Management in the NHS

Getting there, but the centre may need decimating

Napoleon said that the English were a nation of shopkeepers, but few grocers can have had as much influence on British public life as Sir Roy Griffiths, deputy chairman of the supermarket chain J Sainsbury, through his reports on management in the NHS and community care. His report on NHS management was produced seven years ago, and earlier this month he had an opportunity to reflect on how his reforms had turned out when the Audit Commission asked him to deliver its third annual lecture. Overall, he was upbeat, but he also had much to criticise.

Doctors have understandably viewed the growth of NHS management with deep suspicion. More managers and more managers’ computers inevitably, they think, mean fewer resources for direct patient care in a system with long waiting lists and much unmet need. Doctors also see deep differences between the NHS and the business world whence Sir Roy and his...
like have come, and they have been disturbed by an influx of managers who don’t know a cholecystectomy from a coloscopy. There is a deep cultural divide between doctors and managers not only in countries like Britain that are snobbish about commerce but also in entrepreneurial countries like the US. The language of managers is incomprehensible to doctors and sounds to them wildly inflated, almost surreal.

Moreover, and despite the proliferation of business schools, managers seem hopelessly unscientific; they’ve never heard of controlled trials, and hardly a p value is to be glimpsed in the Harvard Business Review. Management seems even more beholden to fashion than medicine, and managers are much inclined just to jump in with their reforms—the current NHS changes seeming to be a classic example. Doctors are also concerned by the shift of power to managers. A decade ago no hospital administrator would have stood in the way of eminent consultants, but now they are chided for being late for their outpatient clinic and told that they cannot operate on Thursdays.

Sir Roy has sympathy for many of these anxieties. He has always believed that clinicians have to participate in management, particularly in making decisions about priorities and use of resources, and, he said, “I did not intend that the result [of introducing general management] should be yet another profession in the NHS to work in parallel with other professions.” He added: “It is clear from the report that I did not believe in bringing in large numbers of people from outside. . . . It is unforgivable to build up such staff without evincing at the same time that there is a proper system of manpower control in all areas and that every job is scrutinised for its contribution to the overall aim.” He has been disappointed too by failures of communication, with managers not recognising the importance of welding hospital teams together. The politicisation of reforms in the NHS and the consequent necessity to rush them have particularly disappointed him.

“Managerial timescales and emphases,” he said, “are often different from political timescales and emphases, which tend to be governed by the next election. . . . Politicians are not very excited by the management process. As with top civil servants the adrenalin flows in bringing out new policy documents, getting them to number 10, and through the Houses of Parliament, whereas the process of implementation is long and laborious.” Commenting on the NHS review, he said, “Because it was Mrs Thatcher’s review even the simplest management concepts were imbed, indeed saturated, with political overtones. The truth is that it is not a particularly political document.”

Despite the criticisms Sir Roy was generally pleased with the progress that has been made with management in the NHS. The truth is that the methods of business are essential in the NHS not because they are the methods of making profits but because they are the methods of running large organisations. Oboists might like to think that an orchestra can run itself so long as they play sweetly, just as surgeons might think that minimal administration is necessary within the NHS. But somebody must decide whether to play Stravinsky or Verdi, make the orchestra play as one, fill the concert halls, find resources within an ever more competitive world, and make sure that the diva is in place and the piano tuned, on stage, and ready to play at 7 30.

The rudiments of a successful organisation are an explicit purpose and direction, leadership, a strong management structure, motivated staff, sound economics, a cost effective information system, targets that are regularly monitored, good communication, and a commitment to quality. Before 1983 the NHS lacked many of these. It has always had an implicit purpose and motivated staff (although they kept behind their professional barriers), but most of the other necessities were lacking. Now they are beginning to fall into place, although with many the rhetoric is stronger than the reality.

Sir Roy has contributed more than anybody else to turning the NHS into a body likely to survive into the next century, and we should be grateful to him. We should, however, reconsider one of the central principles of his 1984 management inquiry. He said: “As a coherent management process is developed [in the NHS] of planning, implementation, and control, the Department of Health and Social Security [as it then was] should rigorously prune many of its existing activities.” This hasn’t happened. In 1986 the Department of Health employed 7800 people plus 3000 who worked in special hospitals and who were transferred to the NHS in April 1990. The department currently employs 7100, and the number is expected to increase next year to 7500. The business world is hard on top heavy organisations where the plush corporate headquarters is overstuffed with people who do not “add value”: their share price declines and they become ripe for takeover. Lord Hanson and his ilk make much of their money by taking over top heavy organisations, pruning the centre, and running the organisations with a tiny central staff. Lord Hanson would not be interested in the Department of Health, but the active part of the NHS is now the only part that should be shaken up. The centre may need to be decimated.

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