

Leadership in today's NHS

Delivering the impossible

Overview

- In 2014, work by The King's Fund assessed the level of leadership vacancies in NHS provider organisations. As pressures on services have increased and NHS organisations are called on to work more collaboratively, levels of leadership vacancies and leadership churn continue to pose problems.
- This report is based on a survey of NHS trusts and foundation trusts carried out by NHS Providers in late 2017, qualitative interviews and a roundtable event with frontline leaders and national stakeholders.
- The survey showed that leadership vacancies are widespread, with director of operations, finance and strategy roles having particularly high vacancy rates and short tenures.
- A culture of blaming individuals for failure is making leadership roles less attractive. Organisations with the most significant performance challenges experience higher levels of leadership churn. National bodies need to do more to support leaders to take on and stay in these roles.
- To tackle high leadership churn, national programmes should target professional roles where concerns over the pipeline of future leaders is greatest. Regional talent management functions – largely absent since the abolition of strategic health authorities – should be rebuilt in the new joint NHS England and NHS Improvement regional teams.
- More attention should be given to addressing the environment NHS leaders operate in. To help ensure these roles are attractive in future, national bodies should better model the behaviours they expect in local leaders, the expectations of 'what good looks like' should be more clearly articulated, and NHS leaders themselves should be treated more humanely.

Why look at leadership challenges?

Leaders in today's NHS operate in a climate of extreme pressure. Staffing vacancies are rife, there are widespread challenges in meeting financial and performance targets and demands on services continue to increase. The nature of the challenges facing leaders of NHS trusts has also changed, with greater emphasis placed on working collaboratively as part of more integrated health and care systems.

Over the past three years, several reviews of NHS leadership have attempted to better understand and address the impact of these pressures. These reviews have identified the churn of senior leadership teams – characterised by short tenures and high vacancy rates – as a particular problem.

For this reason, The King's Fund has worked with NHS Providers to review the current level of vacancies and tenure of executive directors in NHS provider trusts. Our report draws on NHS Providers' annual quantitative survey of leadership vacancies and on qualitative interviews and a roundtable The King's Fund conducted with NHS trust directors and national stakeholders.

What is the current state of leadership churn in NHS trusts?

Leadership vacancies in NHS trusts remain widespread with 37 per cent of all surveyed trusts having at least one vacant post for a board-level executive. The highest vacancy rates were for director of operations and director of strategy roles.

Turning to tenure, 54 per cent of substantive executive directors were appointed in the past three years (2015 to 2017) and the average (median) tenure was only two years.

Higher vacancy rates and shorter tenures were found in trusts experiencing the most challenged levels of performance. Trusts rated as 'inadequate' by the Care Quality Commission had 14 per cent of posts vacant, compared to only 3 per cent in trusts rated as 'outstanding'.

Our interviews and roundtable event highlighted the impact leadership churn can have on organisations. Short tenures can lead to too much focus on day-to-day priorities at the expense of longer-term strategy. A 'revolving door' approach to leadership also undermines the credibility leaders have with staff in their own organisations and with external stakeholders. The churn of leaders can stall organisational progress, which can be especially costly as trusts try to work collaboratively in local health and care systems to develop more integrated models of care.

What factors influence the attractiveness of NHS trust leadership positions?

Several different factors contribute to high leadership churn. These include a high level of regulatory burden and a lack of autonomy. The constant pressure to report 'upwards' to national bodies has left directors feeling disempowered and with less time to focus on their day-to-day jobs. Several interviewees mentioned how recent regulatory or political interventions to remove leaders for failing financial or performance targets suggested that individual leaders are sometimes held to account for system-wide problems.

A reduced appetite for risk was mentioned as a factor in the appointment process by both applicants and decision-makers for director-level posts. This risk aversion manifests as a desire to appoint people who have 'done the job before', and less willingness to find candidates from outside the NHS or from elsewhere in the health and care system. This reduces the available talent pool and is exacerbating the difficulty of finding NHS leaders of the future.

National data painted a sobering picture of how ethnically diverse NHS leaders are. Only 7 per cent of very senior managers were from a black and minority ethnic background, which is far lower than representation in the NHS workforce and local communities. There was some evidence that leaders were taking more action to pursue greater equality and diversity. These included ensuring recruitment panels have black and minority ethnic representation and developing in-house mentoring and reverse-mentoring programmes.

There was little evidence that there is a coherent national strategy for supporting the most challenged trusts, which often have the highest levels of leadership churn. Enhanced buddying arrangements between high- and low-performing trusts and more protection for leaders taking on these challenging organisations are needed.

What can be done to make NHS trust leadership roles more attractive?

There are already effective national programmes that support aspiring chief executives. But more could be done to extend these leadership and development offers to the other professional roles experiencing high churn.

Closer working arrangements between NHS England and NHS Improvement should be used as an opportunity to rebuild the regional talent management functions that were previously performed by strategic health authorities. Local NHS trusts should also invest in seeking out and developing future leaders. This could include

refreshing directors' portfolios at regular intervals and exploring opportunities for less experienced members of staff to participate in projects that would develop their board-level skills.

Interviewees cautioned against placing too much focus on formal talent management or development programmes, as an effective talent pipeline alone will not reduce vacancies as long as the current operating environment and treatment of leaders is unchanged. Interviewees noted that changing this culture would require national bodies to better model the behaviours they expect of local leaders, a clearer articulation of 'what good looks like', and for NHS leaders to be treated more humanely.

Although much of the discussion about leadership vacancies and tenure was framed as a problem to address, the leaders we spoke to viewed their jobs as a vocation and a privilege. Current NHS leaders were self-described 'cautious optimists' who believed that the route through the challenges of NHS leadership involved them, as senior leaders, promoting and demonstrating the behaviours that would make these roles attractive for subsequent generations of leaders.

To read the full report please visit www.kingsfund.org.uk/NHS-leaders-today

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