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GOOD PRACTICE
CASE STUDY

NHS
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## ROYAL LIVERPOOL AND BROADGREEN UNIVERSITY HOSPITALS NHS TRUST

# GETTING THE MOST OUT OF ESR USING ESTABLISHMENT CONTROL FUNCTIONALITY

## SUMMARY

This case study describes the introduction and some of the issues encountered when rolling out the use of the Establishment Control functionality at the Royal Liverpool and Broadgreen University Hospitals Trust (RLBUHT) from 2009 onwards.

Establishment Control is the formal process for matching information on funded posts in an organisation to the details of the staff currently employed in those posts.  This is made difficult due to the fact that funded posts are normally recorded and managed within a Trust's finance department using the finance information systems whereas the management of staff in post is usually managed through ESR via a Trust's HR department.  Having an effective establishment control process in place means that a Trust can match the information from both sources together quickly and easily to ensure that information in both systems is accurate at any point in time.

The Electronic Staff Record (ESR) already implemented across the NHS has the functionality as part of its 'model office' principle to provide this.

Alison Terry, HR Business Relationship Manager at RLBUHT has been the ESR Lead, advocating the use of the functionality along with her Finance colleague Kevin Robinson. They feel the greater accuracy between workforce information and the general ledger is praiseworthy given the work involved:

*"Over the last three years we have endeavoured to work closely with Operational Managers and Finance to get the processes right to not only agree the baseline but maintain the establishment position. It is the maintenance process which drives the benefits. Managers have real time information to support their workforce development and cost improvement programmes. They are able to see the whole picture and take informed action earlier"*

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## KEY OUTCOMES

- A full review and understanding of the workforce and structures in the organisation working with Operational Managers, Finance and HR and based on funded establishment

- System of establishment control in place providing real time information relating to posts, vacancies and staff in post

- Reporting on workforce and budgeted establishment are no longer based on the financial ledger system where information could be at least a month out of date

- Finance has access to real time workforce information

- Finance reports to managers around costs will match HR reports around sickness absence etc.

- Improved financial control around establishments – both staff in post & vacancies

- Up to date vacancy reports

- Reduced workload in terms of "correcting errors and exceptions" when only one system is used

- Interface enables the transfer of data to be passed across to the financial systems which means that there is no requirement to constantly balance the ledger

- Links staff personal records to the establishment

- The Department of Health can directly access workforce information through the ESR Data Warehouse

- The up-to-date establishment and vacancy analysis supports the recruitment process

- The system supports cost savings in the use of agency and bank staff, particularly in nursing where vacancies can now be clearly identified so that substantive appointments can be made

- The system provides a transparent view of the organisation and its workforce at a high level

## BACKGROUND

**Royal Liverpool and Broadgreen University Hospitals Trust (RLBUHT) is situated in Liverpool and is one of the top twenty teaching hospitals in the country. It provides services across two sites and three hospitals, the Royal Liverpool University Hospital, Broadgreen Hospital and Liverpool University Dental Hospital. The Trust is one of the largest and busiest hospital trusts in the North of England with an annual budget of over £400 million and around 5,500 staff.**

**It provides general hospital services and emergency care to the local Merseyside community including a full range of medical, surgical, diagnostic, rehabilitation and therapy services. Currently applying to be a Foundation Trust, the Trust is planning to replace the existing Royal with a new state-of-the-art hospital and now have the support of the Government to do this.**

## KEY AIMS

- Workforce is the biggest single expenditure for the Trust. In order to manage this huge resource better, the Trust aimed to utilise the ESR establishment control system. This would provide the opportunity to link up to date financial information/budgets to HR information

- To completely review the current establishment and funding to produce a system that is based on clean data and agreed funded posts

- To have a system that allowed for far better real time reporting to support workforce planning, workforce utilisation and cost improvement

- To develop an establishment control system that supports other HR and Finance processes including Recruitment (linking to e-Rec) and vacancy control

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## KEY STAGES OF SET-UP

The buy-in and support for using this functionality within ESR was approved by the HR Director and Finance Director in 2009. The lead areas have been HR and Finance working with groups of operational managers.

Across the Trust operational groups worked with their Finance and HR colleagues to set up relevant work structures in the organisation and to agree the Whole Time Equivalents (WTE) in their budgets. Assignments (staff employed) were then linked to the agreed positions in the structure. The important aspect of this work was the review of all the work structures in the Trust and the 'agreement' reached between the parties to produce a robust system of funded establishment linked to people in post.

Up-to-date, agreed information was then entered into ESR in 2009/10 but this was not kept updated and the process had to be started again. Both Finance and HR needed to be involved in keeping the information up-to- date using a two-way tight process. In 2010/11 the data was cleaned up and re-entered. This is being maintained for Nursing but again due to a review of administration services further work is required to keep a fully operational system in place.

The learning from implementation is that maintenance process must be adhered to as any divergence in ESR and the ledger figures means that the workforce data becomes out of sync. To assist with this, changes to the agreed establishment such as a change in hours or banding must be approved by the Trust's Workforce Scrutiny Panel and the Financial Accountants (who check with ESR) before the Transactional HR team can implement them. If there is a request to recruit to a post the Transactional team

ensure that there is approval for the spend, ensure the position number is correctly set up and then link the vacancy to NHS Jobs as a recruitment episode.

## HOW IT WORKS

Establishment control has been realised by the close cooperation of HR, Finance and Operational managers. Managers now understand the need to create positions within their departmental structures as changes are made.

In addition Finance have invited HR staff to join them in undertaking the reconciliations with operational managers, which keep the ESR 'actual' workforce information aligned to the funded establishment-yielding vacancy analyses.

## RESOURCES

The Establishment Control system is part of the ESR fully integrated package and required no extra funding. The package is funded nationally through top slicing until 2014.

The maintenance of ESR for the Trust is currently carried out by a shared service provision. This means that managers need to submit change requests formally through relevant change forms and processes and ensure that the 'rules' around changes are adhered to.

The internal resource to support the changes and maintenance required is derived from the use of a workforce information team. In addition to the normal monthly reporting relating to absence, turnover and recruitment, the team attends and shares the reconciliation activity with Finance colleagues.

## KEY CHALLENGES

- Need to build confidence in ESR as some managers were anxious about relying on this new system as they initially felt ESR data was incorrect. Meetings to look at the staffing and budgets are gradually building confidence

- Getting agreement from across the Trust on establishment and funding was crucial. It is time consuming and needs to be tightly managed. The group overseeing the implementation process monitored and drove the process

- Keeping data up-to-date let the Trust down in its first attempt to implement but once this was identified as a key process, the inputting of changes has been a priority

## KEY LEARNING

- Good working relationships and excellent communication between the three main departments is vital i.e Finance, HR/ Work force Planning / Recruitment & Payroll

- Work structures must be robust and must mirror the finance general ledger as much as possible

- Smooth, speedy and accurate processes must be in place to ensure on-going maintenance of the data immediately after data is loaded

- Recruitment systems need to be robust and integrated

- Although the working relationship between HR, Workforce, PR and Finance is extremely important, there has to be robust communication with budget holders. This includes regular meetings with budget holders in order to support and build both trust and confidence in the new system

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## SUSTAINABILITY

The need to maintain the funded establishment is embedded in the need for recruitment to every new or existing post to be agreed and recorded by Finance.

Any new role is a change to the establishment, which is acknowledged by the creation of a position within ESR. Through the recruitment process managers have become aware of the need to ensure the establishment reflects spend and that ESR correctly ascribes the cost to their area for workforce reporting purposes.

The project has highlighted the constant need to maintain both ESR and ledger data in sync in order to realise full benefit.

## NEXT STEPS

There is still a measure of confidence building with some areas / managers who question the accuracy of the system. Regular budget meetings looking at ESR and the financial ledger are helping to build trust and show that the information does marry up. Embedding the system and building on the benefits realisation across the Trust will be a priority for the future.

The planned development of Manager ESR self-service will bring with it the opportunity for the establishment to be directly accessed and utilised more readily.

ESR self-service functionality has been received warmly by Consultants and other medical staff wishing to record their independent learning. In addition staff have been impressed by the opportunity to amend and update their own details and have access to their current and historic pay information.

Managers value the means of electronically being alerted to holiday/Lieu time and training requests and having the means to track the responses they make. They will also benefit from first hand access to their departmental staffing reports, allowing easier maintenance of establishment control.

## SUPPORTING MATERIAL

The following resources are available as an appendix to this case study:

- ESR Model Office at the RLBUH

- ESR Establishment Control – Best Practice Document (NHS North West 2009)

## FURTHER LINKS

**www.electronicstaffrecord.nhs.uk**

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