

Creating an innovative culture



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Creating an innovative culture

Foreword



Lord Darzi

Parliamentary Undersecretary of State

We have an ambitious vision for the NHS which is clearly focused on the highest quality and experience of care for patients, provided by staff who are energised and enthusiastic about their roles in this.

Innovation is an important and common theme which will help us all achieve our collective ambitions and it is essential that frontline NHS staff are supported to innovate in order to achieve the improvements that they want to make.

I have always sought to be innovative in my own clinical practice and the system reforms that I have led, and this has informed my appreciation of the value of innovation and the subsequent improvement of such in treatments and patient care.



David Nicholson

NHS Chief Executive

The NHS is putting quality at the heart of everything we do. We want to significantly improve the quality of services for patients and harness the tremendous energy and expertise of frontline staff to lead and deliver these improvements. Creating the conditions for innovation to flourish is crucial to the achievement of these goals.

Our success will depend on strong and creative leadership. Strategic health authorities have a key role to play in stimulating and supporting frontline organisations to innovate, and ensuring that innovations are shared and adopted more widely across the system.

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Innovation – a brief history

Britain has a long and distinguished history of developing medical technology, such as Magnetic Resonance Imaging...

Magnetic imaging discovered in the United States (first patent)...

...and developed in the United Kingdom (Noble Prize Citation)...

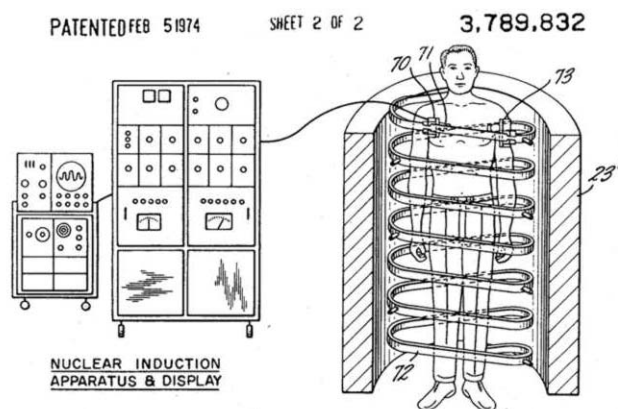


FIG. 2

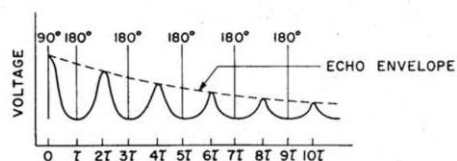


FIG. 3

'Peter Mansfield, Nottingham, England, further developed the utilization of gradients in the magnetic field...which made it possible to develop a useful imaging technique...[that] became technically possible within medicine a decade later'

First clinical use of MRI in Nottingham University Hospital in 1967

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Innovation – a brief history (continued)

The NHS has a celebrated tradition of innovation - 60 years of research in the NHS benefiting patients...



- The first total hip replacement operation was performed in 1962 by Sir John Charnley, an orthopaedic surgeon at the Wrightington Hospital in Wigan, Lancashire
- Today hip replacement operations are common, with more than 62,000 being performed in the NHS every year

...and getting it right is absolutely central to the future of the service.

Innovation - not just different, better:



Better for patients - Improved outcomes and an improved experience

Better for staff - Constantly pushing the boundaries of their skills

Better for the public - Better value for money

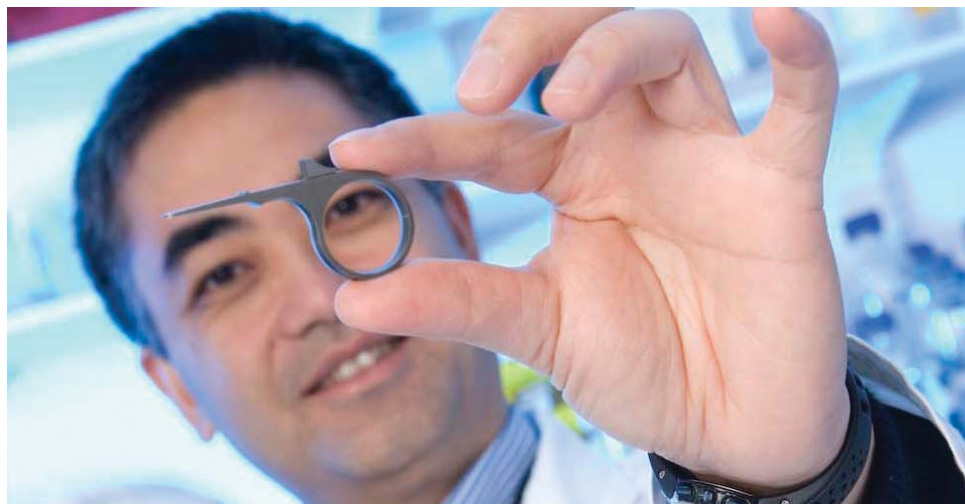
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Quality as the organising principle for the NHS

Innovation in the NHS should be focused on achieving the highest quality of care for patients and the public. Our aim is for:

'An NHS that works in partnership to prevent ill health, providing care that is personal, effective and safe'.

High Quality Care for All. (2008).



We need innovation to:

- help people stay healthy with a strong contribution to health promotion and prevention of illness
- empower patients to take more control of their own health and to work with NHS staff to co-design services that provide an exceptional experience
- provide effective diagnosis and treatments that meet the needs of patients and carers, and
- be the safest health system globally, keeping patients from harm
- optimise the use of resources and make sound financial investments.

And more widely, to

- ensure that the NHS and healthcare maximise opportunities for UK PLC.

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What do we mean by innovation?

High Quality Care for All (HQCfA) placed quality at the heart of everything that the NHS does. In doing so it acknowledged that a key enabler to innovation is a supportive culture that actively promotes and rewards innovation at all levels of the health system. Innovation is not something that happens solely in the laboratory, delivered by scientists. The most successful and innovative organisations are those that encourage employees to innovate and reward them for doing so. If the NHS is to realise the full potential of its 1.3 million employees it must do the same.

'Innovation results in significant change that makes a large difference in performance whether achieved by the creation of new ideas or the adaptation of proven ideas from elsewhere. It can take a variety of forms whether relating to improvement of services, new technology, new information systems or new workforce practices. It can be enacted through an incremental series of changes that builds over time or a step change that quickly transforms a process or system.'

Innovation is also important to the patient. The third principle in the NHS Constitution includes a commitment to innovation and the promotion and conduct of research to improve the current and future health and care of the population.

3. The NHS aspires to high standards of excellence and professionalism – in the planning and delivery of the clinical and other services it provides; in the people it employs and the education, training and development they receive; in the leadership and management of its organisations; and through its commitment to innovation and to the promotion and conduct of research to improve the current and future health and care of the population.

The National Health Service Constitution - (January 2009)

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The innovation pathway – what is it?

All innovation begins with the invention of creative ideas, and while this is a necessary starting point for innovation, it is not enough. An important distinction is typically made between invention, an idea about a service, product, technology or device, and innovation, ideas that have been applied successfully. Thorough testing and piloting followed by successful implementation and widespread diffusion form the second and third components of an innovation pathway.

Invention (identification) - Is concerned with the generation of new ideas which have the potential to make someone or something better. New ideas can be developed through many routes. They are frequently ideas that are drawn from deliberate scanning of other industries or a chance conversation, meeting or access to information which is not usual in your business.

'The best innovators aren't lone geniuses. They're people who can take an idea that's obvious in one context and apply it in not-so-obvious ways to a different context.'

Harvard Business Review.

Testing and piloting - 'Innovation means a new way of doing something that results in significant change making a large difference in performance'. The goal of innovation is positive change, to make someone or something better. Testing and evaluation of ideas is critical to learning. Through this we will identify ideas that do not work as anticipated. Failure is an integral part of the innovation process. Failing successfully means that we collect data and evidence about the changes we try and reflect on the learning that can be drawn.

'Without innovation, public services costs tend to rise faster than the rest of the economy. Without innovation the inevitable pressure to contain costs can only be met by forcing already stretched staff to work harder.'

Mulgan G. & Albury D. (2003) Innovation in the public sector. Strategy Unit, London.

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The innovation pathway – what is it? (continued)

Adoption and Diffusion (systematic uptake) – For innovations to truly have significant impact it is important that others are aware of them and their potential to impact on aspects of the service. Adoption is the process where ideas implemented in one area are ‘pulled’ and applied into another area. Diffusion of ideas can occur through a managed process where information is stored and shared through informal networks and relationships. In many cases during this process the ideas are adapted to suit the local context of the local service. Adoption and diffusion must be considered with equal importance as invention and innovation.

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What is the purpose of the Duty to Promote Innovation?

Best practice shows that the most leading edge, effective and efficient organisations are those that innovate and encourage innovation.

Whilst there are many good examples of this within the NHS, there is an opportunity to raise the bar.

We know from HQcFA that there are many barriers to innovation. In some cases the barriers are cultural and in others professional and organisational. These include poor access to information and evidence, a risk averse culture, a lack of targeted funding for diffusion, and a lack of reward and recognition for innovative individuals and organisations. In response, HQcFA promised to strengthen leadership and raise the profile of innovation, inject new monies, provide improved access to evidence and information and support individuals and organisations to innovate.

A lot needs to happen to deliver those commitments and that vision, the duty will put SHAs firmly in charge of co-ordinating and leading delivery.



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What form will the new duty take?

The new legal duty for SHAs to promote innovation has been made through directions given in exercise of the powers conferred on the Secretary of State under section 8 of the National Health Service Act 2006. These directions apply to every Strategic Health Authority in England.

The Strategic Health Authority (Promotion of Innovation) Directions state that:

'In performing its functions each strategic health authority must promote innovation for the purpose of securing continuous improvement in the commissioning and provision of health care.'

For the purpose of these directions 'health care' means: services provided to individuals for, or in connection with, the prevention, diagnosis or treatment of illness and the promotion and protection of public health.

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What is the duty?

Innovative cultures cannot be driven from the centre. It is the role of the Department of Health to create the conditions for innovation to flourish, to work with the NHS to ensure that system wide levers of change support innovation, and to then get out of the way. That is why this guidance does not prescribe how SHAs carry out their duties. The role of SHAs is to create the right context and reinforce the right leadership behaviours to stimulate innovation in frontline organisations. In doing this they will need to respond to local needs, involving where possible patients, carers and the public in co-designing innovative solutions. The duty has been designed with the following principles in mind:

- SHAs own the legal duty to promote innovation in partnership with local NHS organisations
- SHAs determine the best way to discharge and implement this duty within their own region
- The Department of Health will work with SHAs to develop a set of innovation metrics, but will not actively performance manage the duty

- instead, each SHA will produce an Annual Innovation Report (AIR) setting out what progress has been made on innovation during that year, what resource has been marshalled and invested, and what impact this has had for patients, staff and organisations
- all SHA board members will be responsible for stimulating, supporting and promoting innovation within their region.

The Department of Health will not:

- be responsible for driving innovation within the NHS
- prescribe how SHAs should implement the legal duty to innovate at a local level
- performance manage local delivery
- expect that one individual within each SHA to be solely responsible and accountable for promoting innovation.

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What does this mean for patients, the public and staff?

An increased focus and commitment to promoting innovation within local care settings can help change perceptions and experience of patients, the public and staff for the better.

From...

Patients

- Treatment of disease and illness focus
- Expectations of access to innovative services through the NHS are low
- Patients lack the information to make informed choices about alternate approaches.

Public

- Perception that all change in the NHS is for the worse
- Feeling that change in the NHS is not driven locally
- View that the UK is less effective at taking up and exploiting innovation
- Lack of choice and limited access.

Staff

- Few consider innovation to be a part of the day job
- Perception that choices are driven by cost not quality
- Significant regional variations
- Culture of 'not invented here' and an institutional aversion to risk.

To...

- Focus on health and prevention
- A personal NHS which tailors options based on the individual situation
- An NHS that has in built flexibility to offer the latest and best treatment
- An NHS which is perceived to be continuously improving.


- Perception that the NHS offers the most effective treatments
- View that the public investment in the NHS represents excellent value for money
- Equality of access enabled
- An NHS which is locally owned and driven.

- Innovation is everyone's business, a part of 'the way we do things around here'
- Systematic, not patchy, service
- Focus on investment not cost
- Adoption of good practice – the minimum standard upon which innovation occurs.

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What might success look like?

Evidence from some of the world's most successful organisations suggests some common principles that should underpin good practice within the NHS including:

- provide space, time and resources for individuals across the organisation to generate and pursue innovative ideas they are passionate about
 - establish mechanisms to quickly form small, flexible teams with the necessary skill sets to refine and drive innovative ideas from conception to implementation
 - encourage and incentivise staff to participate in an iterative innovation process by generating, sharing and evaluating new ideas. To achieve this, organisations will need to introduce an effective system to manage ideas.
 - utilise partnerships and collaboration to encourage and support 'radical innovation', while simultaneously assessing and managing the associated inherent risk
- 
- A photograph of a woman with short, curly brown hair and glasses, wearing a light pink top. She is smiling and looking towards the right side of the frame. In the foreground, a hand is holding a white clipboard with papers, partially obscuring the view. The background is slightly blurred, showing what appears to be a clinical or office setting.

- actively support and facilitate the generation of new ideas and the uptake of ideas and processes that have been generated externally or elsewhere in the system
- reward and recognise efforts within all stages of the innovation pathway.

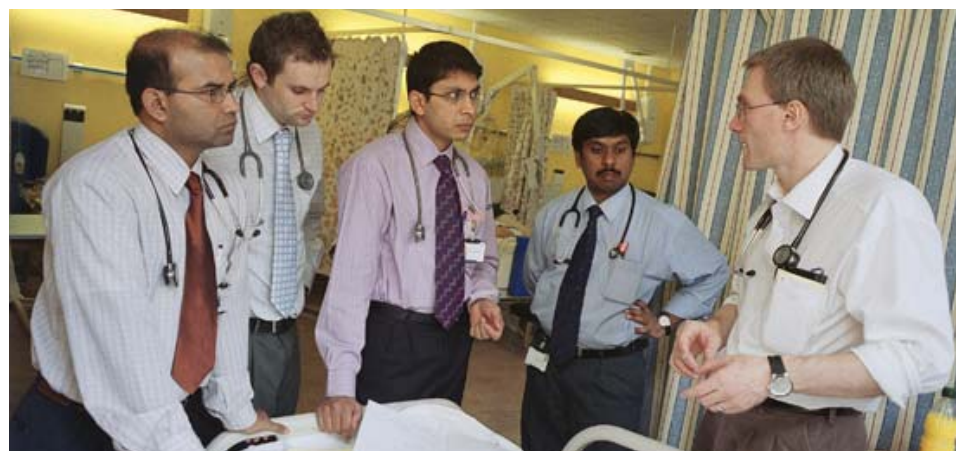
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The four principles of change

All innovation activity in the NHS should be underpinned by the four principles of change.

Co-production – SHAs will need to work with a range of local stakeholders, including both commissioners and providers, to maximise the contribution to innovation. This will include traditional and new partners, including patients, carers, staff, academia, the 3rd sector and industry. SHAs should encourage and broker partnerships to promote 'open' innovation, and to collaborate rather than compete.

Subsidiarity – while SHAs hold the formal legal duty, their role is concerned with facilitating and ensuring that innovation takes place as close to patients as possible. PCTs and their commissioners will seek out innovation, knowledge and best practice in order to improve the quality and outcomes of local services. In partnership with local clinicians, practice based commissioners and providers, SHAs and PCTs will specify required quality and outcomes, facilitating supplier and contractor innovation that delivers the best value. It will be vital the new innovation funds, prizes and NHS Evidence are used by and accessible to all frontline staff, and should not simply be seen as a strategic initiative.



Clinical leadership – SHAs should help to create the right climate so that clinicians feel able to champion and drive innovation. Clinicians should support the assessment and development of innovative cultures within organisations.

System alignment – SHAs can develop strong partnerships by helping to foster multi-professional, multi-agency stakeholder groups to tackle problems and innovate.

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Leadership in practice

Innovative organisations require a strong leadership team that champions the importance of innovation and creates a culture for innovation.

A development of strong capabilities for innovation leadership needs to start early in the career development process.

In an innovative culture, the staff are given a mandate to innovate and experiment because risks are managed and the organisation understands and accepts that future success is built on a series of learning from unsuccessful attempts.

Open innovation and collaboration with outside parties to generate and adopt innovations is embraced and encouraged.



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Key leadership behaviours to promote innovation

Success will depend on strong leadership, and we can again take learning from market leaders to help inform how we innovate in leadership. That learning suggests that organisations should:

- lead continuous innovation and improvement, developing and communicating a compelling narrative
- encourage partnerships and collaboration - by creating partnerships and collaboration with different parts of the organisation and with organisations outside health care, staff are exposed to new viewpoints and ideas that can be adapted for health services
- promote innovation by providing physical space and time along with simple tools for idea generation. Organisations have created bespoke labs or prototyping space that staff can use to develop and undertake early testing of ideas. In these organisations innovation is considered to be a core part of their role and time is allocated for this rather than being an 'add on' to an already hectic schedule.



- recognise and promote the success of adopters and diffusers of innovation. Commissioners and providers are encouraged to reflect various forms of innovation in their commissioning schemes – which may include goals on putting new inventions into practice; adopting changes already proven elsewhere or spreading proven changes within an organisation or to other providers.

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Key leadership behaviours (continued)

- reward innovative thinking. Some health care organisations view innovation as part of a deliberate process and recognise that innovation can happen at all levels of an organisation and reward staff who seek new and better ways of doing things. Staff at one English council are encouraged to ‘think outside the box’ and come up with creative new ideas, rewarded by ‘knock your socks off’ recognition which is highly publicised.
- use and share knowledge - Staff who have access to a wide range of diverse and timely information are often stimulated to generate new ideas and use best available evidence to inform decisions. They are also able to create effective networks for sharing ideas, knowledge and experience. Many organisations support staff to join knowledge communities such as CHAIN which provide a forum for the sharing of ideas and initiatives amongst innovators and potential adopters.
- manage risk and tolerate failure - Innovative organisations actively assess and manage risk, making sure to fully understand the risks that are present in their current system. They recognise that not all ideas will work and plan for that, through testing and evaluation. Failure is viewed as part of the learning process rather than something to chastise.
- promote learning and development - Some health care organisations create a deliberate process to develop the capability of individuals to innovate and build this into training programmes and curricula. They train staff to facilitate teams in specific tools and techniques of improvement and innovation to support radical rethinking of services.
- key to learning and development will be the role of the academic community, strong partnerships will be beneficial to the development of Health Innovation and Education Clusters (HIECs). Although focused very much on bringing together world class research, training and clinical practice, Academic Health Science Centres (AHSCs) will also have a role contributing to this agenda.



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How will the duty be performance managed?

The Department of Health will not actively performance manage the new duty. SHAs will however set out progress in an Annual Innovation Report (AIR) which will demonstrate:

- the actions the SHA has taken to create the conditions to support innovation. This should include its role in stimulating innovation, assessing opportunities for innovation, supporting innovators, encouraging innovative partnerships and networks, creating mechanisms to encourage the diffusion and adoption of innovation and rewarding innovation.
- how the SHA is encouraging a similar approach amongst providers and commissioners across its patch
- the actions the SHA has taken to support the work of the National Institute for Health Research (NIHR) Clinical Research Networks locally and to develop the collaborative capacity of the NHS to join in research studies and trials
- the SHAs' local investment strategy, details of funding invested, projects/programmes supported, outcomes achieved (financial and non-financial), impact made and learning taken and shared from ideas that have worked and not worked as intended
- how innovations for improvement have impacted on the quality of services provided for patients and the public
- the four NHS change principles of clinical leadership, co-production, subsidiarity and system alignment have been applied.

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How could innovation be measured?

We need to know if we are getting better. To do that we need to measure how well we are doing now and in the future. We also need to know not just in terms of pounds and pence but in terms of quality of care, staff satisfaction, patient experience and health outcomes.

Above all we will need a simple set of metrics that will allow the NHS and DH to baseline performance, measure progress and benchmark, and to do so consistently. This is likely to include the following:

- a measure of value to UK PLC - the financial value of innovations
- a measure of value to patients – quality adjusted life years (QALYs)
- a measure of staff satisfaction/perception - does the NHS feel a more innovative place to work, and
- a set of measures which show the volume of ideas generated (identified), tested, evaluated and diffused.

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How the NHS Institute for Innovation and Improvement might help

Through support mechanisms:

- **Regional NHS Innovation Hubs** – protecting the intellectual property inherent in an innovation, seeking appropriate partners for delivering on a commercial scale
- **NHS National Innovation Centre** – linking regional innovations with appropriate national programmes to leverage central support
 - A portal to receive and articulate unmet clinical needs to partners who may be able to fulfill them or deliver faster
 - Tools to aid prioritisation and assess the relative strength of ideas. These support investment decisions for potential innovations.

Through current products and services, for example:

- **Thinking Differently** – a process for creativity and innovation designed specifically for frontline NHS teams who want to achieve transformational change. This is available as a printed book and through provision of masterclass training. Each SHA has been offered a one day masterclass session for staff.

- **Experience Based Design** – a ground breaking method of co-designing health services with patients, based upon their actual experience of the service provided. Available as a printed guide and toolkit. A book of case studies will be available in April 2009. Four masterclasses will be delivered in March 2009.
- **Making a Bigger Difference** – a guide for NHS frontline staff and leaders and a companion guide for commissioners on assessing and stimulating service innovations. Available as a printed guide and optional masterclasses.
- **Creating the Culture for Innovation** (in development) - a diagnostic scoring system and accompanying guide designed to support leadership teams to develop a culture for innovation (available in April 2009).
- **Innovation Facilitators training** (in early development) - an opportunity for key staff to be trained in innovation processes, tools and techniques.

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Where to get further help

Department of Health
www.dh.gov.uk

The NHS Institute for Innovation and Improvement
www.institute.nhs.uk

Department for Innovation, Universities and Skills
www.dius.gov.uk

Academic Health Science Centre
www.ahsc.org.uk

National Institute for Health Research
www.nihr.ac.uk

Research Councils UK
www.rcuk.ac.uk

The Young Foundation
www.youngfoundation.org.uk

National Endowment for Science, Technology and the Arts (NESTA)
www.nesta.org.uk

The Design Council
www.designcouncil.org.uk

Innovation Exchange
www.innovation-exchange.org





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