

# Exploring CQC's well-led domain

How can boards ensure a  
positive organisational culture?

Katy Steward

**Leadership  
in action**

## » Introduction

Following the Francis Report into the failures of care at Mid Staffordshire NHS Foundation Trust, and the government's response to the report, the Care Quality Commission (CQC) has introduced a more rigorous and wide-ranging approach to inspecting health care providers. The main purpose of inspections is to assess the quality of care delivered to patients. In making this assessment, CQC now also analyses the leadership and organisational culture of providers.

CQC summarised its approach in its recent annual report into the state of health and social care in England:

*Through its new tougher inspections, CQC is focusing more comprehensively than ever before on understanding the quality of leadership at all levels of an organisation, and across all types of health and social care. Being well-led means having strong and effective leadership, a supportive and values-driven culture, and stable management. It means being open and collaborative, and encouraging teams to work together to solve problems. Good leadership, at all levels of the organisation, shapes its culture into one where people who use services and the quality of their care come first.*  
(CQC 2014, p 19)

Drawing on work commissioned from The King's Fund, CQC's inspections focus on five key lines of enquiry in analysing leadership and culture as part of its 'well-led' domain (see below). These lines of enquiry derive from research undertaken by staff at The King's Fund and the Center for Creative Leadership into leadership and culture and draw on a strong evidence base. As The King's Fund fellow Michael West has observed:

*It's the leaders in organisations who really make a difference to the cultures of organisations - by what they attend to; what they value; what they monitor and what they model in their behaviours. The challenge for us is how can we ensure we have*

*'Good leadership, at all levels of the organisation, shapes its culture into one where people who use services and the quality of their care come first.'*

***leadership, which ensures that there is a focus on the vision of providing high-quality, continually improving and compassionate care at every level of the organisation? Not just in the vision or mission statements but in the behaviours throughout the organisation.***

**(CQC 2014, p 19)**

**The challenge for inspectors is that they must not only observe behaviour but triangulate what they see and hear with available data. They might see patients being cared for, but if the answer to the question ‘what happened last time staff raised a concern about the care a colleague is providing?’ is ‘nothing’ then there should be concern. If answers are contradictory then no amount of good observed behaviours should deter the inspectors from looking more deeply into the true culture of the ward or service. Conversely, in outstanding organisations, caring and safe behaviours will be backed up by consistent policies, practices and data, and supportive leaders.**

**The rest of this paper sets out what boards can do to ensure their organisation is well led using the five key lines of enquiry and drawing on examples of good practice in leadership and culture in health care. The paper has been written as a practical guide for board members in strengthening leadership and culture and in preparing for CQC inspections. Further information about The King’s Fund and the support it offers to boards is provided at the end of the paper.**

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# » What does it mean to be well led?

1

## Inspiring vision - developing a compelling vision and narrative

Boards need to engage staff with a compelling vision that inspires them to work towards common goals. They need to demonstrate commitment to the vision and take actions to embed this throughout the organisation.

In 2008, Salford Royal NHS Foundation Trust set itself the objective of becoming the safest organisation in the NHS, with the ambition of saving 1,000 lives in three years. There were risks in being explicit about this aim but it has proved to be critical to the progress made in reducing harm to patients and in the trust becoming an exemplar for the NHS. Salford Royal has invested heavily in the systems and infrastructure needed to deliver its strategy, including establishing a performance improvement directorate and helping staff to apply lean improvement methodologies.

### Board members can ask the following questions:

- Do senior leaders and staff agree that they are all working towards a clearly defined common goal?
- Do staff across the organisation understand the goal and how their job contributes to it?
- Have leaders throughout the organisation set team and individual objectives that ensure work is aligned with the goal?
- Do appraisals demonstrate the link between organisational plans and individual objectives?

2

## Governance - ensuring clear accountabilities and effective processes to measure performance and address concerns

Boards need to be clear about who is accountable for maintaining standards of care; they need to establish systems to monitor performance, and fair processes for staff and patients to voice concerns.

*'Boards need to be clear about who is accountable for maintaining standards of care.'*

Both Derbyshire Community Health Services and Bridgewater Community Healthcare have worked with external advisers to review the composition of

their boards and ensure effective board behaviours. They have also worked with frontline staff to ensure that everyone understands accountability for performance. Alongside work at board level, each trust has focused on building the systems and processes needed to assess patient experience and performance, for example through the 'Talk to us' patient experience initiative at Bridgewater and 'Patient opinion' at Derbyshire. Both are working to establish a range of routes for staff to voice concerns, for example through promoting the *Nursing Times*' 'Speak out safely' campaign. They are also absolutely committed to openness with the public on performance, for example through Bridgewater's quarterly *Open and honest care* reports. Both organisations gained foundation trust status in October 2014.

### **Board members can ask the following questions:**

- Is it clear who is accountable for maintaining and improving quality throughout the organisation?
- Are the necessary systems in place for measuring performance, providing meaningful information that help the board and teams to understand how they are doing?
- Do non-executive directors, governors and patient representatives have their own ways of uncovering information on quality and safety that can be triangulated with other information?
- Are there transparent and fair processes for staff to raise concerns about quality and safety, and do they lead to tangible changes when things go wrong?

## **3**

### **Leadership, culture and values - developing open and transparent cultures focused on improving quality**

Boards need to develop leaders throughout their organisations and create strong cultures, based on values and expected behaviours.

Since 2007, more than 1,300 staff at Nottinghamshire Healthcare NHS Trust have completed the 'Invest to lead' programme, which asks staff to take responsibility for leading change. The programme provides a vehicle for reinforcing the trust's core values, including valuing individuals, partnership working, positivity and a relentless focus on the service user. At Frimley Park Hospital NHS Foundation Trust, staff have developed a set of values and behaviours that reflect the trust's culture, including compassion, honesty and fairness, and are embedding them in recruitment policies, staff objectives and appraisals.

### **Board members can ask the following questions:**

- Do we have a leadership strategy and a leadership development plan?
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- How are the strategy and plan resourced and reviewed to ensure effective implementation?
- Is there alignment from the board to the ward on the vision and goals of the organisation?
- Do staff understand the values and behaviours that reflect the culture of the organisation?
- Have we undertaken an assessment of the culture within the organisation and acted on the results?

## 4

### Staff and patient engagement - focusing on engaging all staff and valuing patients' views and experience

Boards need to ensure that staff are engaged in the work of the organisation and that the experiences and views of patients are understood and acted on.

In high-performing organisations leaders work collaboratively with staff, involving them in decisions and empowering them to make changes in response to patient needs. This includes spending time working with and listening to staff and responding to their concerns. These organisations also focus on understanding the patient's views and placing these at the centre of decisions about services. Evidence shows that organisations with consistently high levels of staff engagement also have better patient experience and outcomes.

*'Evidence shows that organisations with consistently high levels of staff engagement also have better patient experience and outcomes.'*

At Oxleas NHS Foundation Trust, one of the NHS organisations with the highest levels of staff engagement, the chief executive meets all new staff. After a few weeks he asks them to come back and share their views on the organisation. In 2009, Northumbria Healthcare NHS Foundation Trust was one of the first to appoint a director of patient experience at board level. Views are gathered from thousands of patients each year, and the trust is open about the feedback that it receives.

#### Board members can ask the following questions:

- What do surveys tell us about staff engagement and are levels of engagement rising or falling?
  - What are we doing to strengthen staff engagement and to support frontline leaders to address staff concerns?
  - What do surveys tell us about patient experiences and how do we compare with similar organisations?
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- How does patient experience vary within the organisation and what are the reasons for this?
- Do board members hear directly from staff and patients about their experiences?

## 5

### Learning and innovation - focusing on continuous learning, innovation and improvement

Boards need to develop cultures of continuous learning and improvement to support staff to provide the best possible care within the resources available.

Wrightington, Wigan and Leigh NHS Foundation Trust has been developing its own approach to learning, innovation and improvement, with a focus on supporting frontline staff with the tools and resources to design and implement changes rather than imposing solutions. This includes training teams in how to develop performance metrics and apply 'lean' principles learning from Unipart. Multidisciplinary teams have led major projects to reduce reliance on temporary staff and sickness absence, and to improve theatre utilisation.

Sheffield Teaching Hospitals NHS Foundation Trust has established a Microsystem Coaching Academy to coach staff in the science of quality improvement and to work with frontline teams to help them redesign the services they deliver. The academy was developed from work to improve care for older people in the trust, the benefits of which included reduced lengths of stay, delayed transfers of care and better outcomes.

#### **Board members can ask the following questions:**

- Do we have a strategy on learning, innovation and improvement?
  - Have we invested resources in building the capability needed to support staff to innovate and improve?
  - How much senior leadership time is dedicated to supporting frontline staff in implementing innovations and delivering improvements?
  - Have we partnered with NHS organisations and other organisations with relevant expertise in the development of our strategy?
  - Have we received external recognition for our work?
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## » Collective leadership and culture change

The King's Fund's work on collective leadership with the Centre for Creative Leadership argues that the most important determinant of organisational cultures is current and future leadership (West *et al* 2014). The challenge for many NHS organisations is how to develop their leadership and cultures when pacesetter leadership styles and an emphasis on heroic leadership continue to influence thinking and practice at all levels.

Part of the answer can be found in the development of leadership strategies within NHS organisations that encompass not only the development of individual leaders but the development of collective capability in the organisation as a whole. In effect, a leadership strategy:

*...is the result of a process of consciously and purposefully describing the desired leadership culture; identifying the skills and behaviours needed at an individual and collective level to create the desired culture; and planning the identification, development and diversity of designated individual leaders needed to implement and sustain the desired leadership culture.*

(West *et al* 2014, p 17)

In practical terms a leadership strategy makes explicit how many leaders an organisation needs, of what kind, in which positions, with which skills, and how they should behave to achieve high-quality and compassionate care. The process of developing the strategy must begin with the board, and it will require the engagement of all key stakeholders and leaders throughout the organisation. Our work has proposed three stages for the development and implementation of the strategy, namely:

- the **discovery phase**, which requires a thorough analysis of the current situation and an informed view of what is needed in the future
- the **design phase**, which specifies the requirements for individual and collective leadership in the next three to five years
- the **delivery phase**, which details the strategies and programmes that will build the capability needed (Eckert *et al* 2014).

The leadership strategy forms the basis of a **leadership development plan** that sets out how the organisation will develop the behaviours and competencies that are needed to deliver its strategy. This includes what needs to be done to develop partnerships and alliances with other organisations in a context where working across organisational boundaries in local systems of

care is becoming more important. Talent management, succession planning and recruitment to fill gaps in leadership will be central to the leadership strategy and development plan. Such an approach ensures that a health care organisation becomes sustainably well led with a healthy and strong culture, focused on the core purpose of delivering continually improving, high-quality and compassionate care.

Discovery	Design	Delivery
What do we need from our leadership to successfully implement our strategy and fulfil our mission?	What skills, capabilities, competencies and behaviours must our leaders demonstrate in order for them to shape the cultures of care we require?	How will we develop the leadership we need for the future?

## » Support from The King's Fund

The King's Fund has a wealth of experience in working with NHS organisations and can support you in developing and delivering a collective leadership strategy. Our starting point is an assessment of your organisation's culture. We have developed and tested a cultural assessment tool, which can be used separately or in combination with a wider programme of support.

**The tool provides an overview of the following aspects of culture within your organisation:**

- clarity of vision, objectives and direction
- quality of management, leadership and supervision
- devolution of responsibility
- teamworking and inter-teamworking, focusing on clarity of objectives, roles, communication, team-learning and cross-boundary working
- support, positivity and compassion - between staff and patients but also between managers, leaders and staff
- pressure of work, performance monitoring, efficiency and effort
- learning, innovation, outward focus, emphasis on quality and on quality improvement

- flexibility, traditionalism, bureaucracy and formalisation.

Once we have understood the culture, our focus is then on engaging with senior leadership teams and on supporting them to develop and deliver a collective leadership strategy. Our aim is to work collaboratively, providing the support you need at each of the three stages of discovery, design and delivery. This could include conducting desk research and workshops to assess the gap between current and future leadership culture, help in designing the new leadership strategy and providing a range of development interventions for leaders and their teams to embed the new culture.

Our work is led by **Dr Katy Steward**, assistant director of leadership development, and **Professor Michael West**, senior fellow.



**Katy Steward** has more than 25 years' experience in development and organisational change, and she is a qualified coach. Prior to joining The King's Fund, Katy worked at Monitor, where she developed the first NHS foundation trust code of governance. She has led the Board Leadership Programme at The King's Fund for seven years.



**Michael West** is a senior fellow at The King's Fund and Professor of Work and Organisational Psychology at Lancaster University Management School. The focus of Michael's research for more than 30 years has been culture and leadership in organisations. He has led the Department of Health's Policy Research Programme into cultures of quality and safety in the NHS in England. He has built an unparalleled evidence base around organisational culture and staff engagement in the NHS.

For an informal discussion on how we can work with your organisation please contact Katy Steward at [k.steward@kingsfund.org.uk](mailto:k.steward@kingsfund.org.uk)

If you would like to read more about collective leadership, further information can be found at [www.kingsfund.org.uk/collectiveleadership](http://www.kingsfund.org.uk/collectiveleadership)

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## About The King's Fund

The King's Fund seeks to understand how the health system in England can be improved. Using that insight, we help to shape policy, transform services and bring about behaviour change. Our work includes research, analysis, leadership development and service improvement. We also offer a wide range of resources to help everyone working in health to share knowledge, learning and ideas.

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