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# High Performance in Hospital Management

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Edda Weimann • Peter Weimann

# High Performance in Hospital Management

A Guideline for Developing  
and Developed Countries

 Springer

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## Foreword

The task of delivering healthcare in a resource-constrained environment is becoming a challenge in the South African context. Hospital managers are expected to balance the burden of disease and the patient load against shrinking resources, while still maintaining quality of care. The weight of this burden is increasingly being felt in the public health care services, where there is a need to support a growing population of uninsured citizens and immigrants from elsewhere in Africa seeking care, and, for reasons both economic and related to the design and delivery of healthcare, the trend is compounded by an ageing population, a rising burden of infectious and chronic diseases and a global shortage of an adequately skilled workforce. The leaders of today would need to do something different to avoid a collapse of the system.

Leaders themselves will need to change in a transformational direction to improve the quality of care provided. Such a change in strategy comes with the realisation that there is no quick fix and that the transformation process takes time to embed and institutionalise. Transformation involves much more than any single event but instead is part of an overarching strategy, the core of which is to maximise value for the patient. However, this focus should not deflect attention away from the goal of ensuring that the staff who provide the service have the resources as well as a safe and pleasant environment in which to perform these duties.

The expectation of good governance and management extends beyond merely managing resources and people to include the challenge of understanding the context within which those with executive responsibility will have to function, how they will motivate and enable those from whom they seek a desired action, in addition, to interpret the customers' needs and how to satisfy them. A different model of leadership is needed to respond to this rapidly changing environment, a model in which leadership is shared amongst the employees, all working as a team towards a common vision through continuous improvement.

It is not uncommon for the leader of any organisation to embrace change so as to create a better future. This future, however, will be more than simply an extrapolation of current circumstances, but instead is part of a complex and discontinuous journey towards an unpredictable end. This end cannot be goal-less, but should present a vision that drives change strategically. In addition, leaders and managers need to achieve operational efficiency.

This book provides a guide and tools that enable leaders, including managers, to achieve the operational efficiencies necessary in order to work towards a shared goal of change and transformation so as to secure the best results for the organisation.

Dr Bhavna Patel  
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## Foreword

This book will be of interest to managers, clinicians, nurses and other staff in positions of leadership in the hospital and health-care environment in general. The style of presentation, which includes case studies, diagrams and questions at the end of each of the ten chapters, makes it accessible to clinicians who would generally not have had any formal training in the science of organisational management. This book covers the principles of business management as they apply to the health-care environment. The intention of the authors is to make it relevant to both developed and developing country settings.

The primary perspective presented in this book is relevant to the private sector where profit, the competitive edge and market penetration are paramount. In Chap. 1, for example, on involving clinicians, nurses and patients to drive the hospital, the concept of a market-driven hospital is presented. In public hospitals, addressing the burden of disease rather than market share would be a paramount consideration. The principles presented in this book can however be appropriated to the context of a public hospital that is not only concerned with meeting the needs of the community based on the burden of disease, but also in the improvement of the quality of care and health outcomes among individual patients and public health.

A world with equitable and universal access to quality health care is one of the central objectives of the Sustainable Development Goals that were adopted by Heads of States at the United Nations in September 2015. This New Agenda, which calls for the achievement of universal health coverage, including financial risk protection, access to quality essential health-care services and access to safe, effective, quality and affordable essential medicines and vaccines for all by 2030, will not be realised without high performance in the management of the health-care system. The ten steps to success in high-performance hospital management that are outlined in this book, if implemented, will contribute in no small measure towards the achievement of the health-related Sustainable Development Goals.

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## Preface

There are two primary choices in life: to accept conditions as they exist, or to accept the responsibility for changing them (Dennis Waitley)

Worldwide health care delivery and patients' expectations have changed significantly over the past few decades: Governments have realised that they need to improve the health of the population for the country to be economically successful. Meanwhile, the World Health Organisation proposes implementing universal health care to close existing gaps in service delivery and access to care. However, there are still huge disparities in health care delivery. Up until the present, numerous governments of developing countries have provided lower coverage for the costs of health care than in most developed countries. Consequently, citizens of developing countries make a higher number of 'out of pocket payments', which counteracts financial risk protection and can lead to disastrous financial situations for families.

In most European health systems patients are well looked after, although expectations and the satisfaction of health care consumers do vary between countries. Compared with countries such as the United States, European health systems show advantages in equity, family-friendliness, regular check-ups, treatment options for elderly people, therapy choices, approved treatment indications and no significant treatment disparities between private and public patients. A welfare citizen or migrant is entitled to receive a kidney or heart transplant if there is a medical indication. Likewise, while even at 80-years-old a patient can have a hip replacement. Drug and treatment options are broad. Family insurance schemes guarantee that children and a non-self-earning spouse do not pay a separate health care fee (e.g., in Germany). Employers are required by law to earmark a portion of their employees' monthly salary for health. Some countries have, however, restricted treatment options: in Switzerland each family member is obliged to apply for their own insurance; in UK hip replacements and transplants are not performed on elderly patients.

In addition, in hospitals a shift has taken place: the formerly near-almighty Head of Department, who decided everything by himself, has had to cede authority to a near-almighty CEO, who ensures that the hospital generates profits. Diagnosis-related Groups (DRGs), Healthcare Resource Groups (HRGs), Payment by Results (PbR) and improved quality standards have revolutionised hospital processes over the last few years. Developing countries such as South Africa are on the cusp of such changes, introducing DRGs into their new National Health Insurance (NHI).

However, the changes have had costs attached to them. The new DRG requirements have added to the staff's bureaucratic and administrative tasks. Expertise in caring for patients has been lost as skilled personnel have chosen other, more attractive areas such as executive hospital management or quality assurance. Many health systems are experiencing a severe brain drain of health care workers and doctors who migrate to countries that offer better working conditions and compensation. On the subject of length of work hours, significant improvements have been introduced for nursing staff and recently also for doctors. What can we do to make hospitals more attractive to patients and employees? What drives people to emigrate or move to other fields where their expertise is more appreciated? What can be done to keep experienced staff in our health care system and increase the satisfaction of patients and of staff?

A paradigm shift is needed to align market orientation with professional ethics. Patients have to be placed at the centre of all interests so that genuine 'patient-centred care' can be delivered. With all the profit orientation and resource constraints, an ethical debate must take place. Many employees, especially doctors and nurses are worried about this paradigm shift from being curative-supportive to becoming profit-orientated. Health care staff is in general very committed to looking after patients, and show high work morale. Nevertheless, the economic conditions in which health professionals work cannot be disregarded. In the future all citizens globally will need to be provided with a sustainable, affordable and efficient health systems. This can only be achieved if everyone is willing to contribute. Hence, further fragmentation of the health system with the redundancy of diagnostic procedures must be avoided as we have to use resources economically as well as in an environmentally friendly way.

Many hospitals are not yet professionally managed and even now operate according to a system that can only be called one of 'trial and error'. Management tools are not transparently applied at all levels. Visions and strategies are not developed according to the requirements and the set priorities; the employees are not aware of them and are therefore not motivated to buy-in.

The hospital staff needs to actively engage in change management processes and, even taking a step back, in a change of strategy, if necessary.

To carry out strategy changes successfully, employees have to be informed about the goals of the executive management. Processes must be sound, unobstructed, outlined, understood and implementable by the staff. All too often, CEOs and HoDs expect that a solely top-down approach will work. This is not the case. You have to engage with your staff and your stakeholders. Employees need to be familiar with the various tools of effecting change and trained in using them.

This book, entitled *High Performance in Hospital Management* addresses all who assume responsibility in our health care system. It proposes an overarching and integrative management and leadership approach as depicted in Fig. 1. Health systems only function well if hospital processes run smoothly. This book should serve as a guideline for developed and developing countries to highlight and apply management tools in addition to the soft skills, such as communication, leadership



**Fig. 1** Holistic hospital management and leadership approach

and appreciation, on a regular basis. The aim is to achieve a high-performing hospital that offers an effective and satisfactory service for all health care consumers, with the available resources. Patients and referring doctors are important stakeholders, hence, hospital processes should be made transparent for them and so facilitate their contributing to the positive transformation of our health systems and our society.

In the following book we illustrate with positive and negative examples from everyday hospital life how business management tools can be successfully introduced and employed. Do not be afraid of a successful hospital, even though it does imply that you may have to give up power and your favourite habits and, instead to share with others. Only somebody who is ready to do that can be ultimately successful at transforming an organisation.

The ten milestones on the roadmap for developing a high-performing hospital are:

1. Engage your nurses, clinicians and patients to drive your hospital
2. Create a corporate identity
3. Develop your vision and communicate it
4. Face your competitors
5. Improve communication and appreciation
6. Creating positive attitudes towards change
7. Develop and communicate your strategy
8. Find the best staff and develop their skills
9. Manage your conflicts professionally
10. Be a visionary leader

Enjoy the journey.

Edda and Peter Weimann  
Cape Town, South Africa

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