

# Skills, behaviours and leadership styles required and exhibited by NHS system leaders

MBA in healthcare finance summary

# Introduction

The final assessment for learners completing the MBA in healthcare finance requires them to complete a consultancy project on an aspect of healthcare finance. These projects have provided valuable research on a range of topics, which may be of interest to others.

The MBA in healthcare finance was developed in response to the scale of the financial and operational changes in the NHS. Financial acumen alone is no longer enough. There is an increasing need for professionals who understand the need for quality of service and people management in addition to financial information. Graduates of the HFMA advanced diploma in healthcare business and finance are eligible to entry onto the programme. Further information on the range of HFMA qualifications in healthcare business and finance can be found on the <u>HFMA website</u>.

The healthcare consultancy project is one of three modules completed in the final year. The HFMA provides non-academic support to learners, supplementing that provided by BPP University. This summary, along with the full project, sets out research that may be useful to other NHS finance professionals. It does not represent the views of HFMA.

In this project, Ronald Lukandwa, senior finance manager at Barking, Havering and Redbridge University Hospitals NHS Trust, explores the skills behaviours and leaderships styles required and exhibited by NHS system leaders.

# **Background**

The NHS is facing unprecedented challenges from prevalence of long-term conditions, pressure from an ageing population, technological advances, increasing demand for its services and financial pressures from years of austerity. In the face of these challenges, the NHS needs to transform how it delivers its services by adopting a systemwide, collaborative way of working away from the historical organisation silo structures. The establishment of integrated care systems (ICSs) aims to support the redesign of health care and improve population health by creating shared system leadership and actions.

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Strong system leadership is one of the first steps required for collaborative, integrated healthcare models as they require meticulous planning and change management. This transformation will require strong and resilient leaders whose success will depend on leadership skills and contribution made, rather than job titles or hierarchies. However, developing the potential of system leaders in a systematic way has not been attempted before.

# Research aims

This research aims to find out if the current NHS system leaders have the leadership skills, behaviours and leadership styles required to drive transformational and collaborative change in the NHS. Many studies have pointed out the leadership styles, behaviours and skills required by system leaders. However, it is unclear whether the current NHS system leaders have these skills.

The main purpose of this study is to further inform policy makers and system leaders of the skills, leadership styles and behaviours that the current leaders mandated to drive through change have and make recommendations on how they can be embedded and developed methodologically.

# **Key findings**

The key findings are based on a literature review to establish what skills, behaviours and leadership style are appropriate and needed for collaboration, followed by an electronic questionnaire to system leaders to establish if the current NHS system leaders have the skills identified in the literature review. The research uses Kotter's eight stages of change model **(exhibit 1)** to structure the review, highlighting the skills, behaviours and styles required for each stage.

Kotters Eight Steps of Change" Im plem enting and sustaining Engaging and enabling change the whole organization Creating a climate for change Empower Create Short-**Guiding Team** Right for Buy-in Action term Wins Stick Up Kotter, John P. and Cohen, Dan S. <u>The Heart of Change.</u> Boston: Harvard Business School Press

Exhibit 1: Illustration of Kotter's eight steps of change

Based on the literature review, system leaders need to demonstrate different skills, behaviours and leadership styles depending on the people they are engaging, the situation presented and the stage of change. The skills and behaviours needed for collaboration by system leaders are emotional intelligence, communication, motivation, influencing, conflict resolution and the ability to communicate an inspiring vision and give a sense of purpose.

The questionnaire responses overwhelmingly show that the current system leaders have most of the skills, behaviours and leadership styles required for collaboration as follows:

- Conflict resolution: 89% agreed that system leaders have conflict resolution skills. 75% also agreed that the most appropriate approach to resolve conflict was through collaboration. Only 52.5% agreed they had training or experience in conflict management
- Vision and sense of purpose: 89% agreed NHS leaders have the skills to communicate an
  inspiring vision and foster a sense of purpose. Only 47.5% agreed that these are seen as a
  symbol of success and accomplishment by their teams

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- Situational leadership: 87.5% agreed favourably that their leadership styles changes depending
  on the people or situations they are engaging.
- Distributed leadership: 82.5% agreed favourably that they actively ensure the leadership role is devolved at all levels of the organisation.
- Communication and motivation skills: 78% agreed that NHS leaders have good communication and motivation skills. However, when asked if they knew ahead of time how people respond to new ideas or proposals, only 58% agreed.
- Democratic leadership: 77% agreed to having a democratic style of leadership style.
- Influencing skills: 77% agreed that while persuading, NHS leaders describe the consequences of not doing a particular action or offer incentive to other persons.
- Emotional intelligence: 61% agreed to being emotionally intelligent for most of the questions. However, in some areas there was a mixed picture.

# Conclusion

The NHS is facing significant challenges in the face of increased demand for its services, an ageing population and increased pressure on its resources. With the increased emphasis on collaboration it is imperative to ensure that the system leaders are equipped with the right skills to do the job. This research has highlighted the key skills, behaviours and leadership styles needed to drive through this collaboration and establish that the current system leaders have them. As highlighted by the findings, particular attention needs to be given to emotional intelligence especially the managing emotions and self-motivating domains and to ensure that as system leaders move away from the traditional top-down hierarchical performance-led type of leadership, focus is given to skills that help to build meaningful relationship and collaboration with others.

This research is based on the self-assessment of the current system leaders. However, further validation of these findings based on the how staff view these leaders is an area to be considered for further research.

# Recommendations

Informed by the review of literature, findings, discussions and analysis, the following recommendations outline what actions can be taken to improve the skills, behaviours, and leadership styles of system leaders in the NHS.

- Leadership training and development programmes
  - The NHS should consider investing more in structured leadership and development programmes. One way the current programmes can be structured is to incorporate learnings on collaboration from outside the NHS with real life scenario simulations. The NHS also needs to expand the admission criteria to include other staff who aspire to become system leaders of tomorrow to ensure that the appropriate skills are not lost over time.
- Mandatory 360-degree assessments
  - The NHS should include a 360-degree assessment as part of the annual personal development plans for all system leaders and aspiring system leaders to provide valuable feedback on how the skills, behaviours and leadership styles exhibited by leader's impact staff. Leaders' self-assessment of their strength sometimes differs from the perception of staff. This tool will point out these areas so that leaders have insight on what skills they need to improve on.
- Coaching, mentoring, and shadowing
  - Although the NHS through the NHS leadership academies offers coaching to staff, the NHS should consider a step further and invest in specialised executive coaching for system leaders. They should also invest in structured mentoring and shadowing for aspiring system leaders.

Read the full research project here.

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# **About the HFMA**

The Healthcare Financial Management Association (HFMA) is the professional body for finance staff in healthcare. For over 70 years, it has provided independent and objective advice to its members and the wider healthcare community. It is a charitable organisation that promotes best practice and innovation in financial management and governance across the UK health economy through its local and national networks.

The association also analyses and responds to national policy and aims to exert influence in shaping the wider healthcare agenda. It has particular interest in promoting the highest professional standards in financial management and governance and is keen to work with other organisations to promote approaches that really are 'fit for purpose' and effective.

The HFMA offers a range of qualifications in healthcare business and finance at undergraduate and postgraduate level and can provide a route to an MBA in healthcare finance. The qualifications are delivered through HFMA's Academy which was launched in 2017 and has already established strong learner and alumni networks.

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