

# Building Future Leaders



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## Foreword

The health and care service in the UK is facing unprecedentedly challenging times, under constant pressure to do more with less with dwindling resources, and all the while under the microscope of intense political and media scrutiny.

Health and care leaders are not immune to these pressures, and in such a climate, it should perhaps come as no surprise that the NHS is facing a much-discussed 'leadership crisis', with many Trusts operating a revolving door of senior staff and leaving key posts unfilled. Who would want to be an executive board member in times such as these?

Fortunately for us all, there are such people – talented, ambitious, motivated people – who are willing to take on the challenge. It is these people – the trainee, early and mid-career managers – that this report looks to. These are the future leaders of our health and care system. What effect is the current leadership crisis having on them? How do we keep them engaged, keep them motivated, and equip them with the skills and resilience necessary to provide a future of effective and stable leadership?

We cannot afford to address the NHS leadership crisis only as a problem for the present. We must tackle it from the ground up, in a way that is long-term and sustainable – and we must start now.



**Shirley Cramer**  
CBE, Chief Executive,  
Institute of Healthcare Management



A healthcare professional with dark curly hair and a doctor with grey hair and glasses, both in blue scrubs, are looking at a tablet together. The doctor has a stethoscope around his neck. The background is a blurred clinical setting.

WHAT DOES LEADERSHIP MEAN TO YOU?

***“ It always has to come from the heart.  
If it’s artificial then the management  
and others will suffer in the long run. ”***

– Building Future Leaders survey respondent

## Executive summary

1. The NHS is in the midst of a widely-acknowledged leadership crisis: a third of NHS trusts have vacancies for key leaders at board level of interims in post, and the average tenure of an NHS chief executive is only two and a half years.
2. Given beckoning funding shortfalls – potentially £30 billion by 2020 in England alone – rising demand for services, and intense political and media scrutiny, the leadership crisis can only be addressed if the leadership offer is made more attractive and sustainable.
3. Although the leadership crisis has been much-discussed, this has thus far largely engaged with the current generation of leaders. This report shifts the focus of engagement to aspiring managers of the future, asking what effect the crisis is having on them and their aspirations, and what can be done to support them.
4. **The Institute of Healthcare Management (IHM)** investigated these questions by focus group and survey research with participants from health and care management and leadership courses across the UK. The key findings were:
  - a) Aspiration to top-level positions remains high among health and care management and leadership trainees. Aspiration is highest among those on formal NHS leadership pathways, and female and BAME managers are just as or more likely to aspire to senior positions than their white male counterparts.
  - b) A desire to implement change is the biggest motivation for the overwhelming majority of aspiring health and care leaders. However, a significant minority do not feel they will actually be empowered to do so.
  - c) The biggest deterrent factor for those who do not aspire to top-level positions, and the greatest barrier perceived by those who do, is the unrealistic demands placed on health and care service delivery with currently available resources.
  - d) High turnover and vacancy rates for senior positions are not in themselves significant deterrent factors for future health and care leaders.
  - e) Few trainee managers see a clear career pathway to the top level. This is a particular area of concern for experienced managers who have a great deal to offer, but did not get onto formal NHS leadership pathways on the ground floor.
  - f) Half of trainee managers say health and care leadership does not reflect the diversity of the workforce, and only 15% believe it is as easy for BAME managers to reach senior positions as it is for their white counterparts.
  - g) Aspiring health and care leaders believe they need to develop greater political skills in order to provide effective leadership in the current climate, but are lacking in confidence that they will receive the necessary training in this area.

## Background

The NHS has, for a number of years, been widely perceived as being in the grip of a 'leadership crisis', with many key posts unfilled or filled by interims, and a high turnover of senior staff. A third of NHS trusts have vacancies for key leaders at board level or interims in post.<sup>1</sup> Almost one in six have no substantive chief executive, and the same number have no substantive medical director.<sup>2</sup> At present, the average tenure of an NHS chief executive is only two and a half years.<sup>3</sup>

The health and care system unquestionably faces a period of unprecedented challenges, attempting to deliver integration and changing models of care while under-resourced in a hostile climate. Demand for services is rising,<sup>4</sup> and unless significant efficiency savings are made, the NHS in England alone faces a £30 billion funding shortfall by 2020.<sup>5</sup> Political and media scrutiny has never been more intense, with managers often speaking of being treated as a 'political football'. In this context, it is perhaps unsurprising that top-level jobs have become a less than attractive proposition. It has already been observed, in an expert Health Service Journal inquiry into the issue, that if health and care leadership is to be strengthened, then it must be made more attractive and more sustainable.<sup>6</sup>

Specific factors at play in the creation of the 'leadership crisis' include a much-discussed 'blame culture', a growing burden of regulation, and the increased political exposure of senior leaders – all of which have helped created a situation where many talented second-tier leaders are unwilling to step into the firing line of top-level jobs.<sup>7</sup>

A string of official reports into health and care management have pointed the finger at leadership for service failings. For example, Sir Robert Francis' report on the Mid-Staffordshire NHS Foundation Trust in 2013 found that the Trust Board "did not listen sufficiently to its patients and staff or ensure the correction of deficiencies brought to the Trust's attention. Above all, it failed to tackle an insidious negative culture involving a tolerance of poor standards and a disengagement from managerial and leadership responsibilities".<sup>8</sup> Other key reviews have made similar criticisms.

A number of recommendations aimed at addressing the crisis have been made, such as imposing a minimum contract period on the most senior NHS executives, and having senior managers attend accredited courses before passing into a 'management talent pool' open to all NHS organisations.<sup>9</sup> It has also been suggested that there is a need for more empowered leadership devolved closer to the frontline, rather than centralised.<sup>10</sup>

However, reports and recommendations on health and care leadership have, until now, largely been focused on the current generation of managers and leaders. This report shifts that focus slightly, by seeking to assess what effect the crisis is having on the next generation of leaders across the whole of the UK, and what can be done to support them into top-level jobs and help them to succeed when they get there.

<sup>1</sup>. Health Service Journal. 2015. Future of NHS Leadership. <http://www.hsj.co.uk/Journals/2015/06/12/y/m/e/HSJ-Future-of-NHS-Leadership-inquiry-report-June-2015.pdf> (accessed June 2016). <sup>2</sup> Ibid <sup>3</sup> Ibid <sup>4</sup>. The King's Fund. 2015. How much money does the NHS need? <http://www.kingsfund.org.uk/projects/verdict/how-much-money-does-nhs-need> (accessed June 2016). <sup>5</sup>. National Health Service. 2014. Five Year Forward View. <https://www.england.nhs.uk/wp-content/uploads/2014/10/5yfv-web.pdf> (accessed June 2016). <sup>6</sup>. Health Service Journal. 2015. Future of NHS Leadership. <http://www.hsj.co.uk/Journals/2015/06/12/y/m/e/HSJ-Future-of-NHS-Leadership-inquiry-report-June-2015.pdf> (accessed June 2016).

<sup>7</sup>. Ibid <sup>8</sup>. Francis, R. 2013. Report of the Mid Staffordshire NHS Foundation Trust Public Inquiry. [https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/279124/0947.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/279124/0947.pdf) (accessed June 2016). <sup>9</sup>. Lord Rose. 2015. Better Leadership for Tomorrow: NHS Leadership Review. [https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/445738/Lord\\_Rose\\_NHS\\_Report\\_acc.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/445738/Lord_Rose_NHS_Report_acc.pdf) (accessed June 2016). <sup>10</sup>. Health Service Journal. 2015. Future of NHS Leadership. <http://www.hsj.co.uk/Journals/2015/06/12/y/m/e/HSJ-Future-of-NHS-Leadership-inquiry-report-June-2015.pdf> (accessed June 2016).



## Research findings

### 4.1. About the research

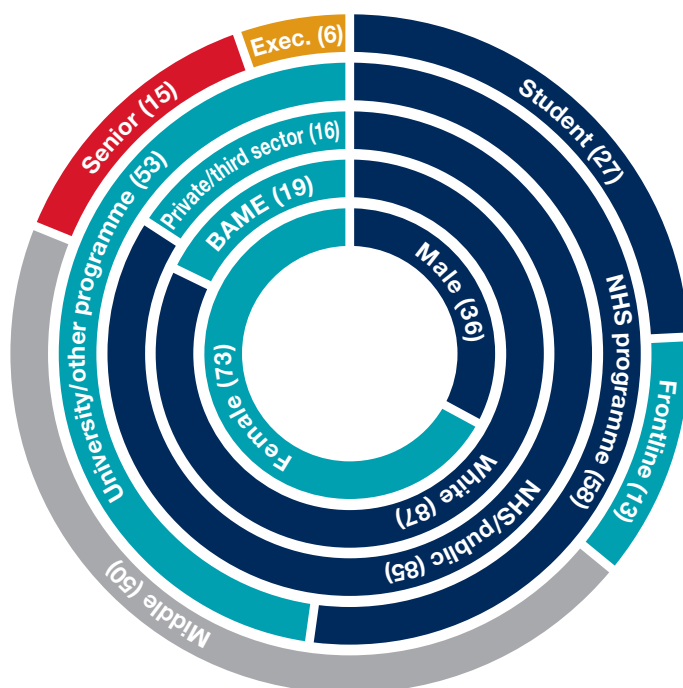
The Building Future Leaders project set out to answer the following research questions:

1. What effect is the current NHS leadership crisis having on the next generation of healthcare leaders? Is it deterring them from aiming for top-level roles, or preventing them from achieving them? Is the supply line of leadership talent going to run out?
2. If the leadership crisis is having this effect, then what specific barriers are standing in the way of future leaders or deterring them?
3. What can be done to remove or mitigate these barriers and give future leaders the skills, confidence and support they need to give the NHS a future of stable leadership, and face the challenges of integration and changing care models?

Following a desk-based survey of relevant literature, the research took place in two parts:

1. A focus group with six postgraduate health and care management students at Westminster Business School. All participants were studying part-time while working in the sector. The focus group took place on 26 November 2015, and help shaped the content of the subsequent survey.
2. An online survey of 111 students on health and care management and leadership courses across the UK, including official NHS leadership programmes, undergraduate and postgraduate courses, and independent CPD programmes. The survey ran from April to June 2016.

**Fig. 1:** who are the survey respondents?



## 4.2. Who aspires?

Two thirds (66%) of respondents said they aspire to an executive board level position in health and care, while the remainder said they did not or were unsure.

Those on NHS management and leadership programmes were significantly more likely to say yes than those training independently through universities or other routes, by 76% to 55%, as were those whose training is employer-funded compared with those who are self-funded, by 69% to 60%. This may suggest that NHS employers are successfully focusing training resources on those with the desire to go furthest – or that those outside official leadership pathways are more pessimistic about their chances.

Men and women were just as likely to say yes, at 67% and 65% respectively, while BAME respondents were more likely to do so than their white peers, by 73% to 63%. This suggests that if women and minority ethnic groups are underrepresented at the top levels of the health service, it is not for lack of ambition.

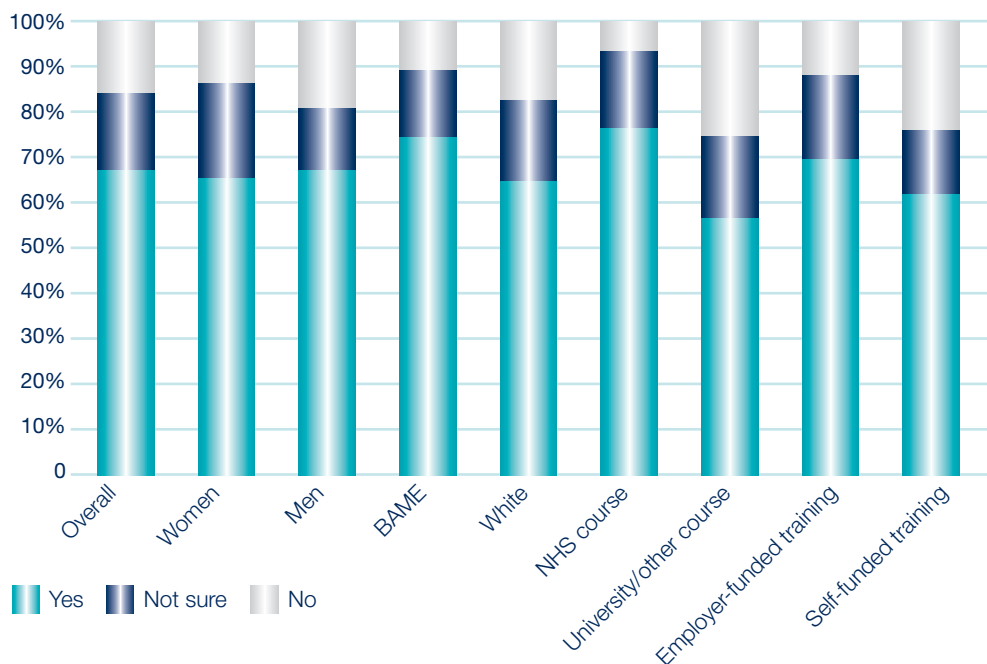


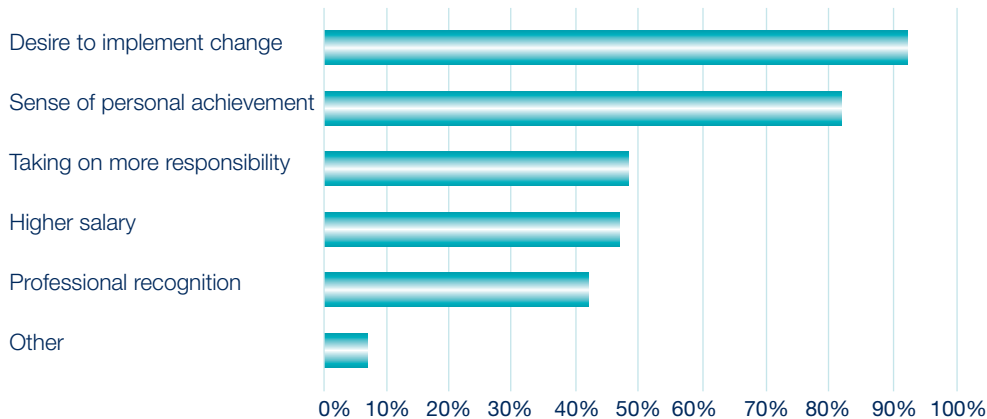
Fig. 2: who aspires to an executive board level position?





### 4.3. Why they do...

Among those managers who are targeting executive board level positions, the motivation for doing so cited by almost all (92%) was a desire to implement change. It would appear that those coming through the ranks are not satisfied with the way the health and care system is currently operating, but neither are they shy to the challenges of implementing changing care models.

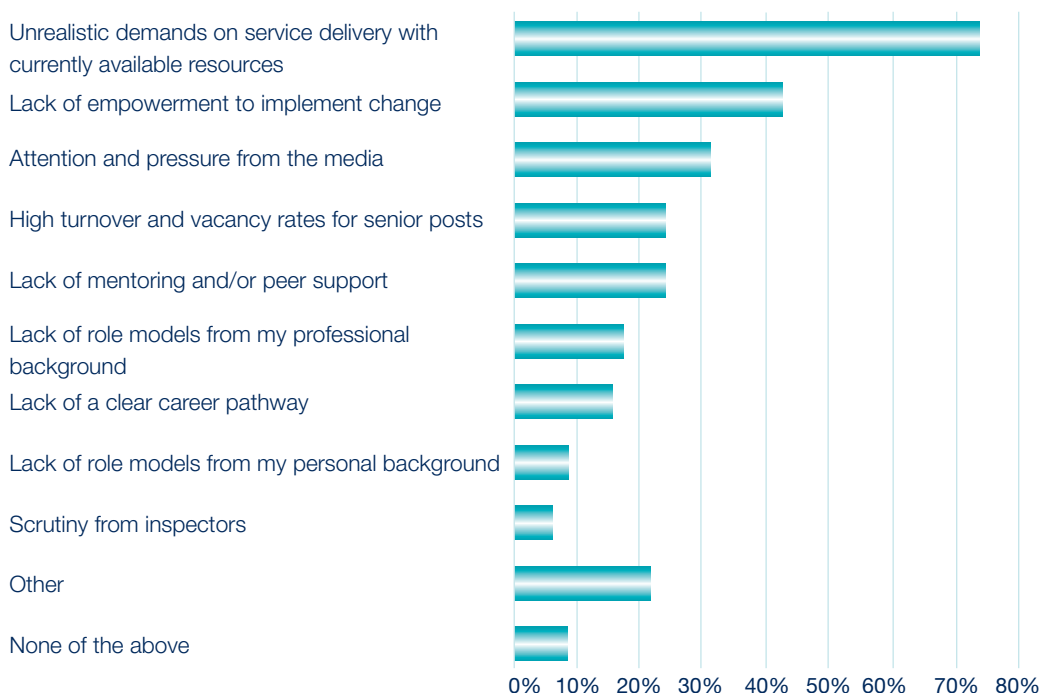


**Fig. 3:** what motivates managers to aspire to executive board level positions?

### 4.4. ... And why they don't

Among those managers who are either unsure or do not aspire to an executive board level position, by far the biggest factor is what are felt to be unrealistic demands being placed on health service delivery with currently available resources, cited by three quarters (74%) of respondents. This suggests top level health service jobs are simply regarded as too challenging in the current climate to be attractive to many managers.

However, the high turnover and vacancy rates currently being witness for senior posts scored relatively low at 24%, suggesting this in and of itself is not acting as a major deterrent factor.



**Fig. 4:** what deters managers from aspiring to executive board level positions?



WHAT DOES LEADERSHIP MEAN TO YOU?

***“ Embracing and encouraging change –  
challenging the status quo. ”***

– Building Future Leaders survey respondent

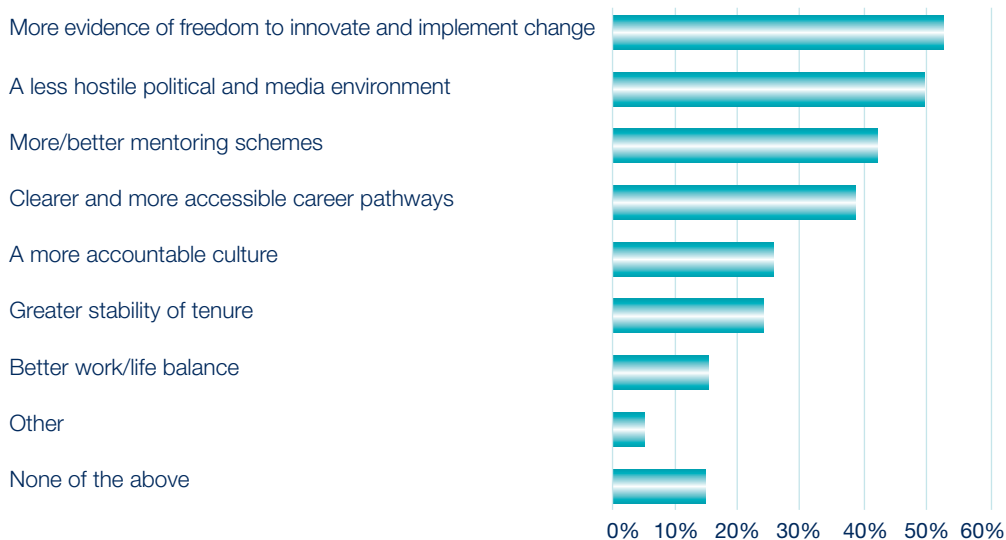
WHAT DOES LEADERSHIP MEAN TO YOU?

***“ Integrity, empathy, communication, emotional intelligence,  
respect for others, humility, and no hint of arrogance. ”***

– Building Future Leaders survey respondent

This group was also asked what factors could potentially incentivise them to change their mind and pursue an executive board level position. Most wanted was more freedom to innovate and implement change in these positions, cited by more than half (53%), closely followed by a less hostile political and media environment for health service leaders, also cited by half (50%).

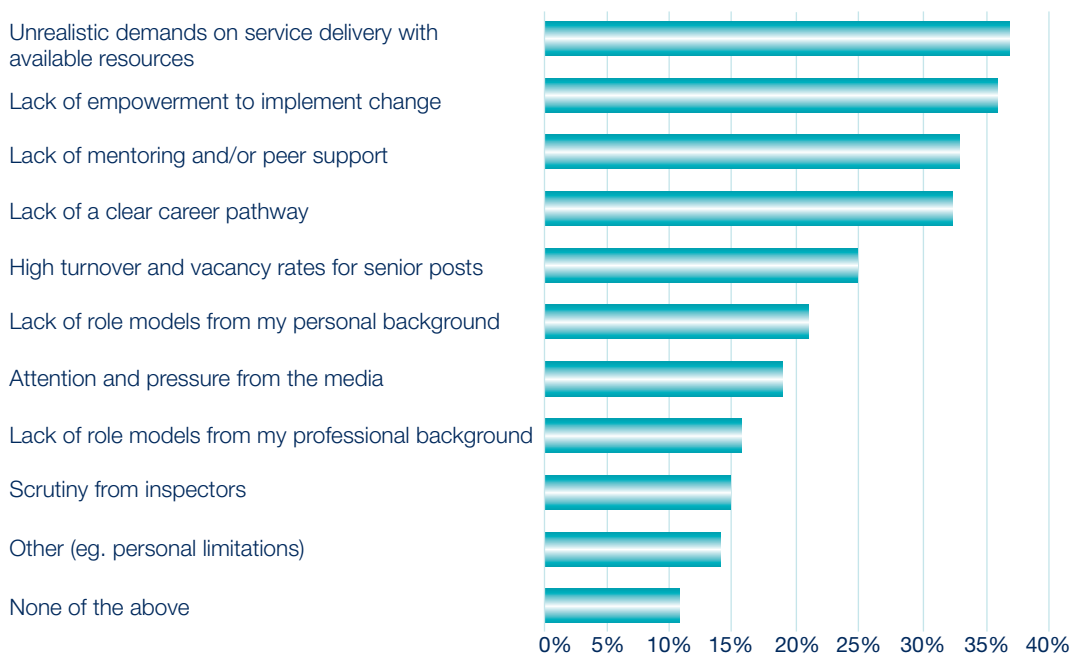
Greater stability of tenure scored relatively low on 24%, again suggesting that current high turnover rates for senior positions are not in themselves a major deterrent factor.



**Fig. 5:** what would incentivise more managers to aspire to executive board level positions?

#### 4.5. Barriers

Those managers who do aspire to executive board level positions were then asked what barriers they perceived to achieving their ambition. The two most cited obstacles were the same as those most cited as deterrent factors by those who do not want to reach a top level position: unrealistic demands on service delivery with available resources (42%), and lack of empowerment to implement change (41%). Even among this aspirant group, this suggests a certain level of pessimism about their chances of achieving meaningful improvements.



**Fig. 6:** what barriers are there for those managers who do aspire to executive board level positions?

Barriers and deterrents to progression were also assessed by asking the entire survey group, including those who do and do not aspire to an executive board level position, to what extent they agreed with a series of statements:

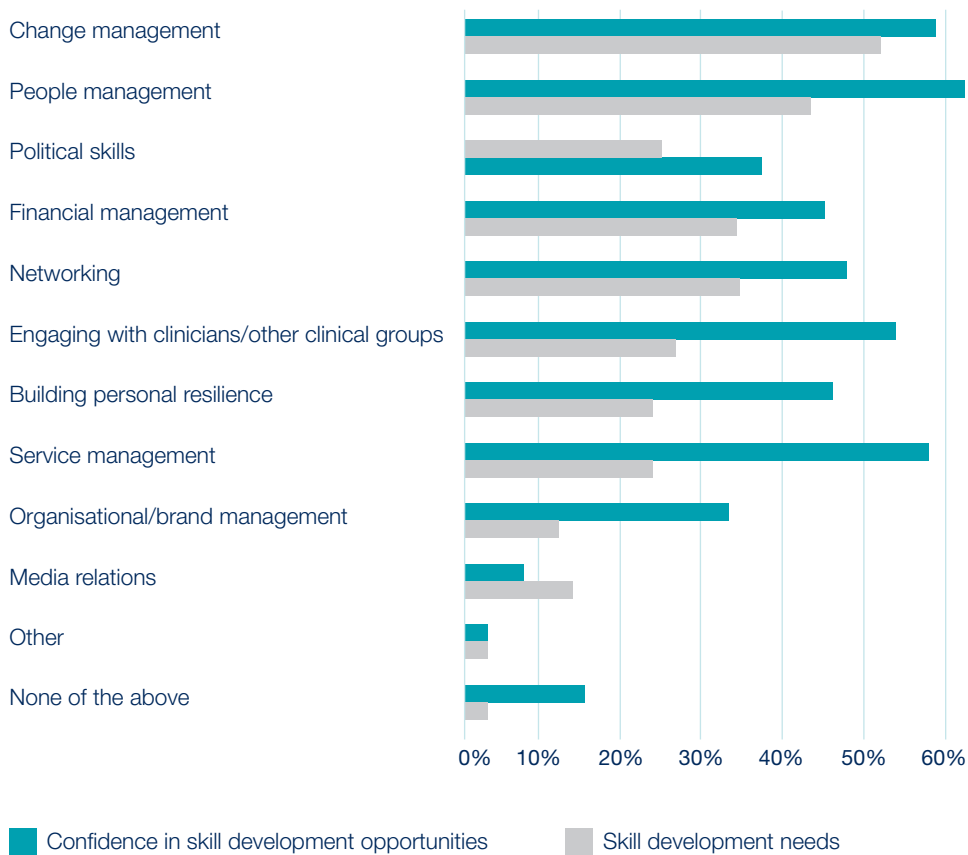
- **Career pathways:** fewer than three in 10 (29%) think there is a clear pathway for them to progress to an executive board level position, compared with more than two in five (41%) who said there is not. A third (33%) of those who said they aspire to these positions also specifically flagged this as a barrier. Additionally, there may be an issue with a lack of leadership opportunities for those outside of official NHS leadership programmes, with less than a third (29%) saying these are adequate, and almost two in five (39%) saying they are not. Focus group participants also expressed the concern that this was causing managers with a wealth of practical experience to be shut out from leadership opportunities because they had not got onto the formal pathway on the ground floor.
- **Ethnic discrimination:** only three in 20 (15%) think it as easy for BAME managers to reach executive board level positions as it is for their white counterparts, compared with two in five (40%) who said it is not. Almost three in five (58%) BAME respondents said it is not. Less than a third (29%) of all respondents believe senior management in their organisation reflects the diversity of the workforce, with half (50%) saying it does not. This is an issue which was also strongly flagged in the focus group, with a prevailing feeling that a 'glass ceiling' is limiting access to the 'snowy white peak' of a senior leadership class. The group felt that initiatives to counter this problem thus far have had limited success because they have been perceived as 'patronising', having focused on 'enabling' rather than 'recognition' of existing ability.
- **Gender discrimination:** only a quarter (27%) of female managers think it is as easy for them to reach executive board level positions as their male counterparts. Nine in 20 (45%) said it is not.
- **'Blame culture':** only a third (33%) think health and care employers look to address the root cause of mistakes, rather than just apportioning blame – 44% say they do not.
- **Outside appointments:** one of the strongest themes expressed in the focus group was a sense that NHS employers do not trust their own staff to step up to the plate by promoting internally, and would prefer to bring in senior executives with greater experience from outside – even if their previous results have been less than impressive. The implication is that this has led to the most senior positions being circulated around a stale, established and closed elite, limiting opportunities for the promotion of fresh talent. However, this concern was not conclusively backed up by the survey: more than a third (34%) of respondents think employers give at least equal consideration to promoting leadership talent internally as to bringing in established senior executives from outside, only fractionally less than the 35% who said they do not.



## 4.6. Skill gaps

Managers aspiring to executive board level positions were also asked what skills they felt they personally most needed to develop to attain and succeed in top level jobs, as well as which of these skills they are confident they will have the opportunity, training and support to do so. The skills most cited as needing development were change management (53%) – including managing integration and new models of care – and people management (44%).

Confidence in opportunities for development was higher than the perceived need for development for most skills, with the notable exception of political skills – 37% of respondents said they need to develop these, but only 25% said they were confident they would have the opportunities, training and support to do so. This suggests many health and care managers are currently not confident in their ability to negotiate and fight their corner in what is becoming an ever more politicised arena.



**Fig. 7:** which skills do aspiring leaders feel they most need to develop, and which are they confident they will have the opportunity, training and support to do so?



WHAT DOES LEADERSHIP MEAN TO YOU?

***“ Supporting my staff as much as my managers. ”***

– Building Future Leaders survey respondent

WHAT DOES LEADERSHIP MEAN TO YOU?

***“ It’s about inspiring change and innovation but keeping a relatively stable environment from which to do this, so that unpredictability, risk and the threat of paying a high price for failure don’t frighten people away from taking the initiative and accepting the responsibilities that go with managing change. ”***

– Building Future Leaders survey respondent

## Conclusions and recommendations

1. Despite the obvious challenges, aspiration to top-level positions remains high, at two thirds of health and care management and leadership trainees. Aspiration is highest among those on formal NHS leadership pathways, and female and BAME managers are just as or more likely to aspire to senior positions than their white male counterparts.
2. A desire to implement change is the biggest motivation for the overwhelming majority (92%) of aspiring health and care leaders. However, a significant minority (41%) do not feel they will actually be empowered to do so. This needs to be countered with *more acclimatisation to implementing meaningful change earlier in career pathways, with less tendency to blame and more freedom to constructively fail.*
3. The biggest deterrent factor for those who do not aspire to top-level positions (42%), and the greatest barrier perceived by those who do (74%), is the unrealistic demands placed on health and care service delivery with currently available resources. It is fair to suggest that measures to address the leadership crisis will be akin to rearranging the deckchairs on the Titanic unless the overall leadership offer can be made more attractive.
4. High turnover and vacancy rates for senior positions are not in themselves significant deterrent factors for future health and care leaders (cited by only 24%) – although they are of course harmful to their organisations.
5. Few trainee managers (only 29%) can see a clear career pathway to the top level. This is a particular area of concern for experienced managers who may have a great deal to offer, but failed to get onto formal NHS leadership pathways on the ground floor. Addressing this issue will require *greater permeability onto these pathways for managers at a later career stage.*
6. There is still a long way to go to create a health and care leadership cadre that adequately reflects the diversity of the workforce. Half of trainee managers say this is currently not the case, and only 15% believe it is as easy for BAME managers to reach senior positions as it is for their white counterparts. It may help to address this if *initiatives to promote BAME leadership talent are reframed and refocused away from ‘enabling’ and towards ‘recognition’.*
7. Aspiring health and care leaders perceive a need for them to develop greater political skills in order to provide effective leadership in the current climate, but are lacking in confidence that they will receive the necessary training and support in this area. If it is accepted that a significant degree of political and media exposure is to remain an inevitable part of the job, then a *greater emphasis on developing such ‘soft’ skills will be required.*



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