

## Board Development – Frontline’s Suite of Programmes

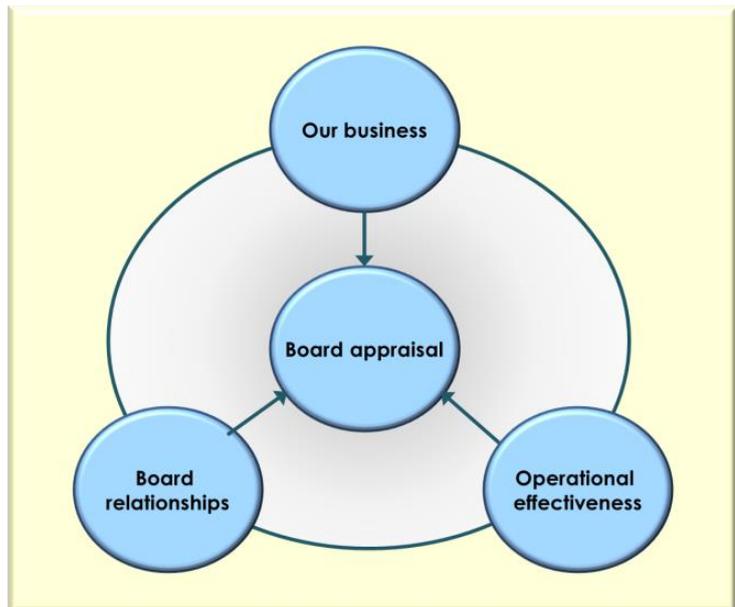
A high performing Board is a pre-requisite for any successful organisation. The Board provides leadership through turbulence. These are times of turbulence – the financial pressures on NHS Trusts pose real challenges to Boards as they make decisions on allocating resources to improve quality while at the same time meeting financial targets. Boards are increasingly looking for strategic and system solutions to meet the financial challenge. Boards will need information for this decision making, and there must be a culture of performance throughout the organisation to meet patient and commissioner expectations. Board relationships are often tested as members debate these issues.

Frontline's approach to board development is not one of ticking boxes. We are of course concerned with the processes that a Board must have in place, but our emphasis is on the twin pillars of strategy and leadership. The Board sets strategy and provides leadership to the organisation to deliver objectives, and upholds the values of the NHS through the example it provides.

Frontline's experience of working with Boards across the public and private sectors has highlighted common themes for success. These include: adequate information and intelligence available to the Board for decision making; the Board having a good understanding of how the business works; the non-executives providing an effective challenge to executive directors; the non-executives holding the executives to account.

We cover these themes in our programmes, illustrated opposite and summarised below. However, Board development is also real-time – we tailor our support for Board development through:

coaching and mentoring; developing effective team working, for executives and non-executives; observation and facilitation of learning from the business of the Board; facilitating conversations across the local health economy; Board workshops on themed topic areas such as in these development programmes.



### Development opportunities for Boards:

**Board Appraisal** – establishing the baseline for our development

**Our Business** – what we focus on in a dynamic environment

**Operational Effectiveness** – how we meet our targets and manage risk

**Board Relationships** – how we go about our business as a unitary board

## Board Appraisal



Before embarking on any development programme, we recommend the Board completing an appraisal to provide an evidence-based assessment of its capability and capacity. This can be limited to the collective experience of individual Board members, the Council of Governors, and staff, but the value of this appraisal is increased significantly if we draw on the interactions between the Board and external key stakeholders. In this review we assess efficiency and look for evidence of organisational values, culture, and related behaviours.

- Completion of Team Appraisal Questionnaire specifically designed to draw out key concerns that Board members may have
- One-to-one conversations with Board members to identify key issues facing the Board, how decisions are reached, and the role of Board members
- Board Observation and review of Board and committee papers and minutes to gain insight into the level of focus and challenge, and ensure that information is appropriate to support corporate and strategic decision making
- Events to elicit feedback from senior clinicians, senior managers and governors on the performance of the Board. The format of these events will be a facilitated discussion on key areas supported by a short questionnaire issued prior to the event to all attendees
- Third party interviews with key personnel to provide valuable insight into the local health economy's view of the Trust and identify areas for improvement

## What is our Business?

This programme draws on Peter Drucker's seminal questions: "What is our business? Who is our customer? What does our customer consider valuable?" NHS providers, through Foundation Trust status, have the opportunity to shape their service design and delivery in innovative ways to influence and meet commissioner and patient expectations in an increasingly competitive marketplace. However, to capitalise on market opportunities and mitigate threats, a Trust must firstly identify and scope opportunities and threats, and then decide on how to ensure that any decision taken is properly risk assessed and that measures are in place to limit the impact of potential threats and risks.



Within this programme we challenge the strategic thinking of Boards. Strategy is notoriously difficult for Boards and most resort to their comfort zone of operational effectiveness. This view is reinforced by recent guidance from Monitor for Board members on Developing Strategy<sup>1</sup>. This need is not new – the Audit Commission previously found that "Few Trusts had a manageable number of clear strategic objectives that would enable risks to be readily identified and managed"<sup>2</sup>.

<sup>1</sup> Developing Strategy – What every trust board member should know, Monitor October 2014  
[https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/363273/Monitor\\_-\\_Developing\\_Strategy\\_-\\_a\\_guide\\_for\\_board\\_members.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/363273/Monitor_-_Developing_Strategy_-_a_guide_for_board_members.pdf)

<sup>2</sup> Taking it on trust - A review of how boards of NHS trusts and foundation trusts get their assurance, Audit Commission April 2009  
<http://archive.audit-commission.gov.uk/auditcommission/subwebs/publications/studies/studyPDF/3523.pdf>

We will give guidance to the Trust on some pre-work to gather baseline information that will be used in this programme. Our experienced facilitators will then take the Board through the following areas:

- Market segmentation to better understand the context for trust strategy creation
- Models of portfolio analysis, and Pareto analysis of the trust's portfolio, based on pre-work
- Values, risk appetite and criteria of the Board as it makes decisions among competing priorities
- Balancing supply and demand using our CapPlan model
- Development of business strategy underpinned by detailed SMART objectives
- Alignment of strategic objectives with the allocation of resources in the Trust
- Engagement with key customers externally and resource users internally
- Board monitoring of strategy implementation and process for taking corrective action

**CapPlan**  
proactive capacity planning

This programme uses Trust information, and draws on strategy models and tools as a framework for developing board understanding about how the Trust identifies and meets customer expectations.

## Operational Effectiveness



Delivering day-to-day performance and meeting targets is not an option. However, a Board can easily find that performance drifts for a number of reasons: eye taken off the ball; management changes; complacency; moving goalposts; lack of accurate information. This programme focuses on strategy implementation, monitoring, evaluation and corrective action.

The NHS prides itself on evidence-based decision making. All too often, however, information presented to the Board for decision making is excellent data which requires further analysis to allow the Board to answer the pivotal question, "What's going on around here?" The Board all too often is forced to rely on reassurance from the executive team. We draw on Frontline's experience of information analysis and Board decision making to challenge the way in which the Board assures itself that its decisions are effective. Areas we cover include:

- Corporate management process that underpins Board decisions, drawing on pre-work
- The use of subcommittees to support Board decision making
- Turning data into information and intelligence for decision making
- Balancing supply and demand using our CapPlan model
- Understanding the trade-offs in balancing demand and supply, using our CapPlan model
- Level of engagement with stakeholders
- Robustness of cost improvement plans
- Innovation in service redesign
- Accountability within line management structures

**CapPlan**  
proactive capacity planning

This programme will provide the challenge to the Board that objectives are being met and that it is positioned to take corrective action as appropriate.

## Board Relationships

Our experience of facilitating Board effectiveness shows that at the root of many problems lie relationships within the Board<sup>3</sup>. This shows in the behaviours exhibited by Board members in debate, in the way in which the challenge function is carried out, and in the decision making process. While the aim is for a unitary Board, all too often the schisms show.



In this programme we explore the relationships that are essential to enable the Board to perform at its most effective level.

- The 'hats' worn by Board members and their influence on behaviour
- The groups within the Board and their relationship
- The balance of strategic and operational focus of Board agenda and debate
- Board member contribution beyond their functional or interest area
- The balance of debate and decision making
- Understanding individual roles and contribution

This programme builds on behavioural observation and feedback as the Board discusses a decision making scenario, and draws on governance models and processes from both Frontline and academic literature.

## Our Approach to Programme Design and Delivery



Each 1-day programme draws on real-time Trust data and evidence from its corporate management process. There is some pre-work for each, tailored to the programme's content. We will work closely with the Board secretary to prepare for each programme, and will gain further insight from discussion in advance with the chair and chief executive. We will learn from the Trust's own appraisal process, through its assurance either to become an FT or its operation as one.

While each programme is designed as a stand-alone offering, the content of all four represent an integrated whole, with self-reinforcing messages and learning.

Frontline provides a unique approach that brings together expertise in health care and business, strategy and operations, theory and practice – in a way that delivers applied learning for Board effectiveness.

### What next?

To discuss Board development with us, please contact John Deffenbaugh:

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07788 746550<sup>3</sup>

<sup>3</sup> It's the people in the boardroom, John Deffenbaugh, *British Journal of Healthcare Management*, Vol. 18, Iss. 7, 09 Jul 2012, pp 364 – 372  
<file:///C:/Users/John/Downloads/Article+-+British+Journal+of+Healthcare+-+John+Deffenbaugh+-+It%E2%80%99s+the+people+in+Boardroom.pdf>