


## CHAPTER ONE

# The Role of the Manager

 Imagine yourself on the first day of your new job. Where do you start? Regardless of whether you manage a unit such as Oncology, a process such as infection control, or a service such as Pharmacy or Nutrition, more than likely you have a staff, a budget, and your own manager to whom you report. You are responsible for the smooth operation of a specific environment, one with a defined scope of care. You may have a set of expectations and responsibilities that are not very clearly delineated, those that your manager or supervisor expects of you, and those that you expect of yourself and of your staff.

Before you can get your coat off and pick up a pencil, a problem erupts. This is health care, and crises are a daily and anticipated event. What approach do you take to handling the problem? Your reaction and the procedures you use are important, as your staff will take their cue from you for how to behave in a crisis. Rest assured that problem solving, quick decision making, and crisis management will be among your primary tasks as a manager.

## SERVING THE ORGANIZATION

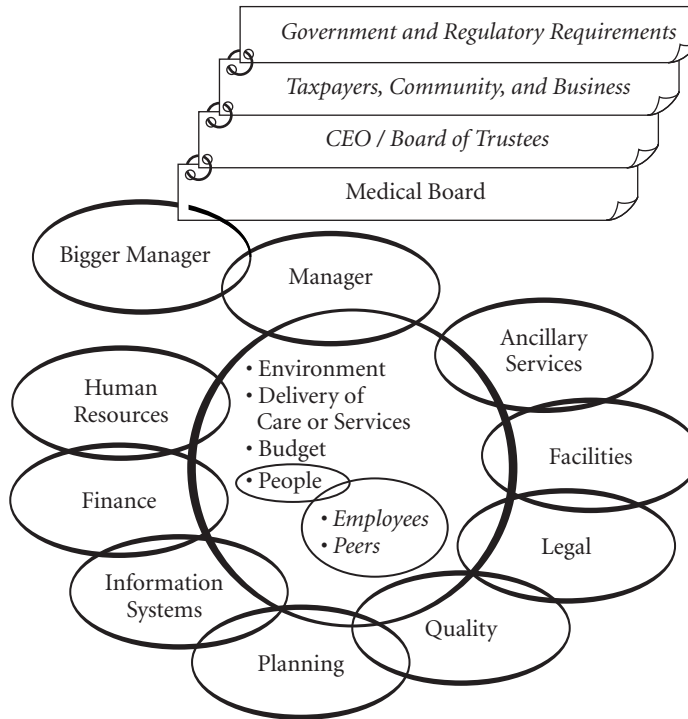
Perhaps it was once possible to confine your work solely to your own unit, but today most health care managers and supervisors are required to interact with many people and departments outside their unit, all of whom have their individual agendas, philosophies, techniques, and expectations. Managers have to develop a host of working relationships and achieve some sort of balance between their own expectations and responsibilities and those of the rest of the organization. For instance, hospital administrators are concerned about financial issues and reimbursement and will demand that you work within a budget to provide efficient and effective services. Managers from various departments—Legal, Planning, Materials, Environment, Risk Management, or Human Resources—may ask you for information or may invite you or members of your staff to collaborate on projects. And your own manager or supervisor may request reports about your decisions and monitor how you deliver care.

Physicians also require that you manage your responsibilities as effectively as possible so that their patients' needs and expectations are well met. Without an amiable working relationship with the physicians who admit patients and have the primary responsibility for their medical care, your job becomes much more difficult.

And there's more. The manager has to be familiar with and work in a manner that is congruent with the organization's articulated mission and vision. A good health system will actually demand that its guiding principles be incorporated into the daily work of the staff and reflected in the services delivered to the patients. Also, most health facilities prepare a strategic plan that outlines their goals for the future and that dictates how resources will be allocated. The managers must all know their own roles in the strategic plan, and not solely in terms of what the plan entails. Managers actually help shape the plan because goals need to be identified and objectives delineated. The strategic plan articulates a sense of direction for the managers, one that can be used to effectively encourage staff to meet expectations. Figure 1.1 illustrates the many internal and external forces that you must respond to as a manager, while managing the staff, budget, environment, and clinical services of your own department.

### Serving the Patient

The manager, then, has to handle crises, juggle competing agendas, administer and provide efficient and effective services, manage staff



**Figure 1.1. The Complex Role of the Manager.**

schedules, competency, and workloads, and do so within a restricted budget in addition to being accountable to the organization's administrative and medical hierarchy—all the while maintaining the all-important role of being the patients' advocate. It is the manager who mediates between direct bedside care to people who are vulnerable, unhappy, and often out of control of their lives and the rest of the complex health care organization.

To manage bedside care and direct staff effectively, the manager must be organized and gather the information required to set daily priorities to ensure the proper flow of activities that will enhance patient care. Morning rounds as shifts change, for example, are a good opportunity to acquire knowledge about the patients and their needs in order to set the activities of the day in motion. Staff input, together with predefined expectations and goals, influence priorities for providing services to the patients.

Patients today, unlike the patients of decades past, feel entitled to the highest quality of care—and they are educated about the relationship between medical interventions and changes in clinical status. They expect interventions that will improve the way they feel, and if they are not feeling better, they want to know why. Also, as patients are accountable for their bills, they scrutinize the tests they receive and evaluate the interventions and the physician contact in terms of effectiveness. This appraisal of the exchange of goods and services for improved outcomes transforms the traditional relationship between patient and caregiver from one of physical and emotional dependency to a more rational and equal role paralleling that of a consumer and a provider.

As a result, today's managers must understand that the patient is an active consumer of health care services rather than a passive and compliant responder, and they are responsible for training their staff accordingly. Patient satisfaction can influence the organization's budget and thus indirectly the manager's own position. Simply stated, without patients, you have no one to work for. Not only must there be adequate patient census for the manager's services to be evaluated positively, the services must be of excellent quality as well. If many patients complain that the staffing on the manager's service was inadequate, or that care was poorly delivered, or that errors occurred, or that the equipment or environment was not excellent or functioning properly, the manager hears about it. This is as it should be. Health care should serve the patient.

Patients expect that their care should be respectful, courteous, polite, considerate, and compassionate; managers are accountable for providing patients with appropriate education—about their care, their hospital stay, their disease process, and expectations for posthospital care. Patients need to understand informed consent forms, discharge plans, and medication regimens; they may also need orientation to hospital services, pain management, patient and consumer rights, and medical procedures.

Patients demand and expect efficient and effective care, care that eliminates or reduces their problem without incurring undue expense from the inappropriate use of resources. Understandably, patients have no desire to pay for unnecessary services or for a prolonged hospital stay that their insurance carrier won't cover. As paying customers, they introduce a new voice into the chorus of health care services, one that forces the manager to balance all their requirements, their needs as

patients and also as intelligent consumers. Therefore, the manager needs to coordinate staff for appropriate patient services while attending to the patients' physical environment as well as their emotional needs and social expectations. It is never good business to have unsatisfied customers.

In a service business whose consumers are emotionally and physically compromised, care is often rendered not because of direct payment expectations but simply because it is the right thing to do. Many hospitals have as part of their mission that they provide care to everyone, regardless of ability to pay. This decency puts a burden on the managers to manage especially wisely, so as to balance good patient care with the financial responsibilities of the organization. If a patient receives a letter stating that henceforth all hospital expenses will no longer be paid by the insurance carrier but by the patient, the manager and the care provider have to determine how best to continue to manage that patient's care. There may be choices that would satisfy the monetary constraints of the patient without compromising good care. For example, the manager or caregiver could provide extensive education to the patient regarding discharge expectations or provide follow-up care in a less acute facility.

### **Serving the Public**

People realize that one day they or someone they love might become a patient in a health care facility; therefore, it is unsurprising that the public demands that health care facilities deliver outstanding care. Health care is expected to be responsive to the needs of the community, with community representatives, who form the Board of Trustees, charged with ensuring that care is appropriate and safe, and that it meets the expectations of the local population. The manager of a unit or service answers to the Board, directly or indirectly, about the delivery of care.

Various monitoring agencies including the state and federal health departments and regulatory agencies such as the Joint Commission for the Accreditation of Healthcare Organizations (JCAHO), also representing the concerns of the public, have a big impact on how services are delivered. Today's manager is expected to be compliant with regulations.

Compliance, however, is merely the beginning of effective management. Regulations should be considered as a kind of compass designed

to supply direction for advancing patient care and improving the workings of the unit or service. For example, the requirement to provide patients with a safe environment details how to do it, when to do it, why, and how often. Although creating a safe environment might involve expenses that should be budgeted, in terms of personnel, equipment, and efficient processes, ignoring the requirement or merely giving compliance minimal lip service could lead to problems, unsatisfied customers, unhappy administrators, and a displeased Board of Trustees. The purpose of the regulation is to encourage health care facilities to do the right thing for their patients, regardless of expense.

The general public has a big impact on health care services also. The public perception of care, especially of poor care, influences the financial success of health care facilities. Information regarding quality and safety in health care, and about specific hospitals, physicians, and medical services, is becoming readily available through the Internet and the media. No one wants inadequate or inappropriate care; no one wants to enter a hospital with a reputation for endangering patients. No hospital wants the care it delivers to be labeled as substandard. It is part of the manager's job to ensure that the hospital has a good reputation and is highly regarded in the public eye.

Media attention has focused on the mistakes, errors, problems, and flaws in today's health care environment. The widely discussed 1999 Institute of Medicine report, *To Err Is Human*, condemns health care delivery in this country as inadequate, inefficient, fragmented, unscientific, and in need of fundamental change. Private organizations including the Leapfrog Group and the Midwest Business Group have taken it upon themselves to dictate standards for quality care, insisting on accountability from hospitals.

These groups have a great deal of buying power and they want to be assured that their money is well spent. The *Wall Street Journal* reported that "poor quality care costs companies around \$1,700 to \$2,000 per covered employee a year" (Landers, 2002). Indeed, these groups require proof of good management and good quality—the two go hand in hand—and are outcome-oriented. Patients can exercise the privilege of going where they think the best care is offered, and large businesses can negotiate contracts for their employees where they think they will get the best results. Poor health care quality costs money.

Public expectations pressure health care institutions to provide—and to be able to document—safe quality care. Managers are there-

fore concerned not to make mistakes, to monitor safe practices whatever the scope of their charge, and to be able to rationalize and defend the processes and decisions they make as being beneficial to the patient and the health care institution.

Managers, then, have to provide excellent clinical service while keeping their eye on the financial aspects of the delivery of care as well. A busy unit does not necessarily reflect a cost-effective unit that is providing good clinical care to its patients. A busy unit may simply be a poorly managed unit, one that serves neither the patients nor the institution well. For example, inefficiencies in bed turnover can keep the beds full but actually mask the fact that new patients are not coming into the unit and therefore revenue is lost, and worst of all, that patients are inappropriately cared for. To equalize the pressures between financial success and excellent clinical outcomes requires that the manager work with the managers of other departments (such as Housekeeping, Discharge Planning, and Social Work) to efficiently move each patient through the continuum of care.

## **GETTING HELP FROM ALL THE RIGHT PLACES**

How can a manager begin to juggle all these responsibilities, and to acquire the skills necessary to manage all that needs to be managed?

Enter the government.

Health care today is a highly regulated industry. The regulations are designed to assist health care leaders and managers as well as to protect the patient and monitor the delivery of care. This is as it should be, because a health care institution is, in many ways, unique. What other kind of organization deals with the *business* of life and death, pain and suffering, illness and well-being? Or with social issues such as undocumented residents who are afraid of the bureaucracy of the admissions process and use Emergency Departments as primary care physicians for their children, and who often can't pay for services, or the elderly, who have no place to go upon discharge and who also often can't pay for services. Social issues. Financial issues. And, of course, complicated medical issues. Health care is a business that needs very careful management.

If you drive along a small, untraveled country lane, you would resent a series of traffic lights that attempted to control the nonexistent congestion. However, when you drive on chaotic, overcrowded roads

that converge at busy intersections, you are grateful for the control imposed by traffic lights. In addition to being useful and appropriate, the lights are effective because laws dictate that drivers react appropriately to them, and drivers honor the rules out of a mixture of agreement with their purpose and fear of the consequences of breaking them.

### **Regulatory Agencies Help Define Good Care**

The numerous, lengthy, and complex government regulations for health care institutions became necessary because care was chaotic, and the public had the accompanying fear of accidents. Hospitals were not being managed well, nor were they managing their responsibilities adequately. Patients were not receiving standardized care; hospitals were increasingly unsuccessful as financial organizations, incurring massive debts with profoundly unsatisfied customers. Performance requirements had little standardization, and the institutions had few formal operating principles to follow.

Confusion reigned even about what kind of service a hospital should be in the business of providing. It was not universally apparent what it meant to provide good care. Should care be based on principles related to financial reimbursement? If so, then delivering good care and managing services effectively involved understanding severity indices, the acuity of illness, and appropriate diagnoses—the bases of reimbursement. Or perhaps good care should be based on competition for public regard (as in, mine is better than yours), in which case quality indicators such as mortality and morbidity rates would be the central focus.

In an attempt to stem the confusion, to ensure parity for services, and to protect patients from harm, today the management of health care services is carefully regulated—how it is delivered, when it is delivered, in what environment it is delivered, to whom it is delivered, and with what outcome. The JCAHO, the Department of Health (DOH) in each state, and many other regulatory agencies require health care organizations to define the structure, the processes, and the staff necessary to manage the delivery of quality care.

Overall, these regulatory and oversight agencies force organizations to examine the competency of their staff and to evaluate the quality of the care they deliver in order to assess whether or not they are doing a good job. Good care is now equated with quality care—care that is measurably safe, of the highest standard, evidence-based, uniformly delivered, with the appropriate utilization of resources and services.

The JCAHO expects processes to be developed, implemented, monitored, and assessed on an ongoing basis, and it is the managers' responsibility to comply with these expectations.

During the accreditation survey process, surveyors interact with unit managers, inquiring about the process and provision of care and about performance improvement efforts that each manager has introduced and supervised. Surveyors also interview staff and patients on the unit to verify that the staff has been properly educated and is competent (another managerial responsibility) and that the patients express satisfaction with their care. And the JCAHO is only one agency to which the manager is accountable.

State health departments can take a different focus. In New York State, the DOH evaluates outcomes of care in addition to evaluating the processes used to deliver that care. It monitors mortality for high-risk procedures (such as cardiac surgery), incidents and errors, and patient complaints—and reports its findings out publicly. Good care is defined as having successful results for the patients.

### **Regulatory Agencies Help Define the Manager's Role**

These regulatory agencies also provide additional definition about the manager's role in the organization, regardless of department, and set expectations about management responsibilities. Before the regulatory agencies began setting standards, managers had very few, if any, guidelines for what was expected of them in their role. Hospital administrators and human resource professionals had no principled basis on which to hire professional staff because they had no established criteria for good management.

Before the oversight of regulatory agencies, administrators would rely on the managers themselves to define their own roles within the organization and to develop their personal set of responsibilities. Administrators had little experience with the kinds of professional expertise their managers had (nursing, pharmacy, respiratory therapy, social work, and so on), and therefore they were at a disadvantage in attempting to direct their delivery of quality services or evaluating their performance.

Now, based on JCAHO criteria, Human Resource departments have a prescribed methodology for staffing that can actually identify for administrators the appropriate qualifications and requirements for a manager. For example, the JCAHO standards for leadership specifically

include department heads, managers, and supervisors, and outline for managers their scope of responsibilities: to plan, direct, coordinate, integrate, provide, and improve health care services that are cost-effective, responsive to member and community needs, congruent with the mission and vision of the organization, and designed to improve health outcomes. Piece of cake, right? And these are just a few of many such managerial responsibilities. Managers, in other words, are expected to do the right thing for the right reason and do it well. Furthermore, managers are expected to measure the care they deliver and present that information to the governing board of the institution.

### **Regulatory Agencies Help Define the Manager's Responsibilities**

JCAHO standards also outline the structures and processes for how this is supposed to happen. Department leaders, to be effective, are expected to integrate and coordinate departmental services with the hospital's primary functions and with other departments; to develop and implement appropriate policies and procedures; to make recommendations about staffing needs and qualifications; to continually assess and improve departmental performance; to maintain appropriate quality control programs; to provide for orientation, in-service training, and continuing education of everyone on their staff; and to recommend space and other resources needed by the department. These responsibilities have to be met or the organization will not be fully accredited.

Moreover, managers are also required to document that these responsibilities have been met. And not only to document appropriately but to communicate effectively. The JCAHO defines different layers of communication within the health care hierarchy. Managers are expected to communicate with their own staff and employees, and also to their managers, the administrators, and the medical boards. The JCAHO even sets expectations about what kinds of information the managers should require of their staff and service providers.

### **GETTING THE NECESSARY TOOLS FOR THE JOB**

All these regulations and recommendations make the managers' job easier, their role clearer, and their expectations better articulated. But what

a huge task! Without a deliberate process for handling the responsibilities of the job, managers can easily find themselves overwhelmed.

How would you, as a manager, go about assessing and improving your department's performance? Would you know where to start? The JCAHO requires that you improve performance using data, and that you identify, gather, and analyze data, both internally and in collaboration with other departments. Most managers have no background or education that would enable them to easily respond to this mandate.

Data collection is required for budgetary reasons and to help Human Resources allocate appropriate staff for the delivery of required services. Data are necessary for quality control in Pharmacy, in the laboratories, in radiology, and for the blood bank, to name a few examples. Even more than using data to meet regulatory expectations, data can be used to measure care in order to evaluate and improve services. How do you know what kinds of data to collect, or how to collect information so that it is reliable or how to analyze data for performance improvement?

Enter quality management.

### **Quality Management to the Rescue**

It is the hospital's or health system's Quality Management Department that has the responsibility for interpreting the regulatory standards for hospital accreditation and for helping managers design programs tailored to the specific requirements of their particular service. By explaining the expectations of the regulatory agencies in terms of developing appropriate measurements for evaluating care, quality management methods actually help managers determine what type of data they should collect, how it should be collected, and how to analyze it to improve the processes for which they are accountable.

One of the basic tenets of quality management is that objective information, in the form of data, can be used to assess and improve performance, providing managers with the building blocks they need to construct a well-run department or service. With the proper data, a manager can evaluate the delivery of service and set goals and expectations for improvement. (There is always room for improvement.) Not only can quality management data be used to help managers meet their evaluative and assessment goals, and to motivate staff behavior, the data can also identify problems for proactive improvement efforts. Managers need to know what the problems are before they can begin correcting them.

## No Need to Reinvent the Wheel

Using a consistent quality management methodology allows managers to develop processes that can be generalized across multiple issues. This is very productive—you don't want to respond on an ad hoc basis to every problem that arises, hoping to reinvent the wheel under the pressure of a crisis. Moreover, having a defined methodology helps you inform and educate your staff about your expectations—things are to be done in a certain deliberate and sensible way and not another.

The methodology that we use in our Health System, Plan-Do-Check-Act (PDCA), developed by the quality thinkers W. A. Shewhart and W. Edwards Deming in the 1920s, prescribes asking questions, collecting relevant data, planning an action or intervention, then implementing the action and finally assessing the effectiveness of the action. This quality management methodology enables a focused and informed response to the evaluation and improvement of processes, so that managers are well prepared to handle the unexpected, which they can expect to crop up daily.

## Ask and Ye Shall Receive

Depending on what kind of manager you are, and what you manage, whether it be a service (Social Work) or a unit (Nursing) or a process (Risk Management, Infection Control), you need to ask appropriate questions about the daily functioning of your department in order to understand your delivery of care. You may want information about staffing levels and competency, about the environment of care and the clinical issues facing your patients. You may need to coordinate with other disciplines to provide your patients with effective services.

For example, as a nurse manager, you might begin with asking this series of questions: What kind of unit is this? Who are the patients? What are their clinical and social issues? What would be the ideal way to run such a unit? What expertise is necessary for staff? What are anticipatable problems? To answer these kinds of questions, a nurse manager needs to collect data regarding the number of patients on the unit (that is, take a simple census), the type of diagnoses they have, and the services required for patients with those diagnoses to receive good care. With the resulting data, the manager can determine what kind of resources are required for effective management of the unit—appropriate staffing, competency requirements of the staff, anticipated

bed use, length of stay predictions for the delivery of effective care, anticipated turnaround time, and what could be identified as appropriate and successful outcomes. The data that these questions elicit can make the manager's job more coherent and the unit and staff easier to manage.

Another example: If your unit is responsible for elderly patients with pneumonia, collecting comparative data, which quality management supplies to managers, would alert you that such patients are at greater risk for falls and pressure injuries than other patients, and that their nutritional requirements might be critical to maintain health. An awareness of these risks will give you the ammunition, in the form of hard data, to ask for the resources to develop a fall-prevention program or to acquire specialty beds to avoid skin ulcers. You might also develop an educational program for staff regarding fall safety, and for the assessment and treatment of pressure injuries. A patient fall can result in a great expenditure of resources; prevention is always the better way. Avoiding risks and adverse events is key to successful management.

### **The Blueprint for Success**

But complying with regulations, collecting data, and using a consistent methodology for the evaluation and improvement of processes and performance are only the starting points for a good manager. Managers also need a philosophy if they are to function effectively and provide direction for their employees. If the employees know that their manager is operating within a specified framework—in the language of the JCAHO, doing something right for the right reason—they can more productively do their own jobs because their managers are providing them with guidance and a rationale for what they do. Within a specific framework, every incident, problem, or process is handled with a structure, rather than on a case-by-case or crisis-by-crisis basis. Furthermore, if you use data as the basis of decisions, then everyone on your staff knows that decisions are based on objective criteria rather than subjective impressions or capricious or random impulses. Grounding decisions in data offers staff a useful reference point for how to behave.

Quality management provides the health care manager with a working philosophy, one that focuses on the processes of delivering services the right way for the right reasons at the right time. Quality management specialists have developed the tools, techniques, and expertise to

measure the processes and to plan for improvement, and quality management methodology can help managers develop reasonable expectations about clinical outcomes. In other words, working within a quality management framework, managers have a deliberate approach to care so that their staff will understand where they are coming from—and, more important, going to. Figure 1.2 illustrates how the quality management program provides the foundation for the manager and staff to develop consistently defined measurements for assessing and improving care.

Based on the information revealed through quality management measures, improvement initiatives can be planned and developed that are consistent with the strategic plan, the vision, and the mission of the health care institution. Our experience in the eighteen-hospital North Shore–Long Island Jewish Health System (NS-LIJHS) has taught us how integrating quality management into every facet of the organization can implement positive change and improved performance. We do much more than ensure compliance with regulations; that is merely a jumping-off point for monitoring care. Our health system is as successful as it is—in the year 2002 alone, the system received a JCAHO score of 99, one of our hospitals was rated the “best hospital in the country” by an independent survey, two of our hospitals were



**Figure 1.2. Building Blocks for a Quality Organization.**

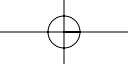
awarded the prestigious Magnet nursing award, among many other honors and tributes, and in 1999 the system received the prestigious Codman Award for innovations in outcomes measurements—because quality is embedded into the processes and structures that cross the organization and the entire continuum of care.

Our leadership, including the managers of departments, is committed to weaving a culture of quality into every piece of the organization. Principles of quality management are presented to new employees during orientation. Managers from every discipline attend a two-day course on quality management methodologies and performance improvement strategies to increase their skills on their units and to ensure that they have the necessary tools to do their jobs well while balancing quality, safety, budget, and competency issues. There is no need to wait for administrators or other supervisors to inform managers that patient safety and excellent care is their own responsibility. Working within a quality management framework, managers can establish accountability and better communication with staff while delivering better outcomes for patients.

## SUMMARY

The health care manager is expected to take care of all of these responsibilities:

- Provide efficient and effective services in the delivery of care.
- Balance competing agendas of other departments and services within the organization.
- Manage staff schedules.
- Work within a budget.
- Educate patients about their care and hospitalization.
- Respond to the mission and vision of the organization.
- Understand and comply with government regulations.
- Maintain appropriate quality control programs.
- Supervise training and education of the staff.
- Use data to improve performance.
- Work within a quality management framework.
- Define a philosophy for the delivery of care.



*Things to Think About:*

- You are given the responsibility to teach and train new managers, regardless of service or unit, to do their job.
  - What criteria would you use to evaluate their performance?
  - What training do you think would be most valuable?
  - What information do they need to best perform their job?
  - How would you handle the role of regulatory requirements?
  - What would you tell them about data?
  - What advice would you give a new manager?

