

HEALTH MANAGEMENT DEMANDS IN THE 21ST CENTURY

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Mr. Chairman, Distinguished Guests, Ladies and Gentlemen

In the past 30 years, health care has become one of the most challenging, expensive and dynamic of all sectors of human activity. In these days of visioning in Nigeria; thanks to Vision 2010, I believe it is now mandatory, if not crucial that health management demands be adequately addressed. I have mentioned 30 years because I have been actively involved in Health Management both in the public and the private sectors since 1967 and if one looks outside our shores to advanced countries like the United Kingdom and USA, one will come to the conclusion that the demands of health management are really very crucial because choices are becoming harder and more constrained and there now exist, tools for making the right choices. As real incomes grew and people's expectations and standard of living advanced, several societies found ways of overcoming the financial problems of access to medical care for the generality of its citizens except the wealthy.

In Sweden, it was through local provision of services; in Germany, through compulsory social insurance and in Britain, through voluntary mutual insurance system. It is very instructive that immediately after the Second World War, whilst hospitals and other health care facilities remained destroyed and dilapidated, advancement in medical technology continued to grow and this resulted in governments taking on the responsibility for the provision of health cover, and many advanced countries made large budgetary provisions to ensure a social policy goal of availability of health care to as many of its citizens as possible. This, however, was followed by control of public expenditure as a means of checking "big government" and this affected health care expenditure, which led to a decline or, in some cases, reverses on expenditure in health care.

There is no doubt that while budget were being controlled, major inflationary forces, continue to ravage health care expenditure. A demographic factor such as an ageing population has also wreaked its own havoc on health care budgets.

Added to these is the fact that health services are people intensive and relatively few opportunities exist to replace people with machines. It is, therefore, obvious that a good management practice is the only viable solution to this problem.

Furthermore, since one of the most important factors influencing health care is science and technology, the gap between what can be provided and what is available continues to widen and the inescapable result is that choice will have to be made because collective wealth grows considerably more slowly than medical

possibilities. It, therefore, goes without saying that no country however rich, is going to be able to pay for all the health care that could benefit its citizens. In order to be in a position to be able to make correct choices, efficiency and good management practices in administration of health care services must be pursued relentlessly. It is, therefore, imperative that the objective must be to improve the management of the services continuously to maximize the use of resources allocated to institutions like University College Hospital.

This then brings us to good management practices that must be adopted by all health care managers in the next millennium and the bedrock of these are:

- (a) Managing change and innovation
- (b) Evaluation of Management Team by Results
- (c) Introducing business approaches to public sector agencies.

The qualities expected from the leader of the team include:

- (i) Leadership - Committed, effective, articulate and decisive;
- (ii) Culture - Well articulated goals and values underpinned by planning management processes which translate vision into reality;
- (iii) Communication - the ability to communicate effectively within the organization, with customers and others.
- (iv) Organization - clear accountability without too many tiers or too much complexity; coupled with flexibility and willingness to adapt;
- (v) Profit through - an understanding of the value of people, the importance of and people managing motivation (companies which were innovative in managing people outperformed competitors);
- (vi) Management - giving sufficient time and attention to resources, innovation and change itself and managing all resources effectively.

Evaluation criteria which are normally applied to the Chief Executive and his management team include their past performance in managing the business and the Chief Executive himself must have:

- a good strategic view of the business;
- an ability to stand back from the details of the business when necessary;
- effective delegation of tasks;
- good team-leading and motivational skills;
- strong, positive image both inside and outside the organization;
- sound financial awareness and orientation.

The general leadership qualities and management skills are set out below. It must be appreciated that these factors are closely interrelated and will be of different importance depending on the size and complexity of the facility and the management agenda it faces.

(a) Leadership Qualities

- Vision
- Culture
- Team Work

- Staff Relations
- Customer Relations
- Decisiveness
- Personal Attributes

(b) Management Skills

- Business Planning and Understanding
- Management Information and Information Technology
- Financial Management and Control
- Human Resource Management
- Management of Resources
- Marketing
- Organization

LEADERSHIP VISION

Health facilities like the UCH, will succeed in a competitive market if they can offer a better level and higher quality of service, more cost effectively than other hospitals. This demands a clear vision of the service and how it will benefit patients. A well articulated vision will be important in winning the commitment of medical and other staff, purchasers of the services and the patients themselves. This vision must be practical if it is to be believed, but must also offer new and innovative approaches to meeting health care needs. The vision must not restrict the flexibility of the hospital to be creative and take opportunities which arise.

Some of the key assessment questions are:

- Is the Chief Executive clearly identified as the source of leadership and providing the vision of the hospital's future?
- Is there a clearly defined and articulated mission statement of the vision for the board, its objectives and distinctive character?
- Is the vision directed clearly at bringing benefits to patients?
- Is the vision widely communicated and understood? Is it supported by the staff (particularly clinicians) and by each individual member of the management team?
- Does it allow for innovative and distinctive approaches to meeting health care needs?
- Have core values for the hospital been defined and articulated to staff?
- Is there a plan of action for translating the vision into reality and ensuring that the hospital's values do affect the attitude and behavior of employees?
- Are there management processes in place (planning and performance review) to ensure that this happens i.e. to ensure and promote the achievement of the objectives and distinctive character of the unit and its services to patients

LEADERSHIP CULTURE

Within units, culture change will be essential to success. Clinicians and other staff value highly their technical input to patient care and this must not change. However, often insufficient attention is paid to the patient as a customer requiring individual attention and

respect, information and consideration for his convenience and comfort as well as maintaining dignity. While the impetus for innovation in treatment and care may come from the management team, this must be reinforced by a culture which encourages innovation at ward level and amongst service staff with the aim of providing better and more cost effective services to patients. To this extent entrepreneurial spirit is very relevant and important for survival. Some of the key questions to be posed are:

- Is there an innovative and entrepreneurial climate and approach within the organization?
- Is there an expectation that managers will manage (particularly amongst clinicians)?
- Is there a bias towards informal rules rather than rigid rules?
- Do staff feel involved and committed to the organization, its goal and objectives?
- Do staff and management actively pursue the core values of the organization and do they feel they are part of it?
- Is there a commitment to not only satisfying but exceeding the clients' expectations and that the hospital needs to have a high quality image?
- Is there an ability to make things happen in the organization and do managers "volunteer"?
- Are staffs valued and do they believe that this is the case?
- Is there trust between managers in relation to both professional/functional ability and management ability?

LEADERASHIP TEAM WORK

The agenda for change facing units is such that it is inconceivable that change can be managed by one person. Effective teamwork is therefore essential. One particular aspect of teamwork which will be vital is the binding together of clinician, nursing and management teams. Such teams provide the means to achieve an innovative and responsive service. Indeed it could be said that contracts for the delivery of service must be backed by such teams willing and able to take responsibility for the delivery of services to fulfill those contracts. The key questions to be considered are:

- Is the unit management team as an entity clearly identified and its role defined and does it have clear authority within the unit?
- Is the team committed to the goals and objectives of the organization?
- Is the team balanced with respect to the qualities, skills, expertise and personal characteristics of the individual team members?
- Are the corporate responsibilities of each management team member and the individual functional or professional responsibilities of each management team member defined explicitly and appropriately?
- Are flexible, collaborative, task-oriented or problem-solving working arrangements in place or proposed i.e. working arrangement with cross-functional and professional boundaries and as required to meet the unit's business plan?

- Having the training needs of each team member been identified (with respect to their present capability and the future capability required of each under self-governing entity arrangement) as a member of the unit's management team?
- Is there a sense of unity and discipline in the team or are divisions and dissension evident?
- How are conflicts of view – professional v. management handled? e.g. a financial problem?

LEADERSHIP – STAFF RELATIONS

It will be essential to build staff understanding and commitment to change. This requires leadership and good communication and not simply a ballot box approach. In this respect it will be important not simply to communicate with all staff but also to listen and respond to their concerns and suggestion. The key questions to be considered are:

- Are arrangements made or in hand for effective formal communication (up/down) within the organisation?
- Are relationships between clinicians and nurses and other professional and management staff good, is there mutual respect?
- Are informal communication encouraged (open door policies, availability of management to staff?)
- Is there evidence that communication informs and leads to management decision making?
- Have channels for staff consultation and negotiation (as appropriate) been reconsidered in the light of the changed circumstances?
- Is there a commitment articulated to the development and training of all staff?
- Is that commitment articulated also in the business plan.
- Do staff trust and respect management and are they prepared to follow them?

LEADERSHIP – CUSTOMER RELATIONS

As patients and GPs are going to have more choices available to them in future as the new competitive market environment expands, it will be vital that hospitals develop an attitude which is conducive to ensuring that the customers' expectations are not only met but exceeded. This covers not only the quality of care provided but also the quality of the process of dealing with the patient during the whole period of the relationship and the follow up of information to the GP. In order to achieve this, units will need to manage customer relations, by not only listening to complaints and suggestions but also taking positive steps to influence customer choice and ensure that services are continually adapted to meet customer needs and preferences. The key questions to be posed are:

- Are the hospital's customers clearly and appropriately identified?
- Have they been consulted or subjected to survey and are there plans to consult customers and to respond to their views?
- Has the Chief Executive identified appropriate working relationships with respect to each of:
 - Non-executive board members

- Procuring districts
- GP referrers
- Other health facilities
- Community health councils
- Individual patients?
- Has a management team member been identified to take lead responsibility for customer relations? Is there a customer relations strategy?
- Has a marketing strategy been developed appropriate to the overall aims and objectives of the unit and geared to its business plan?
- Is there evidence of innovative in service delivery which anticipates customers' needs and expectations?
- Does the management team possess proven marketing expertise or, if not, has it identified the need and the mechanisms with which to obtain such expertise?

LEADERSHIP – DECISIVENESS

Delegation of responsibility to units is intended to ensure that they can take decisions more effectively by removing a layer of administration. If this freedom is to be used effectively, the Chief Executive and Management Team will need to be able to act decisively. The shift in orientation required of managers within units will also require more delegation of authority particularly towards those most closely concerned with patient treatment and care. More and more clinicians will have to become involved in the management of units and be prepared to take appropriate management decisions. The key questions to be considered are:

- Does the Chief Executive have a good track record with regard to tackling difficult or contentious issues, taking positive decisions and ensuring that these are carried through?
- Have difficult issues faced by the unit been identified and dealt with or is there a backlog of issues to be faced?
- Does allocation of actual authority match allocation of accountability and responsibility?
- Does the allocation of responsibilities and accountability proposed avoid role overlap, conflict or ambiguity? Is it likely to facilitate or inhibit individual decision making?
- Is authority and responsibility delegated, and delegated appropriately, effectively and clearly?
- Are decisions within the organization made before crisis levels are reached?
- Are arrangements for corporate decision making clear (e.g. the terms of reference for the Board?)
- Is management information available and provided to individuals to support and inform them when taking decisions?

LEADERSHIP – PERSONAL ATTRIBUTES

- Ability to command respect and trust to gain personal commitment from staff as well as motivating them effectively.
- Empathy with and understanding of the health sector, understanding the politics of health and the professions within it.

- Sound intellectual level (may be evidenced by sound education or professional training base) but also having common sense.
- Have courage of convictions, be willing to take risks and have the ability to make things while remaining pragmatic and resilient.
- Comfortable with the role of leader and being accountable, able to achieve high visibility in the unit and comfortable with power.
- Good communicator with good inter-personal skills who is approachable and listens well and is able to relate to professional specialists.
- Flexibility and adaptability, knows own weaknesses and compensates for them but is ambitious and achievement-oriented.
- Negotiating and persuasive skills, personable and able to develop relationships.
- Capacity to handle many issues at the same time and is temperamentally stable.

There is no doubt that hospitals require an enormous amount of organization so it is hardly surprising that administration is a major cost item, yet the general belief is that administration does not directly benefit the patient so that the more cost can be kept down, the more money that is ultimately available for direct patient care.

It is, however important that the money is well spent, hence the need for a good manager and good management practices. The hospitals desire for improved efficiency is no different from many other enterprises' desire to improve performance and profitability.

It should also be realized that broad changes are occurring in health care management and the changes are greater accountability and greater responsibility, much greater pressure for managers to perform more effectively, less emphasis on professional/specialists breakthroughs and more emphasis on people and financial management.

Advances in Medical Sciences will make it possible to treat difficult cases as even now, transplants and implantation of artificial joints and organs and further development in medical technology are major factors leading to increased health care costs because many of these new procedures complement available services. Hence, the efforts to control health care costs will be focused mainly on hospitals, because hospitals account for about 65 per cent of total health care costs. Only the managers possessing the necessary skill will be expected to lead the University College Hospital if it is to continue to make headway as a leader in the health care industry.

The manager must possess ability to motivate, communicate, co-operate and be innovative in human relations.

In view of the dwindling resources, only managers who can address the issue of costs efficiently and manage the human and material resources can adequately lead this Hospital in the next millennium.

culled from the symposium titled "UCH in the New Millenium". Part of activities celebrating the 8th UCH day and the 40th Anniversary of the Hospital.

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