

# Speech: Good NHS Leadership starts with culture change

I want to talk to you today about how we create the right leadership culture in the NHS. So I've been looking at what we can learn from other organisations. But the truth is, there's nowhere like the NHS.

No other nation has what we have in the NHS. No other healthcare system is as comprehensive or as big. There's no organisation on earth on the scale of the NHS that deals with life and death decisions every single day, often in highly pressurised and challenging conditions. So there's probably a lot the NHS has to teach others.

But that doesn't mean we should be complacent or that we can't learn from others – particularly when it comes to leadership. The only organisations that come close to the NHS in size is the US Department of Defence, McDonald's, Walmart and the Chinese People's Liberation Army.

Missiles, cheeseburgers and groceries. On the surface of it, not a lot in common with the NHS. But look at McDonald's, for example: they're nowhere near as important as the NHS. What they do is spectacularly less complex. Yet they start leadership training at shift manager level. They drive leadership training through every level of their company.

Restaurant managers learn how to develop a culture of continuous improvement, how to hold their teams and themselves accountable and how to apply best practice to their outlet. General managers learn how to create and execute business plans and analyse and improve performance. And then there's apprenticeships, university degrees, a leadership institute and accelerated leadership development programmes.

All that training, all that leadership development, just to sell more burgers. What the NHS does is so much more valuable, but can we honestly say that we place as much time, effort and importance on identifying, developing and supporting leaders? That we value it?

Surely, the life-saving business requires at least as much emphasis on good leadership as the fast-food business? And it's so important in the NHS. The best led trusts have the best performance; clinical, financial, staff and patient satisfaction.

There's no trade off – there's a correlation with leadership. So we need to have an open and honest conversation about how we get the right leadership in the NHS. Because leaders create the culture, and so many of the problems of the NHS can be solved by a just culture.

So I want to focus on 3 things today: training, tech leadership and diversity.

First: training. We need to train more people to be leaders in the NHS. I

welcome today's [review by Sir Ron Kerr into how we can empower NHS leaders to lead](#).

We need more clinicians becoming chief executives, so we need a pipeline of talent from the frontline to the boardroom.

And we also need new people and new ideas from outside the system so we need more porous borders into the NHS.

More outsiders, more insiders, more trained on their way up. What matters is we get the best leaders. And how we do it is by making sure they get the right, tailored training so clinicians learn how to lead, and external recruits at all levels learn how the NHS works.

Every leader, from the ward to the boardroom, must get training and development throughout their careers. Now there's some brilliant leaders and good stuff happening with, for example, the new Clinical Executive Fast Track scheme, the expansion of the NHS Graduate Management Training Scheme, and the Leadership Academy growing and moving to NHS Improvement.

And I also welcome what's happening outside the system with charities like The Staff College taking the best of what the military, business and education do on developing leaders and adapting that training for the NHS.

I want to learn from The Staff College and embed it much more in how we develop our leaders. And from what people like Professor Stefan Scholtes is doing at Cambridge University's Judge Business School, running a hugely popular MBA programme, taking mid-career clinicians and turning them into top-tier leaders.

If there's a golden thread running through all of them, it's that we need to create leaders who are comfortable with challenge and change. Leaders who will create a 'learn, not blame' culture.

A culture that's less hierarchical, with greater autonomy at all levels. Where staff can challenge without fear. Where complaints are an opportunity to improve, not a need for cover-up and denial. Where whistleblowing is encouraged, patients are listened to and there is shared learning through training in teams.

This matters. And it particularly matters in a high-risk job like healthcare, because everyone makes errors. Making mistakes is acceptable. It's OK, everyone does it. What's unacceptable is bad behaviour and failing to learn from mistakes.

And because culture change comes from the top, I want to give you one small example of a mistake I made last week. I shared a link to NHS workforce figures on Twitter showing the numbers of GPs had risen by 1,000. The fact I shared is true, but I used figures that weren't comparable.

I was accused of deliberately trying to mislead people. I wasn't, and the policy consequences are unchanged: we still need more GPs. But those figures were not the best way to show what was happening in the system so I deleted

the tweet. I've learned from my error; I'm very enthusiastic about sharing good news about the NHS. That's OK, but my lesson is to read the statistical footnote before you tweet and give a full representation of the facts.

Now, I recognise that for you, correcting a mistake is not as simple as hitting delete. The consequences can be much more serious. But mistakes will happen despite our best efforts. What matters is that we admit mistakes, learn the right lessons and that we improve. And nowhere is a 'learn, not blame' culture more important than patient safety.

The work Dr Aidan Fowler is currently doing to cement the right culture, one of continuous improvement, in the long-term plan, is vital to the future of the NHS. It is vital to creating the systems leadership I want to see embedded at every level across the NHS.

So let me turn from training to tech, because this is another area where leadership has a crucial role to play.

Now, you know tech is one of my 3 priorities, and there is a tech revolution happening across health as we speak.

Improving technology is only a small part about the technology. It's mostly about culture. Leaders must ensure their staff have the right skills to constantly innovate and continuously realise the benefits that technology can bring, from basic, good IT to the huge opportunities such as genomics, AI and digital medicines will bring to the NHS.

That means we must have the right skills and capability in management and leadership. And technology is no longer just another department but is at the core of how every good organisation works.

So if you're a chief executive, I don't expect you to know everything about tech, but I do expect you to have a chief information officer on the board who does. Because the best leaders know their own shortcomings and take action. They're not afraid to seek out support, surround themselves with good people and empower others to take decisions if they have more expertise.

In fact, Dr Eric Topol's tech review is looking equally at the new technologies we want to see within the NHS, and the leadership and training we must see within the NHS to make best use of those new technologies.

How are technological developments likely to change the roles and functions of clinical staff over the next 10 or 20 years?

What are the implications for the skills required?

What does it mean for the selection, training and development of current staff and future NHS workforce?

Those are all questions he is asking and will report on in the new year to help NHS leaders plan and prepare for change.

But there's another major change I want to see in the NHS. So, third: I want

to talk about diversity. And here I want to borrow a phrase from Idris Elba: what we seek is diversity of thought.

Now, one of the most obvious form of diversity is what people look like. And if we look at racial equality, our leadership within the NHS looks spectacularly un-diverse, uniform in fact.

40% of hospital doctors and 20% of nurses in the NHS are from a black or ethnic minority background. Yet, BME representation on NHS trust boards is only 7%. More than half of all NHS trusts in England have no black or ethnic minority staff at the very senior manager (VSM) level.

Diversity of thought comes from gender too. Over 75% of the NHS workforce are women, yet at board level that figure is just 40%. We need 500 more women on boards to make them gender balanced.

But it's not just a question of fairness and justice. Diversity of leadership is a diversity of experience, a diversity of perspectives. Different ways of thinking, fresh ideas, new solutions to old and seemingly insurmountable problems.

Diversity of thought is essential to the future of the NHS. It is essential to make the best, and most intelligent use, of the £20 billion a year extra we're putting into the NHS.

And this applies to outsiders coming in as much as it does to insiders moving up. It's about the right attitude to training, to tech and to diversity. Because, at the moment, we don't have enough leaders. At the moment, nearly 1 in 10 chief executive positions in the NHS aren't permanently filled.

That can't continue. We need to support our leaders more, manage their careers better. We need to be able to plan for the future with confidence. We need to find 20 more people right now with the skills, grit and ambition to be an NHS CEO, and 30 more people to be a chief operating officer, just for us to stand still.

So, we must embrace better training, tech leadership, and diversity of thought. Because the NHS is changing, society is changing, expectations are changing.

The health and social care system of the future is going to more joined up and better integrated. It's going to be less command and control, less top-down, less hierarchy. More autonomy. More about relationships and building a transformative culture. More about us, than me.

What does that mean? Well, let me illustrate it with 2 stories that both involve janitors.

The first – and I have Scott Morrish to thank for putting me onto Margaret Heffernan's book 'Beyond Measure' – is the 'paradox of organisational culture' and how culture makes a big difference, but it's comprised of small actions.

She writes: 'We measure everything at work except what counts...but when we're confronted by spectacular success or failure, everyone from the CEO to the janitor points in the same direction: the culture.'

The solution to creating a more 'just' culture isn't to think big, she says, but to think small.

'Small changes, listening, asking questions, sharing information...each of those small things generates responses that influence the system itself. And everyone, from the CEO to the janitor, makes an impact.'

So good leadership starts with getting the small things right.

And the second story involving a janitor is from when President Kennedy visited NASA after setting them the mission of reaching the moon. Kennedy stopped a janitor and talked to him. And the President said to that janitor: 'Thank you for helping put a man on the moon.'

Good leadership means making sure everyone feels valued and vital to the mission. Leadership is listening to people, empathising. Being open to challenge and change. Empowering people and being humble enough to admit you don't know everything and you make mistakes.

That's the culture I want to see across the NHS. That's the culture we must work together to create across the NHS. Only then can the NHS truly be the very best, which is what our citizens deserve.

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## [News story: 236,000 UK businesses making the most of overseas opportunities](#)

Published by the Office for National Statistics (ONS), the Annual Business Survey shows further good news for the UK economy. Figures demonstrate an increase in the number of companies of all sizes selling their products to overseas buyers.

Figures released earlier this month show that total exports from the UK reached £637bn in September, an increase of 4.4% on the previous year. This demonstrates that demand for British goods and services continues to grow from around the world.

Key highlights from the report show:

- The number of SME companies exporting abroad increased by 6.6% to 232,000 (9.8% of all SMEs), whilst the number of large businesses who

- export increased by 6.1% to 3,500 (41.7% of all large businesses)
- New businesses are making the most of export opportunities, with the number of companies which are less than 2 years old and exported last year increasing by 19.9% to 47,000
  - Established businesses are also making the most of support that is on offer for exporters, as the number of businesses over 10 years old who export also increased by 10.2% to 115,300

Figures released today (28 November) by HMRC also show that nearly 36,000 British businesses are exporting goods to the US, with another 15,000 sending their goods to Australia. The news follows the conclusion of the Department for International Trade's consultations on potential Free Trade Agreements with both countries.

**International Trade Secretary, Dr Liam Fox MP, said:**

Today's news is further evidence that the high-quality goods and services produced by British businesses are selling all over the world. As an international economic department, when my Ministerial team and I travel abroad, we see first hand the unprecedented demand for British products, and the results of the Annual Business Survey show that we are responding to the demand.

Our Export Strategy sets out an offer to every business that has the ambition to start exporting or increase their existing operation, as we look to move exports as a percentage of GDP from 30% to 35%.

This weekend marks the annual celebration of UK SMEs with government Ministers out across the country to mark Small Business Saturday. DIT's Ministers will visit companies across the country, emphasising that exporting can increase the profitability and sustainability of businesses, as well as having a positive impact on their local economy.

Gnaw Chocolate is just one of the British companies that is finding international success. Founded in Norfolk in 2011, the business now exports to over 20 countries worldwide. In the first six months of 2018 alone, Gnaw launched its products in the US, China, France, Morocco, South Africa, Germany and are soon to launch its Single origin Brooke & Amble range in Russia. Future target markets for growth include Australia and expansion of its markets across the Middle East.

**Matt Legon, Gnaw Chocolate's Founder, said:**

There are opportunities all over the world for ambitious businesses. If you are looking to build your business at a faster rate, then it is worth seriously considering the benefits exporting can bring. Exporting has provided the cornerstone of what we have been able to achieve here at Gnaw.

In August, the government launched a new [Export Strategy](#) which sets out how DIT will support businesses of all sizes to make the most of the opportunities presented by markets around the world.

A collaboration with business, developed after extensive engagement with a range of UK firms – the Strategy sets a new ambition from government to increase exports as a proportion of UK GDP to 35%.

It presents a streamlined and targeted offer for businesses of all sizes, set to raise productivity, boost wages and protect employment across the UK.

### **Further Information:**

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## **[News story: Support for UK's continued access to £1.3 trillion market](#)**



Support gained for UK's independent membership of the Government Procurement Agreement.

The 19 members of the GPA committee met on Tuesday (27 November) at the World Trade Organisation in Geneva, endorsing the terms of the UK's offer. The next formal step is expected when they meet again December.

The UK is currently a member of the GPA through the European Union and our continued participation would mean that British businesses would be able to continue to bid for overseas public sector contracts worth £1.3 trillion each year.

It also means that overseas firms can bid for some UK public sector contracts, which delivers better value for UK taxpayers. Our proposed terms do not open up contracts for health services and other vital services, which will continue to be protected.

The Department for International Trade will continue to work with GPA members so that our membership can be finalised shortly.

## **International Trade Secretary Liam Fox said:**

We are pleased that our proposal to join the Government Procurement Agreement as an independent member has been supported today and look forward to finalising our independent membership shortly.

This was an important step as continued participation would give UK businesses certainty they need to continue accessing overseas procurement markets worth £1.3 trillion after we leave the European Union.

We look forward to taking our independent seat on the GPA after we leave the European Union and will play an active role in ensuring the agreement continues to provide fair and open competition for the benefit of all members involved.

## **Further Information:**

- The WTO Agreement on Government Procurement (GPA) is a plurilateral agreement within the WTO system consisting of 19 parties. It mutually opens government procurement markets between these parties
- Following support from all parties for the UK's market access offer, the GPA committee will meet again in the coming weeks to take the next formal step in the process

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## **[News story: Crowdsourcing data for maps and locations: apply for funding](#)**



Users of mapping apps and websites will be supported to become active participants in creating and maintaining geographic information.

More accurate, complete and open data on geographic locations could help



improve public services and increase the impact of charities working in social or environmental fields.

Innovate UK is working in partnership with the Geospatial Commission to invest up to £1.5 million in projects that allow users of mapping apps and websites to participate in creating and maintaining geographic information.

The commission is an expert committee based in the [Cabinet Office](#). It was established by the UK government in 2017 to maximise the value of data linked to location, which could be worth up to £11 billion a year for the economy.

## **Making information more accurate and complete**

The aim of this competition is to support the Geospatial Commission to make information on location more accurate, complete and reliable.

Projects should look at how to give users of mapping services the ability to identify and correct missing, out-of-date and incorrect information.

They should support one of the following areas to:

- improve the delivery of local authority services such as parking or disabled access
- support third-sector organisations in improving their work in social or environmental fields
- enhance existing public sector open data, such as information on publicly accessible green space

## **Competition information**

- the competition is open, and the deadline for applications is at midday on 30 January 2019
- projects can be led by a business, research and technology organisation or local authority, and must include the owner of the data that is being worked with
- funding is available for a range of project types including feasibility studies, industrial research and experimental development
- we expect total project costs to range in size between £50,000 and £750,000 and for projects to last up to 10 months
- businesses could attract up to 70% of their project costs
- a [briefing event](#) will be held on 3 December 2018 to find out more about the competition and making a quality application

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## **Press release: 55 years on, Dartford crossing looks to the future**

With plans for a new Lower Thames Crossing between Kent, Thurrock and Essex in public consultation, the original Dartford Tunnel marks its 55th anniversary.