



## **Teesside Hospice – ‘A Great Place to Work’**

### ***‘Working towards a Culture of Opportunity’ – A New Pay Structure, Our First Milestone...***

#### ***Background to Our Story***

Our organisation aims to enhance the quality of life for those affected by cancer and other life limiting illness. We offer specialist palliative care and support to patients and carers, in the belief that each person is entitled to dignity and choice within the best provision of care. We know we can only achieve this through ensuring all of our people who contribute through their own area of expertise are invested in and developed. Our people need to be looked after and cared for in order for them to provide the highest quality of care for our patients. Here at Teesside Hospice we employ around 150 colleagues who are supported in delivering our services by 450 volunteers who kindly give their time to help us.

As an organisation in 2015, we set about a challenge that on reflection had been on the horizon for a number of years, we took the decision to review the pay structure that was in place. Like many significant pieces of work the enormity of such a piece of work can appear daunting at the outset and often the operational needs of the business take priority out of necessity. However, the need was becoming much clearer and more urgent, not least and reinforced by the massive changes we have seen in the recent economic climate. A recent report by Lloyds Bank Foundation supports this view stating ‘departure from the European Union, an uncertain economy and overstretched local authorities are among the biggest political changes that will dramatically affect the landscape for small to medium charities in the near future’. There is further evidence to support this position from Hospice UK where the advisory council has identified financial sustainability as one of the most pressing issues facing boards and senior teams within hospices.

The senior team were conscious that any change made to the working environment and practice has an effect on colleagues working in the organisation. The potential impact and sensitivity is increased a further level when it comes to talking about and making changes to individual pay and reward. Historically the Hospice had adopted the national NHS pay system Agenda for Change which is based around a pay spine consisting of bands with an annual increment up to a maximum point for each Band. It was felt that although fit for purpose at the time the system had increasingly become out of kilter with what was needed for the organisation and was often cited as being complex to understand, this view was evidenced in staff satisfaction surveys. There was a collective view supported by the Board of Trustees of the need to develop a bespoke pay structure framework aligned with organisational culture, providing fairness and equity for colleagues to progress, whilst equally taking into account the need for financial sustainability for the charity.

#### ***Engagement of Our People***

It was clear from the outset that employees needed to be part of the change if it was to be a success. We know that research suggests that Employee Engagement is integral to being a “great place to work”. Employees who are engaged, informed, supported, valued and motivated are widely deemed as critical to a successful organisation. Improved engagement should also support as evidence the CQC assessment against the criteria of a “well-led”

organisation. With this in mind a Pay Review Group was developed with a view of collaborative working and joint ownership of the project. Key to this was ensuring representation from all departments within the organisation to ensure feedback opportunities and extended voice on the shop floor where it matters. Acas state careful planning is key, involving the workforce in a pay structure change is important for several reasons citing that such a group can provide feedback and evaluation right through the process of selection, tailoring for the organisation, piloting and training, which was exactly our aim with our approach. It was also hoped that with this planned approach such a change can influence culture shift, and we wanted to tangibly create a foundation for our work towards one of opportunity in promoting our organisation as the “great place to work” which we believe it is.

This solid platform would be the first milestone going forward in our employee reward and development offer to support the sustained success of the business through our most valuable asset, our people. This work had deliberate purpose aiming to support in attracting and retaining talent through a fair pay structure. Furthermore, this would be reinforced through further people development and engagement processes contributing to a holistic reward package offered by the organisation. Further considerations to inform the work were the ‘living wage’ and the ability for the organisation to recruit into ‘hard to fill posts’.

### ***Our Method***

Having established purpose, aims and considerations we undertook a research exercise exploring external source information including legislative pay and living wage rates, inflation and economic indicators, pay & reward surveys from Hospices; NHS and independent sources, labour market predictions, pay and reward theoretical strategies and best practice. In addition, cross sector benchmarking work was undertaken which included other Hospices in the region and three local private organisations dependant on role, to ascertain current pay rates. This exercise was to ensure that we were informed and up to date with researched evidence in the area of reward to best position ourselves as an employer of choice in the job market to be reflected in our proposed new pay structure and reward strategy.

In addition to this, internal data was analysed including current pay rates and pay structure, staff benefits, labour turnover and staff demographic projections. With us also wanting to look holistically at reward, we undertook a discovery exercise with staff to gain an insight into what they would like to see included within the package.

After we had undertaken our research it was important that we formulated our findings clearly as a group through making sense of our benchmarking and research in order to communicate our findings and what we proposed through recommendations to the Council of Management (COM) made up of our Trustees. This we did thoroughly in detail by producing the Pay Review Group Report which outlined our work in key stages, findings and recommendations. The report provided the collated work in a format that enabled the Trustees to have discussion and debate before reaching decisions on how the pay structure would look and the other further elements which would ultimately make up our complete employee reward offer. The working group were delighted and enthused that all of their recommendations were approved by COM and they were then able to commence the design and implementation stage of the project

### ***Outcome and Implementation***

The overarching outcome of this work for us is a new approach to pay, one which we believe is simpler and clearer. The introduction of a new pay structure now meets the requirement of a strategic pay and reward provision for Teesside Hospice for the next 5/10 years. The structure is uncomplicated, transparent, equitable and linked to performance whilst also incorporating good practice i.e. living wage and ability to withstand the supply and demand

factors of a competitive market. It seeks to reward progression and competency development and challenges outmoded pay arrangements associated with paying for 'years on the job', which does not necessarily correlate to competence, contribution and effort.

So what does our pay and reward offer look like now? Well we developed a bespoke framework clearly identifying progression for each role underpinned by the principles and specific competencies of each role, the Job Competency Profile (JCP). The JCP is a unique hospice model, designed by the Director of Patient Services with another colleague which has been in use since 2009. For each role, the structure identifies progression linked to competence, skills, qualification and valued behaviours. Roles were initially mapped to the pay structure in line with the benchmarking exercise carried out with three clear pay points for each role. Managers were tasked with assessing which pay point their staff aligned to within their role parameter, based on skill and competency as evidenced through the existing appraisal system. Outcomes were communicated ensuring an appeal process was in place reinforcing our aim for fairness and equity.

The following further key elements were agreed and are now in place through listening to our people, making up our complete organisational reward offer:

- Introduction of an Employee Assistance Programme (EAP)
- Introduction of an additional days holiday for staff without sickness in a 12-month period.

Further to these more tangible elements, the following recommendations from the work were approved to support the continued journey and reinforcement of our commitment to be 'A great place to work' within an 'Opportunity of Culture'. Our organisation is therefore committed to:

- Review a cost of living rise on an annual basis.
- Undertake a pay benchmarking activity on a 3 yearly cycle (next due 2019).
- Undertake an internal communications assessment and develop a communication and employee engagement strategy which includes:
  1. Creating a culture of opportunity, in which employees are active participants in the way we lead our organisation, deliver services and create new and innovative solutions to the challenges we face.
  2. Undertaking regular reviews of our recruitment and retention processes and our competitors to ensure relevant and maintain Employer of Choice.
  3. Re-applying for inclusion within "Top 100 NHS Employers Survey", "Best Workplaces UK" and Glassdoor site.
  4. Undertaking additional projects to assess the risk of the UK medical staffing crisis. Including the analysis of a mentor/networking programme and external training links.

We realise keeping momentum is essential if we are to be successful in delivering our commitment.

### ***Our Learning***

As with all major change there is always important learning for an organisation gained during all stages of the process. It was important for us to know how the project had been received so we set out to evaluate our approach and outcomes with all key stakeholders. We wanted to understand and bring together for learning purposes, the views and perspectives of our staff, the Pay Review Group, Senior Leadership Team and Board. From our learning we have identified the following four key areas which are intrinsically linked and which we believe to be essential in supporting an organisation introducing a new pay and reward system:

1. **Engagement** - Stakeholder engagement with all parties is key in any change initiative, more so when looking at the area of pay and reward as the investment of interest is increased for many given that we all have financial commitments. It is important that all stakeholders are identified internally at all levels including staff, senior management and Board members. External parties are equally key in the change being successful such as Union Representatives and any other supporting agencies. It is important that engagement is active in order for it to be meaningful and contribute effectively to the overall desired outcome. Our experience was that engagement was demonstrated through good attendance at meetings with representatives actively taking part in discussion and a joint 'buy in' of the key considerations for the work.
2. **Communication** – Communicate, communicate and then communicate some more is our learning. Communication was an obvious key consideration from the outset of our work and should not be underestimated. We strived to have the right processes and channels in place to ensure consistent messages were delivered following every PRG meeting. Through feedback we learnt that consistency messages around progress is key, and even if there is no news on progress that it is still important to communicate this when there is heightened sensitivity around the pay and reward agenda. We built our learning into our recommendations as described earlier and have started work developing Communications Champions as an extended organisational voice across all of the business areas. It is critical that communication is meaningful and that the same message is tailored authentically to the various areas of the organisation so that it resonates and is understood with feedback mechanisms in place. It is key that the nature of the business is taken into consideration so that communication processes take into account such things as shift patterns and geographical spread of the organisation. Often different forms of communication work better for different areas but ensure the message is consistent and delivered at the same time whenever possible. We received positive feedback around regular communication from Human Resources and the Chief Executive.
3. **Working Group** – The roles & responsibilities of representatives were outlined at the onset of the project. Representatives should have a full understanding of what these mean with leaders supporting them through explaining the nature of the business wide scope of the work, the level of impact and associated responsibility attached. In order to ensure the right people are in the group, an expression of interest process may be adopted. Colleagues having an interest in taking part in the working group support engagement at the outset, this needs to be balanced with getting the required representation from across the whole organisation. Recognition should be given that there are often challenges for representatives going back into their own area of work to gather feedback or deliver a message. Support is absolutely key in this area and can be given through creating permissions for representatives alongside coaching and guidance when necessary.
4. **Resource** – The work and resource attached to the implementation of a new pay structure is vast. The amount of accompanying 'back room' work can be vast and time consuming including supporting documentation needing to be updated and fit for purpose i.e. job descriptions, person specifications, job competency profiles (JCP) etc. for each role. Whilst this element cannot be excluded it is crucial that effective planning is carried out to include allocation

of time in line with associated responsibilities for all taking part. We know that operational pressures are always going to exist and are not wholly predictable however, consideration of potential peaks and troughs of the business need to be built into the thinking stages for planning purposes. It is vital that the right training and support is in place at the outset to ensure managers are confident in carrying out what is required in line with the project timeline.

### ***The Next Chapter – Future Milestones***

We feel we have come a long way with our people reward offer but are conscious of the importance to continue momentum and further activity is already taking place, building on the platform of the Payment Review Group work. Two major areas of work are underway with a view of supporting the continued investment in our people:

#### **Communication Champions**

Work has already begun on looking further at communication within the organisation, this piece of work builds on the commitments that came out of the pay and reward work described previously. We asked for expressions of interest from colleagues from all of the departments within the organisation with an interest in enhancing and building on the current communication systems within the Hospice. Building on our learning, an initial facilitated workshop has taken place where our Champions have been involved in defining the purpose and role and contributing to the development of a terms of reference for the work.

Our view is for our current people communications to be enhanced further through the creation of our Champions who will provide an extended voice, reinforcing key messages on the ground to engage the hearts and minds of colleagues who matter. This will be encouraged through meaningful conversations around improvement to current systems, development of further systems and working towards an enhanced feedback culture to support a better understanding of organisational wide activity.

#### **Talent Management and Succession Planning**

In order for us to further progress with our people development agenda the Board have invested in work being undertaken in this area. For us as an organisation the aim of talent management and development comprises the activities we undertake to attract, develop, deploy and retain skilled and valuable employees. The process is not just for a select few, it is something for all staff to stretch and develop them to reach their potential, and to enable everyone's contribution to be both recognised and optimised. It is therefore a two-way process, requiring equal commitment and focus from manager and team member alike. This work will also involve a review of our current appraisal system to ensure that it is appropriately aligned. The scoping for this work has commenced with a view to complete by the end of the year.

As described in the introduction, the scale of the work we have undertaken felt huge at the beginning and commencing such a challenge can be daunting. On the other side of it we feel a sense of accomplishment that a key deliverable has been achieved and provided a solid platform for us to build on. The importance of this theme of work is only ever going to increase which is why we need to keep momentum. Only this month investment in people processes needing to be a continued focus has been highlighted through The Taylor Review which focuses on the creation of better jobs for people. Having reached this milestone has empowered us to continue onwards to our next.

Andrew Moore  
Human Resources Manager  
July 2017

Acas 'Pay Systems' Accessed 19<sup>th</sup> July 2017

[http://www.acas.org.uk/media/pdf/o/3/pay\\_systems-accessible-version-Jun-2012.pdf](http://www.acas.org.uk/media/pdf/o/3/pay_systems-accessible-version-Jun-2012.pdf)

Hospice UK Accessed 19<sup>th</sup> July 2017

[http://www.hospiceuk.org/?gclid=EAlaIQobChMI5pTVyMmX1QIV6JPtCh2NIAg0EAAYASAAEgLQzfD\\_BwE](http://www.hospiceuk.org/?gclid=EAlaIQobChMI5pTVyMmX1QIV6JPtCh2NIAg0EAAYASAAEgLQzfD_BwE)

Kirton H 'Taylor will further complicate employment law' People Management Accessed 19<sup>th</sup> July 2017

<http://www2.cipd.co.uk/pm/peoplemanagement/b/weblog/archive/2017/07/11/taylor-review-will-further-complicate-employment-law.aspx>

Lloyds Bank Foundation 'Facing Forward: How Small and Medium-Sized Charities can Adapt to Survive' Accessed 19<sup>th</sup> July 2017

<https://www.lloydsbankfoundation.org.uk/news/news/2017/03/22/small-charities-need-support-to-survive-turbulent-times-ahead/>