Main Challenges Faced by Healthcare Managers

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M. Carmen Cump?t

Abstract

The unique and personalized nature of healthcare, the special vulnerability of the patients, the complexity of the care process and the advanced nature of the technologies used, all contribute to the challenges of management in healthcare organizations. The aim of this paper is to highlight and discuss the main challenges healthcare managers face in their day to day activities. The findings revealed that on one hand, there is a pressure for efficiency through the responsible management of resources that are becoming more and more reduced in the context of multiplication and the increased complexity of patients' needs and, on the other hand, there is more pressure from stakeholders to obtain high quality services for the benefit of patients and society.

It is obvious that there are no easy solutions to the problem's healthcare managers face, but a proactive, creative and objective attitude might help them.

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1. Introduction

Healthcare management is a broad subject that needs to be discussed and brought under the spotlight. The healthcare environment has changed dramatically in recent years and the key responsibilities of managers have expanded. In this context, the challenges faced by hospital unit managers are multiple.

2. Management challenges in healthcare – an overview

2.1. Internal management challenges in healthcare

Healthcare management faces several challenges, which can be classified in internal challenges and external challenges. Because the culture is the foundation of the internal environment of any organization, it plays a major role, determining how well the members of the organization work together and how well the organization will be able to achieve its goals.

> **Managers need to recognize the importance of culture and take care to convey this culture to others in the organization. Culture can be transmitted through orientation, training, consistent behavior, corporate history, and storytelling. Culture can facilitate the activity of either human resources managers or line managers.**

Management can also consolidate an existing culture by selecting new employees with values that are compatible with that culture [1].

At the same time, healthcare managers also need to be very attentive to their own attitudes. If they show a negative attitude towards their colleagues or patients, the impact can be extremely negative for the hospital unit. Therefore, they should monitor their personal communications with employees, even though emails and telephone calls, and seek feedback from employees about how they are perceived as managers.

In addition, managers' attitude towards norms, regulatory rules also influence the attitude of others towards them. If managers comply with the rules and consider the existing rules and this is visible to other members of the hospital, then they will also respect them.

Also, a major challenge for management is the ability to deploy resources and skills, usually in combination, to deliver the desired services. The intentional co-ordination of resources and skills is a potential source of sustained competitive advantage.

The ability to effectively and efficiently coordinate resources and competencies to achieve integrative synergies through leadership and management is strategic ability. In contrast, many human resource training programs are of little value if they are not complemented by modern technology and managerial tools [2].

Managing conflicts can be another challenge for management. Given the complexity of medical care, conflicts between different professionals are inevitable.

Interpersonal conflicts between these professionals tend to interfere with the progress of health activity and, consequently, with their performance and motivation, affecting the quality of patient care.

Most of the time, the fact that part of the conflicts appearing in organizations derives from the unequal distribution of power means that it requires more understanding and negotiation from managers to solve them [3].

Creating and maintaining a good image of the hospital is another challenge for management. Managers should always maintain a service-oriented image and realize that the patient is leading the organization, not the other way around [4]**.**

Any small change in the brand, affects the fidelity of the patients.

Moreover, one of the key concerns of health managers is the management of change, a complex and dynamic process. Promoting change is both tedious and demanding. Implementing changes requires the manager to challenge the precedent and require perseverance against the habits and rules of established behaviors.

Change requires time from the manager, and he needs to know the values that matter and focus on changing them. In this process, managers have to face the reluctance of the employees to make changes to the procedure. Therefore, what is important is

clear and develop proactive responses and actions [5].

2.2. External management challenges in healthcare

Currently, the medical environment faces the following issues in the human resources field: lack of workforce (health professionals migrate towards a unit offering better conditions, higher salaries, more exciting future prospects), increasing workforce diversity, well-trained employees with flexibility in the program, changing employee values and attitudes, and technological progress [1].

> **The main trends of the external environment that influence the medical institutions are the changing of the financing methods, the emergence of new competitors, the emergence of new technologies, the decrease of the hospitalization time, changes in the physician-organization relations, the transformation of the demography and the increase of the labor force diversity, market penetration of private care.**

There is also increased pressure to reduce costs while patient expectations are rising [4]. The results of these trends have resulted in increased competition, the need for higher levels of performance and concern for institutional survival. Many healthcare organizations have been closed down or are in the process of corporate reorganization, leading to: staffing and/or workforce reduction, greater flexibility in job planning, job restructuring and/or redesigning, outsourcing more functions, and the development of management structures with lower levels and multiple control spaces.

Another issue of healthcare management regards legislation. In the field of healthcare, the legal dimension includes a number of laws, rules and procedures covering almost every aspect of operational healthcare, financial and procedural research, transplantation and most clinical activities [4].

Among the tasks of healthcare managers is also the management of the interests of various external actors. There are many stakeholders that need to be considered when talking about a hospital unit. These are the government, healthcare homes, public or private, organizations providing and producing health technologies, and the public.

Often, these external actors have different views and competing interests, and depending on the objectives of the hospital, managers need to focus on those with the greatest interest and influence or on those who are most affected [6]. Hospital managers are also faced with increasing competition.

Due to a shortage of health professionals, there is increased competition between hospital units and healthcare providers to recruit and hire qualified people that are able to treat patients effectively. Managers are faced with the task of creating a working environment that offers wages and competitive benefits to attract the most qualified medical professionals. These roles are essential to the functioning of any healthcare institution, so managers need to carry out recruiting and skilled recruitment processes.

3. Managerial solutions in response to challenges in healthcare

The contextual challenges faced by health and healthcare are so complex that they run counter to simple solutions. Understanding the nature of the health environment, the relationship of the organization with its environment, and the often-contradictory interests of internal functional departments and services require a broad conceptual paradigm. Many of the strategic and management planning methods adopted by healthcare organizations, both public and private, have been developed in the business sector.

> **An administrative and organizational solution to the patient/population tension was the development of "primary care organizations": authorities that have the purpose to manage and develop primary care services, both to improve the health of the population and to ensure effective and high-quality general practice.**

Primary care organizations are a specific manifestation of a better managed primary care shift in a number of health systems and are a managerial solution to the dilemma of how to jointly develop diverse and autonomous general and other community services at a local level coherent for improving health.

Choosing how to structure the relationship between the health system and primary care providers is likely to involve multiple and "mixed" solutions as a means of influencing the behavior of practitioners [6].

A reasonable expectation of a hospital unit is that all its managers – regardless of their individual degree of managerial expertise – are able to react positively to change and get support from their departments in this regard. Again, getting the support of all key organization members and gaining the benefit of their management experience is essential in the process of change.

Management in healthcare institutions faces several challenges. These often occur in periods of instability or change, such as when a program or a work period begins or is over, or a department or hospital unit is in transition. Some are concrete and limited (dealing with a certain situation), but many are more abstract and ongoing, such as maintaining the hospital focused on its long-term vision. There are some simple solutions that can support management when are faced with different challenges.

A first solution for management would be a proactive attitude, to define the root causes of problems and to understand why things are done in a certain way within the hospital [6]. A creative attitude is also an essential part of management.

As far as direct conflict is concerned, they must be resolved as they arise, and management should not behave as if it did not exist. Conflicts escalate when decision-makers fail to evaluate their positions and communication is distorted by distrust and hostility.

The solution is for the manager to identify problems and to highlight the values and preferences of the parties. Conflict can then be understood, and steps can be taken to avoid escalating the conflict to a level that disrupts negotiations [7].

It is also about keeping objectivity in close connection with conflict mediation.

The managerial solutions to the challenges of the internal environment are intertwined.

Managers must first listen to everyone, their visions, and their opinions about the hospital's plans and everything that happens within it. If the same opinions come from different sources, management has to consider there is a problem and needs to adapt.

Secondly, it is necessary to request feedback from the hospital members and act accordingly. Thirdly, management needs to be careful about the atmosphere in the hospital, whether it is a calm environment, or rules chaos and controversy.

The external and internal environment create a multitude of challenges that the manager and his team need to deal with. There is no recipe that can be applied in response to the challenges, but the answer must always be individualized and resolved in context, all of which have the aim of maintaining a balance within the collective and stimulating it. The final link is the patient and his good must be the ultimate goal of any challenges.

4. Management challenges in healthcare in Romania

In the last decade, the Romanian healthcare system has been the subject of many initiatives, attempts and successive reform schemes. Romania benefits from a universal healthcare system. It is a decentralized system, regulated by health insurance funds. The main source of funding is the statutory health insurance. In Romania, the state finances primary, secondary and tertiary healthcare. The state of Romania is also obliged to finance public hospitals and clinics [8].

Despite all the reforms and regulations implemented since the early 1990s, the health system in Romania strives to cope with under-financing. Currently, the country occupies one of the last positions in the EU Member States in terms of the percentage of public health expenditure in GDP.

This is a very important aspect because in Romania most of the financial resources come from the public sector. At the same time, the number of physicians in hospitals in Romania decreases from year to year, reaching an alarming level in 2014 of only half of the value required by the Ministry of Health normative.

This situation was mainly caused by the migration of "brains" due to the low incomes obtained in Romania and poor working conditions. This dramatic situation is exacerbated by the fact that the number of beds in public and private hospitals has also diminished since 2000 [9].

> **The law states that in Romania, hospitals are autonomous institutions and the activity of hospital units is coordinated by a manager, a steering committee, comprising the financial director, the medical director, the ethics council and the medical council. Consequently, the practice of good hospital management is ensured in Romania by the management contract that the hospital manager has to respect.**

The manager draws up the hospital's development plan based on the needs of the medical services of the population and may renegotiate the performance indicators initially established by contract.

The manager is responsible for the monthly and quarterly reporting of the hospital's budget revenue and expenditure budget and ensures the publication of this report.

The manager also concludes research contracts with various donors for hospital research and development activity, informs and submits quarterly and annually to the various bodies and organizations under whose authority the level of implementation of the indicators is. In addition, the manager approves the use of the hospital database for various medical research.

In Romania, healthcare management faces two major challenges: on the one hand, there is a pressure for efficiency through the responsible management of resources that are becoming more and more reduced in the context of multiplication and the increased complexity of patients' needs and, on the other hand, there is more pressure from stakeholders to obtain high quality services for the benefit of patients and society.

Romanian public hospitals are entrusted with a multitude of tasks, this being a challenge for management.

In addition to medical assistance, hospitals also participate in social and social action and fight social exclusion, collaborate in the health surveillance system in the country, contribute to medical research, the training of doctors, midwives and paramedics, involving and in preventive medicine and health education.

To promote access to quality healthcare, public hospitals must constantly adapt to technological change, more and more rapidly, and the new needs of the sick. They increasingly need an organized management that informs, considers all aspects of hospitalization (reception, hospitality, respect for privacy, care) and coordination to optimize their support conditions. Despite these countless tasks, the difficulty of coordinating the division of skills is not clear. It is not obvious who is responsible for the functioning of a public health unit. Thus, the hospital manager is sometimes a person for forwarding ministerial decisions, while the mayor may chair the board of the institution without being the financier or the real decision maker.

Since the hospital manager has the role of intermediary between the Ministry of Health and the local public authorities, the collaboration between these institutions is determined by the managers acting in both directions to get the funds for the unit they lead. The role of managers in initiating and identifying potential sources for a project is important.

Another difficulty faced by hospital managers is that they have little chance of benefiting from the recommended management training, which limits their ability to perform their tasks effectively. As a result, managers do not benefit from support to improve management structures and practices (monitoring, negotiating, contracting and capitalizing on staff competencies).

At the same time, hospital managers in Romania are appointed to positions after passing a public examination, and then sign a three-year contract with the Ministry of Health. The contract may be extended or canceled depending of the results of the annual evaluation carried out on the basis of performance criteria defined by the Ministry of Health. In this context, managers have a major responsibility to run a performance hospital, always threatening to maintain the status of manager [10].

An essential aspect in Romanian hospitals is the management of ethics. Recent research has shown that although there are some efforts to manage ethics, organizational ethics policies are adopted in isolation (for example, patients' rights) and not in a systematic manner. What is even worse, their focus is placed on the institution and its system, on the application of the rules and, unfortunately, not on the benefit of the individual (patient, employee or citizen) or on the organic relationship between person and system or institution [11].

Human resources are a main issue for healthcare managers also. First, most of the hospitals are confronted with a shortage of medical staff. Second, managers face inappropriate human resources.

In the Romanian hospitals, only the manager is the one who is assessed and could lose his position in the case of non-execution according to his management contract, and the rest of the employees are protected by the Labor Code. In this context, the manager has almost no chance to replace the inappropriate staff. At the same time, there is a clear need for hospital unit managers to have a well-trained team around them. Decision making in the medical environment requires leaders and managers to face many challenges. As leaders and managers of a hospital unit, the decisions taken today affect the health of people and communities of tomorrow. Strong decisions are needed, in order to be properly explained to the stakeholders. These decisions should be taken in the context of the internal organizational situation, the local competitive environment and the general health environment.

5. Conclusions

To sum up, compared to other organizations' management, a hospital's management implies additional challenges, due to the specific nature of healthcare. Healthcare facilities are dynamic and complex and need the managers to provide coordination and supervision to the employees, as well as leadership. Moreover, making sure that the quality of the services patients receive is the highest, represents the most important and serious task of the healthcare managers.

The internal environment has a significant positive influence on the quality of the mission description, vision and action plan of the hospital.

As challenges of the internal environment, the following were identified: outdated medical equipment, low motivation of staff, second-person medical personnel in private practice, efficient and effective coordination of resources and competencies to achieve integrative synergies, conflict management, attitude to patients, colleagues, rules, regulation rules, the creation of a hospital brand, the reluctance of staff to make changes to the procedure. Managerial solutions to the challenges of the internal environment are intertwined.

> **Managers must first listen to everyone, their visions, and their opinions about the hospital's plans and everything that happens within it. At the same time, they must continually request feedback from hospital staff and, in general, be mindful of the hospital atmosphere and act accordingly.**

The healthcare system in Romania has given rise to additional challenges for hospital managers, of which the most important are a shortage of medical personnel, inadequate human resources; single supplier dependence, delays in medical services settlement from the main supplier, insufficient budget credits for training and professional training programs, capping of certain expenses and the moral wear and tear of equipment. Also, public hospitals in Romania are entrusted with a lot of tasks, this being an additional problem for management.

Regardless of the specifics of managerial challenges, wrongly managed, they can lead to mistakes, of a greater or lesser magnitude. To avoid these, managers need to be proactive, creative, maintain objectivity, identify new collaborative opportunities, listen to hospital unit members, and request feedback, as well as pay attention on what is happening in the hospital.

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