Towards Distributed Leadership in the NHS?

As far back as 2005, Sir Nigel Crisp (Chief Executive of the NHS) argued for “entrepreneurial leaders” capable of bringing “vision, leadership and passion” to the NHS, and who “generate new and alternative solutions that extend the boundaries of healthcare (and) challenge factors that are growth-limiting and refuse to accept the status quo”. Harnessing the language of entrepreneurship was a clever PR ploy, creating associations between NHS transformation and dynamic private sector business innovators. The problem is that nobody really took the time to find out why entrepreneurial behaviour was so difficult to unleash in the NHS.

There are lessons that can be learnt from progressive private sector companies such as BT and Ericsson. UKWON’s research examined the role of BT’s “Pride Builders” and Ericsson’s “Inspiratörers”, ordinary employees given the additional task of asking difficult questions and identifying creative solutions by bringing people together. Reform inside the public services (and inside social enterprises) needs to be driven by such people, but their role needs to be recognised and championed throughout the organisation. Unlike many examples that can be found within the NHS, they should be acknowledged rather than punished for looking critically at established practices and challenging the status quo.

BT developed a transformation programme for change across all sectors, affecting everybody. Working in partnership with line managers and trade union representatives, “Pride Builders” drove a flexible approach to change with a strategic direction towards a people centred strategy. Through the Pride Builders initiative BT succeeded in streamlining systems, reducing waste, improving production time, improving customer satisfaction, developing new products and new ways of working.

How does this address problems within the NHS? Recent research provides a valuable insight into how service innovation and improvement is stimulated within NHS organisations through entrepreneurial behaviour. Our study examines the Improving Working Lives (IWL) programme and finds significant variation in outcomes between eleven NHS Trusts. Each Trust was required to reach identical standards in improving HR practice over a set period. Achievement of the standards was validated by external peer-review, and outcomes contributed significantly to overall performance ratings.

In each organisation implementation was driven by a “Lead” from line management, and three of these individuals form the focus of the study. Sally’s approach is categorised as “conformity”: programme objectives were successfully met through focussed effort on compliance (“ticking boxes”). However there was little engagement with staff or unions and the initiative did not lead to real or sustained change. Jess, in contrast, had to work outside the formal organisational structures and chains of command. While meeting targets, Jess achieved real improvements in frontline practice. Lacking Board or senior
management support however her entrepreneurial approach ran into resistance from middle management. She was removed from post and gains were not sustained once accreditation was achieved. Jess’s "resisted or dissonant entrepreneurship" within her Trust shows that opposition to change will prevail in an unsupportive organisational context. **Sonya** emerged as equally entrepreneurial in her approach and commitment to securing real workplace innovation. Unlike Jess she enjoyed full senior management support and the active engagement of Directors and staff side representatives. Building on widespread staff involvement she was able to secure sustained changes in HR policy and working practices; the organisation even changed its objectives to reflect the new priorities. IWL’s transformational potential in a culture of "organisational entrepreneurship" complemented and informed Sonya’s emerging identity as a self-motivated entrepreneur, leading to sustained innovation and change.

However of the eleven Trusts in the study, all but Sonya’s reflected either Sally or Jess’ experiences. When visited 18 months after the end of the IWL initiative, most Trusts failed to demonstrate any sustained change despite more than four years’ effort. The ability to achieve effective and sustainable outcomes varies considerably even between NHS Trusts faced with comparable challenges in implementing nationally prescribed targets. This variance is explained in terms of an organisation’s ability to generate structures, processes, individual competence and motivation to enable employees at all levels to act entrepreneurially, with the ability and legitimacy to achieve strategic goals by working creatively in the spaces between formal organisational structures.

While evidence highlights the importance of entrepreneurial behaviour in the transformation of the NHS, Sally and Jess demonstrate in different ways that managerial culture and working practices can inhibit the full engagement of staff, and the use of their knowledge and experience in service improvement and innovation. The NHS Leadership Qualities Framework talks about “leading change through people” and “empowering others” but there is little evidence of a large-scale change in management behaviours. The expectation that the current reorganisation of the health sector will transform bureaucratic organisations into dynamic enterprises overnight is far from realistic. We need to take much more seriously the evidence that employee involvement strengthens service quality. Moreover as Cressey and Farr show in their Bath University research, empowered frontline staff are the key to empowered service users.

"NHS Inspirers" with clearly sanctioned autonomy and leadership support could help shape the creation of a dynamic and participative culture, working alongside line management and union representatives. Based on BT’s experience, ‘scouts’ could recruit and train employees with the right aptitude to enthuse, improve and build networks whilst working in their day to day roles.

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