HealthManagement
Promoting Management and Leadership

Volume 14 - Issue 4, 2014 - Management Matrix

Leadership of Staff

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Senior managers must prepare their organisation for tomorrow's world, in which the quality of the results of holistically designed meta-processes counts. Their remit goes far beyond achieving successful daily management structures, and demands a new set of qualities. These include the capacity to envision future scenarios and be answerable for their implementation. This means exploring unknown territory and confronting new challenges, and such endeavours can only be successful where senior managers can be sure of their ability to take the whole team with them. Pioneers in a competitive environment must be able to rely on the confidence of those they lead. They cannot fall back on any shining examples from the past, for by the time such patterns have established themselves, the competitive lead has already been used up.

The quality and quantity of suitable members of staff, together with their motivation to devote their skills to their organisation, is a decisive factor that determines the difference between success and failure. Senior management, as the driving force that forms the future and greatly influences the working atmosphere through ideas and example, carry personal responsibility for successful development of an organisation, and this cannot be delegated. They must have clear visions and aims, and pursue these consistently with empathy, enthusiasm and the trust of their employees.

Medical and Service Quality and Cost-Effectiveness

Senior management is not required or paid to paint dramatic pictures of current and future problems, but to achieve success within given framework conditions (e.g. health funding, local circumstances, suitability of senior staff).

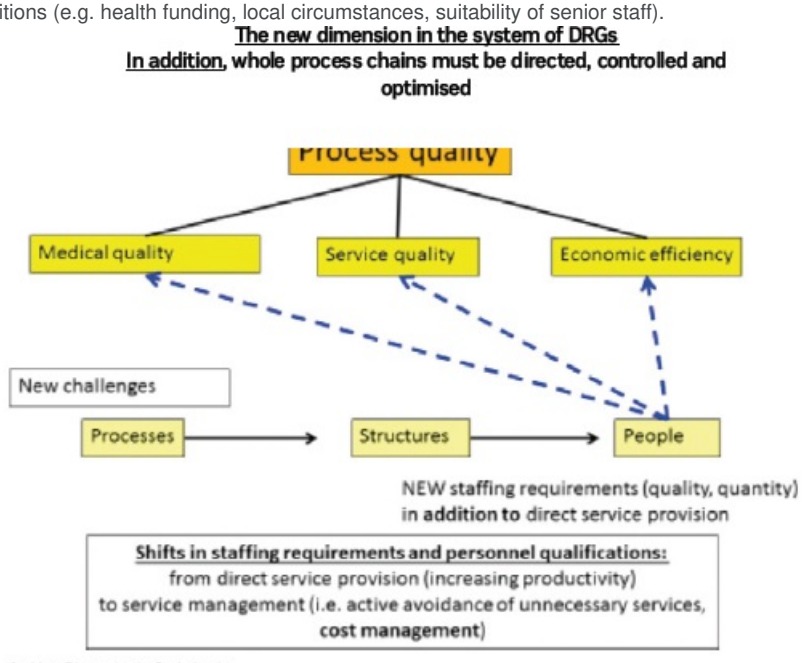

Figure 1.
Process Quality — the New Dimension in Optimisation

The current health system demands continuous optimisation of treatment processes and measurable and verifiable success in the areas of medical quality, service quality, economic viability, staff loyalty and staff recruitment. This 'culture of continuous change' challenges senior

management in terms of their thinking and their actions.

The physician, as a professional, is free to determine therapies, which may include treatment whose costs cannot be recovered. However, daily compromises in medical, care and administrative dealings are necessary. Unfortunately, the question is not: "What financial resources do I need in order to achieve optimal quality of treatment?", but "How can I achieve the highest possible quality level with the existing resources, obtained either by allocation, or through defrayment of costs?" The physician must earn freedom in choice of therapy through good housekeeping. It remains a matter of existential importance for a practice or a clinic that costs across the board remain significantly below earnings.

Where are the economic reserves that can increase the degree of therapeutic choice? The answer is to some extent in optimising or re-engineering the processes and structures, and in promoting staff development. Such a strategy will help to achieve an advantageous position in the face of competition, but it will not compensate for all the problems and failings of the health system.

In the context of cost and performance competition, with a guarantee of quality, economic reserves can be mobilised by increasing the efficiency of individual performance items (e.g. more cost-effective examinations with the same quality level), and in hospitals additionally by increasing effectiveness (e.g. by posing questions concerning the medical need for individual items) — in other words, increasing quality levels in interdepartmental, overall treatment processes from admission to discharge. The main thrust of the optimisation should not aim at working more quickly or with greater throughput within the existing structures and procedures, but to develop and work within new structures and procedures. Therefore, motivation and reward systems are not concentrated on per formance quantity, but on process quality, including the avoidance of medically unnecessary individual items. To date, the consequence of actively avoiding unnecessary individual performance items has been loss of income for practices. In hospitals, despite the advantages for patients and cost savings where diagnostic-related groups (DRG) are applied, the consequence has been job losses. Increasing performance quantity rather than increasing performance and process quality in order to preserve jobs makes for a false incentive.

Staff – the Most Important Factor

The viability of a practice or hospital may be endangered by a lack of medical and service quality, by economic deficits, or by a lack of suitably qualified staff. Anyone who experiences the large number of unsuitable applicants for today's jobs can rest assured that even these applicants will find a position in another clinic or practice that is struggling to survive, and that is liable to become a vicious circle for such organisations. Finding and keeping suitable staff is one of the most important tasks of all members of senior management, irrespective of how unsuitable the framework conditions may be. Competition to obtain qualified and motivated members of staff is fierce.

The parameters of the 'DRG world' require senior management to be prepared to change. Many of the traditional processes and prerogatives that went with the optimisation of (personal) 'operative islands', and may have been sensible as such, will have to be abandoned in the coming world of 'optimisation of overall processes'. The prerequisites of the DRG world are thinking and acting in overall, interdepartmental processes from admission to discharge with a view to optimisation (medical quality, service quality, cost-effectiveness).

Staff members are central to successful development on the basis of their specialist qualifications and their desire, ability and remit to optimise processes and structures, and take on new tasks, roles and responsibilities, thereby making their contribution towards a quality offensive that will secure the survival of the hospital.

An important aspect in the competition to find good staff is the need to combine optimised structures and procedures (medical quality, service quality, economic viability) with improved working conditions (quality of life!) in a way that can be appreciated by the staff. This represents a new challenge.

Capable employees (e.g. qualified specialists) can choose more or less freely where they wish to work. The market conditions that force hospitals actively to entice people by offering clear advantages in terms of working and living conditions (work-life balance) place new demands on the personnel department, the hospital's executive direction, senior management and all staff.

When working conditions are poor, those who have the most attractive alternatives and who take them first are the best members of staff. Good employees tend to attract more good ones; poor employees ...

Both patients and job applicants perceive the quality of the work atmosphere directly, and either stay, or, if they have a suitable alternative, go.

When times are good, it is relatively easy to provide for a good work atmosphere; when they are not, this becomes a vital task for senior management. If senior managers maintain: "We can't do that under these conditions," that is an inadequate and unprofessional response. What is needed are managers who can truly lead, spread optimism and create a positive working atmosphere that is oriented towards change. Only those senior staff who don’t spend too much time complaining, who can accept the challenges and the framework conditions associated with them, work towards strategic development in a positive, internal atmosphere of change, and thereby motivate qualified employees with their enthusiasm will enjoy success. This is not just some airy vision for the future, but a necessary precondition to ensure viability.

Senior Staff Requirements

Senior managers in a hospital must:

1. Recognise the need for change in processes and structures.

2. Create a change-friendly atmosphere.

3. By means of professional change management and suitable staff development programmes, empower senior staff and other employees to support such change and form the future themselves at the same time.

COMPETENCE	CRITERIA
Methodological knowledge of the way the social and health markets are developing	• Basic knowledge of business economics (at least the terminology) • Knowledge of personnel management • Knowledge of quality management (QM) • Knowledge of personnel development (PD) • Knowledge of organisation development (OD) • Project management • Process management • Strategy development • Methodological competence in analysis (SWOT analysis, market analysis, surveys) • Change management
Strategic	• Capacity to be visionary • Strategy development, conceptual future planning • Understanding of systems • Analytical competence • Capacity to focus on targets • Ability to grasp complexity and reduce it
Social	• Communication skills • Ability to cooperate • Ability to achieve consensus • Willingness to address conflicts • Ability to persuade • Forward thinking • Empathetic skills • Gregariousness • Capacity to reach decisions • Self reflection and self direction • Capacity always to seek and find opportunities and need for action to improve a situation in oneself in the first instance

To achieve this, it is necessary to engage in a systematic process of developing one's own methodological, social and management competence (see table, p. 27). Often there is a lack of methodological competence and experience concerning systematic and sustainable change management, of strategic competence to understand and reduce complexity and of the social competence always to start with oneself in analysing pathways towards improving situations.

Senior management that is used only to thinking within the defining limits of reservations and restrictive framework conditions tends to find the idea of unconditional 'brainstorming' about new forms of hospital organisation completely overwhelming. Often, a process of reawakening creativity amongst lateral thinkers must be initiated first.

Senior managers must render employees capable of dealing with change and prepared to do so.

Staff Development

Generally when top-level senior staff members (senior consultants, medical directors, commercial directors, care directors etc.) are appointed, they consider themselves already to have reached the end of their personal, systematic development of social and managerial competence. This is a pity, as there is often considerable room for useful further development of valuable resources: young senior consultants have often had management training, and there are more and more commercial directors with a medical background. Unfortunately, however, a new senior consultant is usually completely immersed in medical matters by his or her second day of work, and management training is soon forgotten. The assumption is that the new appointment is almost entirely a medical issue. Good management skills are simply expected, somehow, and questions are only asked if there are very obvious negative developments. Then individual consultants are sent to attend senior staff training courses, which are sometimes very good; the consultant comes back full of new ideas. These ideas are viewed with scepticism by the 'boss' and other staff members, with reactions ranging from incomprehension to fear of having to abandon established privileges and procedures. The consultant may wish to improve things, be able to do so, but is then thwarted by not being allowed to. After a short time, the ideas go under in the daily routine; the procedures and mindsets remain just as they were before the workshop. The consequences of unsystematic and unsustainable staff development are frustration and loss of motivation to work to the future on the part of all concerned.

In practice, staff development is greatly influenced by the examples set by senior managers. In time, each senior member of staff is surrounded by employees who he or she has selected and promoted (or 'deserves' as the case may be). (“The apple doesn't fall far from the tree.”) However, staff development is not only a 'top down' process, but also takes place from the 'bottom up'. Employees need to persuade their superiors of their own capacities and ideas, and establish personal win-win constellations.

Developing Leadership Skills

There is of ten a discrepancy between the specialised skills of physicians, care workers and administrators and their leadership skills, albeit such tasks are often allotted to them (by 'recommendation' or 'promotion') as a 'reward' for good work in their areas of expertise. Then, after some time, managers and/or senior members of staff notice that the person concerned is unable to fulfil the new tasks with the desired level of quality, quality of life and motivation. Such situations often arise where those concerned were not sufficiently informed or aware of the requirements in advance and their capabilities and suitability for the job have not been correctly assessed. There is a world of difference between successful practice as a surgeon working with individual patients and the task of managing a large surgical organ centre, between a consultant's work in the 'sheltered' environment of a hospital and maintaining a practice in competition with commercial enterprises, as well as between successful work in a payroll accounting department and running a modern personnel management centre in a hospital or group of practices. All these positions require specific sets of personal skills, knowledge and experience.

Leadership is more than simply good administration of daily tasks. "Leadership is action, not position" (Donald McGannon, U.S. broadcasting industry executive). Promotion to a new position will not automatically make a good senior consultant manager out of an excellent clinician, nor a good commercial director out of a skilled administrator.

Employees often receive insufficient preparation for senior management tasks. The tension between what is desirable, what is possible and what is allowed generally has left insufficient space for developing social and management skills in parallel with or at least subsequent to medical

excellence. The technicalities of the job are, to a certain extent, just a question of learning, whereas traits such as powers of persuasion and empathy tend to extend from a person's basic personality.

Many promoted or suppor ted people fail to devote enough time to critical reflection of their own condition before taking on senior posts. The important questions are: Am I capable of taking on this position — and do I really want to? Have I thought through the consequences for myself, my family and for the organisation? In many cases, it turns out that one's definition of one's own role and the requirements profile of the job are not congruent. From the medical point of view, the following questions arise: Do I want to take on the task of a successful manager in addition to — or perhaps instead of — my job as a successful physician? Am I capable of fulfiling the tasks of a 'conductor' with empathy? The conductor is not the best soloist, but has to be the best team leader, and his or her main responsibility is connected not with individual performance, but with the overall results delivered by the organisation, the team etc. Increased responsibility for results is generally associated with new demands, new problems and the need for more ef fort. These additional emotional and temporal resources must, at least to some extent, be supplied from the same pool from which one's private life is supplied.

According to the 'Peter Principle' (named after Laurence J. Peter): *"In time, every post tends to be occupied by an employee who is incompetent to carry out its duties." "Work is accomplished by those employees who have not yet reached their level of incompetence."* As a consequence, he puts forward the idea that, in that case, it may make more sense to make ef forts to avoid embarking on a career (Peter and Hull 1969).

In cases where critical analysis has shed light on serious deficiencies, senior managers and organisations are usually better served by an abrupt end to unpropitious circumstances than a long drawn out demise. So much the better if the person or persons af fected can see the wisdom of such a course of action. In practice, however, attempts are often made to save a truly untenable situation (by means of coaching, for instance) for far too long. *"People are less susceptible to being changed than we think. Don't waste your time trying to inculcate something that nature left out. Rather try to extract what is already there. That's already difficult enough."* (Buckingham 1999)

Every organisation has examples of senior managers who, unfortunately, have been promoted beyond the area to which they are best suited. However, there are also examples of staf f members who consciously and consistently refuse promotion to senior levels. For them, work tends more to be a means of earning money in order to satisf y their private needs and those of their families. Such an attitude should — and must — be respected, and there is no need to give it a negative image ("Doesn't want to have a successful career"). The organisation has a right to expect employees to place their knowledge and skills fully at its disposal during regular working hours. Any engagement that goes beyond this may be desirable, but it cannot be required. The issue of motivating staff in hospitals to high levels of performance represents one of the main challenges for senior managers.

Published on : Sat, 8 Nov 2014