

# How to develop your purpose statement and design principles

**Corporate services productivity programme**

June 2018

# Introduction (1/2)

Methods of delivering corporate services in the NHS have changed little in the last 20 years compared to other sectors. This limited modernisation coupled with the variation in delivery methods, and therefore outcomes, contributed to NHS provider trusts spending £4 billion on corporate services in 2016/17.

Lord Carter's review, *Operational productivity and performance in English NHS acute hospitals: Unwarranted variations*, published in 2016, investigated whether the NHS gets the best value (defined as the product of quality of care and the efficiency with which it is delivered) from its annual budget. It concluded that the NHS could save £5 billion a year if it addressed the significant and unwarranted costs and clinical practice variations.

The report recommended that trusts should rationalise their corporate functions to use resources in the most cost-effective manner; the Secretary of State for Health accepted all the report's recommendations in March 2016.

From talking to function leadership groups (eg Future Focused Finance), trust directors and heads of corporate services functions, we found they agree that the way corporate services are delivered needs to change to benefit from modernisation.

They recognise that this means taking advantage of available economies of scope and scale. Most are asking for the direction and future operating model to be carefully guided on their behalf and for the system-wide obstacles to be removed centrally. This gives them the opportunity to deliver and receive quality services in line with national expectations and direction.

A collaborative delivery model has inherent challenges for trusts, which include forming the desired operating model and the governance to manage it. These changes need to happen at a time of constraints on capital and internal resources. We have designed this toolkit to help.

We compiled this guidance using subject matter expertise and feedback from trusts that have been through the process. We will update it regularly to reflect new information.

# Introduction (2/2)

This guide provides practical guidance on how to develop your purpose statement and design principles when redesigning a corporate function.

## Useful resources

Please refer to:

- *Lessons learned: setting up for success. Experiences of the 'pathfinder' corporate services projects.*
- *Good governance guide.*

# Why create a purpose statement and design principles?(1/2)

Early in any project to redesign corporate services, the project leads should define the purpose and design principles for the new organisation.

Purpose and design principles provide:

- an emotive message for all employees to buy into and ‘get behind’
- a clear reference point to ensure the best design
- a tool to enable decision-making
- the basis for stakeholder engagement and communications
- guidance during implementation
- a clear ambition for the trust or group or trusts.

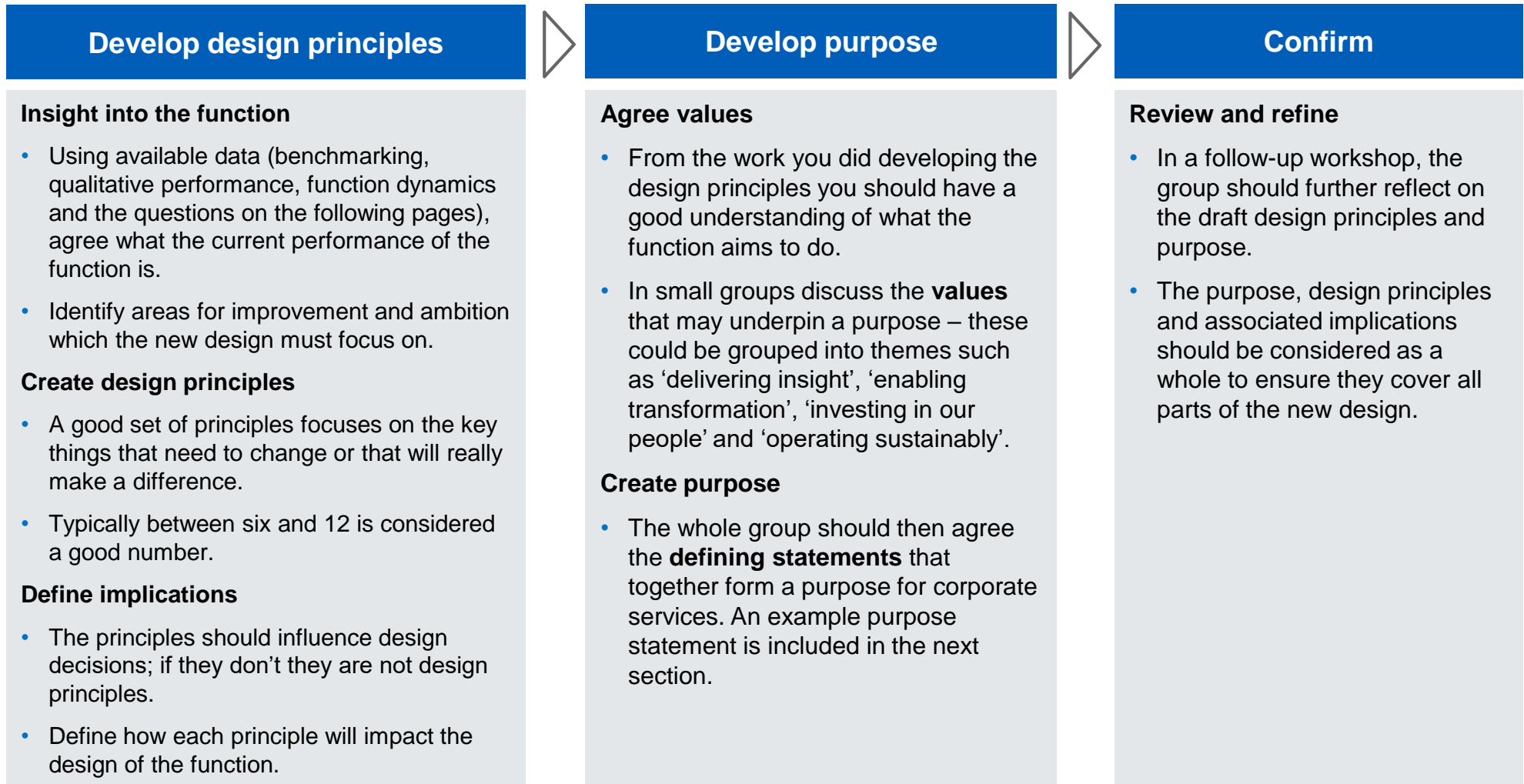
Trusts that have a clear purpose and are not intending to redesign their corporate services do not need to go through this exercise.

# Why create a purpose statement and design principles?(2/2)

- Defining a **purpose** gives the redesign of corporate services structure and it should be used to assess the success of any design.
- The **purpose** should align with the trust's overall purpose. Corporate services should always support the trust's key strategic themes and ambitions.
- **Design principles** are the building blocks for redesigning corporate services – guiding and providing a point of reference when designing the detail. They link organisational strategy to rules that guide design decisions.
- **Design principles** must influence design choice; they are strategic choices, not generic statements.

# Approach to creating a purpose and design principles

The process below can be completed over a number of workshops. Attendees should include functional heads and subject matter experts. The workshops should be facilitated to ensure the group stays on track and generates the necessary outputs.



# Example purpose for corporate services (1/2)

The purpose of corporate services is to provide a high quality, professional service with a clear focus on meeting user needs. Delivering excellent support services every day at lower cost enables those using them to focus on delivering great care and ensuring financial sustainability,

Corporate services will achieve their purpose by delivering a change and consolidation programme built on four themes (example of design principles to guide a national solution for corporate services):

## Deliver service excellence at reduced cost

- Sustainable and scalable professional services that provide high quality and good value for customers.
- Standard services to drive the best long-term results and customer satisfaction.
- Growing through building relationships and developing new services with external organisations.

## Enhance operational performance through better decision support

- Enabling all customers to make informed decisions for service users, patients and carers.
- Combining data, analysis and expertise to create actionable insights and information.
- Making better use of people's skills and experiences.

## Investing in the right level of capabilities development

- Creating an engaging and rewarding place to work and develop.
- Delivering valuable learning to build the right level of competences.
- Transformation of corporate services to enable delivery of a high quality, skilled and professional service.

## Innovation and technology enabled solutions

- Streamlined end-to-end services.
- Integrated user/customer experience.
- Nurturing operating flexibility across trusts.
- Investment and funding in value-adding capabilities and technology, such as core electronic patient records, digital solutions and end-to-end services.

# Examples of design principles from trusts (2/2)

- A path that is affordable, reusable and standardised.
  - This makes it clear that consistency and standardisation are a priority. Does this mean that all sites, locations and staff groups receive the same level of service?
- Consistent corporate service purpose across all sites.
  - Clear principle – this may be challenging if underpinning infrastructure is the same.
- Provide joined-up support for users that reduces their administrative burden.
  - Implies that corporate services will collaborate to simplify processes for users – eg leavers and joiners processes.
- Acting as an informed supplier to users – educating them to ensure a value for money service with mutual responsibilities for achieving this.
  - Implies the ‘service catalogue’ will include customer responsibilities. There may be a ‘menu-based’ approach to pricing – where different user behaviour is charged differently.
- A scalable support model with potential to support the emerging needs of the local health economy (but not providing services more widely).
  - Clarity on the level of ambition for future expansion/service. Could impact technology options and location strategy.
- Takes no longer than five years to achieve.
  - This is more about the implementation path than the design – but there is no point designing something that cannot be delivered (whether for financial, technical or other reasons).



# Good design principles – points to remember

## Design principles:

- codify (ie describe and measure) what is **important** to the design (ie has an impact on the target operating model)
- bind and constrain the design ‘space’, guiding the **generation of options**
- guide design work at **lower levels of detail**
- ensure a consistent philosophy, so that the overall operating model works.

## Good design principles:

- are material/important – given the level
- represent a choice (eg **not** good customer service)
- have implications for the operating model design – direct towards a solution
- can be measured or assessed.

Design principles can come from strategy, business plans, values, constraints and stakeholder desires.

# A format you may find helpful

<b>Design principle</b> ‘the design must...’	<b>Rationale</b> ‘...in order to...’	<b>Implications</b> ‘...and may feature ...’
<p>Provide a consistent experience to users regardless of the channel they use or where they are based.</p>	<p>Reduce variation and service cost, allow for easy movement of staff and teams.</p>	<ul style="list-style-type: none"><li>• Early design work to agree single best process options.</li><li>• Consistent technology platforms for all locations.</li><li>• Integration – so that telephony, face-to-face and web services are aligned and consistent.</li></ul>

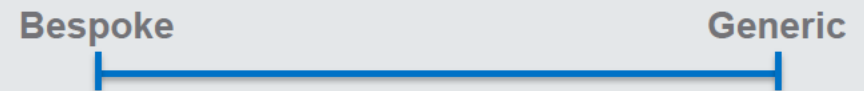
# Design principle questions to be used to achieve consensus on current performance and ambition (1/2)

The group creating the design principles should answer the following questions from the point of view of corporate services and the user to assess corporate services currently and identify how they should be changed.

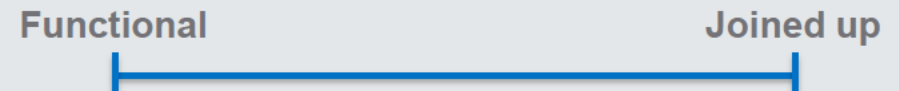
For each question agree the current and target levels.

## Section 1: Providing an interface for customers to access corporate services

Q1: Define user needs – slow but bespoke or fast but generic?



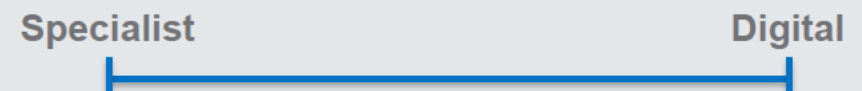
Q2: Define user needs – functional or joined up?



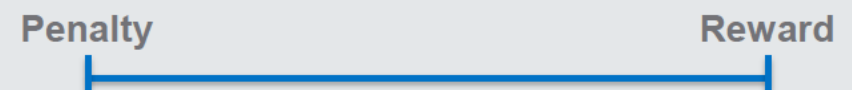
Q3: What should corporate services provide to the customer – fixed offer or responsive offer?



Q4: Should service design be digital first – specialist or digital?




Q5: How should corporate services minimise repeat work – penalty or reward?




# Design principle questions to be used to gain consensus on current performance and ambition (2/2)

## Section 2: Delivering services on behalf of users (eg payments to suppliers)

Q6: Should corporate services be designed around customer convenience or service efficiency – customer or product?


Customer  Product

Q7: What should transactional services focus on – quality or cost?


Quality  Cost

## Section 3: Enabling users to undertake services for themselves (eg access to financial and workforce information)


Q8: How much of your functions performance is met by self-serve – none or all?

None  All

Q9: How high a priority is self-serve to your function – low or high?


Low  High

Q10: How much of your service can be accessed by the user directly without assistance – none or all?


None  All

## Section 4: Providing bespoke advice (eg for complex employee relations issues)

Q11: What level of bespoke advisory support does your function offer – none or specialist?

None  Specialist

Q12: How much of your functions business relates to bespoke advice – none or all?

None  All

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