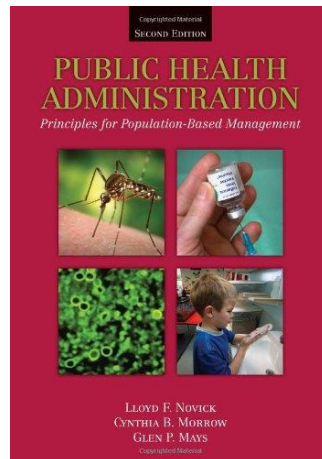


Healthcare Management



PHC 6102

Principles of Health Policy and Management

Objectives

- Define management and associated functions
- Describe basic management process models
- Recognize the skills required for effective management
- Distinguish effectiveness from efficiency
- Describe Human Resource management as a specialized management function
- Outline important management theories

The Importance of Management

"No job is more vital to our society than that of the manager. It is the manager who determines whether our social institutions serve us well or whether they squander our talents and resources."

- Henry Mintzberg,
Management
researcher & author

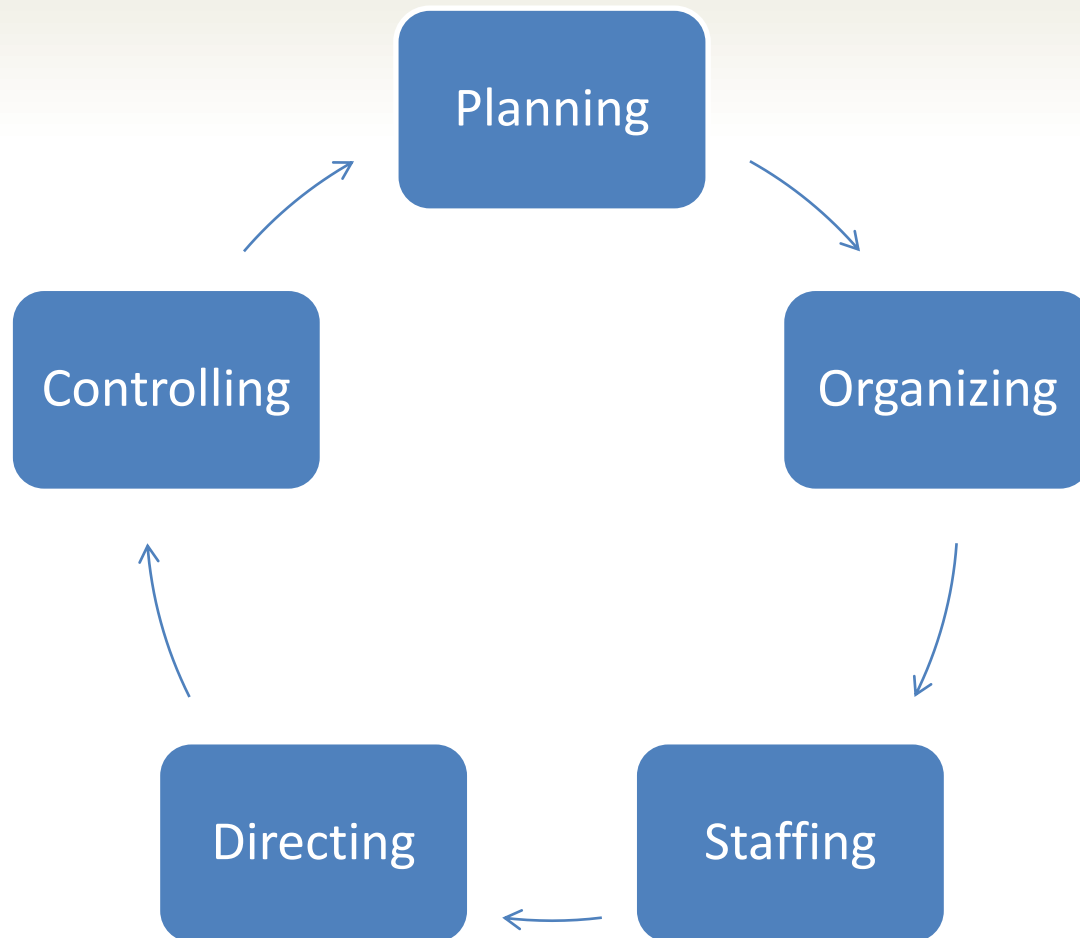


What is Management?

- Getting work done through others
 - Done properly, on time, within budget
- The process, composed of interrelated social and technical functions and activities, occurring within a formal organizational setting for the purpose of accomplishing predetermined objectives through utilization of human and other resources.

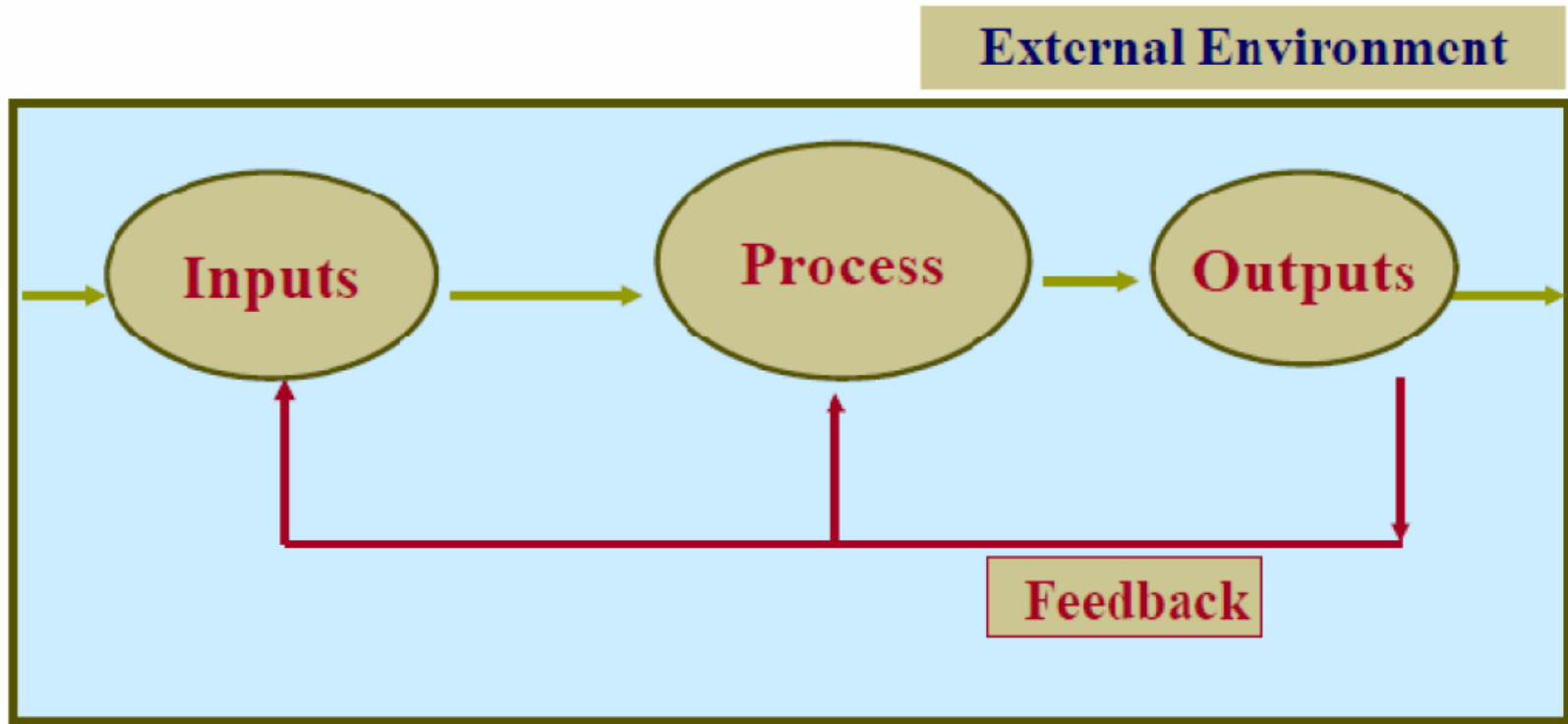
Source: Koontz, Harold, "The Management Theory Jungle," Academy of Management, 4, December 1961, pp. 174-188

Cycle of Management Functions

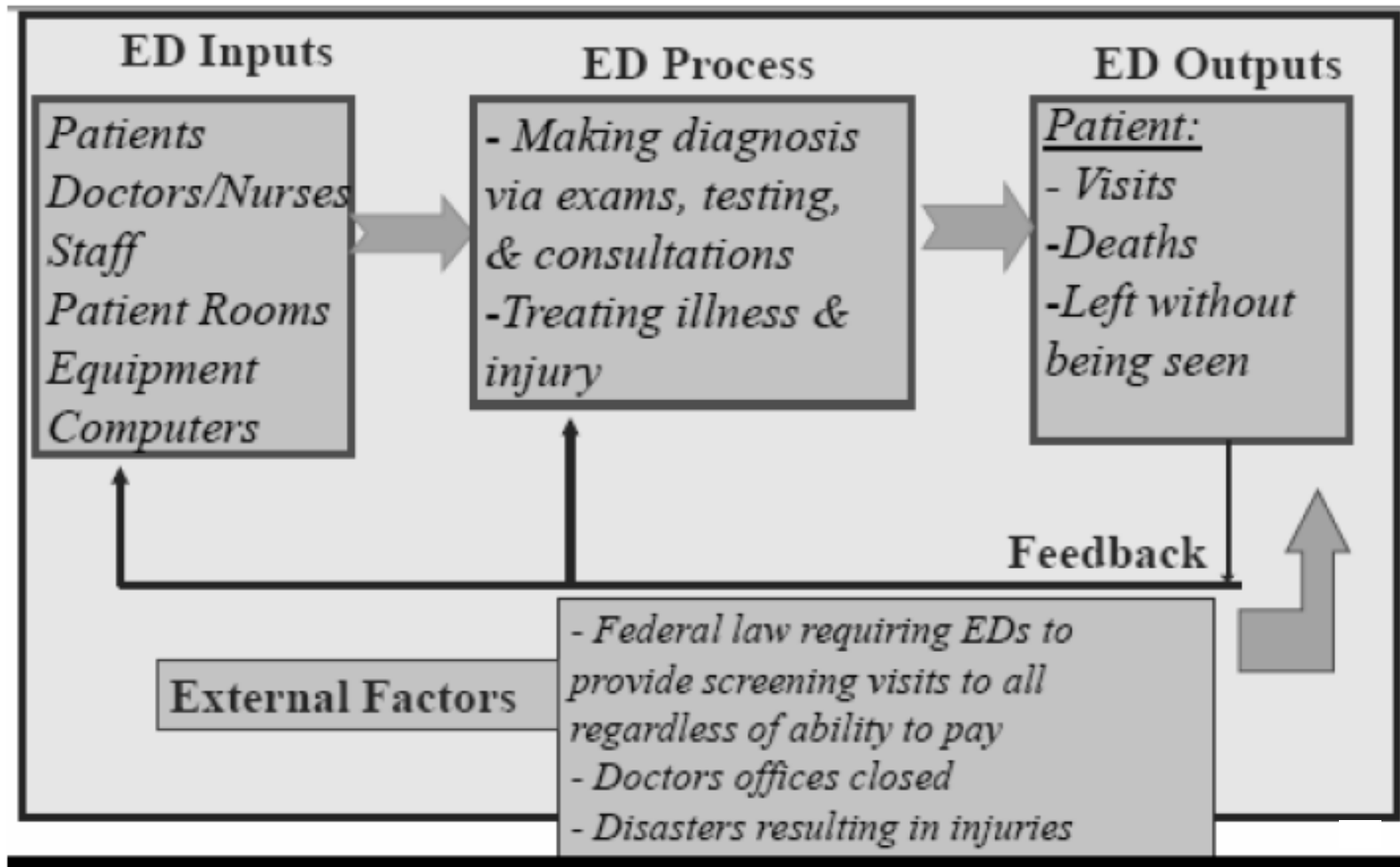


Source: Swain, GR, et al. Three Hundred Sixty Degree Feedback: Program Implementation in a Local Health Department. *J. Public Health Management and Practice*. 2004;10(3):266-271.

Organization as a System

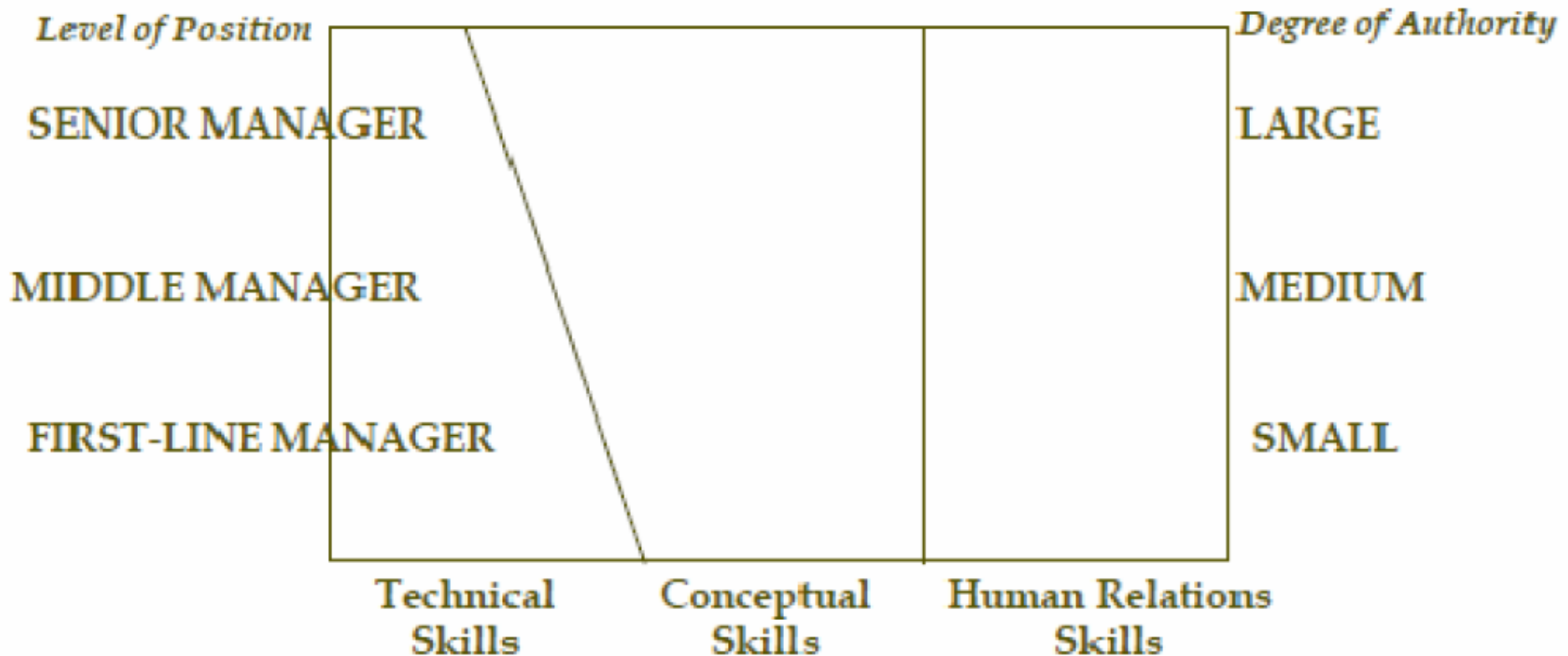


Emergency Department

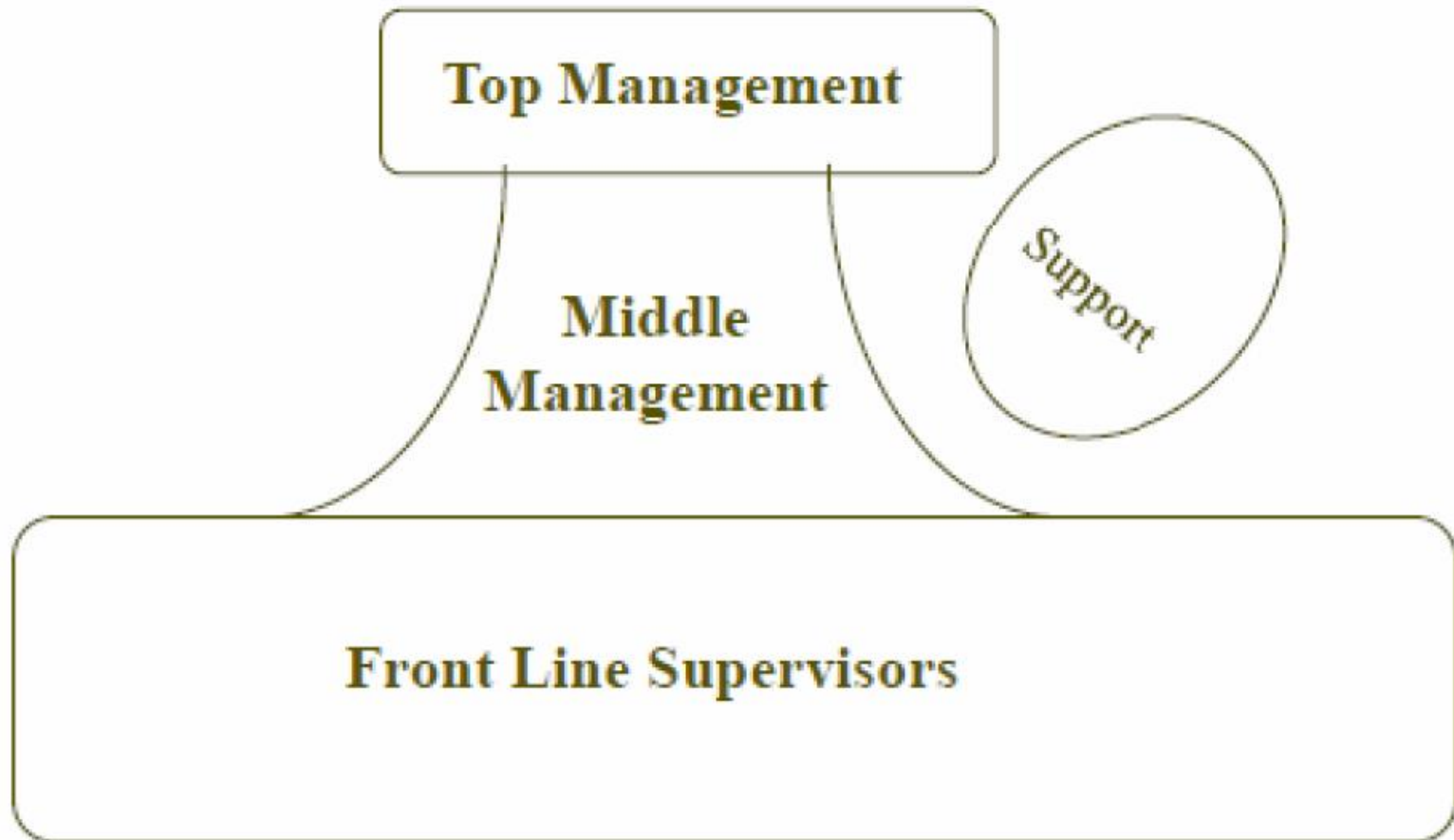


Skills used by different types of managers

TYPE OF MANAGER



Managers Exist in all Parts of an Organization



Effectiveness and Efficiency

- **Effectiveness**
 - Measures the degree to which goals are achieved
 - Goal attainment
- **Efficiency**
 - Greatest benefit at given cost
 - “Biggest bang for the buck”

Effectiveness

- Measures of effectiveness depend on perspective
 - Employees: work satisfaction and compensation.
 - Customers: satisfaction with quality and cost of goods/services
 - Local community: contribution to community health
 - Government: compliance with laws and regulations
- Goals should be appropriate and meaningful for the organization

Efficiency

- Produce largest results for a given amount of resources
- Recognizes that resources are constrained
- Use time and energy, without wasting any
- Ratio of useful work performed relative to total resources used
- Greatest benefit at given cost (costs are more easily measured than benefits)

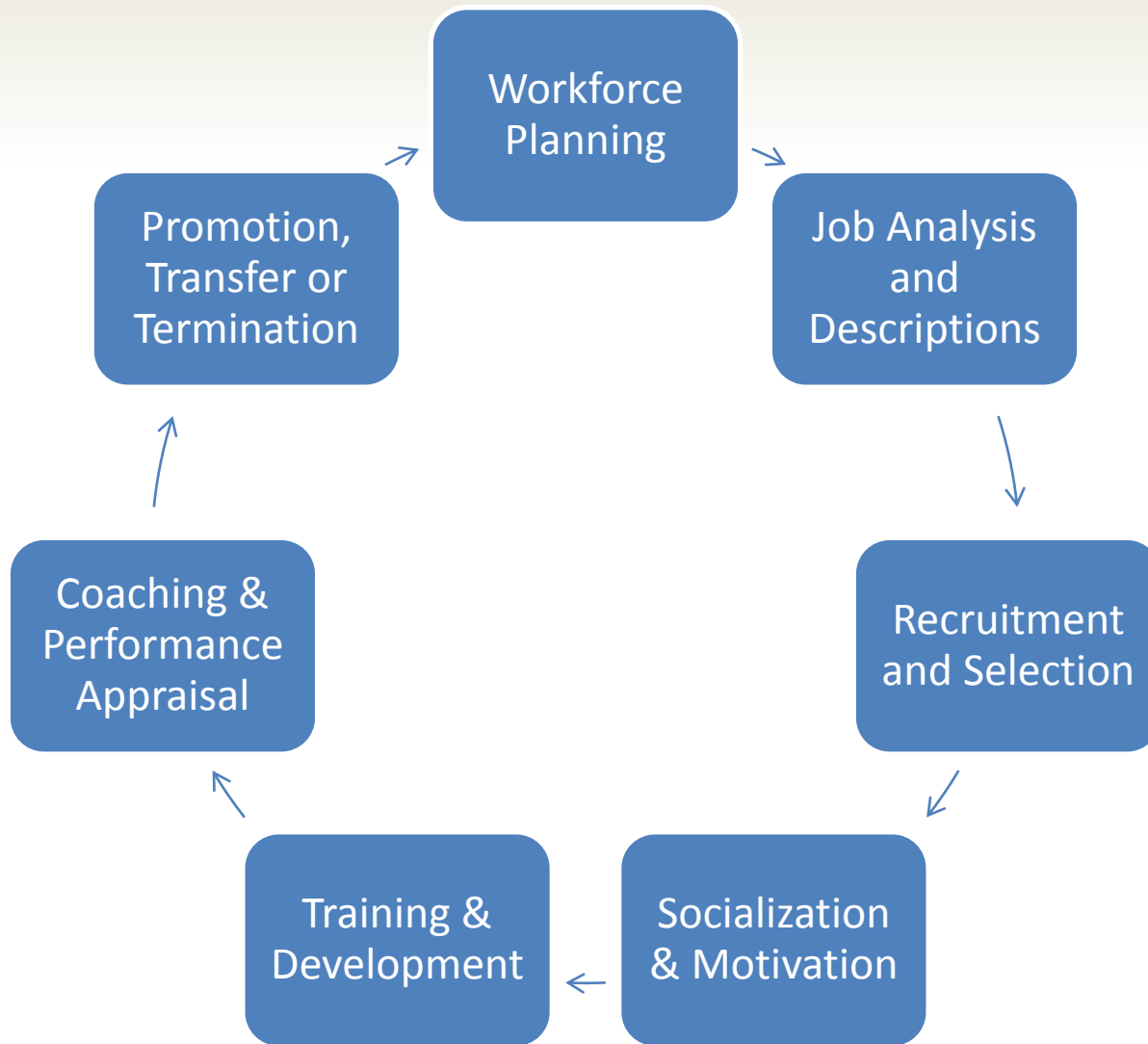
Effectiveness vs. Efficiency

- Organizations and managers can be:
 - Effective and efficient
 - Effective but inefficient
 - Efficient, but ineffective
 - Ineffective and inefficient
- ICU Nurse-to-Patient Ratio example

Human Resources Management

- Most important determinant of institutional success is management of human resources
- Select and maintain a capable workforce
- Successful human resources:
 - Workforce planning
 - Diversity
 - Mentoring
 - Training

HR Management Cycle



Skills Needed in Human Resources Management

- Broad skills
 - Employment law
 - Personnel selection
 - Counseling and mediation
 - Position classification
 - Compensation
 - Information management
- Performance appraisal
- Personnel policy

Theories X, Y and Z

- Theories that describe attitudes and behavior of individuals towards subordinates within an organization
- Theory X: Traditional Model
- Theory Y: Human Relations Model
- Theory Z: Human Resources Model

Theory X

- Assumptions
 - Dislike and want to avoid work
 - Must be persuaded, rewarded, punished to modify behavior to meet organization's needs
- Policies
 - Manager's basic task is to control
- Expectations
 - People will tolerate work, if pay is good and boss is fair

Theory Y

- Assumptions
 - Want to satisfy social, esteem and self-actualization needs
- Policies
 - Manager's basic task is to make worker feel useful and important
- Expectations
 - Satisfying these needs will improve morale and reduce resistance to formal authority

Theory Z

- Assumptions
 - Most people can be creative and self-directed
- Policies
 - Collective decision making
 - Informal control with explicit, formalized measures
- Expectations
 - Expanding worker influence improves efficiency and satisfaction

Questions

1. Describe the management process. Why is the process continuous?
2. Identify a public health output (outcome) associated with your area of specialization. What inputs are processes are involved?
3. Can an organization be effective and inefficient? Give an example.
4. Are human resources skills needed by managers that work outside the official Human Resources department?
5. Contrast Theory X and Theory Y from the perspective of an employee.

