



Productivity In The NHS - The Whole Story?

Under the current NHS reform agenda Acute Trusts face enormous economic challenges over the next few years, with many required to improve efficiency significantly. Many Trusts, and indeed whole health economies, need to deliver major sustainable reductions in their cost base.

Important lessons can be learnt from the productivity crisis that faced manufacturing industry in the 1980s and 1990s from Japanese competition, and the subsequent adoption of Lean Manufacturing. Lean can then be seen in its true light, as a whole systems-level organisation transformation, and not merely as the application of a cluster of component-level tools and methods. There is a need for a whole systems language and perspective to reliably achieve similar significant productivity improvement by the NHS.

It is questionable whether the current set of NHS productivity initiatives, summarised in the 'Efficiency Map' (www.dh.gov.uk/productivetime) is being applied by Trusts

within a whole systems framework, without which the results will be unpredictable and probably disappointing.

Tricordant's whole systems approach is presented as a framework and tool for NHS organisations to take a proper whole systems perspective. This will aid them in realising whole systems-level efficiency improvements and will complement, complete and align their productivity initiatives.

For a copy of a full article on this topic contact Alastair Mitchell-Baker or see: www.tricordant.com/pdf/health02.pdf.



Recent Tricordant Assignments

Major Acute Hospital in South England: A scoping review of the management of its operating theatres. Tricordant identified processes for delivering savings of > £1,500,000 per year.

Leading UK Professional Services Firm: A workshop to identify opportunities for improved group working and business development at different levels within the organisation. The learning from this would be relevant to other large professional partnerships.

English SHA: Tricordant are carrying out a high level review of acute hospital configuration options.

Global Manufacturing Corporation: Working with an associate company to improve the IT support for their global supply chain. The current IT team are in 3 directorates, 2 companies, 3 continents, 2 floors and 3 time zones, but still do not provide 24 hour cover!

Essex Strategic Health Authority: A successful neurosciences review has been completed. Following public consultation, proposals to establish a clinical network in ENT and OMFS services have just been approved. Tricordant are supporting implementation.

WDA and Welsh Assembly Government: Participation in a programme preparing staff currently in the two culturally different organisations to form a new merged department.#

Employers Forum on Disability: Provided support for two projects: a) Understanding disability to work as a supply chain and redesigning it from a pull rather than a push perspective (see the report over leaf); and b) Advising on the shape of the organisation to meet the next five year challenge.

Tricordant Events Programme 2006

You are warmly invited to any of a series of four workshops on hot topics open to all our clients, associates and friends. They will be held in Reading from 10.30—16.00. Contact any of the team to book a place. Minimal cost.

Organisational Networks 23rd March
From chaotic networks, through learning networks to manufacturing networks

Health Sector Day: 19th May
Creating a leaner, fitter NHS

Personal Wholeness and Health at Work 23rd June
Personal tricords, whole life balance, whole work

Change 22nd Sept
Whole systems approaches to personal and organisational change

Tricordant's Team

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International Manufacturing Networks

The organisation of international supply networks is becoming an ever more important issue for manufacturing companies with global ambitions. Their development is driven by the desire to expand globally, gaining market share, covering new and emergent markets, whilst maintaining service and delivery and reducing costs.

As manufacturing networks grow in scope the hoped for economies-of-scale are often disappointingly offset by hidden costs. Supply chains can develop their own internal systemic problems with negative internal feedback loops and self-generated noise. Standardisation and centralisation distance people from their customers, becoming insensitive and unresponsive to local markets. The increasing complexity of the supply chain processes requires increasingly complex IT systems, procedures, policies, and bureaucracy. The roles of managers and departmental teams become fractured and unclear. The supply chain is no longer simple, but requires multiple

reporting lines and matrix structures. Peoples' sense of empowerment, responsibility and ownership is diluted and people become frustrated and de-motivated .

How can we design complex global supply chains as integrated whole systems so that they can still retain simplicity and responsiveness whilst operating as economically as possible? How can we organise manufacturing networks so that regional and site teams have clear units of work to perform, with minimal interference and overlap between themselves and other teams? How can we empower these teams by asking them to manage discrete sub-systems within the framework of the wider whole system? How do we design it so that the right work is done at the right organisational level? How can we give whole work to whole people?

For a full paper describing Tricordant's whole systems approach to this problem please contact Simon Thane (Tel: 01558-823927, E-mail: simon@tricordant.com).



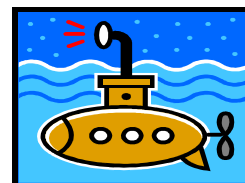
Yellow Submarines and Ailing Frogs

You do not need to spend much time in the company of NHS leaders and managers today to be struck by the pervasive sense of frustration, weariness and cynicism which many feel as they face yet another round of NHS "re-disorganisation". However, more alarming than the inevitable sense of concern for their own jobs and their staff, is a worrying unease at the lack of an apparent compelling narrative for the current changes. In other words, it is not easy for frontline senior managers and clinicians to explain why the current changes are happening and how they will improve things either for

patients or staff. The NHS itself feels decidedly ill-at-ease as the financial squeeze comes on like never before and more far-reaching policy reforms than seen for generations begin to take root.

A full article explains why the NHS might feel like this and how leaders might cope through the current change process. It uses two metaphors for this – Frogs and Yellow Submarines.

Full article at www.tricordant.com/pdf/frogs.pdf or contact Alastair Mitchell-Baker on 0118 9426826.



Disability to Work - Push or Pull?

The government's role is to stimulate labour supply in the market place and to achieve its aspiration of 80% employment in five years. To achieve this it must move one million of the 2.3 million long-term Income Support and Incapacity Benefit claimants into the job market. There are two sides to this; a) convincing the long term claimants that they will be better off if economically active and b) encouraging employers to expand their employment criteria to include these groups of people.

Investing in changing employer attitudes, and so widening the size of the acceptable labour pool, enables the employment system to be managed in the opposite direction from the traditional approach. Instead of 'pushing' people towards speculatively forecast jobs, people who have decided they want to work can be 'pulled' from the available labour pool towards actual work opportunities.

This shift in the disability to work system from 'push' to 'pull' is similar to that experienced in customer-centred manufacturing

and assembly systems like vehicle manufacture and computer supply. The impetus for this shift came from Lean concepts, which are now being extensively used in the NHS to deliver better productivity, lower costs, shorter pathways and more choice for patients and stakeholders. These parallel the benefits seen originally in manufacturing.

Practical examples of Recruitment that Works (RtW) a disability training college and the best NDDP providers suggested that approaching the disability to work system from the 'pull' end reduces timescales, focuses resources, reduces waste and increases success. RtW placements cost the Government between £500 and £1000 per person placed and take a few weeks as opposed to £3,000 to £4,500 and a year's involvement on NDDP.

For further information about this topic contact Irwin Bidgood (Tel: 01299 401273, irwin@tricordant.com).