

Agenda item:	3
Report title:	Corporate Strategy biannual review
Report by:	Tim Aldrich , Assistant Director, Strategy, tim.aldrich@gmc-uk.org , (020 7189 5282)
Action:	To consider

Executive summary

The GMC Corporate Strategy 2018-20 was launched in January 2018. A new Strategy team has begun to be formed with the arrival of Tim Aldrich in mid-April. As an initial exercise Tim was asked to carry out a brief review of the position of the corporate strategy a few months in – a ‘temperature check’ – and specifically to review:

- Whether any adjustments are required to the strategic aims in the light of the Dr Bawa-Garba/Jack Adcock case and Supporting doctors under pressure Programme.
- How well the Corporate Strategy has ‘landed’ internally and, so far as it was shared, externally
- What further the GMC may do to best implement the strategy.

Recommendations

The Executive Board is asked to:

- a** Note that there is a broad internal consensus that recent events have highlighted not only that the Corporate Strategy is still relevant but focused in the right areas.
- b** Approve a principle of only one GMC strategy.
- c** Agree the need for the development of a high level operating model to assist with resourcing, cross organisational prioritisation and delivering One GMC.

Background

- 1 The GMC Corporate Strategy 2018-20 – *an ambition for change* was launched in January 2018.
- 2 A new Strategy team has begun to be formed with the arrival of Tim Aldrich in mid-April as Assistant Director, Strategy within the Strategy and Policy Directorate. As an initial exercise Tim was asked to carry out a brief review of the position of the corporate strategy a few months in – a ‘temperature check’ – and specifically to review:
 - a Whether any adjustments are required to the strategic aims in the light of the Dr Bawa-Garba/Jack Adcock case and Supporting doctors under pressure Programme
 - b How well the Corporate Strategy has ‘landed’ internally and – so far as it was shared – externally
 - c What further the GMC may do to best implement the strategy.
- 3 This Executive Board paper has applied an established approach to analysing a corporate strategy based upon a paper by Seymore Tilles’ *How to evaluate corporate strategy**. This simple but appropriate approach asks six questions. These are whether the strategy is:
 - Internally consistent?
 - Consistent with the environment?
 - Appropriate in view of the resources? (Money, competence and physical facilities)
 - Involving an acceptable degree of risk?
 - Have and appropriate time horizon?
 - Workable?
- 4 The analysis is based upon conversations with Directors, Assistant Directors and some Heads of Section with documentary support where available.

Findings and recommendations

- 5 There is a broad internal consensus that recent events have highlighted not only that the Corporate Strategy is still relevant, but that it is focused in the right areas. In particular that the strategy is focused on how we engage with key stakeholders and

* How to evaluate corporate strategy, *Harvard Business Review*, July 1963.

emphasises how we can support doctors in an environment under pressure. As many senior colleagues have noted, it is more relevant now than when it was launched.

- 6** The evidence from an internal evaluation of the launch of the Strategy suggests that it has 'landed' well internally, but will require an ongoing campaign to embed the strategic aims. Further, it is important that the relevance of the Strategy to operational teams is demonstrated and reiterated.
- 7** External engagement on the Corporate Strategy has been relatively minimal and largely limited to three UK Advisory Forums, a session at the GMC Conference and a couple of presentations. Anecdotal evidence is, however, that it has been well received and is thought to communicate well our direction and intent. We should consider how far we wish to use it more explicitly in external communications as an opportunity to provide a wider context for our work.
- 8** While the principle of One GMC is understood, it is a view widely held that the organisation has further to go in working across silos. To maximise internal consistency, we propose that in future the organisation refers to only one Strategy and not multiple Directorate, Section or thematic strategies*. As an alternative we would suggest using 'sub-strategies', 'plans' and 'approaches' as appropriate.
- 9** The development of the Supporting doctors under pressure Programme has brought into focus challenges in re-prioritising work. An initiative is under way via the Policy Leadership Group (PLG) to set more direction for 2019 – successfully focusing resources on a smaller selection of priority activities and creating responsive capacity is essential for becoming more agile.
- 10** Further, we recommend developing options for a high-level operating model to assist with applying the internal levers available to implement the Strategy. This would set out the key functions, capabilities, offerings and the linkages between these. This would assist with prioritisation by providing clearer visibility of who does what beyond the organisation chart and would assist in developing and implementing changes in support of the Strategy. It could also show how sub-strategies, plans and approaches fit with the Strategy and Transformation Programme.
- 11** There is scope to consider whether a more structured assessment of risk appetite would support delivery of the corporate strategy.
- 12** Finally, it is important that we can baseline our position at the start of the three year period and measure progress. Good work has begun on taking a benefits-led approach and development of a minimum data set for evaluation is well under way. We are accelerating the commissioning of the perceptions survey and are exploring

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options with the Data Research and Insight Hub (DRIH) to carry out more frequent surveying of key stakeholder groups. This will also support better Strategic Relationship Management.

Is the strategy internally consistent?

13 The key questions to examine are:

- Has the strategy been well communicated?
- Do employees understand the strategy and are they able to apply it to their work?
- Are there other internal strategies, priorities and pressures?

14 Internal Communications carried out an evaluation of the internal launch of the Corporate Strategy in January 2018. It found that:

- 94% of heads of section ran a session with their teams.
- The Investors In People (IIP) diagnostic review carried out by an independent IIP consultant reported that the communications approach taken with the new corporate strategy had been well received, and that staff feel included and are clear about how the strategy links to their work”.
- 82% of teams made a commitment about what they would do to deliver on the Strategy.

15 In summary this has been an excellent start. The recent staff survey also found that 80% of colleagues are clear about the overall GMC strategy, up from 70% on 2017.

16 Building on this will require ongoing communication and engagement across the business throughout the three years of the Strategy, with a particular focus on ensuring that operational teams understand its relevance to their work. The internal communications team is planning for a refresher campaign later this month. Successful communication will be evident when colleagues across the GMC are using the Strategy and its language as a compass for decision making – for example, asking how a proposed change supports doctors or would operate across the four countries of the UK.

17 While the principle of One GMC is understood, it is a view widely held that the organisation has further to go in working across silos. To maximise internal consistency, we propose that in future the organisation refers to only one Strategy and not multiple Directorate, Section or thematic strategies*. As an alternative we would suggest using ‘sub-strategies’, ‘plans’ and ‘approaches’ as appropriate. Further,

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where teams or functions are developing plans and programmes we recommend explicitly articulating how these contribute to the Corporate Strategy and Transformation Programme.

Is the strategy consistent with the external environment?

18 The key questions to examine are:

- Is it appropriate to current external challenges?
- How far does it align with the rest of the external environment?

19 Colleagues widely agree that our Corporate Strategy is consistent with the needs of the external environment. The four strategic aims address the broader pressures within the health and care environment. These are well rehearsed and include developing and maintaining health and care workforce, operating within limited financial resources, maintaining quality of care, responding to demographic change.

20 We should note that other regulators' strategies and objectives make similar commitments to taking a proportionate and more risk-based approach (e.g. the Care Quality Commission), 'moving upstream' (NHS Resolution) and establishing closer links with regulatory partners (various).

21 The direction of travel among regulators has been towards greater collaboration (albeit to different degrees in the different countries of the UK). For example in recent years, membership of JSOG (Joint Strategic Oversight Group), QSGs (Quality Surveillance Group), the HSCRF (Health and Social Care Regulators' Forum) etc. is consistent with more aligned working. This should be built upon via the Collective Effect and Field Force Reviews as an enabler for delivering the Corporate Strategy.

Is the strategy appropriate in light of the available resources?

22 The key questions to examine are whether we have the appropriate:

- Finances?
- Competencies?
- Physical resources?

23 The Strategy itself sets out the need to 'bear down on our operating costs and make sure we provide value for money'. In conversations I have had there is no sense that we do not have the finances or physical resources at our disposal to deliver the strategy.

24 There is, however, a widely held view that prioritisation of limited policy resources could be more effective and responsive. The evidence from the exercise setting up

the Supporting doctors under pressure Programme is that the senior leadership needs to be more directive and apply a clear framework for prioritisation of policy work.

- 25** Work has started to establish a new approach for business planning 2019.
- 26** Additionally, development of a high level operating model for the GMC setting out the key functions, capabilities, offerings and linkages between these would be beneficial. Specifically it would enable:
- Better understanding across the business of our activities.
 - Greater visibility of capabilities and scale of resources.
 - Scope to model what the balance and shape of future resources and capabilities might look like under different scenarios.

Does the strategy involve an acceptable degree of risk?

- 27** The key questions to examine are:
- Have we assessed our risk appetite?
 - Do we understand the implications of not delivering on strategic commitments?
- 28** Some organisations, more commonly commercial businesses, carry out more or less structured assessments of risk appetite. While the GMC does not formally do so, during the process for developing the Strategy over 2017 Council directed the business to be 'more ambitious'.
- 29** It may be worth exploring whether the organisation wishes to carry out more structured assessments of risk appetite. This is likely to be a question to pose to the Audit and Risk Committee.
- 30** The culture of the organisation demonstrates a strong focus on delivering on commitments, particularly specific projects. Over time, however, it should be possible to make the case to re-evaluate whether all projects need to be delivered as initially intended. Circumstances change and in the interests of protecting patients and supporting the profession we may do well to be bolder in pausing, re-scoping or stopping some projects. There will be risks to this but they should be balanced against the risk of insufficient focus, resources or consistency of message.

Does the strategy have an appropriate time horizon?

- 31** The key questions to examine are:
- Are we clear about what needs to be delivered when within the timeframe of the corporate strategy?

- Once committed to a course of action do we move fast enough?
- 32** While the Strategy is clear on the timeframes for delivering on the ambition, success will require a clearer roadmap for delivery of some of the commitments by 2020. Business planning for 2019 should enable this. We should also be clear that delivery of our overall Strategic Aims will require decisions to be made which prioritise new or different activity in the journey to these aims.
- 33** Do we move fast enough? The consensus is that where there is an immediate and urgent priority we come together effectively as one organisation. The challenge is in reprioritising medium and long term work.

Is the strategy workable?

- 34** The key questions to examine are:
- Can we evaluate whether the strategy is working?
 - Are we communicating success against our aims?
 - Are we adjusting course appropriately in response to changes in the external environment?
- 35** The Strategy is ambitious. While it is too early to say whether the Strategy is working, that it has withstood the challenge of a significant external event is a positive indicator.
- 36** Ongoing evaluation of progress against the four aims and specifically the expected benefits is essential. We aim to have the metrics determined by the end of June with an initial baseline available in the autumn. This should also enable identification of stories that we can communicate internally and externally to demonstrate progress and build momentum.