NHS England Midlands

De-Mystifying Board Development Programme

Workshop 1

Workbook

Thursday 7th March 2024

1 What is the current context for health and care board development?

To comprehend the current context for health and care board development we need to understand the health and care landscape, the kinds of boards that exist within it and contemporary expectations about health and care leadership.

1.1 The health and care landscape

The health cand care landscape is transforming rapidly. There is a paradigm shift away the delivery of episodic treatment, care and support for acute illness, towards a holistic approach that enables whole systems to use their collective resources to tackle the roots of ill-health and health inequalities in localities, whilst promoting well-being and delivering joined up support. This requires a focus on devolution, integration and prevention some of which will be achieved by the development of Integrated Care Systems (ICSs), the adoption a population health approach and the delivery of systems leadership. Figure 1 shows the new organisational structures which are responsible for delivering the changes.

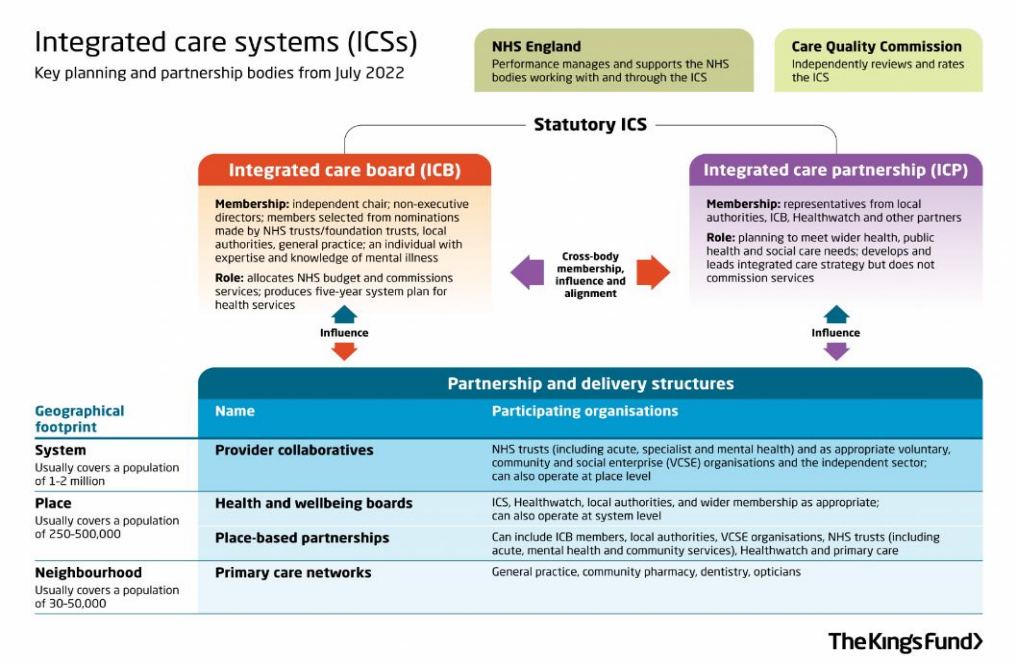

Figure 1

1.2 Heath and care boards

There are five main board like entities that will function in the new structure. They are briefly described below, and Appendix 1 (ICS Publications) shows documents which provide further details about them.

1.2.1 Integrated Care Boards (ICBs)

ICBs are statutory NHS organisations which are responsible for developing plans for:

- meeting the health needs of their populations
- managing their NHS budget
- arranging for the provision of health services in their geographical area

ICBs have their own leadership teams, which include a chair, chief executive and members from NHS trusts/foundation trusts, local authorities, and general practice. In consultation with local partners, ICBs have to produce five-year plans (updated annually) which need to show how NHS services will be delivered to meet local needs. In developing these plans and conducting their work, ICBs must have regard to their partner ICP's integrated care strategy and be informed by the joint health and wellbeing strategies published by the health and wellbeing boards in their area. Additionally, each ICB must outline how it will ensure public involvement and consultation. ICBs will also contract with providers to deliver NHS services and will be able to delegate funding to place level to support the joint planning of some NHS and council-led services.

1.2.2 Integrated Care Partnerships (ICPs)

These operate as statutory committees of ICBs, bringing together the NHS and local authorities as equal partners to focus broadly on health, public health and social care. ICPs include representatives from ICBs, local authorities within their area and other partners such as NHS providers, public health, social care, housing services, and voluntary, community and social enterprise (VCSE) organisations. They are responsible for developing an integrated care strategy, which sets out how the wider health needs of the local population will be met. This needs to be informed by any relevant joint strategic needs assessments. In developing their integrated care strategies, ICPs must involve Healthwatch, the VSCE sector, and people and communities living in the area. ICPs do not directly commission services.

1.2.3 NHS Trust Boards

NHS Trusts are public benefit corporations, and their boards of directors have a framework of local accountability through members and a council of governors. Their chairs and non-executive directors are appointed by NHS England and the NHS foundation trust council of governors is responsible for holding the non-executive directors individually and collectively to account. In turn, NHS foundation trust governors are accountable to the members who elect them and must represent their interests and the interests of the public.

1.2.4 NHS Provider Leadership Boards

In some provider collaboratives, with approval from their respective boards, the chief executives or other directors of participating trusts come together to form boards to tackle areas of common concern and deliver a shared agenda on behalf of the collaborative members and their system partners.

1.2.5 Voluntary, Community and Social Enterprise Boards

These organisations improve health outcomes and tackle health inequalities by advocating for and amplifying the voice of service users, patients and carers. They also provide services, many of which will increasingly be commissioned by ICSs, so their boards will potentially be responsible for delivering huge health and care service contracts in the future.

1.3 Health and care leadership

The NHS Leadership Academy has produced a framework called Our Leadership Way which can be seen in Appendix 2. It comprises the following principles:

- We are compassionate:
  - we are inclusive, promote equality and diversity, and challenge discrimination
  - we are kind and treat people with compassion, courtesy and respect
- We are curious:
  - we aim for the highest standards and seek to continually improve, harnessing our ingenuity
  - we can be trusted to do what we promise
- We are collaborative:
  - we collaborate, forming effective partnerships to achieve our common goals
  - we celebrate success and support our people to be the best they can be

In addition to the above focus on inclusive and collaborative leadership, there is a huge emphasis on system leadership given the requirement for leaders to work across boundaries in the new paradigm structure. System leadership requires leaders to work collaboratively to co-create whole system solutions to intractable problems that span organisational boundaries. To do so they need to be able to balance the sometime competing priorities of their own organisation with the needs of the wider system.

2 What is health and care board development?

To understand health and care board development we need to appreciate the role of health and care boards, how they can improve their effectiveness and what some of their challenges are.

2.1 The role of health and care boards

“The Healthy NHS Board” describes three key roles of boards, underpinned by three building blocks that enable them to exercise their role, as shown in Figure 2.

Figure 2

NHS boards are unitary boards, also known as single-tier boards. This is a type of corporate governance structure where both non-executive and executive directors serve on the same board and make decisions as a single group, sharing the same responsibility and liability. The chair leads the board of directors and is responsible for its overall effectiveness in leading the organisation/system and all non-executive and executive members of the board of directors have joint responsibility for every board decision regardless of their individual skills or status. They therefore have responsibility to constructively challenge during board discussions and help develop proposals on priorities, risk mitigation, values, standards and strategy. Executive directors need to act with and for one another, representing their own speciality whilst also contributing to the agenda of others and the whole. More information and associated links about NHS governance arrangements can be seen at NHS England » Code of governance for NHS provider trusts

2.2 Increasing health and care board effectiveness

The NHS Leadership Academy “Integrated Care Board/Integrated Care Partnership Development” slide set builds on “The Healthy NHS Board” role description and details five important clusters of activity that enable boards to improve their effectiveness as shown in Figure 3.

Figure 3

"The Healthy NHS Board" identifies the activities shown in Figure 4 as being key to helping boards build their capacity and capability.

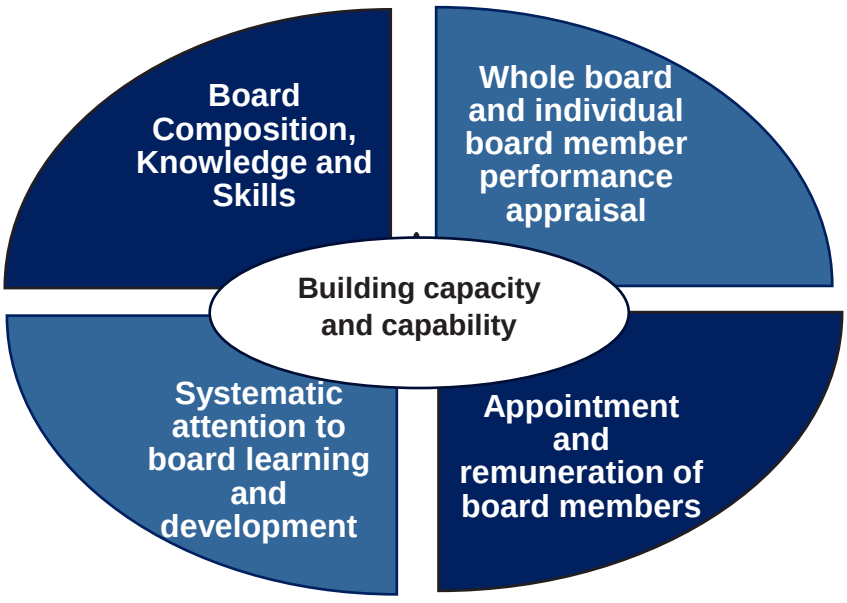

Figure 4

The Figure 4 categories are obviously very broad and there are a plethora of areas that could be identified within them including:

- developing board roles and responsibilities and facilitating governance and accountability arrangements
- helping boards to establish vision and principles
- supporting boards with their key performance targets of formulating strategy, ensuring accountability and shaping culture
- facilitating members' individual leadership development
- enabling boards to develop well as a group by building healthy and productive behaviours and dynamics

Much board guidance and support is focussed on the first four development areas but there is less available about the fifth. This is problematic for many boards as given their primary role is to make collective decisions and take collective action, they need to be sure that their behaviours and dynamics enable them to work well together.

The review of guidance and research evidence for "The Healthy NHS Board" identifies that group dynamics are important in ensuring that boards are fit to undertake their roles and responsibilities and numerous researchers and academics have agreed with this view. Huse argues for the need to open up the "black box" of board working (a term used to indicate the difficulties and challenges of understanding the inner working of boards) saying that outside the box are the board structures and processes and inside the box are the members trust, emotions, politics and expectations. Finkelstein and Mooney say that board effectiveness depends in part on attention being given to understanding how to develop group and team dynamics and Pye and Pettigrew suggest that it is the dynamic of board members working together that adds value to the organisation.

2.3 Focussing on group dynamics

Those working in this field argue that it is only when working with group dynamics that transformational development can occur at board level. Boza argues that most boards are made up of highly qualified, diverse and business savvy directors and yet they under-perform because they get stuck in unhelpful group dynamics. But what are group dynamics?

In physics, dynamics are the forces that produce activity and change. To understand group dynamics, we need to start by exploring what a group is. Bion says that "An aggregate cluster of persons becomes a group when interaction between members occurs, when members' awareness of their common relationship develops, and when a common group task emerges… when an aggregate becomes a group, the group behaves as a system – an entity or organism that is in some respects greater than the sum of its parts." When the sum is greater than the parts, groups dynamics are bigger than any one individual and all of the group members get swept up in them. Lewin therefore invented the term group dynamics to describe the positive and negative forces within groups of people. Group dynamics therefore refers to a set of behavioural and psychological processes that occur within a group or between groups and Cartwright and Zander talk about them as "the nature of groups, the laws of their development, and their inter-relations with individuals, other groups and their institutional environments." Much of what we see when we examine groups dynamics is how

power plays out amongst the group members and this is particularly true in relation to group dynamics at board level.

Section 5 describes some board dynamics interventions and Section 3 sets the context for them by clarifying what good health and care board dynamics look like.

3 What do good health and care board dynamics look like and what can hinder them?

3.1 Good health and care board dynamics

"The Healthy NHS Board" argues that boards are "social systems" and says that the most effective boards invest time and energy in the development of mature relationships and ways of working. The techniques and practices that it suggests can support and hinder the effectiveness of these social systems are summarised in Figure 5.

Ways of working that support good social processes	Ways of working that obstruct good social processes
Building a crystal clear understanding of the roles of the board and individual board members	**Board members behaving in a way that suggests a "master-servant" relationship non-executive and executive**
Actively working to develop and protect a climate of trust and candour	**Executive Directors only contributing in their functional leadership area rather than actively participating across the breadth of the board agenda**
Building cohesion by taking steps to know and understand each other's backgrounds, skills and perspectives	**Demonstrating an unwillingness to consider points of view that are different from individual directors' starting positions**
Encouraging all board members to offer constructive challenges	**Challenge primarily coming from non-executive directors, rather than all directors feeling empowered to challenge one another in board meetings**
Sharing corporate responsibility and collective decision-making	**Challenging in a way that is unnecessarily antagonistic and not appropriately balanced with appreciation, encouragement and support**
Ensuring that neither chair nor chief executive power and dominance act to stifle appropriate participation in board debate	**Working in ways that do not demonstrate overall confidence in the executive and that feed individual anxiety and insecurity about capability**

Figure 5

The ways of working described in Figure 5 rely on members demonstrating a range of micro behaviours including:

- operating reflexively
- working with process as well as content
- listening
- being curious and facilitating others
- engaging with difference
- understanding power
- possessing and demonstrating emotional intelligence
- building strong relationships
- communicating clearly
- embracing conflict
- knowing how groups and organisations work
- recognising how change happens
- generating ideas
- systems thinking
- making robust decisions and turning them into action

In addition to members being able to engage in these behaviours individually, they need to adopt them collectively to establish a collaborative and constructive dynamic. They also need to build trusting relationships with each other, but this is not always easy to achieve because of the role that power plays in board functioning.

3.2 Health and care board dynamics challenges

The key ways in which power shows up in board behaviours and dynamics relate to:

- which constituencies are represented in the membership
- which issues are discussed
- who influences the views of members
- which members have a voice in the discussions
- whose views prevail in decision making
- who is in responsible for implementation

There are numerous issues which affect the perspectives and power base of different board members, including:

- roles
- organisational allegiances
- diverse characteristics
- personal styles
- historical influences

These are explained in Figures 6, 7, 8, 9 and 10.

Roles

There is a difference between board members who have technical roles/backgrounds such as Finance Directors and those who have more general portfolios. This can lead to them having different perspectives, views and opinions, which can be complimentary but can also cause conflict. The role of non-executive directors and executive directors on boards can also create divisions and complex dynamics. Executive directors often have more technical expertise, political knowledge and connections within the organisation and non-executive directors can therefore feel excluded and under-valued. Non-executive directors may derive power from their external roles and relationships and their relationship with the chair, which means that executive directors can feel excluded and under-valued. To avoid tensions across these roles, they need to adopt the attitudes and behaviours shown below.

Non-executive members need to:

- **get the right balance between assurance that things are on track and getting involved, because if they are too operational, the trust between them and the executive can reduce**
- **manage the temptation to be over-active as a way of demonstrating that they are adding value**
- **work out the balance between a hands off and a more challenging and/or directive approach, particularly if things are not going well in terms of organisational performance**
- **shift back and forth from being curious and sitting alongside the executives and being more formal and assertive**
- **create the right balance between working directly with committees and individual executives versus looping back via the chair to avoid undermining her/him**
- **be aware of the danger of strategic drift as they can invest lots of time agreeing issues and then assume implementation will follow but this is not necessarily always the case**
- **ensure they have an ongoing understanding of the organisation because it and its context change constantly, so they need to develop good radars to pick up and respond to signals**
- **hold the narrative for the organisation which can be difficult because they are only there intermittently, so they need to keep up to date with what is going on**
- **help the board develop its own identity and dynamic, but as boards tend to just meet in formal sessions it can be hard to establish the relationships and trust that is required for this**

Executive members need to:

- **navigate the tendency that many non-executives have to get too operational**
- **be open to being challenged by non-executives**
- **update non-executives about important issues**
- **accept that non-executive members have mixed abilities and backgrounds**
- **realise that non-executive members have different levels of leadership skills**

- understand that strategy questions can be challenging for non-executives as they may not have sufficient understanding of some of the issues
- manage different expectations about non-executives' off-board work time and involvement
- accept that different expectations may mean that committees run in very different ways
- involve the board by bringing problems that will engage them but not make them feel that their time is being wasted and executives should have been able to find solutions themselves

Figure 6

Organisational allegiances

Many of the new health and care boards comprise members who are employed by different organisations, sometimes in different sectors such as local authorities and the VCSE sector. In theory this should enable them to work together to see the bigger picture so they can work across the system to resolve big challenges that span organisational boundaries. However, in practise, sometimes the resolution of these pan organisational challenges means that their organisation will lose services, resources, funding, staff, etc to achieve system gain. In these situations, board members may feel conflicted about where their loyalties lie, not least because many current leaders have emerged from a competitive climate, so they are hard wired to focus on organisational outcomes instead of system gain. They are used to being measured in relation to organisational rather than system performance and the threatening economic climate makes it challenging for them to focus on system rather than organisational sustainability.

Figure 7

Diverse characteristics

It is obviously advantageous for boards to comprise difference in relation to the age, gender, disability, race and sexual orientation of their members, so that they more closely represent the populations they serve and can utilize a variety of perspectives. However, the issues of power and privilege shows up in peoples' attitudes, behaviours, decisions and actions and this can lead to inequality and exclusion. It is not uncommon for boards to miss the riches of the diversity of thought and experience they could access because they aren't facilitating equal voice and engagement for all their members.

Figure 8

Personal styles

It is arguably beneficial for boards to have diversity in relation to behavioural preferences, work styles, education, previous experience and upbringing, so that they have access to a multiplicity of ways of engaging, understanding and intervening in relation to their decision-making and action. However, many of these differences can lead to a difference in values, expectations, behavioural norms, approaches and views, which can lead to difficulties ranging from unproductive disagreement to intractable conflict.

Figure 9

Historical influences

The previous experiences of board members will affect their expectations of how effective boards function. This will influence their approaches and behaviours and will impact on the ways in which they perceive others attitudes and behaviours. They may also have previous relationships with some board members and this may affect how they operate, either because they bring historical conflict and tensions into the board or they bring strong allegiances which creates the potential for sub-groupings to emerge.

Figure 10

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