

## John Deffenbaugh blog: Eyes up

**Louis Sullivan** was the architect who came up with the maxim, "form follows function", arguing that a building's purpose should determine its design. This is always a great reminder to NHS leaders who jump into restructuring before they figure out what they're trying to achieve through the structure. After all, it's easier to restructure than to change course. To mix my metaphors, leaders too often 'rearrange the deckchairs' instead of steering the ship away from the iceberg.

All this comes to the fore with the publication of the *Five Year Forward View* and its implementation guidance. We already have the abbreviation: 5YFV. This document makes sense, in that it focuses on function then form. However, I'll bet my bottom dollar that a lot of implementation will focus on the second half of the 5YFV, namely form. David Dalton's review will reinforce this focus.

It is NHS boards that will have to grapple with the 5YFV and the implications of what happens after 8 May. Ok, it will take longer than the next day to get the anticipated coalition of parties together, leading to the new health policy, but if Labour's pebbles in the pond are anything to go by, we are in for another interesting time.

Boards will, therefore, need to keep a focus on the big issues they face, and not get distracted. This is the first of six blogs that explore major issues that will shape board effectiveness. These are, in turn: the system in which the organisation operates; its operational effectiveness; the approach to innovation; the conversations that take place; the changing context; and, finally, the engine room of the corporate management process.

So, to begin with, the **system** in which the organisation operates. There are three points to make here:

First is the **connections** within a local system and the ability to change their dynamic. A system is like a body – one part doesn't work and the rest suffers. The crisis in A&Es across the country highlights the importance of system thinking. Hospitals are increasingly functioning like nursing homes. Too many elderly come in, and they don't go out. Changing the demand curve that impacts hospital services and opening up the conduit of discharge are system solutions. Ok, hospitals can redesign their A&E machine, but the system in which the hospital operates needs to be the focus of board discussion. All too often the conversation deals with the urgent instead of the important. Eyes need to be raised up. This will then lead to conversations that focus on achieving real change.

Second, there is in-built tension in the **design** of the system that makes its effective operation challenging. The Foundation Trust model was designed when resources were plentiful. There is a tension between the priorities of the organisation and the system in which it operates. FTs have been set up to be surplus-generating 'businesses' operating in a somewhat competitive market. This premise is challenged today with the limited resources in the system and the need to maximise the public sector pound. Board conversations therefore need to be about the viability of the system, not just the organisation.

Third, it is the **behaviours** of top leaders who make the system work effectively. The competitive environment over the past couple of decades, supported by the design of the system, has resulted in behaviours that in many cases are win-lose rather than win-win. The conversation around the board table goes a long way to shaping the relationship between system players. What language is used to describe your provider, commissioner or other system partner? Contracting is not about dotting the i's and crossing the t's, but rather the relationships between the parties. This starts at the board and permeates both down the organisation and out into the system.

System working requires a new type of conversation around the board table, with eyes raised up to view the system in which the organisation operates. This new perspective will in turn enable boards of both providers and commissioners to consider their priorities for operational effectiveness and investment around the function of their system so that the viability of their form becomes achievable.