

# Northumbria Healthcare NHS Foundation Trust



Northumbria Healthcare is a National Health Service Foundation trust that provides healthcare services across one of the largest geographical areas of any NHS trust in England. The Trust carries out around 1.4 million appointments with patients, treats around 167,000 patients in emergency departments, urgent care centres and minor injury units, cares for over 71,000 patients on wards, and performs over 36,000 operations. The organisation has 9,500 employees, making one of the North East's largest employers. The organisation is proud to consistently be one of the country's top performing NHS trusts and was named 'overall best trust' and awarded five other accolades at Patient Experience Network national awards.

## **A new approach to strategic performance**

When the organisation decided to implement a strategic performance management approach to ensure continued success it appointed me to help them. Northumbria Healthcare's Chairman, Brian Flood, and Chief Executive Officer, Jim Mackey, say "However excellent, past performance is no guarantee of future success. High performing organisations remain so by looking ahead, understanding the challenges and determining the right strategy to maximise [their] unique business opportunities and best manage [their] risks."

Following a workshop with the senior leadership team in which I presented global best practice in managing healthcare performance, we started the process of building a strategic performance management framework and developing meaningful performance indicators.

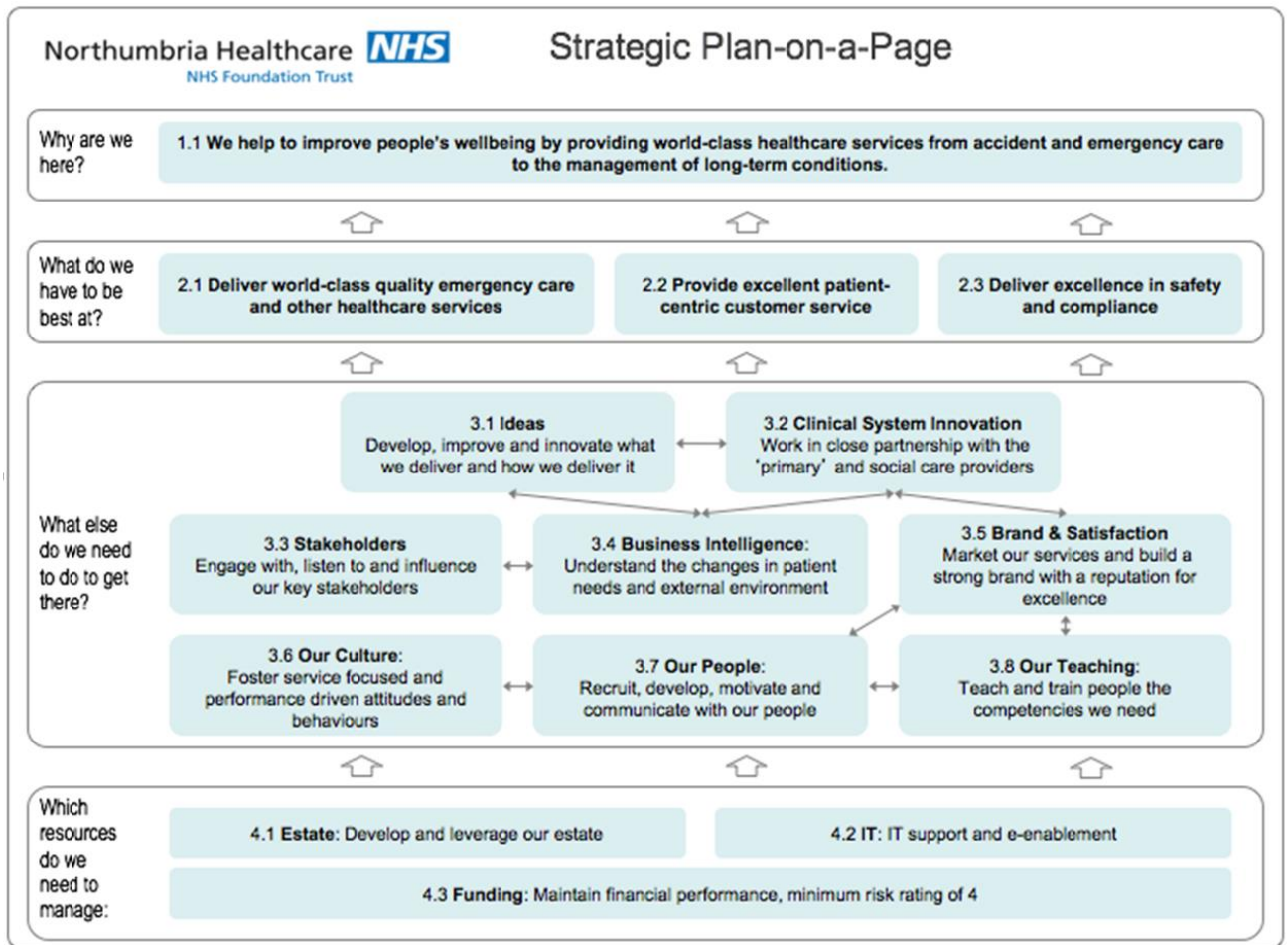
## **Building a Plan-on-a-Page**

The first step was to build a strategic plan-on-a-page began with one-to-one interviews of senior executives from the Trust (including both non-executive and executive management teams). "These one-to-one meetings were exceptionally valuable to us," says Chief Operating Officer Ann Farrar. "We have quite a large number of senior executives, including 20 members of the non-executive board and it was important that they all had a chance to express their views as to what they perceived as the critical components of the strategy."

The next step involved the executive management team coming together in a workshop in which I summarized the key findings from the one-to-one interviews and presented a first draft plan-on-a-page. Farrar was surprised by what happened next. "Basically we signed off the plan-on-the-page that same day," she says. "Being able to reach consensus on something so important so

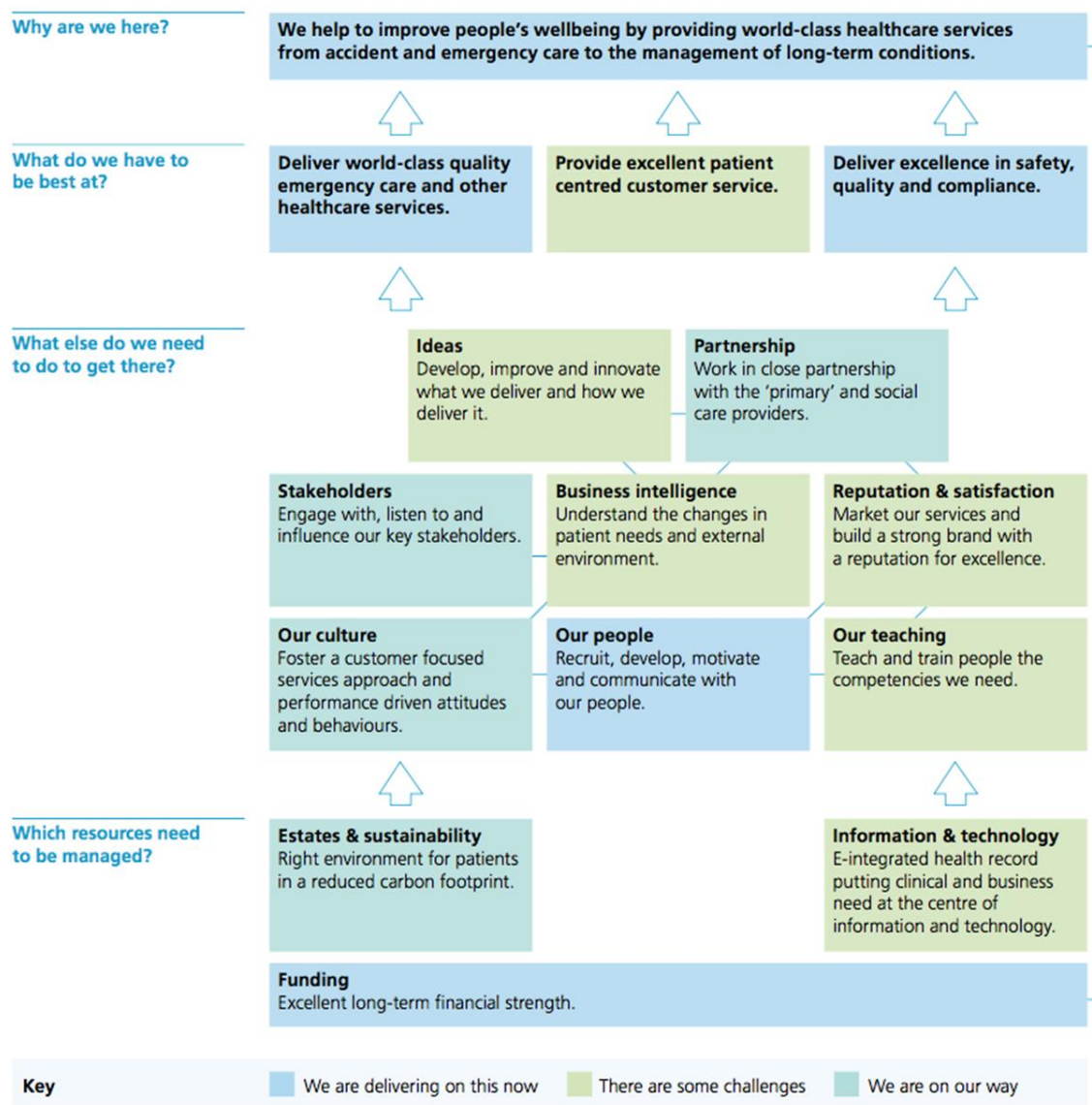
quickly was really quite extraordinary and something I had not previously experienced within Northumbria Healthcare or other organisations".

The Northumbria Healthcare plan-on-page consists of just 15 objectives. Keeping the number to the critical few enables a laser-like clarity to what really matter to the successful strategy implementation. Ann Farrar says "Rather than having 20 pages of text that describe what the strategy is, we can visualise it on one page and can therefore see what we must do to succeed and we can also communicate that requirement clearly and unambiguously Trust-wide." Below you can see the initial strategic plan on a page for Northumbria Healthcare.



## Heat Map

We also created a heat map - essentially this is a colour coded version of the map that highlights current performance levels for each objective. I took the initial assessments from my interview data, which we then used as the basis for a board discussion about performance levels. Today, the heat map is produced by assessing key performance indicators (see below) for each strategic objective on the plan. This has also allowed Northumbria Healthcare to be transparent about performance levels by publishing their heat map in their strategic plan. Here you can see the heat map published in the 2010-2015 strategic plan.



A key reason why Northumbria Healthcare decided to implement the strategic management framework was to secure greater performance alignment Trust-wide. Therefore, a series of cascaded plans-on-page have been created within the four business units and support units.

### Strategic Initiatives

Another vital component of the strategic performance framework comprises the initiatives (or action plans) that are launched to drive performance forward. As part of initiative selection, the relevant executives and directors have been asked to look at those initiatives that they have put in place or are planning to deliver and then asked themselves to what extent those initiatives directly relate to the delivery of their strategic goals. "The senior team has said that if it is not relevant then get rid of it as it clearly will not be helping us to deliver to our strategy," says Farrar. This is a powerful way of focusing your resources on the things that actually matter the most.

### Developing Measures of Performance

Northumbria Healthcare also required measures of performance in order to monitor and manage the delivery of their strategy. To identify the most relevant and meaningful key performance

indicators (KPIs) we first identified the performance related questions the leadership required answers to. We call such questions Key Performance Questions , or KPQs for short.

The Trust placed such an importance on KPQs that it spent about six months on their formulation at the Board level. Formulating the KPQs was a highly inclusive approach that involved many groups of employees.

"If we did not get the KPQs right and agreed at the Board level, we knew we would not be able to transform how the Board worked or to get the business units and the organization to move forward," says Farrar. Being clear about what questions needed to be answers the organisation was able to identify the appropriate KPIs.

For example, for the goal ‘Deliver world-class quality emergency care and other healthcare services’ the following KPQs were identified initially:

- To what extent are we operating to the highest standards
- To what extent are we consistent in our service delivery?
- To what extent are our (core) processes world-class?

The KPIs then have to help the Trust answer these questions which forces it to define what terms such as ‘world class’ actually mean. Farrar adds: "This is a difficult challenge as in many instances we will not have the data. But the discipline in finding the data and identifying the answer will be extraordinarily useful in significantly improving our performance to the point where we can confidently assess that we are indeed world class."

As a further example, for the objective ‘Our culture: Foster service focused and performance-driven attitudes and behaviors’ the Trust initially identified the following KPQs:

- To what extent are our behaviors service-orientated in everything we do? [across the sites and job roles]
- To what extent do people feel they have the ability to make or influence decisions?
- To what extent do people feel responsible for their actions/empowered?
- To what extent do people respect each other?
- To what extent do we interact with each other constructively?
- To what extent do people receive acknowledgements,thank yous, and feedback?

Narrowing down the set of KPIs was a significant challenge for Northumbria Healthcare. "One of the realities of life for Northumbria Healthcare as an NHS trust is that we have to report on about 150 performance targets each month to regulators and other bodies," explains Farrar. "This is mandatory and we must comply with this."

But importantly she adds: "However, these targets will not make up our performance framework." Rather they are rounded up in the ‘We will deliver excellence in safety and compliance’ objective using composite KPIs around regulator rating and regulatory feedback. This freed up the organisation to develop additional, and more relevant KPIs.

### **Ideas and insights you can steal**

Northumbria Healthcare has successfully translated their strategy into a simple one-page framework that now highlights to everyone what matters the most to deliver successful performance in the future. The organisation then made sure all the activities and projects are aligned the help deliver that strategy and developed meaningful indicators to monitor and track progress. These are all vital components of successful organisations in any sector.

