

CPSO Review

The newsletter of the Centre for Public Services Organisations

Welcome to our newsletter



*Professor Ewan Ferlie,
Director, CPSO & Head,
School of Management*

I am delighted to be asked to write an introduction to the latest edition of the CPSO newsletter. It provides you with full details of progress on the various research projects currently underway within CPSO and of some of the academic publications which have recently come out, as well as an update about some important recent staffing changes. We wish Rachael Addicott well at King's Fund and thank her for all her contribution here. We also welcome Fulvia Fiorenzi as the new CPSO Administrator.

Can I also highlight the policy briefing paper on NHS Independence written by Mark Exworthy and Francesca Frosini. CPSO's research very much engages with current issues of public and health care management policy and practice as well as contributing to scholarly debate.

The newsletter also contains details of the forthcoming Organisational Behaviour in Health Care Conference which will be held at the University of Sydney in March 2008. Their website is well worth visiting to find out more details if you think you might be interested. CPSO members are strongly involved in the Society for the Study of Organising in Health Care which is a learned society involved in organising this conference, alongside the local hosts in Sydney.

I hope you find the newsletter informative and interesting,

— Best wishes, Ewan Ferlie

Networks and Governance Research Workshop



To coordinate better SDO-funded research, CPSO is planning a "Networks and Governance Research Workshop" on the afternoon of **Tuesday, 4th and all day Wednesday, 5th September 2007** in central London (SOAS, Brunei Gallery).

This special event has been funded by SDO.

The aim is to compare emergent findings and to explore common issues among the 4 SDO projects examining 'networks' (Royal Holloway, St. Andrews, Plymouth

and Nottingham) and the 4 SDO projects examining 'governance' (Royal Holloway, Open University, LSHTM and Swansea) in the NHS.

The meeting is designed to be researcher-led (rather than just a forum for the PI), to develop collaboration and mutual understanding between projects and to capture emergent issues and common themes.

For more information and the agenda send an e-mail to: cpso@rhul.ac.uk

Organisational Behaviour in Health Care



The 6th International Conference in Organisational Behaviour in Health Care will be held in Sydney, Australia from **26-28 March 2008**.

The theme of the conference is: "**Culture and climate: cracking the code**".

The conference aims to provide researchers with a platform to present research, methodological or theoretical

developments in the areas of culture and climate as they relate to organisational behaviour in health care. Professor Jeffrey Braithwaite of University of New South Wales and Professor Rick Iedema of University of Technology, Sydney are hosting the conference on behalf of the Society for the Study of Organising in Health Care.

For more information visit: <http://www.obhc2008.org/>

Next CPSO Annual Lecture on 5 November 2007 at 5.30pm:

Speaker: Professor Sue Richards, National School of Government & University of Birmingham.

NHS Independence by Dr M. Exworthy and Dr. F. Frosini

Over the last few months, there has been widespread discussion about the possibility of making the NHS “independent.” Several reports have been published and both the main political parties have signed up to the idea of greater independence. So, what does “independence” mean in this context and what might its organisational impact be?

Although much recent health policy has sought to provide greater organisational autonomy (Foundation Trusts, for example), the notion of an ‘independent NHS’ refers to the relationships between Ministers, the Department of Health and the NHS. The notion seeks to ‘insulate’ the NHS from political vagaries and Ministerial whim.

In his recent report for the Nuffield Trust (www.nuffieldtrust.org.uk), Brian Edwards identified six possible models of independence:

- Modernised NHS Executive,
- NHS Commissioning Authority,
- NHS Corporation,
- Regionalised NHS,
- Local Government with commissioning function, and
- Public insurance company.

(A seventh might be the Executive Agency model; see below).

Whilst some of these might not be feasible in the UK, others look familiar to previous attempts to re-frame the relationships within central government. For example, in the 1990s, the NHS Management Executive tried to separate strategic and operational functions.

Yet, the dependency relationship between the sponsoring Department and the agency often remains strong: government departments need the organisational and informational resources of agencies to deliver objectives, whilst agencies need the political legitimacy and ministerial authority to operate (Gains, 1999). Moreover, there is little evidence of improved performance due to agency status.

As a form of decentralisation, the evidence for or against independence is equivocal. Whilst attempts to decentralise often comprise a strong pull to the centre, decentralised agents may be unwilling or unable to exercise their new powers in the ways intended. Furthermore, the impact of decentralisation upon equity and efficiency is mixed. In short, decentralisation (and centralisation) needs to be divided into (for example) inputs, process and outcomes. Thus, whilst inputs and process might be decentralised, outcomes might be centralised. This helps explain the ambiguity and uncertainty often associated with such policies.

Whilst “independence” may be a concept whose ‘time has come’, its latest incarnation will inevitably be different. Reforms such as Foundation Trusts and Monitor, for example, have removed many of the powers that had formally resided with the Secretary of State. Equally, there appears to be a strong consensus emerging in favour of independence.

NHS Independence: a balance sheet

Advantages	Disadvantages
Reduced political involvement Greater local responsiveness: remodelling of processes Revitalisation of involvement by patients/public and professionals Strategic / operational division widely practised	Accountability can be unclear Fragmentation / lack of coordination Conflicting interests Danger of interference in politically sensitive service remains

However, the division became obsolete as it was increasingly recognised that the steering and rowing functions were inter-twined (Day and Klein, 1997).

The experience of Executive Agencies (like the Passport Agency or Prison Service) might be instructive to the debate. Unable to be privatised, many such agencies were created in the UK in the 1990s to provide them greater operational freedom.

Although it is likely that there will be further efforts to increase the autonomy of organisations within the NHS, it seems apparent that independence is not necessarily the favoured option at the moment. The forthcoming Darzi review for the DH seems to be considering a “constitution” for the NHS, to coincide with the 60th anniversary of the NHS next year. Whether independence or a constitution, the outcomes of current debates will say much about the future direction of the NHS for the next generation.

◆◆◆ CPSO PROJECT UPDATE ◆◆◆

Decentralisation and Performance Autonomy and Incentives in Local Health Economies

This 3-year research project, funded by the NHS Service Delivery and Organization R&D Programme (<http://www.sdo.lshtm.ac.uk/sdo1252006.html>), examines the impact of decentralisation upon the performance of 'local health economies' (LHEs) – the term commonly used to refer to the community of NHS (and other) organisations in localities. The study's main objectives are:

To evaluate the degree of autonomy available to local health-care organisations from the centre and locally from other organizations;

To examine the pathways to improved performance as a result of the autonomy that NHS organisations have;

To analyse how local organization work together and are balancing pressures from the centre and locally, and the implications for service reconfiguration;

To assess the (financial and non-financial) incentives associated with different policy initiatives;

To provide lessons for policy-makers and managers at all levels in implementing decentralisation, managing the implications of autonomy and incentives, and addressing performance management through incentives.

The research is a qualitative study using a comparative case study design of two contrasting LHEs, one in the North and one in the South of England. To provide focus the study is looking at three tracers - urgent care, orthopaedics and care of the elderly. These tracers provide examples of current national priorities presenting a different mix of central government involvement, incentives for competition and requirements for joint working. We shall see how these specific groups of services are balancing the pressures from the centre and locally.

Within the selected case studies, collaboration with local (NHS and other) organisations involves documentary and secondary data analysis, observations at key meetings and two rounds of semi-structured interviews with both managerial and clinical staff. We are currently conducting the first round of observations and interviews.

The researchers on the project are Dr. Mark Exworthy (Principal Investigator) and Francesca Frosini at Royal Holloway University of London; Stephen Peckham and Lorelei Jones at the London School of Hygiene and Tropical Medicine; Dr. Ian Greener at University of Manchester; Dr. Jacky Holloway and Dr. Paul Anand at Open University; and Dr. Martin Powell at the University of Birmingham.

High-level international health policy analysis workshop

A meeting of leading international health policy analysts was held on 21-22 May 2007 in London to examine why and how the health politics are stacked against the poor – and what can be done about it. CPSO Dr. Exworthy attended the workshop, giving a presentation on "Policy to tackle social determinants of health: using conceptual frameworks to understand the policy process".

The aim of the workshop was to explore and extend the range of policy analysis approaches that can be used to improve understanding of the key influences on health reform policy processes. Key objectives included consolidating knowledge on how to investigate pro-poor policy failure and success, designing strategies to build national capacity for improved policy analysis, and generating interest in policy analysis among decision-makers, researchers and funding agencies as a key strategy in meeting development goals. The meeting focused on topics such as: the use of conceptual frameworks to understand the policy process; researching the political dimensions of health reforms; approaches for investigating policy making processes and policy implementation; and prospective analysis for policy change. Strategies for capacity development and networking to support this expanding field of research will also be discussed.

The meeting has been jointly organised by the Overseas Development Institute (ODI), the HLSP Institute, the University of Witswatersrand, the London School of Hygiene and Tropical Medicine, and King's College London.



Networks in Healthcare: A Comparative Study of their Management, Impact & Performance

This project, funded for 3 years by the NHS Service Delivery and Organisation R& D Programme, is a comparative study of four different professional and clinical network types in health care: cancer, elderly care, public health and genetics.

The principal researchers on the project are Professor Ewan Ferlie, Dr Gerry McGivern, Dr Mark Exworthy and Dr Rachael Addicott at Royal Holloway, University of London; Professor Louise Fitzgerald and Melanie Ceppi at DeMontfort University, and Dr Sue Dopson at Oxford University.

Dr Gerry McGivern spent time in June and July 2007 as a visiting Professor at the Center for Health Management in Copenhagen Business School, Denmark, developing joint publications comparing networks in Danish and British healthcare.

In June he also gave a talk about 'Case Study Methods for Public Network Research' to faculty in the Public Management Department at Bocconi University School of Management, in Milan, Italy.

For further information on the project activities contact him on: gerry.mcgivern@rhul.ac.uk.

◆◆◆ CPSO STAFF UPDATE ◆◆◆



After three years at the School of Management at Royal Holloway, Rachael Addicott has recently left to work at the King's Fund as Senior Researcher in a newly formed Learning and Development team. Rachael is leading the team on an evaluation of end-of-life care services provided by Marie Curie.

In 2004 Marie Curie launched the Delivering Choice Programme, which aims to develop and help provide the best possible service for patients at the end of their lives, allowing them to make free and informed choices about their place of treatment and death.

Rachael, and the Learning and Development team, are using an action research approach, and working closely with local Delivering Choice Programme sites to influence effective practice and delivery.

A final evaluation of all of the sites will also be published at the end of the three year study, in order to assess how the development sites have performed and to provide an independent analysis of the Delivering Choice Programme as a model of service redesign.

For more information on the King's Fund evaluation, or to contact Rachael, please visit:

http://www.kingsfund.org.uk/current_projects/delivering_choice/index.html

New Staff at the CPSO



Fulvia Fiorenzi joins the CPSO as a part-time Research Administrator. She provides support to the CPSO's key research projects on "Decentralisation & Performance", and "Networks in Healthcare".

Fulvia holds a MSc in Development Economics from the School of Oriental and African Studies (SOAS) and has several years of experience within two agencies of the United Nations, FAO and WFP.

To contact her, send a message to: Fulvia.Fiorenzi@rhul.ac.uk

◆◆◆ CPSO articles in press ◆◆◆

The appropriation of new organisational forms within networks of practice: founder and founder-related ideological power.

By Ewan Ferlie, Sue Ormrod, Fiona Warren and Kingsley Norton

The paper, addresses the question of how organisational practices are diffused within networks of practice. It does so by drawing on the results of an ethnographic study of the diffusion of a complex mental health care treatment modality- the Democratic Therapeutic Community-, that involved the attempted spread of novel work practices within a professional network of psychiatrists and their associated multi-disciplinary teams at two new clinical sites. The study is oriented within the networks of practice (NOP) literature on the diffusion of new work practices, considering in particular the issue of organisational power, which has been neglected hitherto.

After presenting ethnographic material, the study draws attention to the role of clinical ideology, derived from founders and upheld by new, local clinical leaders in the appropriation process. By bringing in a concern for organisational power, the paper adds to the existing literature through stressing the importance of ideological power, in supplying collective meaning, and the influential role of founders as creators and 'institutionalisers' of underlying ideologies.

'Complex Organizations' and Contemporary Public Sector Organizations.

By Ewan Ferlie

This article celebrates the publication of the 3rd edition of Charles Perrow's 'Complex Organisations: A Critical Essay' (Perrow, 1986). It explores its relevance for the study of today's public sector organisations.

Perrow essentially paints a world of 'late modernity' where large organisations, and notably bureaucracies, are dominant in economic and social life, replacing local and informal modes of organising. This paper analyses whether the range of organisational forms has broadened significantly since the mid 1980s beyond the large bureaucratic form assumed by Perrow. The contribution of 'Complex Organizations' is explored specifically from a public sector management perspective. The paper first of all outlines the author's understanding of Perrow's core argument and then poses some questions about its continuing relevance in today's public sector organizations. Is Perrow's organisational model of a power centred bureaucratic form enduring? Have new organisational forms appeared within the public sector? Do we need to develop different theories of power from the zero sum model of power employed by Perrow?

The paper will soon be printed on the 'International Public Management Journal'.

◆◆◆ Suggested Websites ◆◆◆



The Service Delivery and Organisation (SDO) Research and Development Programme is one of the National Institute for Health Research (NIHR) Programmes.

It was established in 1999 to consolidate and develop the evidence base on the organisation, management and delivery of health services, and to promote the uptake and application of that evidence in policy and practice.

The SDO programme aims at improving health outcomes for people by:

- commissioning research and producing research evidence that improves practice in relation to the organisation and delivery of health care, and
- building capacity to carry out research amongst those who manage, organise and deliver services and improve their understanding of research literature and how to use research evidence.

SDO is based at the London School of Hygiene and Tropical Medicine, University of London.

For more information, please visit the SDO webpage: <http://www.sdo.lshtm.ac.uk/>

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