Sharing the agenda

Increasing collaborative work between finance and clinical teams
What’s in this research summary?

This pack sets out the conceptual framework that we’ve used to develop the resources for Future-Focused Finance.

This pack explores four areas:

1. the reasons why collaboration between finance and clinical staff matters*
2. the current levels of collaboration between finance and clinical staff
3. the challenges to joint working across financial and clinical boundaries
4. the factors that are needed to improve joint working between finance and clinical staff.

* The term clinical is used to cover the full range of clinical staff working in the NHS, including medical, nursing, and allied health professionals.
The contents of this pack might surprise you
You might be expecting these resources to focus on the different ways financial and clinical data is used (such as service line reporting) or how to equip clinical staff with finance skills. Indeed, many teams have implemented such initiatives successfully. They’ve generated high quality information and effective joint working. However, the strongest evidence available for enhancing collaboration between finance and clinical staff points us in another direction - towards a focus on teamwork.

We draw on studies from across the NHS and other industries that have shown how strong collaboration across professional groups can improve organisational performance. It can improve performance in terms of both efficiency and quality and lead to better quality decision-making.

We identify the factors that need to be in place for finance and clinical staff to work together as a strong, effective team. And we look at why it’s hard for many finance and clinical teams to work collaboratively.

Great teamwork relies on trusting each other. We want to help you build this trust and understanding. Get that right and the rest will follow.

‘Trust is the current that flows through the team, allowing members to rely upon each other personally and professional and enabling the most efficient provision of health care services.’ Mitchell et al 2012
Do patients need finance and clinical teams to collaborate?
‘The NHS needs people to think of themselves as leaders not because they are personally exceptional, senior or inspirational to others, but because they can see what needs doing and can work with others to do it.’ Turnbull James 2011

Recent reports continue to emphasise both the urgency and the need for clinical and finance staff to find better ways to work together. It is only through collaboration, and a sharing of knowledge and skills, that finance and clinical teams will identify the best ways to use resources and deliver the best outcomes for patients.

See for example:

• *Building Clinical Engagement with Costing: how NHS teams are addressing key challenges*, Chartered Institute of Management Accountants, 2014

• *Transforming healthcare: the role for the finance team*, HFMA, 2013


• *Protecting resources, promoting value: a doctors’ guide to cutting waste in clinical care.* Academy of Medical Royal Colleges 2014.
When people with diverse and overlapping knowledge work as a team, their performance increases. Diverse, cross-functional teams have also been shown to:

- make better quality decisions
- be more innovative
- undertake change successfully and
- be better at problem-solving.

The same results do not occur when the team is simply made of up people from a diverse demographic background (Horwitz and Horwitz 2007).

The breadth of perspective offered by cross-functional teams produces the questioning and integration of diverse views that enable teams to challenge basic assumptions and make radical changes to improve their products, services and ways of working (West 2012). This success may come at a cost in terms of time and conflict. But if these factors can be navigated effectively, the range of skills and the diverse knowledge of team members will result in better outcomes.

However, we know that getting clinical and finance staff to collaborate effectively, in a way that lasts, remains a challenge for many teams.
Are teams getting closer?
Clinical and finance staff are clearly working together more. But effective, collaborative teamwork remains a challenge for many.

The Department of Health asks NHS trusts to assess themselves on the level of engagement between clinicians and finance professionals via the annual reference costs survey. In 2013, 23% reported that joined up, collaborative working was the norm across all clinical specialities/directorates (Department of Health 2013). In 2014, 49 trusts reported working at level 4. This is a reduction from the 56 trusts that reported working at level 4 in 2012-13 (Department of Health 2014).

Reference Costs 2013-14, Department of Health, 2014
In ‘Decisions of Value’ a study of how NHS decision-makers balance quality, financial and operational considerations, the researchers found that:

“An overwhelming number of NHS senior clinicians and finance directors recognise the need for strong clinical and financial relationships to help improve quality of care and change the way services are delivered... Yet our findings show that nearly three quarters of clinicians feel they are rarely or never involved in financial decisions affecting their whole organisations, and over half do not believe they are involved in financial decisions that affect just their service or team.”
Academy of Medical Royal Colleges and NHS Confederation 2014
Finance and clinical teams aren’t alone in finding it hard to work together effectively. Most teams across the NHS struggle to work in a ‘real’ team.

There are about 1.4 million staff working in the NHS. Around 90% will say they work in a team. But only about half can answer ‘yes’ to all of the following three questions:

1. Does your team have clear objectives?
2. Do you work closely together to achieve those objectives?
3. Do you meet regularly to review your performance and how it can be improved?

Staff who answer ‘no’ to one or more of these three questions work in a ‘pseudo’ not a ‘real’ team. A real team has shared objectives, its members are interdependent on each other and they review and reflect on their effectiveness (Carter et al 2008).
Why is it so hard to work together?
Clinical and finance staff may have little in common with each other.
In 2012, the NHS Institute for Innovation and Improvement conducted a special study to explore the importance of partnership working among finance and clinical leaders. The clearest theme they identified was the need for finance staff and clinicians to understand the organisation’s business and the need to develop a mutual understanding and a shared language. As one finance director interviewed for this study said:

‘Clinical and finance leaders have different priorities and they speak different languages, and so you often find them at loggerheads and fighting their own corners – the medical director for quality improvement and the finance guy for saving money.’ Neath et al 2012

In 2007, The Audit Commission reported that:

‘Clinicians and finance professionals do not simply use different jargon; their view of healthcare, finance and each other is often profoundly different...If engaging clinicians in the NHS business culture was simply about unravelling the jargon of NHS finance and explaining how NHS systems work, life would be simple.’ Audit Commission 2007

In many organisations, clinical and finance staff have to work hard to find common ground.
‘Interdisciplinary health care teams face a set of challenges that are not necessarily encountered by other types of teams.’ Nancarrow et al 2013

Teams made up of finance and clinical staff need to pay greater attention to team processes. A diverse team is likely to experience higher levels of conflict and disruption and may take longer to achieve its goals. It may take longer to establish a shared purpose, find a shared language and take more effort to understand the unique role of other team members.

As a result, teams with both finance and clinical staff members have to:

• work harder at forming a common purpose and a shared language
• overcome an individual’s strong affiliation with his/her own professional group
• negotiate a greater level of conflict and power sharing
• resolve sometimes incompatible evaluation measures (cost versus speed versus quality).
What needs to be in place to improve joint working?
‘At the most basic level, establishing and maintaining high-functioning teams takes work’.
Mitchell et al 2012

Much of what we say is necessary for teams to collaborate might seem obvious. You’ve probably heard it all before. But the truth is, most teams aren’t working effectively. They aren’t paying enough attention to the factors that matter to teamwork. And teams that draw in different professional groups, such as finance and clinical staff, with their different cultures, perceptions and hierarchies, need to pay greater attention to the factors that make teams work.

Drawing on extensive research on what determines effective teams, particularly ones made up of diverse professional members, we have identified seven factors that are all known to improve team effectiveness and as a result, are key to the delivery of high quality and efficient care.

These seven factors form the basis of the self-assessment questionnaire. We explain here why these factors were selected.
1. Make sure you're on the same path and share an end goal
Collaboration between finance and clinical teams can only happen when there are shared business goals. A clear statement of direction tends to be empowering, reduces ambiguity and helps unite the group (Hackman 1986). Indeed, emerging evidence suggests that a clear patient-focused goal can foster relationships between managers, clinicians and other groups (Bezrukova et al 2012).

The team’s objectives therefore define the purpose of the team (and not the other way round) and give staff a shared sense of belonging and purpose. If finance and clinical staff are to acknowledge the benefits of working together, and be willing to share knowledge and expertise, this sense of common purpose needs to be:

• meaningful to patients and inspiring for staff
• shared by all staff
• pursued relentlessly by all staff whatever their role in the clinical or finance teams
• easily translated into local team objectives that every team member can see supports the overall goal of improving patient care.
2. Be clear what your role is in the team
Mutual benefit is at the heart of successful collaborations. Joint work will be weak and unsustainable without a strong, compelling shared sense of purpose, and an understanding of the role each member of the team can play in helping achieve these goals.

Successful joint working relies on finance and clinical staff:

• agreeing that they need to work together as a team to get a task done.
• recognising that they will both benefit from working together.
• having a clear role that is defined by the team’s objectives. It needs to be obvious how you contribute to the team achieving its collective goals.
• feeling interdependent on each other. There needs to be a sense of mutual support and reliance. This sense of wanting to help others do their jobs won’t be present if there is a lack of shared purpose.
• working on a task that is sufficiently complex to require people to work together. Not all tasks require collaborative teamwork – make sure yours does.
• feeling a sense of responsibility for and both a belonging and commitment to the team.
• feeling safe enough to speak up, admit errors and ask for help without group rejection or ridicule (see Edmonson’s (1999) work on team psychological safety).

‘Interdependence is a defining characteristic of teams…the team task must be designed so that it requires a collective effort from all members of the team.’ Carter et al 2008.
3. Spend time with each other as a team
It sounds obvious, but you can only build a sense of shared purpose, start to understand each other’s business, and create a sense of commitment and belonging to the team if you spend time together – as a team. You need to be able to have regular, routine contact in order to get to know each other, to learn how to work together, share ideas, challenge each other, admit mistakes and resolve conflicts whilst still maintaining a high level of trust and respect. You need time together to develop a common language and a shared view about different concepts such as value and quality. Indeed, West (2012) concludes that ‘our research results reveal that even poor team meetings are better than no meetings at all’.

While technology provides new opportunities for people to work together in teams, it can have a downside in terms of team effectiveness. Research suggests that co-located teams complete twice as much as work as virtual teams (Oslon and Olson, 2000) and have lower levels of conflict (Baltes et al 2002). All teams, and particularly virtual ones, need to make sure that they meet face-to-face at least quarterly and when they first launch as a team.

The Chartered Institute of Management Accountants’ (2014) review of costing and clinical engagement highlighted the need to maximise the time available: ‘all costing practitioners highlighted the lack of access to clinical staff as an issue. Where there is limited time for discussion, the debate gets focused on budget control’. Their research found that finance staff identified the need to be creative in order to meet with clinicians, for example, donning ‘scrubs to meet clinicians in their surgical restrooms between operations’.

‘The major organisational barrier to implementing team-based working was time.’ Carter et al 2008
4. Put down roots - expect to work together
It’s no surprise that the top performing health care organisations have stable teams at the top (Clark and Nath 2014). Stability provides the bedrock for building relationships both within a team, but also across teams. But the reality is that staff often move for career progression - and clinicians often report that finance managers move frequently (Audit Commission 2007).

There are a number of ways that this adverse effect can be minimised. Careful succession planning, personal handovers and creating an organisational culture that embeds a strong expectation that collaboration is not a project but the way that business is done can help to instill a sense of continuity and stability in a team.

‘The longer members stay together as an intact group, the better they do. As unreasonable as this may seem, the research evidence is unambiguous. Whether it is a basketball team or a string quartet, teams that stay together longer play together better.’ Hackman 2011
5. Deal with conflict quickly and reasonably
Disagreement and conflict are likely to emerge quickly and frequently in a cross functional team with its different perspectives, values and behaviours. It is important that conflict in a team is:

• dealt with quickly and not allowed to fester.
• resolved in a way that all members feel is fair and not determined by power, hierarchy, favouritism or personal whim.
• seen as part of a process of finding the best possible outcome. The most mature teams will use conflict as a creative opportunity to find a solution that exceeds both party’s needs. It’s not about one side winning – or a battle between costs and care – but a dialogue between people who have a vested interest in achieving the same, shared objective.

A team that manages conflict well is more likely to allow its members to able to challenge each other in a productive way and not be afraid of conflict. Such a team is more likely to be highly innovative and successful at implementing change.

‘Conflict resolution is the cornerstone of collaborative success...There are no easy answers or shortcuts.’ Gardner 2005
6. Take time to reflect on how you're doing as a team
Taking the time to reflect on what works, and why, is one of the most important factors in creating an effective team. And yet, people tend to reflect very little on what makes their team work well (West and Lyobovnikova 2013). Instead, the focus is often on the outcomes achieved – whether it’s money saved, or the number of patients treated.

‘While some doubt the wisdom of taking time out from a team’s busy work to conduct such reviews, there is strong evidence that teams which do this are far more effective than those which do not. Often in our work with the top management teams of hospitals in the United Kingdom, we have found that teams under most pressure are those which are working least effectively and which are consequently least prepared to take time out to review their strategies and processes’ (West 2012).

Team reflexivity, taking the time to reflect on how well the team is working, involves:

- regular team reviews of the team’s objectives. The best teams will check at the end of each meeting and ask what needs to change.
- actively reflecting on the ways in which the team provides support to members, how conflicts are resolved and the overall social and emotional climate of the team.
- team member vigilance for external changes that could affect the team’s work.
- awareness, review and discussion of the team’s functioning with a view to improving performance.
- valuing the different perspectives, knowledge bases, skills and experience of team members.
7. Use the support from your organisation
Clinical and finance teams don’t operate in a vacuum. Indeed, the evidence suggests that it’s the organisational context rather than team processes that determines the effectiveness of team-working (Carter et al 2008). Cross-team collaborations are unlikely to be sustainable or replicable across an organisation without senior team/Board endorsement:

‘Despite the best efforts of costing teams to engage clinicians with costing information, there will be little progress without Board-level commitment to the use of costing information for decision-making. New organisational structures, procedures and priorities must reflect this emphasis: the drive for efficiency coupled with an increased emphasis upon patients, quality and outcomes is not sustainable without a stronger relationship and mutual understanding between clinicians and accountants. Such a change can only come from above.’ CIMA 2014.

Teams, especially professionally-diverse ones, need all the support they can get from their organisation. Above all else, every team needs their organisation’s support to engage staff in creating a shared culture ‘in which the patient is the priority in everything done’ (Francis 2013). Without this relentless focus on putting the patient first, staff from different professional groups will struggle to see why they need to work together let alone collaborate to improve quality of care. At every level, clinical and finance teams need to share the same business goals.
What would you expect to see in an organisation with effective collaborative working between finance and clinical staff?

- a Board that regularly finds ways to engage staff in understanding compelling and inspiring patient-focused goals
- staff that can clearly articulate how their own role helps achieve the organisation’s goals
- a Board that models teamwork and shows it values it by investing in resources to support teamwork across the organisation
- a strong collective leadership culture, and effort to change leadership styles, eg through coaching
- clear objectives, and support, around quality improvement in terms of patient care and the use of resources
- regular and routine use of patient feedback and experience to inform decision-making
- a clear organisational structure with management and clinical responsibility aligned with financial accountability
- financial responsibility devolved to those who have responsibility for delivering the service
- a culture of positivity – staff from different professional groups are more likely to trust each other when there is a positive culture and people feel valued and thanked
- training, development and support for clinical and non-clinical staff as their roles change with greater clinical engagement in business decisions
- a clear expectation that team-based working is the norm and required to improve patient care. Staff are given the time and space to devote to team working as well as support for it, for example through coaching and conflict resolution
- systems that are aligned with the organisation’s purpose – including information management and human resources.
Leadership matters

Leadership has been shown to be the single biggest influence on culture. An organisation’s culture will determine in large part the way in which finance and clinical staff treat each other. Indeed, the degree of value and respect one profession gives the other is influenced by the culture, and not formal processes or strategies (West et al 2014).

If you already work in a place where it’s the norm that finance and clinical staff work jointly, and where there’s a genuine shared responsibility for delivering high quality care, it is highly likely you have a collective leadership culture. An organisation that invests in collective leadership is one where:

- clinical and financial staff irrespective of their role are all encouraged to take responsibility for putting patients first and staff are genuinely willing to work across professional and organisational boundaries
- decision-making, budgets and accountability are devolved to the staff responsible for delivering services and staff at all levels have the authority, responsibility and resources to improve care (Ham 2014).

But collective leadership isn’t just about developing individual leaders, either in terms of sheer numbers distributed throughout an organisation, or in terms of leadership style. As Turnbull James (2011) highlights, it’s also about changing the system:’organisation change is not achieved by the development of unconnected individuals, no matter how much investment is made in this.’

Collective leadership requires a leadership development strategy - one that encompasses the re-shaping of practices and systems so that all staff are supported to work together, and provides routes to intervene when this doesn’t happen. Without this culture, senior-level support, and the right organisational systems, staff from different professional groups are likely to experience conflict, high levels of distrust, and little willingness to work together or forgive mistakes.
Organisations can foster collaborative skills amongst their staff

Some organisations have introduced value-based recruitment where applicants are assessed on their approach to collaboration and team work. While it is desirable to recruit staff with collaborative skills it is also possible to build and sustain a workforce that can work well together.

Organisations can invest in supporting collaborative skills by:

- modeling collaboration at a senior and Board level
- investing in a leadership strategy that recognises and supports finance and clinical staff at all levels to come to a shared understanding about both the problems and the solutions
- demonstrating the value placed on teamwork in its appraisal system
- rewarding team rather than individual efforts
- introducing collaboration within and across teams as a requirement in job descriptions
- giving people the support, time and space to improve team working, for example through coaching and team reflection
- providing staff at all levels with a way to understand each other’s work. This can be a structured programme of formal training, shadowing, mentoring, or paired learning
- creating opportunities for finance and clinical staff to learn together; professionally and personally
- recognising great cross-team collaborations through internal awards
- designing jobs well and paying attention to work-life balance.
Organisations can use data, even imperfect data, to encourage collaboration

In developing this toolkit, we have taken an approach, based on the evidence available, that teams will struggle to collaborate and make improvements if there is a lack of both trust and a shared sense of purpose. It is clearly harder to build a consensus about how the data should be used when trust between professional groups is low. In these situations, there is a tendency for staff to focus their discussions on the integrity of the data rather than on how it can be used to improve patient care. As a result, we contend that it’s ‘imperfect relationships’, and not ‘imperfect data’, that carry the most weight in determining how information is used for improvement.

An organisation can, of course, help build staff confidence in using data to make decisions by improving the quality, access, timeliness, and usefulness of both clinical and financial information. Moreover, the introduction of clinical costing systems, such as service line reporting and patient level costings, have generated a renewed, shared interest in using the data. Costing systems can allow staff to interrogate the data in new ways, to benchmark each other, and identify outliers and anomalies. Clinical costs can also be used to model alternative patient pathways and different funding scenarios. But in its recent report on building clinical engagement, CIMA (2014) concludes that clinical costing continues to be a missed opportunity: it has failed to reach its full potential.

Again, it is the culture, perceptions and trust that appear to be critical in fostering clinical/financial partnerships. Perfect, robust data helps, as do systems that are aligned with business goals. But joint clinical/finance dialogue about what the data means and how it could be used to make decisions about allocating resources and setting priorities can be achieved with imperfect data.
Find out how strong collaboration is between your finance and clinical teams.

Use our toolkit

and strengthen joint working between clinical and finance teams
References


