

CHIME NETWORK

CHIME Network for NHS Interim Managers and Independent Management Consultants Newsletter

December 2009

www.chimen.org

email: kevin.pritchard@chimen.org

Good day each and welcome to the newsletter from the Network with your interests at heart – if you operate in the NHS and are one of the many individuals who plough their furrow as a contractor, or in a self employed or independent business capacity then this is the newsletter for you.

Apologies it is slightly later than planned. The pre-Christmas festivities - well you have to indulge don't you? They have meant that time behind the laptop at home has been at a premium. I suppose the consolation is that the wish of a merry Christmas may seem more timely.

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1. Christmas message

Please see the web site message for Christmas. It is a movie of dancing Santa which should amuse – feel free to send the link to any of your colleagues, it all helps to promote the network...

www.chimen.org/santa.html

Oh and merry Christmas, by the way!

2. Consultant Required

I received the email below from Park Consultancy – an independent consultancy firm which is looking for an experienced interim manager for an Out of Hours service. If you are interested, or know someone who might be, you may wish to contact Park Consultancy direct.

<consultantavailable@chimen.org>

Sent: Wed, 9 Dec 2009 10:48:05 -0000

Subject: Consultant Required

Dear Chime,

I am looking for an experienced interim manager for an Out of Hours service. The service is experiencing some difficulties and I require a consultant who has NHS experience and also has strong people management skills.

I am working on behalf of a PCT and this post is for immediate start for a minimum 6-8 weeks (5 days per week).

Kind Regards

Susan Park

Director

Tel: 01324 710501 Fax: 01324 720320

Email: susan@parkconsultancy.co.uk Web: www.parkconsultancy.co.uk

If anyone has a requirement or hears of one locally please let us know and we will email the recipients of this newsletter – currently running at 470. In future we will email such requests immediately.

3. The future looks bright for NHS Interims says the Guardian – so it must be true...

I came across the following article which cheered me. Apparently Interim Managers will fare well in the NHS in the next couple of years

<http://m.guardian.co.uk/?id=102202&story=http://www.guardian.co.uk/society/2009/nov/25/public-sector-careers-freelance-managers>

Debbie Andalo

The Guardian Features Wed 25 Nov 2009 00:05 GMT

In periods of cost-cutting, freelance managers offer diverse skills and deliver efficiency. That's why the public and voluntary sectors are turning to them for support. Debbie Andalo reports:

For the first time the demand for freelance senior experienced executives to work in the public sector is higher than the private sector. And all the indications are that the trend is likely to continue – despite the squeeze on public spending and the possibility of a change of government next year.

But while there may be more assignments on offer for these interim managers in public services, competition for contracts is greater. Interims who have traditionally worked in the private sector but have seen their freelance opportunities disappear because of the recession, are now turning to the public and voluntary sectors instead. And the time it takes to finalise a deal – from the contract brief to starting the job – is taking longer, as responsibility for signing off contracts moves up the decision-making chain.

Tom Brass, chairman of the Institute of Interim Managers, which represents those working in the profession, says: “While the market has been very tough, that's been confined to the private sector. The general feeling is that public sector has held up pretty well and, if anything, has grown.”

Delivering more for less

Specialist agencies that recruit interims in the public and voluntary sectors believe the future is bright for these highly skilled managers, because one of their key roles is to go into organisations and help them run

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more efficiently.

Charles Wilson, head of public sector at Penna Executive Interim says: “Across government, everybody is being asked to reduce budgets year on year, but still produce – it’s about producing the same for less. That’s exactly what interims do – give more for less.”

At the same time, Buying Solutions – the government agency that provides a procurement service to the public sector – has predicted that about £2.5bn will be spent on non-permanent staff in the next four years from January 2010.

Gary Lawson, director (public sector) at recruiters Russam GMS says: “Interims will be a significant factor in that. I have had conversations with senior members of central government and leaders and deputies of large councils and all have indicated that there is huge change ahead and that interims are the logical cost-effective way of helping them through that transformation.”

The past year has also seen a change in the types of interims that public and voluntary organisations have been seeking. There has been a demand for project and programme managers, which is expected to continue in the next year as organisations try to become more efficient and push through government proposals for local councils and government departments to share common services such as HR and IT. One recruitment agency reports that about 65% of its assignments fall into this category.

Local councils are still on the lookout for assistant and director-level interims in adult and children’s services both for project work as well as stepping into gaps created by vacant posts. Interim assignments in procurement and contract management are also described as “strong” across local and central government and the health service as the public sector makes sure it can get the best deal from taxpayers; money and deliver more for less. This is according to latest figures from the Interim Management Association (IMA) the organisation that represents specialist recruitment agencies.

The NHS accounted for 25% of interim assignments between April and June this year. In April it also launched its own interim recruitment agency, NHS Flexible Resourcing – set up by NHS Employers and the Society of Local Authority Chief Executives Enterprises, the consultancy arm of Solace – and already has about 200 “associates” on its books. Director of NHS Employers Sian Thomas says the intention is to make sure the NHS gets best value for money out of its interims. She says: “In the past four years the interim market has grown enormously. It’s a high-value service, but where spending is very limited you have to be mindful of taxpayers’ money. A lot of our interims are involved in service reviews and sensitive investigations where the added value is having a fresh pair of eyes.”

Local government

While the NHS has increased its share of the market, the majority of assignments in the public and voluntary sectors have been in local government, which now accounts for about 30% of all work, according to the IMA. The number of assignments in not-for-profit organisations has remained steady across the year so far. The biggest drop in work has occurred in the civil service, which accounted for just 9% of contracts by the end of June, a fall from 20% at the beginning of the year.

IMA chairman Paul Botting says: “The most important thing is that for the first time the public sector has seen a dramatic growth over the private sector. I think the public sector generally sees interims as a solution – that they get pragmatic, experienced individuals who can hit the ground running who have the experience, the scar tissue and credibility to take the team with them.

“What we have seen in the past five years is recognition by private companies, and now the public sector, that interims are part of the solution that you should have in your tool box.”

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If interims can continue to persuade those holding the public and voluntary sector purse strings that they are expert in offering more for less, it could be that the time of the interim has finally arrived.

4. NHS sets up its own Interim recruitment agency NHS Flexible Resourcing – “the future for interims with career portfolios is rosy...”

I had not come across this previously but according to the article above it was set up in April. Has anyone out there had any experience of this agency? I would be particularly interested in what is meant by “A rigorous registration and vetting procedure gives a guarantee of the quality of people being used...” I wrote to them a couple of weeks ago asking for details, highlighting this network and asking if there was anything we could help them with.

As yet no response.

You may be interested in signing up with them after you read the following – it seems like they will be a powerful lobby organisation in times of cost reduction.

I found further details on the Guardian web site which ran an a further article the day after the one above:- <http://m.guardian.co.uk/?id=102202&story=http://www.guardian.co.uk/society/2009/nov/25/nhs-interims-senior-executives>

The NHS has set up its own recruitment agency for interims as demand for these senior executives rises. Linda Jackson reports

For decades the word interim was considered a dirty word in the NHS all too often shorthand for overqualified, costly and a quick fix. But in the past year, the use of freelance senior executives has grown. Now, in recognition of the huge value of short-term contracts, NHS providers have launched their own recruitment service for high-level interim managers.

Set up in April, NHS Flexible Resourcing is a joint enterprise between NHS Employers and public sector interim management specialists Solace Enterprises aimed at placing senior managers in the top tiers of NHS management. And although it has only been going for just over six months, it already has more than 200 associates on its books including many former chief executives and directors.

Aware of an increasing dependence on interims, NHS Employers set up the service in an attempt to advise trusts how to access expertise and regulate the market. “We felt trusts were not procuring services in a very sophisticated manner,” admits Sian Thomas, director of NHS Employers. “Sometimes they were exchanging paper work with interims that did not meet strict audit requirements. Furthermore there is a huge variance in rates. Trusts using us can now have some idea of who we think is value for money and know that all our associates have insurance and are registered as limited companies.”

A rigorous registration and vetting procedure gives a guarantee of the quality of people being used, adds Rita Sammons, director of Solace Enterprises, which has 15 years’ experience of placing senior managers into the public sector. Any profits go back into research projects.

The launch of the service reflects the move away from a traditional reliance on costly management consultants. Often costing three times as much as interims, they tend to give advice rather than fulfil a hands-on role. Not surprisingly, growing numbers of trusts under financial pressure are turning to specialist interims to pilot difficult projects or deliver innovative solutions.

Sammons and Thomas believe the future for interims with career portfolios is rosy, and predict hundreds

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of job opportunities over the next couple of years as the NHS moves to bring care closer to patients. Interims, they say, offer good value for money, as trusts do not have to spend on recruitment costs, induction courses or pensions. Increasingly interims will be seen as freelance executive troubleshooters used to drive through change programmes or carry out a service review for trusts needing a “fresh pair of eyes,” they predict. Meanwhile, people with commissioning skills at a senior level will continue to be in demand to respond to the government’s world-class commissioning programme “assessing and meeting the health needs of local communities.

Jason Atkinson, deputy chairman of the Interim Management Association, the organisation that represents 32 specialist recruitment agencies, agrees with their predictions. Demand for interims in the NHS is at an all-time high, he says. Evidence could be seen in the newspapers every week, where there were more adverts for health care roles than any other sector. Indeed, the increasingly important role interims play in the NHS was borne out by an Ipsos Mori poll in June, which shows that the number of interims employed in the NHS had risen by almost 50% in the first six months of this year, he adds.

However, Atkinson is cautious about interims being seen as the cure-all for NHS ills. “I think the work is there to stay for a couple of years as health care bodies become more streamlined and get more efficient,” he says. “But who knows what will happen after that, when a new government comes in and funding isn’t there?”

For interims, the best way of guaranteeing future work was to keep their skill-set sharp, Atkinson believes. People who stayed in jobs for more than a year risked becoming part of the furniture. “Successful interims are people who understand go-live dates. Providers are paying for individuals who are two levels overqualified and have done the job already and have the thinking power. That will continue for the foreseeable future.”

There are case studies explaining the experience of some interims at the end of the article which I have not copied here, but which you may wish to read at the link above.

5. Implications for Consultants of the Operating Framework 2010/11

Having read the previous two articles those of us involved in the Management Consultancy/Interim Market may have felt some degree of self importance and belief. Then came the Operating Framework... This eagerly awaited, must read, document was released on 16 December. It can be downloaded from the DH website at:-

http://www.dh.gov.uk/prod_consum_dh/groups/dh_digitalassets/@dh/@en/@ps/@sta/@perf/documents/digitalasset/dh_110159.pdf

For the third year in a row, the national priorities in the operating framework are unchanged. The five priorities continue to be:

improving cleanliness and reducing healthcare associated infections;

- improving access through achievement of the 18-week referral to treatment pledge and improving access (including at evenings and weekends) to GP services;
- keeping adults and children well, improving their health and reducing health inequalities;
- improving patient experience, staff satisfaction, and engagement; and
- preparing to respond in a state of emergency such as an outbreak of pandemic flu, learning from our experience of swine flu.

During 2010/11, the NHS must also continue its work to reduce local variation and eliminate poor performance.

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So nothing new there then. However, as usual the devil is in the detail...

Of particular interest to the readership will be under a heading “Management and agency costs” are included the following paragraphs:-

3.53 In addition... All organisations must report in their audited accounts details of their management costs, management consultancy costs and expenditure on temporary and agency staff to enable comprehensive benchmarking and cost control.

3.55 NHS improvement organisations, including IMAS, need to ensure that support is directly linked to the quality and productivity challenge and that external management consultancy is used only when there are no other options.

I have done some research into IMAS. NHS Interim Management and Support (IMAS) was set up in 2008. The programme was set up to support the NHS using existing skills and talents available to it. It is regarded as an opportunity to develop future leadership potential in the health service by undertaking short term assignments. Web Information is unfortunately available only via the NHS web at nww.imas.nhs.uk

One advantage of the programme is that the premiums of placements associated with interim management suppliers are minimised (people seconded to the programme are typically paid a 10% premium on top of their usual salary). Funding has been agreed by the 10 SHAs for next year and, provisionally, for the year after.

However it remains to be seen what the impact of the reduction in overall management numbers will have on IMAS as well as that of the NHS Interim Agency “Flexible Resourcing” referred to above. However it is interesting to note that it is clearly in the mind of David Nichololson and the scribes of the Operating Framework.

If any of our readers have come across IMAS in the course of their work it would be great to hear of your experiences.

6. HFMA conference update

I am writing the newsletter a week after getting back from the HFMA annual conference. Probably the biggest conference that there is for NHS professionals, it was held in one of the largest hotels in the country because it had to be. All 1,058 rooms were booked for the three day event. There were around 650 delegates which, when added to the multitude of exhibition hall staff, speakers and guests obviously made up most of the hotel bill for the duration of the event.

It is a big hotel with proportionate conference facilities. There were 59 exhibitors in the exhibition hall and environs. It was good to see some old friends there particularly on the stands of Public Sector Consultancy, AC Executive Resourcing, Finegreen Recruitment, and former colleagues on the Audit Commission stand. The CHIME Network stand was numbered C14 – you can see a picture of the stand on the home page of the website – www.chimen.org

I was particularly glad to see ex-colleagues from Heart of England NHS FT – who yet again managed to win one of HFMA’s prestigious awards – this time for their training programme. Well done Adrian Stokes FD and Beccy Fenton Deputy Chief Exec.

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Throughout the conference there was a steady flow of people. I was encouraged to hear how many were becoming aware of our existence due to the advertising campaign in HSJ and the HFMA magazine. I had many a conversation with finance directors (and others) about the possible benefits to the NHS of using the network.

And many there were who took advantage of the promotional items on offer. I am particularly pleased to say there was significant interest in the PbR and Acute Services 'E' Quizzes. These quizzes were produced on discs with the network logo etched into them. Nearly 150 copies of the disc were taken away along with countless pens, fridge magnets, rulers and coasters which should be finding their way to useful locations promoting awareness throughout the NHS. I can see them all on desks – promoting away... We also recruited seven new registrations for the network. So that was good then.

Aside from the exhibition there was plenty of opportunity to network with delegates especially at the gala dinner. This was a black tie affair and awards ceremony. Fine food and wine was two followed by the ubiquitous disco – only rock and roll, but I liked it. We left at 2.00 am and the party was still going. It was great to see so many people from former postings, many of whom had progressed to very senior levels.

All in all I believe the conference will have proved a success in raising the profile of the network. It is clearly too early to tell how successful. Overall the feedback was positive though there was considerable puzzlement about where the income to finance the venture was to come from.

In an organisation where caring for others is the central theme it is strange how altruism is considered a foreign object. But there you go – I managed to convince people there were significant business benefits to effective networking and we were not shy of making money as an aside.

One of the main benefits of having appeared at the conference is the delegate list. We have access to 650 names and addresses of people, many of whom, we plan to mailshot in the early new year. I believe we have that permission don't we?

Wow before you know it everyone will have heard of us – in NHS finance anyway...

If anyone knows of any other conferences with a sufficient number of delegates I would be grateful if you would let me know. I plan to book the IHM conference in September 2010 and would be interested to hear views from anyone who has been to the conference in the past or knows of any other suitable events at which we can promote the network.

So don't be shy about getting in touch now.

7. Website Revamp

We have given the website a much needed makeover and have included a new page - consultants available. This is free for anyone who is registered with the network. If you are looking for extra work then drop a paragraph or two to me. I shall post it straight away and act as postman for any resultant queries about your availability.

You should only use this facility if you are happy to contract direct with healthcare organisations. The network will act purely as an introductions agency and leave the respective parties to make any marriage arrangements. It has been running for six weeks – as yet there have been no enquiries from healthcare organisations, but I am very hopeful this will change in the future as more effort is put into promoting this facility.

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If you have a logo which you would like placed on the site with links to your web site or email please forward it to me and I will get it up as soon as I can. I know several of you have already sent logos, unfortunately the conference and web redesign, on top of a work schedule more hectic than Hector the heretic hectic has meant we have not got around to the relevant design work. I now have time in my life and will get on with it.

It is free it is promotional and will make the web site look better. So all submissions gratefully received on this one chaps.

8. Twittering about social networking – follow us on Twitter!

Which brings me onto social networking. How many of you are on LinkedIn? And how many of you are using Twitter and Facebook to promote yourself and business?

I recently attended an evening course on social networking to see how I could get some tips on the use of these web based ideas for promoting the network. Initially I was quite sceptical of LinkedIn. I joined it a year ago and found it rather clunky. I thought I could use it build up a list of contacts that I email collectively. Unfortunately the site only allows this if you have set up a group and all your contacts are members.

Equally unfortunately there are far too many groups for the NHS. It appears most recruitment agencies have set up their own groups with titles often indiscernible from others.

Having said that there are many advantages to being present on LinkedIn. Many NHS professionals are members of groups and, as member profiles are searchable, it is quite obvious that making yourself known on the site will raise your profile. Starting discussions is easy and in so doing every member of the group where you post the discussion is advised of the fact and invited to comment.

I think we will do more on the advantages as an article on the site for next month so you may wish to watch the space on this. Better to have a look in advance though – you may be missing opportunities in the meanwhile.

Oh and if you are on LinkedIn please invite me to connect I am clearly a lonely man in need of friends. So – Twitter. Initially I was equally sceptical about Twitter. Now having spent time with a top social networker I consider myself a convert.

140 character posts, fully searchable, advising readers of what you are currently working on or doing might seem to be a little trite. However if that links through to your web address or LinkedIn profile then the benefits become apparent.

Having only recently set up a Twitter account and not publicly advertised it I have been surprised at how sending a Twitter about an article published on the web site managed to draw a response. ‘Think of the web site as a mother ship and the Twitters as the drones that go out and bring people in’ was the suitable metaphor offered at my social network class and it seems to be working.

But having said that we need followers – so those of you who are Twittering please feel fully obligated to become a follower at www.twitter.com/chimenet

Alternatively click the link on the home page of www.chimen.org. If you follow us we will follow you - for mutual benefit of course.

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Then there is Googlewave – congratulations the Network has been invited to take part in the pre-launch of Googlewave. When I have worked out what this means I shall get in touch. As far as I can tell it seems like it may be the next big thing – all help gratefully received if you can explain it to me. More on this whole subject next time...

9. Help wanted: Reducing paediatric emergency admissions.

I am just starting a project in this very thorny area. I am sure there must be people out there who have worked on something similar. Wheel reinvention et al – can anyone share with me anything you have successfully implemented to reduce such admissions?

I need to see beyond the obvious – so the more intelligent/innovative things you may have applied I would love to hear about.

Of course I am happy to share my findings with you – so do get in touch.

10. Web site article: PCT Overspends and non-Tariff Prices: A cautionary tale.

Last month I said that the web site could be used for article publication from anyone who wanted to submit. If you have any articles that you would like to see on the web site – which will be promoted via a web link in the newsletter and our Twitter campaign please email it to me.

To kick start this I have written one based on an experience I had with a local Trust, the problems of non-tariff prices and how the NHS Acute Service Contract levers can be used to prevent recurrence.

It also meshes seamlessly with the recent Audit Commission report “More for Less” – if you work in NHS Acute Contracting or Commissioning and you have not reviewed your Trusts local pricing mechanism you should find some useful guidance here.

Furthermore it also highlights skills and experience which should be in high demand over the next couple of years as the ‘scissors of doom’ appear over the near horizon.

See the web link below for more details.

<http://www.chimen.org/articles.html>

11. King’s Fund report: Windmill 2009 - NHS response to the financial storm

Well the good news is that the future looks rosy for NHS Interims the bad news is that the storm is brewing. But the Kings Fund can lend a hand with guidance and advice following its latest simulation on the health economy.

The report considers how the NHS can best cope with the approaching period of resource constraint, rising costs and increasing demand fuelled by an ageing population and increasing patient expectations. I know we are all faced with too much to read at this time of the year, but those of you involved on the strategic aligning of services may wish to benefit from the sagacity of the findings.

Notably they cover key themes and lessons for policy-makers, commissioners and providers. For the mathematically gifted amongst you – you will love this part. The simulation was based on an

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exam question:-

The 'exam question'

It was important that everyone involved understood the nature and scale of the challenge facing the system over the next few years. To make this as clear as possible, we borrowed an 'exam question' from some earlier work undertaken by Loop2 in Cambridgeshire about how to make each NHS pound work harder. For simplicity we represented this in the form of an 'equation':

$$X \Rightarrow (Y - 15\%) + Q + A + (I - Z\%)$$
$$3r$$

Here, 'X' is the future funding allocated to the health system, 'Y' is the current level of funding, 'Q' and 'A' represent improvements in quality and access to care, and 'I-Z' refers to a reduction in health inequalities. The '3' represents the three financial years over which we felt that the reductions would have to be made, while the 'r' signifies the need to make these savings and quality improvements on a recurrent basis. In other words, participants were asked to operate in a system that would face 15 per cent funding cuts over three years, having to achieve access and quality improvements and a significant reduction in health inequalities, with the expectation that after three years, they would be faced with the same challenge again.

Are you still with me?

The main learning points from the Windmill 2009 process made it possible to develop a pragmatic analysis of what will be required if health and social care systems are to respond effectively to the major challenges that lie ahead. Eleven key themes emerged.

For each theme they describe the issues involved and set out what needs to be done.

- No return to 'command and control'
- PCTs taking a 'system leadership' role
- A better understanding of the costs and benefits of local service
- Payment mechanisms need to be reformed to create incentives for efficiency across the system
- Grasping opportunities to work with the independent and third sectors
- Clarifying and strengthening commissioning at every level
- Working more closely with local authorities
- Utilising estate rationalisation and technology for productivity and quality gains
- Engaging the public and patients in the process of change
- Engaging staff and considering all options to improve workforce productivity

Appendix B is very interesting as it provides various options that resulted from the simulation to cover what NHS strategists may be likely to consider as the full weight of financial pressure was applied – and very thought provoking they are. You may wish to read them because some of them may be coming to a healthcare organisation near you in the not-too-distant.

The section: Appendix C. 'The coping classification: approaches to reducing costs, improving efficiency and increasing income' gives a useful breakdown of summary headings for where costs can be reduced and income generated to militate the effects of what is coming.

Download the report at:

http://www.kingsfund.org.uk/research/publications/windmill_2009.html

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Well worth a read.

12. Circulation and Spam

Following last month's 'Spam we're not!' warning we lost four people.

But we gained twenty four!

We now have 470 people who will be receiving the newsletter

If you are receiving this direct then you have either registered for it or not told me you wish to be excluded from the list! We don't want to lose anyone, but if you do not wish to receive further copies then please unsubscribe through the web site page :-

<http://www.chimen.org/register.html>

In the meanwhile if you wish to contact me please feel free to do so.

Kevin.pritchard@chimen.org

Visit the new web site at www.chimen.org