Managing health care

Objectives for Learning

This part will teach the student how to:

Explain what health care management is and what the manager's job is;

Tell the difference between the jobs, duties, and duties of healthcare managers; and

The most important skills for hospital managers are compared and contrasted.

Starting off

Any book that starts with "healthcare management" needs to clearly explain what the job is and go over the main duties, duties, functions, and abilities of healthcare managers. This chapter is mainly about these things. Healthcare management is a field that is growing, and there are more jobs available in both direct care and non-direct care situations. Buchbinder and Thompson say that direct care settings are "those organizations that provide care directly to a patient, risent, or client who seeks services from the organization." Non-direct care settings don't provide care to people who need it, but they do help direct care settings care for people by giving them products and services.

Because the healthcare business is growing and changing, healthcare management is one of the fastest-growing jobs (Bureau of Labor Statistics, 2010). The number of jobs for health services managers is projected to grow 16% between 2008 and 2018, which is faster than the average for all jobs.

Inpatient and outpatient care facilities will likely need these managers. Outpatient centers, clinics, and physician practices will see the most job growth in managerial roles. Because hospitals are so big, there will be a lot of management jobs in that area as well. These figures also don't take into account the large increase in management jobs in places other than direct care, like consulting firms, drug companies, associations, and medical equipment companies. These non-direct care settings help direct care organizations a lot. And since the number of managerial positions in direct care is likely to grow a lot, so will the number of managerial positions in non-direct care settings.

As a profession, healthcare management gives guidance and direction to companies that provide health services to individuals, as well as to different parts, departments, units, or services within those companies. If you want to make a change in other people's lives, healthcare management can give you a lot of personal and professional satisfaction. This chapter gives a broad look at the field of healthcare management. People who are thinking about becoming healthcare managers need to know what their roles, responsibilities, and functions are so they can make an informed decision about whether or not they want to work in this field. This chapter talks about key management roles, responsibilities, and functions, as well as management positions at different levels within healthcare organizations. There are also descriptions of supervisory, mid-level, and senior management roles in different companies.

THE NEED FOR MANAGERS AND WHAT THEY SEE

Healthcare groups are complicated and always changing. Because of the way organizations work, managers have to lead, supervise, and coordinate the work of their workers. Organizations were formed so that people could work together to reach goals that no one person could do alone. There are so many different and difficult tasks that need to be done in healthcare organizations for each employee to be able to complete the whole job on their own. In addition, the tasks that healthcare groups need to do to provide services require a lot of highly specialized fields to work together without any problems. Managers are needed to make sure that tasks are done in the best way possible so that the organization can reach its goals and that it has the right resources, such as money and people, to do its work.

When people are hired as healthcare managers, they are given power and make important decisions that shape the organization. Decisions like these are made about things like hiring and training staff, buying technology, adding or removing services, and allocating and spending money. Healthcare managers make choices that make sure patients get the best, most timely, and most effective care possible. These choices also take into account meeting the manager's success goals. Ultimately, the choices made by a single manager have an impact on the overall performance of the company.

When managers make decisions and do different jobs, they need to think about two areas. You can find these domains in Table 1-2. They are called external and internal domains. People, resources, and activities that happen outside of a company but have a big impact on it are considered to be in the external domain. These factors include the needs of the community, the makeup of the people, and the amount of money that will be paid back by private insurers and government programs like CHIP, Medicare, and Medicaid. The internal domain is made up of the things that managers have to think about every day, like making sure they have the right amount and types of staff, keeping the finances in order, and making sure patients get good care. The manager has the most control over how the company works in these internal areas. Keeping a dual perspective takes a lot of work and balance on the part of management in order to make good choices.

Health Services Administration Domains (Table 1–1)

Outside Inside

Population and staffing needs of the community

Permits and Budgeting

Certification Good services

Rules for Patient Happiness

Stakeholders want to talk to physicians

Competitors' financial health

The purchase of technology by Medicare and Medicaid

Table 1-2: Managerial Positions by Type of Organization

Setting of the Organizational Examples of Managerial Positions

Manager of a doctor's office

In charge of medical records and the billing office

Manager of a nursing home

Supervisor of Environmental Services, Food Services Admissions Coordinator, and Manager of the Business Office

President and CEO of the hospital

Vice President of Marketing; Clinical Nurse Manager; Director of Revenue Management; Maintenance Supervisor;

Definitions, functions, and examples of management systems 5

As part of the management process, managers carry out six management tasks.

Planning: For this task, the boss needs to set goals and figure out what needs to be done. It means making decisions about what to do first and setting goals for success.

This part of management is about setting up the organization as a whole or the specific division, unit, or business that the manager is in charge of. In addition, it means naming who reports to whom and planning how people will connect with each other. Positioning, assigning tasks for teamwork, and sharing power and responsibility are all important parts of this function.

Staffing: This role is about hiring people and keeping them on. Also, it means using different methods and tactics to build and keep up the workforce.

As part of this role, controlling means keeping an eye on the work and activities of employees and taking the right steps to improve performance.

Leading: This job is all about getting things done in the business by motivating and communicating with subordinates and being a good leader.

Decision making: This is an important part of all of the other management tasks listed above. It means making good choices by weighing the pros and cons of different options.

For these tasks to be done well, the boss needs to have a number of important skills. Listed several important skills that a good boss should have, such as conceptual, technical, and interpersonal skills. Individuals are said to be competent when they have the necessary or sufficient skills or traits to carry out certain tasks (Ross, Wenzel, & Mitlyng, 2002). Here's how to describe them:

The ability to think clearly and solve difficult problems is an example of a conceptual skill. For instance, a manager might look into the best way to provide a service or come up with a way to cut down on patient comments about food service.

Having technical skills means being knowledgeable about or able to do a certain job task. For instance, a manager might create and execute a new incentive pay system for employees or make changes to a computer-based staffing model.

Management skills include interpersonal abilities that help them interact and work well with others, whether they are coworkers, superiors, or subordinates. For instance, a boss might talk to an employee whose work isn't up to par or let subordinates know what level of performance is expected for a service in the coming fiscal year.

MANAGEMENT POSITIONS: THE CHAIRMEN OF THE ORGANIZATION

Healthcare organizations don't just have management positions at the top. Because many of them are big and complicated, management positions are spread out all over the company. There are lower, middle, and high levels of management. The top level is called senior management. The hierarchy of management shows how power or authority is passed down through a company. Managers lower on the hierarchy have less authority than managers higher up the hierarchy, who are responsible for a wider range of tasks. For example, in a hospital, a vice president of Patient Care Services might be in charge of nursing, diagnostic imaging services, and laboratory services, among other things. A director of Medical Records, on the other hand, is a lower-level position that is only in charge of patient medical records. Also, in the Environmental Services department, a supervisor might only be in charge of a small housekeeping team. Their work is important, but they are only responsible for a certain area of the company. Some management jobs, like the ones we've already talked about, are called "line managerial" because the manager is in charge of overseeing other employees. Other management jobs are called "staff managerial" because the manager does work and gives advice to their bosses but doesn't usually oversee other employees.

A functional organizational structure with a pyramid-shaped hierarchy is the most common way for healthcare organizations to be set up. This structure shows what tasks are done and who is in charge of those tasks (see Figure 1-2). The structure will depend on the size and complexity of the health care organization. Larger groups, like community hospitals, hospital systems, and university medical centers, tend to have deep vertical structures that show different levels of administrative control over the group. Because there are so many services to offer and so many administrative and support services that are needed to make those services possible, this structure is important. A strict line of reporting and chain of command are also part of this functional structure. These make sure that communication, job assignment, and evaluation all happen in a linear command and control environment. This structure has many important benefits, including clear lines of reporting and accountability and clear divisions of work.

Self, unit/team, and organization are the main areas of management.

Managing healthcare effectively means using professional knowledge and judgment and managing at three levels: the individual, the unit or team, and the company as a whole. The person who is managing an individual must first be able to handle that person well. This includes keeping track of time, information, space, and materials; responding quickly and following through with clients, coworkers, and peers; keeping a positive attitude and being highly motivated; and staying up to date on management techniques and important issues in healthcare management.

The unit/team work level is the second thing that managers pay attention to. People at this level of management are experts at getting other people to do their work well. As expected in your job, whether you are a senior manager, a mid-level manager, or a supervisor, you will be "supervising" other people. The real work gets done in this main area. Performance is a reflection of how the manager and employee communicate, and it is the manager's job to change the performance of each employee. The focus of management at this level is on understanding how staff members' tasks depend on each other and how close teamwork is needed to get work done quickly and well.

The third area that managers should work on is the organization. This focal area shows that managers need to work together as a team within the business to make sure that the whole thing works well and stays alive. That is, the organization's success depends on the success of each of its parts, and for this to happen, people must be able to work together well. Because a healthcare company does a lot of clinical and nonclinical work, the managers of each unit must work closely with the managers of other units to provide services. For success, people must share knowledge, work together, and talk to each other.

HOW THE MANAGER WORKS WITH TALENT

In order for management to master the main areas of management and do their jobs well, they need to have the right number and types of highly motivated workers. Many people have said that healthcare companies should see their workers as valuable assets that can give them an edge over their competitors (Becker, Huselid, & Ulrich, 2001). In many healthcare organizations, "talent management" has taken the place of "human resources management." The goal is now to find and keep the best people for the job, rather than just filling a part. Because of the link to organizational success, managers are now focusing on how to effectively manage talent and workforce issues.

There are a number of ways that managers can create and keep good employees. Some formal ways are to offer training programs, leadership development programs, employee needs assessments and satisfaction surveys, continuing education, especially in clinical and technical fields, and the chance to learn new skills on the job.

WHY THE MANAGER IS IMPORTANT FOR HIGH PERFORMANCE

Of course, the manager's job is to make sure that the group, service, division, or company they are in charge of does a great job. What does it really mean to have good performance? To understand performance, you need to know how important it is for the unit, service, and group as a whole to set and meet goals and objectives for the work that is being done. Objectives and goals are the places where you want to reach by the end of an action. They also show the organization's strategic and operational directions. Griffith says that there need to be performance measures for each of the following "championship processes": leadership and strategic management; clinical quality, including customer satisfaction; clinical organization (caregivers); financial planning; planning and marketing; information services; human resources; and plant and supplies. The organization should set goals for each championship process and use those goals to lead the organization.

What the manager does in planning for success

Because healthcare companies are very competitive and need highly skilled and driven workers, managers have to plan for who will take over when someone leaves. Succession planning means making sure that employees can move up in the company and take over leadership positions when current managers leave or take on new roles in other companies.

Several things are being done by healthcare organizations right now to plan for the next leader. First, mentoring programs for junior managers that include top managers have been pushed as a good way to train people to be health care leaders in the future (Rollins, 2003).

SUMMARIZING Chap

The job of healthcare management is difficult but rewarding, and people in charge at all levels of an organization need to have good conceptual, technical, and interpersonal skills in order to plan, organize, staff, direct, control, and make decisions. Also, managers need to keep a dual viewpoint, which means they need to know about both the external and

how their organization works on the inside and how they need to grow at the self, unit/team, and company levels. At every level of a healthcare company, from supervisory to middle to senior management, there are opportunities for people with management skills. A manager is very important for making sure that an organization works well. Managers also play a big part in hiring and keeping good employees, planning for the next manager, and shaping health policy.

REQUESTS FOR A DISCUSSION

Talk about what healthcare management and healthcare managers mean.

Give an example of a task that falls under each of the roles that healthcare managers hold.

Describe why being able to get along with others is important for managing healthcare.

Draw three types of organizational design and list their pros and cons.

Why is the healthcare manager's job so important for making sure good performance?