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The King's Fund
ORGANISATIONAL
Audit

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INTRODUCTION
BY TESSA BROOKS

King's Fund Organisational Audit (KFOA) is the foremost, standards based, organisational assessment, review and improvement programme, specifically developed for NHS and independent health care organisations. KFOA is dedicated to improving the quality of health care by the application of organisational standards and a system of peer review to acute hospitals, primary health care, community health services and commissioning organisations.

KFOA is a directorate of the King's Fund, a leading independent health charity. The King's Fund exists to stimulate good practice and innovation in health care and management through service development, organisation and leadership development, education, policy analysis, organisational audit and direct grants.

This brochure explains the KFOA process, (including the role of standards and criteria) and the benefits to health care organisations of participating in an independent and voluntary organisational audit.



OUR MISSION

"To contribute to the improvement of health care in the UK by delivering a range of services to health care providers, purchasers, professionals and professional organisations which focus on the application of standards to the practice of organisation and management"

HISTORY

Organisational Audit started as a project within the Quality Improvement Programme of the King's Fund in 1989, to determine whether a national approach to the setting and monitoring of standards for the organisation of health care was appropriate to the UK. The project involved the development of a set of explicit health care standards. After reviewing organisational accreditation models from the USA, Canada and Australia, a system based on Australian standards was adapted for the UK and piloted in nine hospitals.

The success of the project resulted in the development of the Organisational Audit programme which between 1990 and 1995 has worked with 200 acute NHS and independent hospitals throughout the UK. The process has remained faithful to the original concept of being both an assessment and self improvement process for the whole organisation.

In January 1994 Organisational Audit for primary health care was launched. This programme is currently working with more than 60 health centres and GP practices across the UK.

Programmes for community health services, nursing homes and health commissions are also being developed.

KFOA is the most recently formed directorate of the King's Fund, alongside the College, Centre and Institute. The King's Fund's credibility and independence, coupled with the generous support of both the public and independent sectors of the health service, together with the backing of the professional bodies, has enabled and encouraged its rapid growth.

NHS REFORMS

The NHS reforms, introduced in 1990, have added an impetus to the growth and development of KFOA.

Under the reforms the new health care economics for purchasers and providers are creating new forces for organisational change. The consumer focus of the Patient's Charter is also increasingly being felt at all levels of the health service. Both NHS and independent hospitals are acutely aware of the link between organisational capability and the ability to deliver high quality clinical care, and of the importance of demonstrating this to consumers and purchasers alike.

KFOA provides a means of reassuring providers of health care, purchasers, users and the wider general public of the presence of a systematic and demonstrable approach to quality.

The KFOA system is voluntary and independent from government health agencies. It strives to achieve a balance between standards and criteria compliance on the one hand with the self-learning and improvement of the organisation on the other.

EFFECTIVE ORGANISATIONS

Organisational assessment and organisational development are not alternatives, they are both components of the KFOA improvement strategy. The rigour of KFOA ensures there is a link between effective organisation, the management of services and good patient care.

I am confident that you will find our approach relevant to today's health care needs, flexible to the size and nature of your organisation and valuable in the development of your staff.

Tessa Brooks

Tessa Brooks Director



The King's Fund
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HOSPITAL

PROGRAMMEDITATION

Organisational Standards & Criteria

HOSPITAL

PROGRAMMEDITATION

Organisational Standards & Criteria

ITATION

The foremost standards based, organisational assessment, review and improvement programme, specifically developed for NHS and independent health care organisations.

A DEFINITION

Organisational Audit is an independent and voluntary audit of the whole organisation. It is based on a framework of explicit standards and criteria which are concerned with the systems and processes for the delivery of health care. It involves the evaluation of compliance with those standards by means of external peer review carried out by a team of senior health care professionals following a period of preparation and self assessment. The KFOA programme combines an educational and developmental emphasis with standards compliance. It sets out to complement local and professional initiatives, recognise and spread good practice and support continuous organisational development.

Accreditation is a facet of the acute hospital Organisational Audit process. Accreditation status is awarded to hospitals which demonstrate through the King's Fund Organisational Audit process that they meet specified standards. To achieve accredited status, a hospital must demonstrate compliance with those organisational standards that identify legal and professional obligations, health and safety matters and the rights of patients. It also has to show a progressive approach to complying with good practice and desirable practice standards over a period of time. Accreditation is a public demonstration of the standard of organisation and management of services within the hospital. An accredited hospital is one in which everyone (patients, staff and purchasers) can have confidence because it has been assessed as being organisationally fit and capable of delivering high quality health care.

From 1995 KFOA will be awarding accreditation status to acute hospitals which successfully comply with the Organisational Audit standards. Accreditation, although a more rigorous form of assessment, does not conflict with the developmental philosophy which is a cornerstone of the Organisational Audit approach. The appropriateness of accreditation to other health care organisations is still under consideration.

THE CONCEPT

The proposition underlying Organisational Audit is that there is a correlation between organisational capability and good patient care. The organisation which is clear about its purpose, achieves ownership of it by its workforce and has in place structures and processes across the whole organisation to underpin its activity, is more likely to achieve both its clinical and non-clinical objectives.

The standards contained within the Organisational Audit manual underpin the process. They provide a means of identifying problem areas, questioning current practice and stimulating development. They provide a real opportunity for staff to question what they do, why they do it and how it could be done better. The standards are the mirror in which to reflect on performance and the possibilities for improvement.

WHAT IT COVERS

Organisational Audit sets out standards and criteria which cover essential practice, good practice and desirable practice across the whole organisation of the hospital or primary health care facility.

Both the acute hospital programme and the primary health care programme cover key areas ranging from patient's rights, management arrangements, communication, staff development and education, through to health and safety and quality. All the main services provided by an acute hospital or primary health care facility are also covered in the respective standards manual. Due to their comprehensive nature the list is too long to print here, but a full list of the areas covered is available upon request.

Organisational Audit:-

- *Is specifically developed for, and relevant to, health care organisations.*
- *Is rigorous and based on a framework of explicit organisational standards and criteria.*
- *Involves staff across the whole organisation at all levels.*
- *Involves organisational self assessment and an external peer review survey.*
- *Combines an educational and developmental emphasis with standards compliance.*
- *Encourages continuous improvement.*
- *Is independent from government agencies and health authorities.*
- *Is voluntary.*

Given the complexity of the health service it is not surprising that there is no single approach to health care improvement. Organisational Audit complements a number of other initiatives which focus on improvement such as process re-engineering, benchmarking and continuous quality improvement and can be used in conjunction with each of these systems.

Organisational Audit is quite different to the British Standard Institute's approach embodied in BS EN ISO 9000 (formerly known as BS5750), which does not set out any health care standards to compare against, but establishes that those standards set by the organisation itself are properly documented and can be consistently delivered.

ACCREDITATION
- THE ADVANTAGE TO HOSPITALS

Much has been learnt by participating hospitals and purchasers about the value of submitting the organisation to scrutiny. The demand for a more rigorous form of audit with accreditation is now seen as a natural and desirable next step in the development of Organisational Audit for hospitals.

One of the main incentives for hospitals to seek accreditation is the recognition of quality. The KFOA standards based approach enables organisational quality to be defined and measured through the process of preparation, self-assessment, implementation and survey (see How the audit works - key stages, page 8).

Formal accreditation carries weight with purchasers because it is progressive and rigorous. There is also a growing desire to reassure the general public that standards are being met and Organisational Audit with accreditation is a highly effective method of doing this.

HOW IS ORGANISATIONAL AUDIT RELEVANT TO PATIENT CARE?

The process of Organisational Audit ensures that a systematic approach is taken in those areas which impact directly and indirectly on patient care, treatment and well being. Emphasis is placed on action plans to address all the important issues and to achieve change where it is found to be necessary. The Audit is neither a financial audit nor a clinical audit, but focuses on the structure and processes of the organisation.

IMAGINE YOU ARE A PATIENT

- WHAT IS GOING TO MATTER TO YOU?

- *of course the medical care and attention*

BUT ALSO

- *do you get clear information about the treatment and its effects?*
- *do staff know what they're doing, even if they have only just started?*
- *is the resuscitation equipment regularly checked? Are staff adequately trained in its use?*
- *are your medical records clear and accessible to those who are caring for you?*
- *are staff aware and up-to-date in health and safety matters?*

These few examples are organisational in nature but they do affect patient care.

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**ACUTE HOSPITAL AND PRIMARY HEALTH CARE PROGRAMMES
HOW THE AUDIT WORKS - KEY STAGES**

**STAGE 2
SURVEY**

An independent team of senior health professionals chosen for their experience, knowledge, credibility and appropriateness for the organisation undertake the peer review survey. Surveyors are selected by KFOA and undergo training prior to taking part in surveys. Surveyors receive the self assessment, unit profile details and supporting documentation. This information provides the basis for the survey. The survey involves a documentation review, meetings with staff and visits to observe the facilities and services. The survey lasts between two and five days for a hospital or trust and one and a half days for a primary health care unit.

**STAGE 1
PREPARATION, SELF-ASSESSMENT
AND IMPLEMENTATION**

Over a period of nine months to a year the hospital or GP practice works with standards and criteria in the Organisational Audit manual. The identification of a coordinator to lead the process and the establishment of a steering group are key to maximise success. An initial baseline assessment of compliance with standards and criteria is carried out to identify priorities for action. Self assessment questionnaires, contained in the manual, are completed for each department/service. The preparation and implementation period is supported by a KFOA survey manager who advises the unit throughout the process. A mock survey may be conducted two to three months before the survey by the unit itself. Six weeks prior to the survey, self assessment forms are completed and returned to KFOA with supporting background documentation including a profile of the organisation.

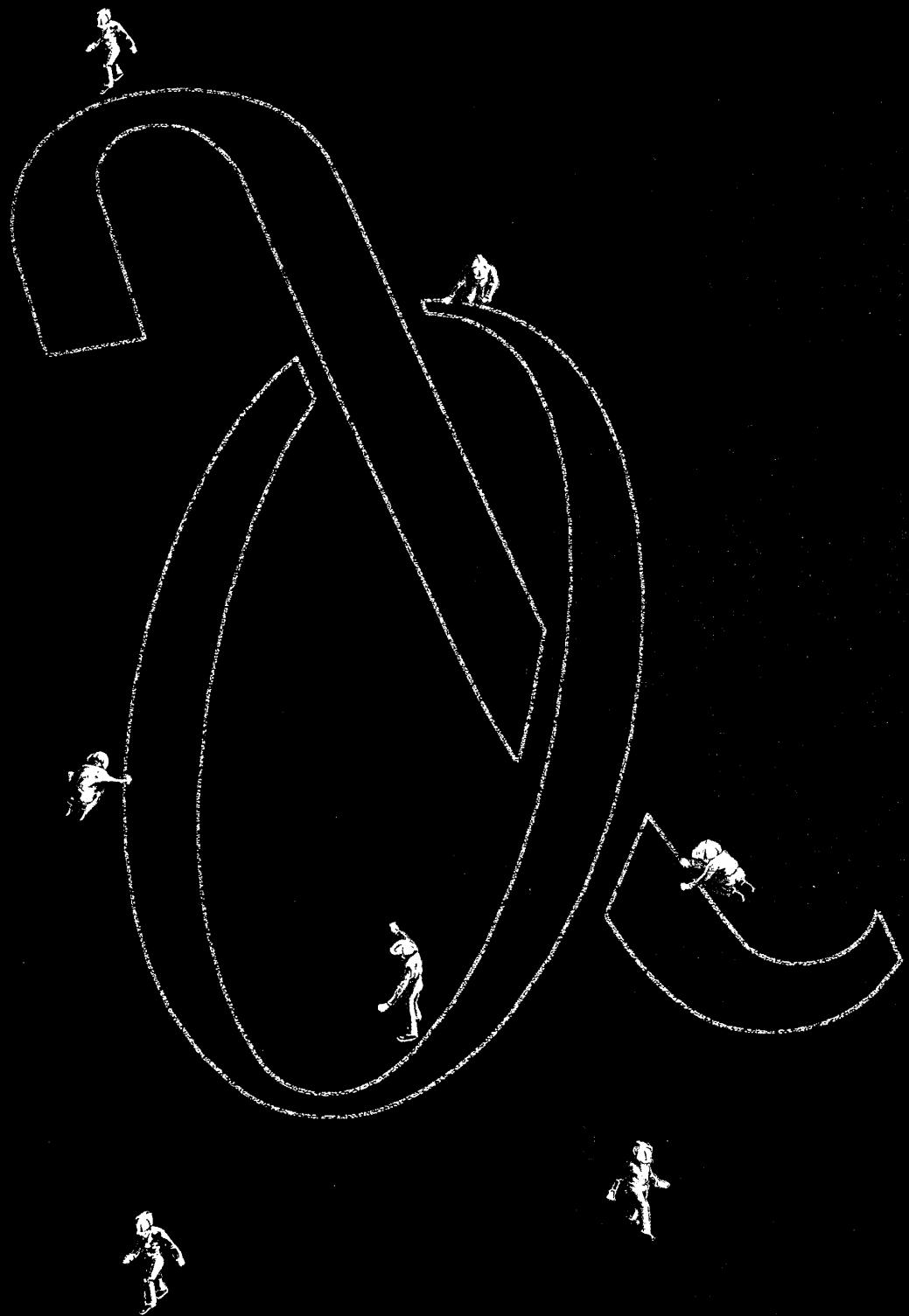
**STAGE 3
REPORT**

A verbal debriefing is given to staff at the end of the survey summarising key themes and overall observations. A detailed written report follows six to eight weeks later. This provides a comprehensive assessment of compliance, recommendations for change as well as highlighting good practice, and provides a basis for developing future action plans and monitoring progress.

**STAGE 4
ACCREDITATION (HOSPITALS ONLY)**

Accreditation status is awarded subject to the analysis of the survey team's findings and documentation review. Where accredited status is not immediately awarded KFOA will discuss the reasons for this with the hospital/trust and agree a timescale for addressing them. There is a mechanism for review if the organisation disagrees with the decision of KFOA. Accredited status is valid for three years, but may be subject to periodic monitoring.

PLANNING



ACUTE HOSPITAL AND PRIMARY HEALTH CARE PROGRAMMES HOW THE AUDIT WORKS - KEY ROLES

The steering group has four key functions:

- *Communication and education about Organisational Audit.*
- *Monitoring progress towards achieving the standards and planning and coordinating action.*
- *Preparation for the survey.*
- *Managing the changes and improvement strategy after the survey, to ensure continuous organisational development.*

SURVEYORS

For the acute hospital survey the survey team will typically consist of an NHS trust chief executive, a senior operational manager, a consultant and a director of nursing. In large trusts there may also be a director from professions allied to medicine.

The survey team for primary health care will include three surveyors, although on some occasions this may be limited to two. The team will normally comprise a GP, practice manager and a manager working for a community trust or a purchasing health commission/FHSA. Surveyors are selected by KFOA and undergo training prior to taking part in surveys. They are chosen for their experience, knowledge, credibility and appropriateness for the organisation being surveyed.

The role of the surveyors is to assess the compliance with the standards and criteria, to commend good practice, to recommend improvements and in the case of acute hospitals to recommend whether a hospital should be accredited.

STEERING GROUP

The steering group, formed within the organisation to be surveyed, has a vital role to play in making Organisational Audit successful. The acute hospital steering group should be high level and committed to both short term and long term quality improvement. Membership of this steering group should be multidisciplinary and be of sufficient seniority to enable beneficial changes identified by the programme to be implemented. The primary health care steering group should also be multidisciplinary and reflect the whole practice.

SURVEY COORDINATOR

A survey coordinator or facilitator from within the organisation should be appointed to lead the preparation for Organisational Audit.

The coordinator supported by the steering group is responsible for promoting Organisational Audit throughout the organisation and facilitating the process. Key aspects of the role include working with the steering group, producing a project plan, identifying key activities and timetables, distributing standards and ensuring that each service carries out an initial assessment and develops an action plan. Communication and collating documentation are key responsibilities.

THE SURVEY MANAGER

The survey manager is appointed by KFOA to support a number of hospitals/trusts or primary health care units throughout the period prior to survey and during the survey itself. An agreed number of visits is arranged with the unit before the survey to assist the steering group with communication and planning. The survey manager may help by making presentations or running multidisciplinary group workshops. Key aspects of the role include; advice and support to the coordinator and steering group, planning, training and general guidance.

The survey manager has the important task of ensuring with the coordinator that the preparatory period and the survey itself run smoothly. The survey manager is responsible for planning and managing the survey. At the end of the survey the survey manager produces the written report, which is based on the findings, assessment and recommendations of the surveyors.

TEAMWORK



THE BENEFITS
OF ORGANISATIONAL AUDIT

The benefits of King's Fund Organisational Audit are powerful and diverse. Involvement in Organisational Audit brings staff from different areas together and encourages initiative. There is no off-the-shelf solution to quality improvement, but there is a direct relationship between the effort and commitment put in and the benefits gained. Top level commitment is essential to maximise the effort of staff. The report produced at the end of the survey provides concise recommendations helping to set a new agenda for change and organisational improvement.

- *Provides a framework of health care specific standards to compare against;*
- *Stimulates and challenges - a major catalyst for change at all levels of an organisation;*
- *Enhances human resource management - focusing on direction, structure, process, policy and procedures;*
- *Improves communication - communication, particularly between departments, is enhanced;*
- *Encourages quality improvement - good practice is recognised, ideas are exchanged and new and better ways of doing things are found;*
- *Promotes multidisciplinary involvement - individuals gain a greater understanding of their organisation their individual objectives and the value of teamwork;*
- *Reassures - a credible, independent third-party validation of organisational fitness for purchasers, providers and patients;*
- *Offers good value - relies on proven methods and standards, and experienced volunteer senior health professionals for external peer review.*

DIRECTION



PRIMARY HEALTH
Organisational
Standards

Guidance for
PRIMARY HEALTH CARE
Themes

The King's Fund
ORGANISATIONAL
Audit



ACCREDITATION
Guidelines
for
PRIMARY
HEALTH
CARE

The King's Fund
ORGANISATIONAL
Audit

HOSPITAL ACCREDITATION
PROGRAMME
Organisational Standards
and Standards & Criteria

VOLUME
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HOSPITAL ACCREDITATION
PROGRAMME
Organisational Standards
and Standards & Criteria

The KFOA standards and criteria enable assessment, evaluation and development of all key aspects of the organisation from its structure and process through to its policy and procedures. The standards do not themselves replace local standards for the delivery of care or standards of professional practice, they are designed to complement local and professional initiatives.

Staff at all levels should be involved in working with the standards and criteria pertinent to their area of work. This encourages ownership of the process and group discussion. It facilitates the identification of weak and problems areas, different staff perceptions are brought out into the open of how well their service complies with the criteria.

THE STANDARDS AND CRITERIA MANUAL

THE ACUTE HOSPITAL PROGRAMME

The manual is divided into seven sections:

- *The Patient's Rights and Special Needs*
- *Corporate Management*
- *Core standards for non-clinical services*
- *Non-clinical service specific criteria*
- *Core Standards for Clinical Services*
- *Service Specific Criteria for Clinical Services*
- *Health Record Content.*

Core sets of standards to be used by non-clinical and clinical services have been developed to take into account the changing organisational structure of the NHS - namely the introduction of clinical directorates. The format of the manual is intended to be flexible and applicable to different organisational structures.

Each core section of the manual contains the following sub-sections:

- *Aims and Objectives*
- *Management and Staffing*
- *Staff Development and Education*
- *Policies and Procedures*
- *Facilities and Equipment*
- *Quality Management and Evaluation*

In addition, a patient care sub-section appears in the core standards for clinical services. The sub-sections follow a logical sequence beginning with the aims of the service and the objectives that need to be in place to achieve those aims, the staffing structures that are needed to achieve the aims, the training that is necessary to equip staff with the skills they need to achieve the aims, policies and procedures needed to guide staff in their activities, facilities and equipment needed to deliver the service, standards to ensure care is centred on the patient, and the evaluation of the service to ensure that the aims set are being met.

THE PRIMARY HEALTH CARE PROGRAMME

The manual is divided into four sections:

- *Core organisational standards and criteria*
- *Primary health care team members*
- *Health records*
- *Minor surgery*

KEEPING PACE WITH CHANGE - STANDARDS DEVELOPMENT AND UPDATE

Development of the standards is a continuous process and the standards manual is regularly reviewed and updated. Primary health care standards were published in December 1993. The most recent review and update of the acute standards was completed in September 1994 in readiness for the introduction of hospital accreditation in 1995. Much of the development and revision work has been undertaken by specialist working parties; the members of which have been drawn from users and professional organisations.

WHO SHOULD UNDERGO ORGANISATIONAL AUDIT?

Organisational Audit is voluntary and should be seen as a means of promoting self-improvement, and continuous quality improvement. It is a valuable means of reassuring all stakeholders about the performance and quality of health care organisations. It encourages the ownership of quality within the surveyed organisation. It is therefore valuable for a number of different health care organisations to undergo audit.

ORGANISATIONAL AUDIT PROGRAMMES

- *Acute* - NHS trusts and directly managed units
 - Independent hospitals
- *Primary health care* - GP practices
 - & Health centres

PROJECTS IN DEVELOPMENT

- *Nursing homes*
- *Health commissioning*
- *Community health services*

OTHER SERVICES IN DEVELOPMENT

- *Information database on good practice*
- *Key performance indicators*

King's Fund



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The success of King's Fund Organisational Audit can be measured not only by the commitment made by the two hundred acute hospitals, from both the NHS and independent sector, that have submitted themselves to KFOA scrutiny over the last five years, but by the expansion and diversification beyond the acute sector. The primary health care programme launched in 1994 is now working with over sixty general practices. A significant number of new projects are currently being planned or piloted in community health services, including mental health services and those for people with learning disabilities, community hospitals and nursing homes. Work to develop guidelines for commissioning health is also underway. KFOA's success is undoubtedly due to the fruitful collaboration and networking within the health service and not least due to the volunteer, senior health professional surveyors who undertake the survey assessment. Their commitment and involvement extends beyond their role to assess compliance with the standards.

FURTHER INFORMATION

If you would like to find out more about Organisational Audit, please contact the Marketing Manager:-

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