

The background features a decorative graphic consisting of several overlapping circles in various shades of blue. Two thin, light blue lines intersect to form a large 'V' shape that frames the central text. The circles are arranged in a way that they appear to be floating or layered, with some partially obscured by others.

# **NHS Staff Management and Health Service Quality**

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## Foreword

This report draws on the vast amount of information about the cultures, processes and performance of health service organisations in the National Health Service (NHS). Drawing on data from the annual NHS Staff Survey, the report shows how good management of NHS staff leads to higher quality of care, more satisfied patients and lower patient mortality. It also demonstrates how good staff management offers significant financial savings for the NHS, as its leaders respond to the challenge of sustainability in the face of increasing costs and demands.

By giving staff clear direction, good support and treating them fairly and supportively, leaders create cultures of engagement, where dedicated NHS staff in turn can give of their best in caring for patients. The analysis of the data shows this can be achieved by:

- Focusing on the quality of patient care
- Ensuring that all staff and their teams have clear objectives
- Supporting staff via enlightened Human Resource Management practices such as effective appraisal and high quality training
- Creating positive work climates
- Building trust
- Ensuring team working is effective

Such steps produce high quality and improving patient care along with effective financial performance. The challenge to NHS managers and leaders is to respond by putting the findings into practice and ensuring that the way staff are managed and cared for is a model for all organizations. That will lead irrevocably to the quality of patient care we wish for our communities and sustain the service in the face of the many challenges it faces.

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## The importance of staff engagement

Our analysis shows that a whole range of HR practices affect outcomes for the NHS. What we see particularly sharply is that developing climates and cultures that nurture strong staff engagement brings a range of positive outcomes identified in detail below. Staff engagement is achieved by promoting a healthy, safe work environment, ensuring every role counts, delivering supportive management and leadership, enabling the growth and development of staff and ensuring their involvement in decision making. When staff feel they are able to contribute to improvements at work; when they recommend the trust as a place to work or receive treatment; and when they feel motivated and engaged with their work, patient satisfaction, patient mortality rates and trust financial performance are better. Trusts with higher levels of staff engagement deliver services of higher quality and perform better financially, as rated by the Care Quality Commission. They have higher patient satisfaction scores and lower staff absenteeism. They have consistently lower patient mortality rates than other trusts.

With such an important range of beneficial outcomes, it is important to identify the managerial practices that lead to high levels of staff engagement. When staff have an annual appraisal meeting with their manager to agree clear, challenging objectives; that helps them do their jobs better; and that leaves them feeling valued and respected by the trust, staff engagement is high. In such circumstances, staff are particularly likely to recommend their trust to friends and relatives as a place to go for treatment or as a place to work. They have better health and well being and are less likely to attend work when they are unwell (the latter, called 'presenteeism', causes higher absenteeism ultimately). Appraisal meetings that do not include these elements have no beneficial effect on engagement. Moreover, when staff work in a well structured team environment they have higher levels of engagement. A well-structured team environment is one where staff work closely with other team members, have clear team objectives and meet regularly to review their team's performance and how it can be improved. In such circumstances, they are also more likely to recommend their trust to friends and relatives for treatment, to have better overall health and well being and to report lower levels of work-related stress and presenteeism.

The implications for the provision of outstanding patient care, safe environments for patients and staff well being are clear. Creating environments in which staff can give of their best leads to patient satisfaction and lives saved. Ensuring staff have outstanding support and guidance via good HRM practices, managerial support and effective team working leads to reduced patient mortality, better care quality and more engaged and engaging health care organizations.

Such an approach not only delivers high quality and safe patient care, it also guarantees hugely improved financial performance and productivity in trusts. Savings in reduced absenteeism, staff turnover and improved use of resources can make a considerable contribution to the financial sustainability of NHS organizations. Creating NHS cultures of innovation, where all staff contribute their ideas for new and improved ways of providing care and improving the cost effectiveness of the organization will further dramatically improve the sustainability and effectiveness of the NHS.

## Background

The health care of the people of England is largely provided by the 1.3 million NHS staff whose skills, motivation and commitment determine quality of care and safety patients receive. How they are supported, guided and enabled by leaders, policy makers and managers throughout the service is likely to have a powerful influence therefore on the quality and safety of care that patients receive. Drawing on information from the annual NHS staff survey, this report details the links between staff experience and outcomes in the NHS in England. Patient mortality, infection rates, patient satisfaction, staff absenteeism and turnover are all influenced by the way that staff are managed. The experience of staff in terms of how they are managed and how patients' relatives, friends and carers treat them is an important determinant of patient satisfaction with the care they receive.

## Patient Satisfaction

Patient satisfaction is highest in NHS trusts that have clear goals at every level of the organization. Where staff have clarity of purpose they provide good quality care. The best outcomes and most positive patient ratings occur in NHS trusts that have clear goals; with care provided by teams that have clear objectives; and where individual staff members have clear goals for their jobs. In such circumstances communication between patients and staff is good and patients feel involved in decisions about their care. Leadership by senior managers and immediate managers helps to ensure clarity of purpose and it is not surprising that when staff see their leaders in a positive light that this is strongly related to patients' perceptions of the quality of care they receive.

And staff satisfaction is directly related to subsequent patient satisfaction. For example, staff reports of the supportiveness of immediate managers and their perceptions of the extent of positive feeling (communication, staff involvement, innovation & patient care) in their trusts directly predicts patient satisfaction. Not surprisingly, staff intention to leave their jobs is also strongly related to lower levels of patient satisfaction.

There is a spiral of positivity in the best performing NHS trusts. The extent to which staff are committed to their organizations and to which they recommend their trust as a place to receive treatment and to work is strongly related to patient outcomes and patient satisfaction. Climates of trust and respect characterise these top performing trusts.

This is best evidenced by the link between ethnic discrimination against staff and patient satisfaction. The greater the proportion of staff from a black or minority ethnic (BME) background who report experiencing discrimination at work in the previous 12 months, the lower the levels of patient satisfaction. Where there is less discrimination, patients are more likely to say that when they had important questions to ask a nurse, they got answers they could understand and that they had confidence and trust in the nurses. Where there was discrimination against staff, patients felt that doctors and nurses talked in front of them as if they weren't there; that they were not as involved as they wanted to be in decisions about their care and treatment; and that they could not find someone on

the hospital staff to talk to about their worries and fears. Most importantly, they did not feel they were treated with respect and dignity while in hospital. The experience of BME staff is a very good barometer of the climate of respect and care for all within NHS trusts.

Echoing this theme of fairness and dignity is the finding that the percentage of staff reporting that their trust provides equal opportunities for career progression is related to ratings by the Care Quality Commission of quality of care provided and use of resources as well as with levels of staff absenteeism.

This positive dynamic in relationships and care is not limited to staff, their managers and patients however. Where staff are treated well by patients' relatives, friends and carers, patients report receiving good care, appropriate privacy and respect. They maintain a feeling of dignity and also feel they are given sufficient information about their care and medicines.

The dark side to these findings is that when staff report bullying, harassment or abuse from patients' relatives, friends, carers and other members of the public, patients do not feel treated with respect and dignity while in hospital. The percentage of staff experiencing physical violence from patients, their relatives, friends or carers in the previous year is also associated with low subsequent patient satisfaction. A spiral of negativity can emerge when staff are not treated supportively and with respect, whether by managers or by the public. Creating a positive, supportive environment is likely to produce an environment within which the best quality of care is provided. Not surprisingly, in such well-managed trusts, staff are less likely to be planning to leave than are staff in poorly managed trusts.

This message is amplified by the finding that when staff report high work pressure, patients also see the service as under-resourced, commenting that there were too few nurses to provide care. In trusts where more staff report witnessing errors, near misses or other worrying incidents in the previous month, patients too report that they did not receive sufficient support, information, privacy or respect. In trusts where Staff report poor health and well-being and high levels of presenteeism (staff attend work when they are unwell) there is more work-related stress, higher injury rates, more staff intend to leave their jobs and patients are less satisfied. Moreover, the trusts provide poorer quality of care, perform badly financially and have higher levels of absenteeism. When NHS trusts are inadequately resourced, patient care suffers and staff feel unhappy because they believe patient care is not their trust's top priority.

Previous research showed that the sophistication and extensiveness of human resource management (HRM) practices in acute trusts are related to lower patient mortality rates (West et al., 2002). Staff appraisal, training and team working have particularly strong relationships with patient mortality rates. These findings were confirmed and extended in a later study that using a longitudinal design and a wider range of HR practices (West et al., 2006). However, these studies relied on the reports of HR directors rather than on staff reports of how they were managed. The National Staff Survey data provide the views of staff on the way they are managed in trusts. This shows very clearly the link between HRM practices and patient satisfaction, with changes in a number of HR practice variables linked to improvements in the level of satisfaction with quality of care as reported by inpatients in acute trusts. Hospitals with high percentages of staff receiving job-relevant training, having helpful appraisal

meetings, and reporting good support from line managers have both low and decreasing levels of patient mortality at the same time as providing better quality care for patients generally. Consistent with this, the proportion of staff who have undertaken health and safety training since joining their trust is also strongly related to patients' perceptions of the quality of care they receive.

When staff have an annual appraisal meeting with their manager to agree clear, challenging objectives; that helps them do their jobs better; and that leaves them feeling valued and respected by the trust, staff engagement is high. In such circumstances, staff are particularly likely to recommend their trust to friends and relatives as a place to go for treatment or as a place to work. They have better health and well being and are less likely to attend work when they are unwell (the latter, called 'presenteeism', causes higher absenteeism ultimately). Appraisal meetings that do not include these elements have no beneficial effect on engagement. Trusts with higher levels of staff engagement deliver services of higher quality and perform better financially, as rated by the Care Quality Commission. They have higher patient satisfaction scores and lower staff absenteeism. They have consistently lower patient mortality rates than other trusts

*Putting together the information from various analyses reveals that patient care is best when there is a climate of respect and dignity in NHS organisations and where staff are clear about their goals and objectives. Moreover, they have good leadership and good support from their immediate managers. Where staff are being treated respectfully and supportively by their managers, by patients relatives, friends and carers and by other members of the public, patients feel their care is good and that they are given respect, dignity and control. Finally, the implementation of effective people management practices such as appraisals, training and personal development plans contributes, via staff engagement, to overall patient outcomes both in terms of their satisfaction and mortality rates.*

## **Mortality**

The strongest predictor of patient mortality rates in trusts is the percentage of staff working in well structured teams that have clear objectives, that meet regularly to review their performance and how it could be improved, and whose members work closely and effectively together. Moreover, when staff work in a well structured team environment they have higher levels of engagement. They are also more likely to recommend their trust to friends and relatives for treatment, to have better overall health and well being and to report lower levels of work-related stress and presenteeism.

Good training, learning and development opportunities for staff and support from immediate managers are linked to lower patient mortality rates. It is particularly noteworthy that lower mortality occurs in those trusts whose staff have opportunities to influence and contribute to improvements at work. Leaders need to both develop and draw on the expertise of all staff within the NHS to ensure that cultures of innovation are created in the interests of patient care.

The percentage of staff receiving appraisals, and particularly helpful appraisals is also related to patient mortality. Appraisals are a powerful means of ensuring that staff have clear objectives, that they are

developing their skills and that they feel valued, respected and supported by their managers at work. Not surprisingly this has consequent effects on patient care. All these factors add up to a positive climate and indeed, that is what the data show. A positive organisational climate in terms of good communication, staff involvement, and innovation is associated with low and declining levels of patient mortality.

How can positive and effective climates be developed and maintained in the NHS? A key route is through staff engagement. When staff feel they are able to contribute to improvements at work; when they recommend the trust as a place to work or receive treatment; and when they feel motivated and engaged with their work, patient satisfaction, patient mortality rates and trust financial performance are better.

## **Turnover**

When a staff member leaves the NHS, the average immediate cost to a trust is £4,500 and the long term costs in hiring and training new staff, are much greater. Understanding what aspects of staff experience lead them to plan to leave the service can help to reduce the costs associated with avoidable turnover. Staff plan to leave when they experience harassment, bullying or abuse from their colleagues or managers; when they witness errors that could harm patients or staff; when they do not see effective action by managers towards violence or harassment from patients or their relatives, carers and friends. They are less likely to plan to leave if they are given flexible working options, enabling them to fit their work lives around the demands of their family lives. And those working in effective and supportive teams are much less likely to leave the service.

## **Absenteeism**

NHS staff are absent from work, on average, 10.7 days each year, losing the service a total of 10.3 million days annually and costing a staggering £1.75 billion. Total absenteeism equates to the loss of 45,000 whole time equivalent staff annually. What factors predict absenteeism in trusts? Key factors are whether staff feel dissatisfied with the quality of work and patient care they are able to deliver; not having an appraisal in the last 12 months; suffering work-related stress, physical violence from staff, patients or members of the public in the last 12 months; not having equality and diversity training in the last 12 months. Trusts with more engaged employees have much lower absenteeism.

## **Financial performance**

The pattern of findings described above applies also to the financial performance of trusts. Financial performance is in decline in trusts where more staff witness potentially harmful errors, near misses or incidents; where staff feel stressed, under pressure and are keen to leave their jobs; and where there is little scope for learning and development such as equality and diversity training. Good appraisals and good financial management are highly correlated. The picture painted by these findings is that good people management and financial management go together and that it makes sense to seek productivity improvements by increasing rather than decreasing staff support.

## Infection rates and errors

In trusts where a large percentage of staff feel they can contribute towards improvements at work, infection rates are decreasing, reinforcing the value of staff involvement in service improvements and of creating cultures of engagement and innovation. Infection rates are also falling in trusts that invest in staff training. Staff vigilance plays a role too. Where staff report errors, near misses and incidents, the quality of services improves. A culture of learning rather than blame leads to service improvement for patients, innovation and staff commitment. Far from being problematic, an increased focus on and support for incident reporting leads to improvements in the quality of patient care.

## Conclusion

The findings reported here make it clear that cultures of engagement, positivity, caring, compassion and respect for all – staff, patients and the public - provide the ideal environment within which to care for the health of the nation. When we care for staff, they can fulfil their calling of providing outstanding professional care for patients.

## Footnotes

The data used in the report come from the NHS National Staff Survey (NSS), between 2006 and 2009, and from a variety of published outcome data: patient satisfaction, patient mortality, infection rates, Annual Health Check ratings, staff absenteeism and staff turnover. In the multiple regression analysis we assessed the effect of organisational factors as measured by the NHS staff survey (NSS) in 2009 on the change on the outcome measures as compared to the previous year, while controlling for prior performance, prior organisational factors, as well as the organisational characteristics. Using latent growth curve modelling, we used the NSS key findings in the year 2007 as predictors. The outcome measures are: Patient satisfaction (2007-2009), Mortality Rates (2007/08-2009/10), Turnover (2008-2010), Financial Management (2007-2009), Quality of services (2007-2009), Absenteeism (2007/08-2009/10) and MRSA Infection rates (2007/08-2009/10). We used ordinary least squares regression analysis in order to investigate the longitudinal effects of the NHS key score variables on the following seven outcome variables: absenteeism (2009/10), financial management (2008/09), quality of services (2008/09), staff turnover in the NHS (2009/10) (all trusts), and patient satisfaction (2009/10), patient mortality in hospitals (2009/10), and MRSA rates (2009/10).