Principles of Healthcare Management

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What do we mean by “management”? 
Management?

“Getting work done through people”

American Management Association

“Getting the right things done”

Peter Drucker
Management school of thoughts

- Scientific management
- Behavioral
- Social
- Systems management
- Contingency management
- Decisional management
- Quantitative measurement
- Management process
Management process

Planning • What needs to be done, when and how

Organizing • Who does what, under what conditions

Actuating • How employees are led, motivated

Controlling • How the plan is being followed up
Leadership roles (Shortell & Kaluzny 2000)

Innovator
Broker
Producer
Director
Coordinator
Monitor
Facilitator
Mentor
## Organization frames and management challenges

*(Bolman & Deal 2008)*

<table>
<thead>
<tr>
<th>Frames</th>
<th>Challenges</th>
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</thead>
<tbody>
<tr>
<td>Machine</td>
<td>Align structure to task, technology, environment</td>
</tr>
<tr>
<td>Family</td>
<td>Align organizational and human needs</td>
</tr>
<tr>
<td>Jungle</td>
<td>Develop agenda and power base</td>
</tr>
<tr>
<td>Temple</td>
<td>Create faith, beauty and meaning</td>
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</tbody>
</table>
Management competencies*

*Mintzberg (2011)
How unique is healthcare management?
Healthcare management is unique

Customers are sick

A ‘need’ service

Customized

Customers ‘live’ in service sites

Inherently personal

Risk of harm
Could non-physicians be hospital directors?
Of the 6,500 hospitals in the US, only 235 are led by physicians

(Gunter & Kanterman, 2009)
Having a doctor in charge is connected to overall better patient care and a better hospital

(Goodall, 2011)
“Medical or clinical directors are usually the most unhappy group in many hospitals”

Smith, 2007
Crossing the chasm between management and medicine
<table>
<thead>
<tr>
<th>Management</th>
<th>Medicine</th>
</tr>
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<tr>
<td>Position not profession</td>
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</tr>
<tr>
<td>Apply science, but not a science by itself</td>
<td>Science</td>
</tr>
<tr>
<td>Effectiveness = art + craft + science</td>
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Ref: Mintzberg (2011)
What challenges do healthcare managers face?
Personnel challenges

- Commitment
- Turnover
- Apathy
- Conflict among professions
Technical performance challenges

- Productivity
- Efficiency
- Quality
- Consumer satisfaction
Changing environment

• Technological and social change
• Environmental complexity and uncertainty
• Competitive forces
• Multiple performance demands
Survival and growth challenges

- Long-run survival
- Long-run performance and growth
Challenges faced by healthcare organization managers

(Shortell & Kaluzny 2000)

- Personnel
- Technical performance
- Changing environment
- Survival & growth
What competencies must healthcare managers posses?
How to lead effectively?

- Motivating people
- Leadership
- Conflict management and negotiation
How to best operate the technical system?

• Managing groups and teams
• Work design
• Coordination and communication
• Powers and politics
How to renew the organization

- Organization design
- Managing strategic alliance
- Organization innovation and change
- Organizational performance
How to chart the future

- Strategy making
- Creating and managing the future
From organization challenges to management competencies

*(Shortell & Kaluzny 2000)*

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<td>Technical performance</td>
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<td>Personnel</td>
<td>How to motivate and lead people and groups</td>
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