as competing programmes, the leadership team of the City of Manchester worked hard to demonstrate the links between them. They have striven to create a compelling narrative that makes sense to frontline staff and local citizens and that shows how three inter-related programmes will affect the care delivered for Manchester residents in the immediate and the long term.

Bringing these factors together

Our work with areas seeking to develop system leadership shows the importance of working on all five factors together. Doing so presents challenges, as Peter Senge and his co-authors (2015) have observed in other sectors. Like us, they argue that system leadership is needed now more than ever to address intractable global challenges like climate change, youth unemployment and poverty but it often flounders:

transforming systems is ultimately about transforming relationships among people who shape those systems. Many otherwise well-intentioned change efforts fail because their leaders are unable or unwilling to embrace this simple truth.

In the NHS this requires a fundamental shift from pace-setting leadership styles to participative and facilitative ways of working. It means being open to hearing and acting on different points of view. This in turn depends on creating time and space for stakeholders to come together to have the creative conversations on which understanding and change rest. The involvement of local authority leaders has helped to bring a different style of leadership into this work. Local government leaders tend to be more experienced than their counterparts in the NHS in achieving results through consultation, engagement, persuasion and influence rather than hierarchical power. These were some of the leadership qualities identified by Nick Timmins (2015) in a study of system leaders in the NHS, local government, the civil service and the third sectors. Others

included being able to walk in other people's shoes, identifying those who will form a coalition of the willing and getting people to own the idea, which they may not have thought of as their own. These are exemplified in an interview with Ruth Carnall (The King's Fund 2015).

The involvement of local government leaders has also shifted the nature of the discussions - away from 'NHS speak' to 'what is the deal, what are the outcomes for the population?', which has proved very important in engaging others such as local communities, GPs and elected members.

In some places, it has been useful to agree a set of system leadership principles for working together to guide development. The following table sets out some of the principles used by leaders working on the sustainability and transformation plan in Devon.

Cynicism is not leadership - create the belief WE can do better

Communicate - regularly and often, good news and bad

Cascade the message, and tell your teams - there will be a lot of cynicism that it's more of the same

Create permission to challenge bad behaviour - in the room, not behind people's backs

Accept that people can change - only *you* can change *your* behaviour - deal with others' perceptions of you and your organisation NOT perceptions of yourself

Live the ethos of system working or it will not be believed

The experience of the Canterbury District Health Board in South Island, New Zealand, is a living example of what can be achieved through a long-term commitment to system leadership.

Faced with a growing and ageing population, and the prospect of having to build a second acute hospital to cope with rising demand, leaders in Canterbury committed to working together as 'one system, one budget' even though it was neither a single system and nor did it have one budget. The district health board acted as a catalyst in this process, bringing together clinicians, managers and other stakeholders to plan services for the future.

Through an extensive process of engagement across the community, agreement was reached on a shared vision of a single integrated health and social care system in which patients were at the centre. The key strategic goals were that services should enable people to take more responsibility for their own health and wellbeing; as far as possible people should stay in their own homes and communities; and when people needed complex care it should be timely and appropriate (Timmins and Ham 2013). These goals were pursued in diverse ways including developing a shared electronic record and a system for managing demand for hospital care, avoiding admissions where appropriate, and investing in community rehabilitation.

None of this would have been possible if leaders in different parts of the system had not been willing to collaborate in the development and implementation of the plan. They were able to do so because of continuity in the leadership community, familiarity developed over many years, and by developing a high level of trust. Many of those involved had moved between different leadership roles during their careers and therefore understood what it was like to 'walk in each other's shoes'.

The work done in Canterbury not only helped to avoid a new hospital being built by 'bending the demand curve' but also enabled the system to manage the impact of a succession of earthquakes that destroyed the centre of Christchurch and damaged health care facilities. Independent analyses have demonstrated the achievements of the district health board in relation to other health boards in New Zealand (Timmins and Ham 2013) and the way in which integrated care helped moderate the growth in demand for acute care (Schluter *et al* 2016). The New Zealand State Services Commission singled out the district health board in 2013 as an outstanding example of public sector innovation. In 2015, Canterbury's Clinical Network Alliance was awarded the Institute of Public Administration New Zealand Treasury Award for Excellence in Improving Public Value through Business Transformation and the Prime Minister's Supreme Award for Public Sector Excellence.

This is a story of system leadership as well as distributed leadership. David Meates, chief executive of the district health board, has explained how transformation was delivered by 'Many people driving important change, from everywhere...' and by giving staff permission to innovate as part of a whole-system approach. A fuller version of how this was done can be viewed at: www.kingsfund.org.uk/audio-video/david-meates-place-based-health-care.

The Canterbury story has evolved over a decade, which contrasts with the much tighter timescales facing the NHS in England today. David Meates acknowledges that mistakes and false turns were made along the way, but the learning from this experience contributed to a system-wide transformation which holds clear lessons for NHS leaders.

Further support

Our work at the Fund shows that organisational development (OD) practitioners respond to the specific needs of each area and each group of leaders. Those providing OD support need to act as partners of those with whom they work, offering a mix of challenge and support as appropriate. One of their key contributions is to enable leaders to find solutions through reflection and dialogue. To be effective, the commitment to develop must be owned by these leaders, recognising the different histories and personalities involved and variations in local context.

The Leadership and Organisational Development team at The King's Fund is working with a range of STP and ACO partners and other joint bodies, supporting them in creating the leadership and culture they need to work across the system.

If you would like to know how we can support your work, our website summarises our own activities and learning about system leadership.

Or you can contact us: Nicola Walsh (n.walsh@kingsfund.org.uk) or Sally Hulks (s.hulks@kingsfund.org.uk).

We also offer a range of leadership development programmes that aim to support collaborative working. Our Building collaborative leadership programme is designed to give chief executives and senior directors time to develop strategies, skills, and behaviours to succeed in this evolving, and difficult

environment. The Advanced OD practitioner programme is designed for those working in the OD field and related areas. The programme will give participants the opportunity to explore new ways of thinking about organisations in the current health and social care context, to experiment with OD methodologies, and to create a network of peers working with the same challenges.

For details of these and other leadership development programmes go to: www.kingsfund.org.uk/leadership.

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About The King's Fund

The King's Fund is an independent charity working to improve health and care in England. We help to shape policy and practice through research and analysis; develop individuals, teams and organisations; promote understanding of the health and social care system; and bring people together to learn, share knowledge and debate. Our vision is that the best possible care is available to all.

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