



Reducing agency staff costs

Taunton and Somerset Foundation Trust implemented consistent processes for managing temporary staff and e-rostering. Combining both provided complete visibility of the workforce which has enabled a reduction in workforce expenditure, particularly agency costs.

High impact change 1: Increase understanding of the issue

What we did:

It was important to understand the issues that were faced around agency expenditure. To address this our managers were asked what their concerns were. Their responses informed a ten point action plan to improve the processes for managing temporary staff prior to introducing e-rostering. This resulted in **all** temporary staff being employed through one department and one IT system. Weekly reports on bank and agency use and reason for use are sent out to all managers. This system has now been integrated with e-rostering to provide complete visibility of both substantive and contracted staff.

From the outset, the focus of e-rostering implementation was on the financial benefits, based upon “every minute of everybody’s time counts”. Baseline data was established and every minute of both substantive and temporary staff is now captured and widely reported.

E-rostering has made our decisions more transparent, making it possible to see increased spend whether it be through agency bank or overtime. A recent increase in agency spend was identified as a result of greater demand rather than poor management. Whilst e-rostering did not stop the increase, it at least offered an insight in to why the increase had happened. Similarly, the use of the e-rostering system enabled all decisions about staff rosters and shifts to be visible and within defined parameters. Thus there was a reduced risk of subjective decision making, and everyone could see that the rules were consistently applied.

We needed to be clear with staff why we were implementing e- rostering. Our key message was that this was about getting the best patient outcomes by managing our workforce and spend more effectively. When making decisions around staff requests the primary driver needed to be the service need.

The information produced for managers in the early part of this process was very detailed in order to influence as well as educate. Moving forward with implementation, less detailed information has been required, as managers become more competent and confident in using the e-rostering system.

High impact change 2: Manage the process and take control

What we did:

Control was established across policies and procedures, which included standardising shifts, breaks, annual leave, flexible working and controlling the number of personal shift requests a month. Targets are now in place for the percentage of staff on leave, hours deployed against budget, including bank and agency. These are monitored on a weekly basis by the provision of RAG rated reports for each ward. Our policies set the rules and parameters and are currently being clearly defined in an updated roster policy.

Some issues were non-negotiable. For example, the implementation and subsequent use of e-rostering was not optional. Similarly, adherence to policies is monitored, so that managers understand the importance of this. This process was a challenge. Clarity of expectation does not inevitably result in immediate results. Significant time was invested in working alongside the wards to implement e-rostering and support the ward managers in addressing the issues raised by that implementation. Our e-rostering lead regularly meets with the matrons/line managers to discuss the statistics produced by the system to show the impact the decisions made about their workforce has on service delivery and costs. One extra shift allocated over budget on one ward may seem insignificant, but the multiplier effect can be huge.

As our managers became more familiar with the system, they could recognise where efficiency savings could be made. Once a shift template is established and all the rules and parameters are included, a lot of the roster process is automated and thus simpler.

We found that the development of the rosters was often delegated below the ward/department manager level. E-rostering firmly established the accountability for authorising the roster back with the manager and their matron/ senior manager.

High impact change 3: Manage your workforce, establish a sustainable supply

What we did:

Implementing e-rostering is not just about reducing agency staff, it's about workforce productivity. This means managing data on how the whole workforce is used – substantive, bank, agency, medical, non-medical, admin, management. It was established that these issues cannot be considered in isolation.

It was quickly recognised that the entire workforce had to be included in the e-rostering system, to enable it to be considered as a whole. It is vital that the medical staff are included as their working practices will often lead and influence other workforce activity. The preparatory work on processes and policies for medical staff is currently in progress. It is proposed to include medical staff in 2012. Implementation has started for non-clinical areas.

A key message for managers has been to have a clear understanding of the cost of their roster against their budget: "If I roster X many staff, 24 hours, 7 days a week, how much will it cost?" Prior to e-rostering, a majority of managers would routinely roster over budget as they were unable to clearly see the cost of not accurately matching their standard requirement to their budget. This overspend would be further increased if there was rise in activity or patient dependency.

High impact change 4: Work collaboratively

What we did:

Managers at all levels were consulted to involve them in the process of implementation. We also worked with the support teams within IT to implement the system, finance to move staff onto electronic payroll, and HR to support policy development and implementation. We also worked with our procurement hub contact on the wider issue of agency management. Staff side are in the project team and have had a robust supportive approach. It was only by establishing these links that we were able to see and influence the wider picture. We have set up an e-rostering planning group across the South West region. This enables all those who are implementing e-rostering to share ideas and develop joint approaches and solutions, to deliver the benefits of e-rostering regardless of which software system is used.

High impact change 5: Engage with staff

What we did:

The implementation of e-rostering was seen as a change programme. This was not an IT-led implementation activity (although of course IT was vital). All the issues that need to be considered in a large change programme needed to be addressed.

In hindsight, there should have been a more structured approach to communication for each different stakeholder group at key times. This is something we will correct as we implement across the rest of the trust. A planned approach will ensure that the staff and managers will be on this journey with us.

Leadership from key players has been essential, be it matrons, senior managers or the executive to provide direction, perseverance and consistency.

Ownership is key and was achieved by working closely with our managers. Some were more on board than others. Some challenged the validity of the data if it didn't fit with their view of their ward. In this case we had to work with them and engage them, provide further information and support. It was important to recognise the difficult conversations they had to face with some members of their staff. Ultimately, the success of the project lies with the managers and their decisions, so their support and understanding is essential. E-rostering gives us the information but it doesn't give the answers about how identified change needs to happen. We had to speak to and engage with staff to identify the issues behind this information and then support them in making the changes. An example of this would be a manager failing to enforce the annual leave policy; support would be needed to help these managers be more assertive in handling their staff, not just providing more staff to cope with this absence.

Whilst engaging with the managers was key, so was engaging with the senior-level executives, to ensure that required changes were driven through. We established an executive-led programme board that has provided the right amount of challenge and support.

What did we save?

The initial controls and processes for managing agency nurses reduced the trust expenditure by £1.0 million.

Further processes unified temporary staffing within a single department and single system, which resulted in a further £1.5 million saving on agency costs across all staff groups but particularly doctors.

We started implementing e-rostering in October 2010, with the first wards live in January 2011, and have rostered 44 wards and departments. It is early days, but we have seen a further 20 per cent reduction in the remaining nurse agency spend this year, and for the first time we have reversed the trend of an annual increase in expenditure.

It should be understood that e-rostering has identified areas within the roster process where additional significant savings can be made at ward and departmental level. The challenge is the on-going implementation and management of these changes.

What's next?

E-rostering gives high visibility of potential efficiency. There are four areas where we are increasing management and control, which will reduce cost:

- 1. Roster requirements in excess of budget.** This can be a licence to spend. Roster requirement should match the budget – if there is mismatch, either the budget or the requirement needs adjustment.
- 2. Spend over budget including allocating additional duties.** It is anticipated that the recent integration of the bank will allow more real-time visibility of use and thus improved control.
- 3. Staff working under their contracted hours.** These are captured and re-rostered.
- 4. Staff working restrictions and requests.** These can have a considerable effect on the efficiency and cost of rosters. These are being reviewed through the trust's flexible working policy, with a more robust approach to meeting service needs.

Whilst e-rostering provided information about the workforce, it was vital that we linked this to the business of the trust – how was the deployment of the workforce influencing the work that we did? Future plans include linking the data from e-rostering to the trust's key performance indicators through our business intelligence system, and presenting it alongside survival rates and infection rates. This will support managers in understanding the link between a red indicator on their workforce management and wider

