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Basic Mental Health Care Management Principles

This chapter is intended to provide an overview of management responsibilities, whereas the later chapters provide specific techniques and identify the skills needed to provide effective management.

Business management principles in mental health care are no different than other businesses; there are vendors and there are consumers. Some clinics prosper, while others remain stagnant or go out of business. Some develop a positive reputation, while others do not. Although there are no guarantees, there are sound business practices that increase one's chance of success.

A keen knowledge of both the consumer and the vendor must be mastered to remain competitive. A typical midsize mental health clinic does not hire a business manager, due to financial restraints. This duty usually falls upon others who also have clinical duties. Even if a business-oriented manager is hired, there are several mental health clinical skills associated with the position in which clinical training and experience are needed.

Mental health care is becoming more of a business in which professional peers and referral sources are also competitors (in a business sense). The price of trying to compete for business increases the cost of staying in business and decreases the time available to treat clients. Without it, however, a clinic can lose its competitive edge. Plus, without appropriate business skills, the quality

of services can decline due to the effects of poor management. Thus, any mental health service provider who has any inkling of becoming a clinical supervisor, director, or manager should receive management training either formally or informally.

With the rise of competition for mental health consumers, one cannot avoid the decision whether to be competitive. Ignoring competition only leads to decreased business. Imagine two retail stores, located on the same block, who sell similar products. Store A's philosophy is, "It has always been our policy to make a 40 percent profit and to only sell articles that are made in this state. That's the way we've always done it, and that's the way we'll always do it." Store B's philosophy is, "If we want to grow and be competitive we will make a profit of 35 percent and we will advertise letting everyone know that our customers will have a greater variety of choices and we sell for less." It is likely that Store B will make a little less money per sale, and have more advertising costs, but the volume of business will more than make up for it. Store A might keep its loyal customer base due to its exclusive product line, but could also go out of business due to not keeping up with the market. Likewise, clinics must know their competition and make ongoing decisions based on market changes.

HOW DO CLINICS BECOME COMPETITIVE?

The answer is as simple or complicated as monitoring prices and services. Consumers want the best quality product for the least possible price. Maintaining this balance maintains one's competitive edge. Clinics that charge too low a price, or pay excessive salaries or commissions, will likely go out of business in a relatively brief period of time. Likewise, if they provide the utmost in high-quality services, their expenses could be quite high. For example, in today's professional sports the ratio of quality to price has made it very difficult for team owners. The team's consumers (those who attend the games and purchase team products) want the team to sign the best players—with contracts in the multimillion dollar range—but they do not want to pay a high price for tickets. A team with mediocre players might have low-price tickets, but there might not be much

demand (low ticket sales) due to a losing season. A delicate balance of what can be afforded versus what can be charged is difficult. In mental health, a clinic does not receive more money from third-party payers for their high-end players (seasoned therapists), although there is typically a rate difference between masters and doctoral level therapists. But, seasoned clinicians typically demand a higher salary, and rightfully deserve it. Thus, when a clinic cannot afford high-salaried employees, it must increase its quality of care by other means (see Chapter 2, Customer Service).

Studebaker automobile dealers are no longer in business as Studebaker dealers. They either want out of business or changed brands. Mental health clinics that hold on to outmoded services and business practices must either expand the services they provide or face a downward spiral in business. Mental health consumers are not different from consumers for other businesses. I frequently receive phone calls from prospective clients asking questions such as the prices of services, time frames, location, and payment options. Such questions are remarkably similar to those asked in retail situations. Thus, an effective manager monitors client questions posed to the receptionist—and any others who deal with the consumers—to help the clinic become more desirable or competitive in those areas. This is comparable to a retail store that does not sell a certain product, but due to numerous client requests begins stocking the product, and thus makes a profit. This is not to suggest immediately hiring therapists who specialize in fad treatments or therapies, but does suggest keeping up with market needs for business survival.

At this point in time, the typical model of mental health care management training for students is not through academic training, but through observation of the management practices where they receive their clinical training. The quality of this experience is proportionate to the managerial abilities of their supervisor. If the supervisor is ill-trained or not business oriented, the supervisee will perpetuate the incompetence. If they happen to learn from a business-oriented model, they might do quite well, if they incorporate what they learned.

A small mental health private practice usually has about three to five employees, including one administrative person and a few therapists. The business portion of the practice involves answering

the phone, setting up appointments, paying bills, and collecting fees. Many clinics can sustain themselves at this level, but they may or may not grow to be a competitive force.

The larger the clinic, the more a business-like model is needed. Larger clinics have a better chance of receiving the more lucrative contracts. However, due to the increased number of services available, these contract providers impose additional requirements on the clinic to protect their clients and investment. For example, some larger contracts require clinic accreditation or medical personnel on staff. The accrediting process involves disclosure of some very specific policies and procedures. Thus, a larger clinic is much more accountable to outside sources than a small private practice. Terms such as *policies and procedures handbooks*, *business plans*, *fiscal management*, and *utilization review committees* are likely foreign to a small clinic, but are part of the everyday lingo in larger clinics.

THREE NECESSARY SKILLS FOR EFFECTIVE CLINIC MANAGEMENT

Historically, we have assumed that the same skills employed in counseling are sufficient for management. Indeed, some of these skills transfer. For example, much of a therapist's training involves people skills, crisis management, and assertiveness. But, are these skills sufficient to manage a clinic? Several additional, specific managerial skills are needed, which are not part of clinical training. Just as a good business manager without clinical training may not be effective in a clinical setting, a good clinician may be unprepared for managerial duties without appropriate training.

Some therapists easily transition into management, while others are ineffective, no matter how effective they may be as a therapist. Clearly, the skills of therapy are necessary, but not sufficient, for management skills. The combination of at least three global skills is necessary for the therapist/manager. These include therapeutic skills, administrative skills, and relational skills. Clinical skills are needed to understand the vision of the clinic, supervise therapists, review charts, hire appropriate clinical staff, and evaluate the services of the clinic. Administrative skills are needed to organize, plan,

manage, budget, market, and make the business and personnel decisions necessary for the clinic to function. Relational skills are extremely important to maintain a cohesive group, communicate, and lead a group of divergent people. Any two of these skills is not sufficient without the third.

The model of managerial training, just as in clinical skills, requires training, supervision, and experience. Many a therapist's financial downfall has been to purchase an established clinic before acquiring any managerial experience.

Mental health care providers face the additional challenge of not wanting to appear to the public as a competitive business. They

Example of a Good Therapist, but Poor Manager

A small, but thriving, practice had a healthy referral base, provided an array of services, and maintained a healthy income for its owner and employees. The owner decided to sell the practice due to other opportunities. A therapist with excellent clinical skills, but no significant business experience, purchased the practice.

After several months in business the new owner began to see a decline in business and complained to the seller that the clinic was not profitable, suggesting that the seller was misleading in the transaction. The seller then asked the buyer what was being done to maintain and increase business. The new owner's response clearly described the reason for the declines. The response was that no advertising was going out because the level of business when the business was sold was plenty of work.

Lesson: In most mental health clinics, the sources of referrals and revenue change over time. A referral source may be strong for several years, but may stop suddenly because of changes in personnel or other reasons. Often, when personnel change at a referral source, they send their referrals to those they know in the field, rather than the status quo. Thus, when one of your referral sources changes personnel, be sure to immediately develop a relationship. They may quickly begin referring to their previous contacts. The process of seeking new referrals should continue even when business is brisk.

Losing referral sources is not uncommon and should be expected. Thus, marketing strategies must be ongoing, because referral sources are not permanent. This clinic did not replace lost referral sources, thus there was a drop in business.

do not have the luxury of certain retail stores who make advertising claims such as, “We slash the competitor’s prices.” No one thinks anything about these claims other than as a part of a marketing scheme for a retail business. Or, when an advertising slogan such as “You’d be crazy not to shop here” is heard, people might even think it’s humorous. However, if a mental health clinic made such claims, it would likely be viewed as money-grubbing, tacky, providing low-quality services, and clearly not very professional. A high standard is clearly required in the marketing of mental health services.

Not every business decision in mental health treatment can be competitive or have a profit motive. For example, providing a certain percentage of free or low-cost services for the disadvantaged is not only an ethical practice, but it is also expected. Such a practice also allows clients, the public, and clinicians to realize the compassionate, altruistic side of the business, and reinforces the public’s typically high perception of mental health therapists. The concept of a competitive clinic, to some therapists, might seem like a paradox.

As mentioned previously, mental health clinic management involves three primary skills, clinical management, and business management. Deficits in any of these areas shortchanges the clinic. The remainder of this book provides training in these areas, whereas this chapter discusses general principles. The remaining chapters also provide specific examples of needed managerial clinical and business skills.

For the sake of communication the title of the person who manages the clinic will be referred to in this text as the clinic director/manager. In very large clinics, these might be two separate positions.

Therapeutic Skills

A mental health clinic director/manager is typically a seasoned therapist experienced in therapy, mental health crises, documentation, upgrading professional credentials, professional presentations, staff training, dealing with ethical issues, the ups and downs of being a therapist, and both supervising and being supervised. Although this person may have little initial experience in managing the adminis-

trative aspects of a clinic, there should be a solid track record of complying with both clinical and administrative procedures required by the clinic and the mental health field.

A therapist who cuts corners, provides poor documentation, constantly complains and degrades the clinic, or is passive-aggressive is not a good candidate for management. This does not suggest that a manager must be a “yes-person,” but it does mean that the person should not be antiauthoritarian or a clinic policy-breaker. A therapist who has a history of poor compliance with administrative procedures likely does not understand the importance of those procedures and will not suddenly become an administrative role model. Thus, if a potential clinic manager is being promoted from out of the ranks, this person, besides being a seasoned therapist, should have a strong history of following the rules that he or she will later oversee.

Administrative Skills

Clinical Supervision

A clinical director/manager has several clinical management duties. Whether these duties are accomplished through various committees, clinical administrative staff (mid-management), or directly by the clinic director/manager, this person is ultimately responsible for the quality of clinical care at the clinic. Simply assigning senior therapists the task of supervising novice therapists is not sufficient. Minimally, the senior therapists should report to the director/manager for supervision and case management. In smaller clinics the clinic director might provide the clinical supervision.

Case management is clearly more than simply signing off cases. It also provides an opportunity for therapists to grow professionally by discussing their viewpoint and listening to different perspectives about their client’s concerns. The supervisor brings additional insight and challenges through extensive experience. Case management duties help the manager/clinic director to learn the strengths and weakness of the clinic’s therapists, and provide direction to aid in clinic and client growth. In case management I ask the supervisee to respond to the following types of questions.

Examples of Case Review Questions in Clinical Supervision

1. What is the reason for the referral?
2. What is the client's presenting problem?
3. What are the symptoms leading to the diagnosis? How do they fit the *Diagnostic and Statistical Manual* criteria?
4. How did you rule out (e.g., suicide, chemical dependency, personality disorders, [depending on the case])?
5. What are the resulting impairments?
6. What are the client's strengths, needs, abilities, and preferences (SNAPS)?
7. Are services medically necessary? Why? Why not?
8. How does the treatment plan address these impairments in an objective, measurable manner?
9. Are there any concerns with suicide/homicide?
10. Are there any Chemical Dependence issues?
11. What are the estimated number of sessions?
12. What therapeutic school of thought or techniques do you plan on using? Why?
13. Are any referrals necessary?
14. Should anyone else be involved in the treatment?
15. How effective is the current treatment? How? Why?
16. What changes are needed to best suit the client's needs?
17. What progress has taken place?
18. What are the discharge and aftercare plans?
19. What struggles have you experienced in this case?
20. Are there any ethical issues that need to be addressed?
21. What would you do differently?
22. What have you learned from this case?

Now, provide clinical insight into the case and continue to discuss.

Chart Review

Reviewing charts is different from clinical supervision. It is typically called utilization review (UR) by third parties, involving reviewing the documentation in the charts of therapists at the clinic. Once again, the larger the clinic, the higher the chance that this process will be performed by a UR committee, directed by the clinic director/manager.

Reviewing charts is not necessarily a difficult process—the skill is in the knowledge of what to review, providing accurate feedback, and teaching specific skills to therapists to increase the quality of their work. Some of the main responsibilities of the clinic director/manager are to protect the clinic from unethical practices, provide medically necessary services, be accountable for clinical procedures, meet accreditation standards, and any other actions that could occur under his or her direction. Each of these actions is designed to ultimately fit the client's best interest. Thus, this person must be an expert in clinical accountability standards.

Duties, such as keeping up with changes, staff training, and a careful review of charts, are part of the job description. A clinic director/manager without these skills leaves the clinic vulnerable to consequences such as substandard services to clients, an unsuccessful audit, and possible payback of funds collected.

Perhaps one of the biggest issues therapists have is record keeping. They may have been taught a different system, or no system, at the various clinics where they previously worked. Very few were taught such skills in graduate school. Thus, the clinic director/manager is a supervisor, a teacher, and a mentor, and is responsible for the results of those who are supervised.

Staff Development

The clinic director/manager is responsible for staff training, credentialing, and development. Moderate and large size clinics routinely conduct staff training to help develop new competencies in their therapists. It is not uncommon to hold monthly staff meetings in which a portion of the meeting involves staff training. Topics such as therapeutic techniques, crisis management, safety procedures,

Example of How a Clinic Director/Manager Should Be an Example to Others

I once worked at a clinic where the clinic director was a fine therapist and a natural leader. As part of his managerial style, he regularly admonished therapists to provide proper documentation because the clinic held a very lucrative contract in which audits took place about every 2 years. After each audit the clinic typically was required to pay back several thousand dollars due to the lack of documentation. The director relied on committees to review charts, rather than become involved, but the committee was not allowed to review the clinic director's charts. When the director's charts were audited, the auditors were quite amazed that few notes were kept at all, thus much of the payback to the insurance company was due to the poor documentation of the director.

Lesson: Be sure that the clinic director/manager is more than just aware that accountability standards exist. Be sure that this person, or yourself, is experienced and expert in utilization procedures to the point it is not a burdensome task, but rather a necessary part of the job, leading to better client care and accountability.

compliance guidelines, and much more are covered. Either outside speakers or clinicians at the clinic provide the training.

Established clinics have credentialing guidelines. That is, there are established policies and procedures used to determine which therapeutic procedures may be practiced by each therapist. Typically the guidelines are based on training, experience, and supervision. New therapists must be credentialed within the clinic for each procedure and client demographic (e.g., age group, type of therapy, level of impairment, diagnosis categories). Established therapists present evidence of current training, experience, and supervision to add to their credentials. Once again, the credentialing process might be conducted by the clinic director/manager or via a committee, with final approval by the clinic director/manager.

Some clinics pay for all or part of continuing educational experiences for therapists and administrative staff. Typically, the clinic director/manager or an assigned administrative staff member keeps a record of staff training and continuing education of clinical staff. This information is part of what is reviewed by accreditation agencies and is part of the therapist's annual review by the clinic.

Hiring

Just like any other business, a mental health clinic must have business partners, employees, or independent contractors to provide services. Hiring the right employees is both a science and an art. That is, both objective and subjective information must be integrated. Some applicants look great on paper, but in person they leave a negative impression. Others say very little during the interview, leaving a vague impression, but turn out to be excellent listeners in therapy.

Employees can either make or break an institution. Therefore, the hiring process must be patient, carefully planned, and thorough. Applicants should be interviewed by a few departments within the clinic (e.g., other therapists, management, administrative staff). Previous employment, education, professional references, a criminal background check, and inquiries to their licensing board are a must. Some employers conduct a credit bureau check. Be sure to obtain written permission to conduct these inquiries.

A clinic in immediate need of new therapists must not be too hasty to hire people to fill vacancies. It is better to be a little short of help for a few weeks than hastily hire people who might not be beneficial to the clinic over the long run. It is likely better for clients to be referred elsewhere, or miss a few sessions, than see an inappropriate therapist who wasn't adequately screened.

The final step culminates with the clinic director/manager making a decision and an employment offer. Oftentimes, negotiating begins at this stage. Rarely hire a therapist at a significantly higher pay rate than established therapists at the clinic. Some therapists with higher financial needs will try to negotiate a fairly high salary or commission rate. As a clinic director/manager you will have to make business decisions regarding the feasibility of paying someone a high rate of pay. If the income to the clinic justifies his or her pay, it is generally not an issue. But, if their services pay no more than other therapists, it may not be fiscally responsible to hire this person. Also, some therapists are paid a higher salary or commission based on additional duties beyond conducting therapy (e.g., supervising, case management, administrative duties).

Depending on the size and resources of the clinic the clinic

Example of Budgeting Concerns

In the several years I have worked in clinic management I have come to the realization that commission rates paid to therapists over 60–65 percent lead to little or no profit to the clinic, when considering expenses. That is, the clinic can usually meet expenses paying at these rates, but when hard times come, there is little or no reserve to take care of these issues. Commission rates of about 50–55 percent (without other benefits) provide a fair balance to both the therapist and the clinic. Lower commission rates (without other benefits) typically result in a fairly low income to the therapist and higher turnover. Oftentimes, clinics that pay low commissions or salaries tend to hire novice therapists who are there to get their first job experience.

director/manager may also be responsible for scheduling, office hours, office assignments, approving vacation times, advertising, purchases, office leases, referrals, matching intakes to therapists, marketing, budgeting, and a host of other responsibilities if there is not an administrator with such duties.

Relational Skills

Without appropriate relational skills the most effective therapist manager is not able to lead, listen, develop trust, or communicate very well. Having sound clinical skills does not guarantee having good relational skills. This aspect of the job involves dealing with people individually and in groups. They must represent the clinic to clients, therapists, third party payers, accrediting agencies, vendors, referral sources, and several others. The clinic director/manager is typically a direct representation of the clinic.

MANAGEMENT STYLES

Although there are several management styles, the fit between the manager and those being managed is crucial for effective leadership. For example, an authoritarian manager typically encounters

many problems with insubordination and discontented employees in a mental health clinic. Therapists typically desire democratic leadership. Leadership in a mental health facility takes a “walking on eggshells” approach when balancing being competitive in the business world and people-oriented in the clinician world. Many therapists simply will not view the clinic as a business entity, as if the clinic will take care of itself if quality services are provided. This naive perspective is perhaps one of the greatest reasons many private practices go out of business in a relatively short period of time.

Texts in leadership skills describe a number of leadership styles. However, this text does not provide such descriptions, because they are much more descriptive in focus, while this text is more prescriptive. That is, not much is included in this text describing clinic management, as it favors providing training on how and what to manage.

For therapists who begin a solo practice that eventually grows to the level of hiring a few therapists, management skills develop

Example of Employee Turnover Due to Change in Management

The manager’s style is often reflected in the staff of a clinic. I once purchased a clinic from a therapist who had a very different management style than mine. Over the first several months of ownership, clinic morale seemed quite low. Many of the therapists made comparisons between the previous owner and me, stating that things used to be better with the previous owner. Over time a number of the dissatisfied clinicians left the clinic on their own volition (they weren’t fired) and were replaced.

It seemed that the bulk of the clinicians that remained and the new clinicians were more in sync with my style of leadership. After the transition took place, clinic morale increased. When I eventually sold the clinic, the same process took place. A different group of people rose to leadership.

Today the clinic still exists, two owners later, with many changes in the clinical staff that fit the current owner’s style of leadership. The clinic is doing quite well. None of these staff changes were planned, but the fit between the leadership and staff took place due to leadership needs being fulfilled by some and unfulfilled by others.

*Administrative Differences in Managing a
Solo Practice versus a Larger Practice*

Solo Practice	Larger Practice
Counseling a full client load	Decreased client load
Obtaining/maintaining a few third party contracts	Obtaining/maintaining several third party contracts
Making policies and procedures as necessary	Producing manuals for policies and procedures that comply with standards from multiple sources
Legally responsible for only your actions	Possible legal responsibility for therapists who work for you
Making all decisions	Regular committee meetings
Few or no staff to manage	Increasing staff with different opinions, backgrounds, availabilities, skills, and so forth
No need for accreditation	To expand business possibilities and reputation, adherence to multiple requirements
No staff issues to manage	Potential staff conflicts, which can lead to disruption in the clinic
More control of working hours	Less freedom in working hours
Payroll is only to you	Must meet payroll, even in lean months
Narrow scope of services	Wide range of services
Potential isolation	Collegiality
Multiple duties	Shared duties

over time. The most difficult aspect of growing into management is attaining the level of business, legal, and management skill needed for the business to grow. The same business principles used to start a solo practice are remarkably different from those used to manage a large clinic.

MAINTAINING A HEALTHY CLINIC WORK ENVIRONMENT

Clinic management is not a simple task, especially in a large clinic. Office dynamics and politics, such as power struggles, personality clashes, jealousies, dishonesty, employee theft, insubordination, and sycophantic behaviors are not uncommon in some settings. Office struggles will take place in any organization, but when they escalate, it may be indicative of other concerns or disruptions in the clinic. A wise clinic director/manager does not wait for problems to escalate to a crisis level before they are handled, but rather, monitors the pulse of the clinic through nonverbal or indirect indexes of such concerns. The clinic director/manager is not simply the person in the corner office who runs meetings, but rather, the bridge between the clinical and the business side of the clinic.

An effective clinic manager strives to promote a healthy office environment. Unfortunately, in the practice of mental health there can be strife or divisions within a clinic, such as clinical versus non-clinical staff or divisions within a department. A team approach in which cooperative efforts are rewarded can go a long way in promoting unity. Rewarding positive behaviors, rather than waiting to reprimand negative behaviors, is much more effective in achieving a positive office environment. When clinicians and staff members experience a sense of teamwork, unity, and camaraderie, the work environment becomes like a second family to its workers. This positive atmosphere among the staff is felt by the clients. A giving leadership leads to a giving staff. This point cannot be overemphasized.

Unity within a clinic begins at the top tier of management. Fractions, open disagreements, and side-taking that lead to division have no place in effective clinic management. Disruptions that could lead to a perception of interpersonal stress between managers always have an ill effect on morale. Obviously, disagreements will take place, but they should not interfere with morale or the mission of the clinic. Without some dissonance there is no growth; therefore, seek diversity, but do not let it get out of control.

Example of a Manager versus Owner Relationship Breakdown in a Clinic

I have seen far too many clinics begin due to a breakup at another clinic. Many great clinics are no longer in existence because management did not learn how to work together. Perhaps some therapists who go into management are so used to being the authority (in clinical settings) that they are not used to being a team player. Some treat the clinic as if they own it.

Very early in my career I applied to a fairly large mental health center whose director was not the owner or the founder of the clinic, but was partially responsible for the clinic's success. He received a hefty salary, but not as much profit as the owner, who was not on-site. As the clinic grew that clinic director became more vocal regarding his dislike for the owner. Plus, a number of statements were made that he should receive a larger piece of the pie.

I applied for a position at this clinic not knowing about the problems with the disgruntled management. During my interview everyone seemed fairly cordial and the job seemed promising. On Monday I came to work for my clinical orientation. To my surprise, one secretary and I were the only people there! All of the offices were emptied out. I phoned the owner, who knew nothing about why everyone had abruptly left.

It turned out that for several months the clinic director had been planning with every employee, except the secretary, to start a new clinic. They told all of the clients about their new location. Insurance and managed care companies provided the new clinic with appropriate contracts. They even became a licensed facility with the state. This all took place without the owner's knowledge.

On the weekend prior to leaving, most of the staff went to the clinic and copied client files to bring to their new clinic. They even used the clinic's copy machine! The secretary (having a history of loyalty to the owner) came to work knowing nothing about the other employees leaving. The owner had no idea that any problems even existed. In fact, in a staff meeting one week before, the clinic director told the owner everything was going fine. The clinical and administrative staff were simply gone. With no other staff available, the clinic closed down and I had no job.

Lesson: Management and ownership must communicate and share more than the transfer of money. Misunderstandings, communication problems, and resentment can lead to the downfall of a clinic.

PROMOTING A SENSE OF FAIRNESS

Many managerial concerns stem from individual staff members believing that they are working harder than others; thus, they deserve more compensation, favorable treatment, or attention. This belief may also lead to disunity among staff and a number of disgruntled employees. Such problems often stem from vague or changing job descriptions.

Indeed, a workload seems unfair when others around you are doing less and being paid the same. In a mental health clinic, however, few people have the same job description; thus, different duties are expected from different people. For example, if one employee answers the phone 70 percent of the time and another person answers it 30 percent of the time, the first employee could feel cheated, unless there is a job description that demarcates the specific duties for each position. Make all efforts to assure that employees are not given too many or too few duties. Periodically conduct a job analysis with the end result of placing employees on a level playing field. However, do not stifle employees' abilities and room for growth by limiting them to their job descriptions.

There should be clearly spelled out job descriptions, expectations, salary levels, benefits, and any information associated with the position. Rather than hiring special employees provide equal opportunities for all employees. Promotions should come by merit and qualifications. Objectively document specific reasons for promoting/demoting or increasing/decreasing the salary levels of employees. Promote a work environment where the employees are there primarily for the job satisfaction, not only the pay.

A manager whose attitude reflects being part of a team is more likely to develop a smoothly working team if this is his or her true intention. It is difficult to feign truly caring about employees; it must be genuine. The combination of business skills, coupled with therapeutic and people skills, makes for a great clinic director/manager.

THE KEY TO SUCCESSFUL MENTAL HEALTH CLINIC MANAGEMENT: EMPOWERMENT

One of the least successful management styles in most businesses and mental health is an authoritarian style. Mental health therapists are well educated and clearly able to make important decisions. Their frame of mind is empowerment. Therapists spend much time treating clients by encouraging assertiveness and self-actualization behaviors, thus teaching empowerment. It is also a part of their lives.

Mental health therapists strive for a sense of being, meaning, and purpose. Being told what to do, with little or no say in the matter, does not contribute to vocational satisfaction. Workers want to be a contributing, responsible, and valued part of the organization they represent. A top-heavy balance of power in a clinic results in high turnover of employees.

An effective manager will encourage clinicians to be their very best, take initiative, and be an active part of the workings of the clinic. Their positive attributes are encouraged. Employees with this sense of purpose in the clinic will rise to the challenge of self-fulfillment. Managers who encourage new ideas, creativity, and openly allow employees to empower themselves will have a highly committed staff.

In the business world, competing businesses often sell the same or similar products. One business is more likely to excel when its employees are innovative and free to be creative, rather than just doing their jobs. The ideas for innovations or changes come from all levels of employees. For example, top management may not be aware of minor but consistent customer complaints or delays in customer service, but when all levels of employees are free to experiment and try new procedures (within reason) effective change can take place. There is a risk of failure in experimentation, but without it, nothing changes and others pass you by.

In a mental health clinic all levels of employees can contribute and be creative in their ideas. For example, the receptionist will likely have the best ideas for improved customer relations, because the receptionist is often the first one to hear customer concerns. They have direct contact with the clinic's client base. When the receptionist is treated as an expert in his or her area, and suggestions

Example of an Empowered Therapist

A therapist worked at a clinic for several years. He initially started full-time and was a vital part of the clinic. He led a committee, helped in staff trainings, and was vital in starting a children's mental health program. His helpful suggestions and leadership were appreciated. He felt much self-fulfillment working at the clinic.

After about 6 years a new clinic director with a very different management style was hired. The new clinic director did not like therapists making clinic decisions. All new ideas had to go through the director. The therapist's input and clinic participation soon waned. He remained working at the clinic part-time, but also took a job at another clinic. Eventually, he became a complainer and often talked about the way things used to be.

The clinic director remained at the clinic for about 5 years. The therapist remained working one day per week and was not involved in any committees, staff trainings, or other nonclinical matters. A new clinic director was hired with a managerial style similar to the first clinic director. After about 6 months the therapist, once again, became involved in more aspects of the clinic. His ideas were valued and he once again became a role model of leadership and innovation. Eventually, he returned to full-time work as a very satisfied therapist, regularly contributing to the well-being of the clinic.

Lesson: Leadership that allows workers to empower themselves through creativity, innovation, and working to their potential can find itself managing a very dynamic clinic with satisfied employees.

and innovations are given a chance, the receptionist becomes part of the leadership of the clinic and is motivated to be more helpful. The manager who views the receptionist as an underling or subordinate, and does not provide the receptionist with opportunities to grow and find self-fulfillment in the clinic, will have a stagnant office staff with little or no job satisfaction. Staff turnover not only lowers morale, but is also very expensive.

Caution When Empowering Employees

The term *empowering* employees is actually not empowerment, but rather, a misnomer. That is, if the clinic leadership allows or per-

mits employees to have more job role flexibility, what actually takes place is continued oversight of more duties. Empowerment must also include leadership yielding some power as employees take on leadership roles based on initiative, not mandate. Thus, for some managers, empowerment can be viewed as threatening.

Empowerment can be quite difficult in mental health management. For example, clinics who tend to receive higher ratings from accreditation sources and obtain more contracts often have very detailed policies and procedures, which are designed to impress the agencies. When employees become creative and bypass policies, it could lead to reprimands. If a manager is authoritarian, it is possible that the least creative employees could receive promotions due to their compliance. However, too much conformity leads to becoming stagnant. If there are too many layers of management in a clinic, the possibility of an idea being squelched increases with each layer if only the top level makes the final decisions. A typical hierarchical model can be the worst enemy of innovation and progress.

There must be a balance between conformity and creativity in a clinic. I suggest that management regularly encourage creativity in the form of ideas and discussions at staff meetings, where all employees have an equal say in discussions. Better listening leads to better ideas. A pilot project can be considered when an idea seems potentially helpful. Reinforce the creator of the idea and give the idea a chance. If it proves helpful, work it into your policies and procedures. The policies and procedures manual is important, but it is also revisable. All aspects of the clinic are dynamic rather than static.

If every new idea is immediately incorporated into clinic policy, chaos would prevail, but if every new idea is discussed, given a chance to be studied and revised or improved through group action, some of these ideas could be a catalyst for change and an encouragement to others to innovate.

Effective management creates an environment where employees have the freedom to grow, make suggestions without fear of reprisal, take risks that are within reason, and feel as if they are part of the organism of the organization. A well-managed organization views the organization as compared to a human body, in which each body part is necessary. That is, the hands, head, heart, and

*Example of Management Listening to Employees’
Concerns Leading to Improvements*

A clinic had a policy that therapists must collect deductibles and co-payments from clients. The collection rate was fairly poor. A number of therapists complained that it was not their job to collect money, noting that it was personally uncomfortable. Management replied that a therapist collecting the co-payments was therapeutic by helping clients be responsible. Therapists felt pressured and further described collecting fees as adversely affecting the counseling relationship. They didn’t know what to do when clients stated that they had no money with them, because it was the clinic’s policy to not render services unless the co-payment was met. It would be very difficult to ask a client to leave at the beginning of a session.

In a staff meeting a group of therapists brought up a discussion about their concerns, and further added a suggestion to consider a clinic policy that required clients to make their co-payments and deductibles at the front desk with the receptionist (just like at a medical clinic). Management listened and agreed to give it a try.

For the next few weeks clients were informed of an upcoming policy to make their payments up front before seeing their therapist. Plus, just like in a medical office, this amount must be paid prior to receiving services. Due to the ample warning of the policy change, clients were very compliant with the new procedure.

After an analysis of the percentages and amounts of co-payments and deductibles received, the clinic found that they were taking in a significantly higher amount of money with the same number of clients.

feet each have a function, and the body would not function to its full potential without all of its parts. At times the feet shine, when the organization must move quickly, but at other times the heart is in the forefront, when its caring nature is needed. At other times the hands are needed, when work is to be done. During the course of everyday matters, each member coordinates with each other as the body, not various factions. The head is held up by the rest of the body, but helps organize its efforts. It functions best when the power and energy is distributed to the body in a sufficient amount that it functions at its full potential, not just where one member dictates.

People are not creative when they feel boxed in, ruled, or put

down. Nor do they become creative when they are mandated to be creative. It comes from having the freedom to create. Creativity, not being told what to do in all matters, leads to reaching potential.

BALANCING MANDATES AND CREATIVITY

Therapists function best by providing treatment within the realm of their education, beliefs, experiences, and worldview. Their personality style and interpersonal skills go beyond therapeutic techniques. There is always more to learn, but when they are stifled by rules and requirements in a session, the field suffers. Therapy is both an art and a science. When therapists incorporate their personalities, part of their very being becomes incorporated into treatment.

The supervisor who corrects a therapist's counseling style in areas that are nonessential to basic counseling skills but rather are personal traits that happen to be different from the supervisor, may be in danger of stifling the therapist's creativity. The adage, "major on the majors, and minor on the minors," is especially true. Too often, in management, we major on the minors.

Likewise, in other areas of clinic management, people want to feel like an autonomous part of a larger organism. This is not a contradiction, but rather, it is an excellent formula for growth and organizational unity and strength. One's contributions to the organization help promote a sense of purpose. Staff with this type of drive go beyond their job description because that extra mile is a motivator. Everyone benefits.

When employees portray this attitude, acknowledge them and show appreciation. Let them know that their contributions directly increase the quality of the clinic. Employees treated in this manner will find the balance between following the policies and procedures of the clinic and innovating new ideas to improve the current system.

As managers/clinic directors we want to receive the most each employee has to offer. Knowledge is power. An effective organization invests in increasing its employees' competencies. Staff training, seminars, college courses, workshops, job shadowing, graduated levels of experience, and other means of training should be encour-

aged and subsidized whenever possible. A company of experts working together is on the winning team.

SUMMARY

Knowledge of business management skills is crucial in the operation of a mental health clinic. The clinic director/manager makes decisions that can make or break a clinic financially and in the quality of services offered. A well-organized manager can build a clinic from a small private practice to a large clinic in a relatively few number of years because most of the competition is not trained in business management.

Without adequate training and business acumen, a well-meaning therapist-become-manager can soon spiral to a financial downfall. Problems, including going out of business without the means to pay off business loans, long-term leases, and business equipment, can lead to years of financial woes. Errors resulting from putting all of one's eggs into the same basket can soon break one's nest egg.

Therapists can make excellent clinic managers. Most of them already have two of the three necessary skills for effective mental health clinic management: therapeutic and relational skills. When they receive adequate training in the third area, administrative skills, they are on the right road to managing a successful clinic.

Too many therapists assume that if they have been successful as a clinician they are qualified to manage a clinic. Some therapists do quite well, but many do not readily make the transition, at the expense of the clinic and, ultimately, the clients.

Managers who must be the person in charge and require that all ideas and decisions go through them will suppress their employees' desire to be creative and self-fulfilled in the workplace. This trait is most often found in insecure managers who must have their way. Most therapists, as well as other professionals, desire a place of employment where they are given the freedom to be innovative, creative, and make decisions that could better their job. Managers who encourage this freedom will develop a cohesive, supportive, and professional staff with few limits in their capabilities.

TEST YOUR KNOWLEDGE

1. Which of the following skills are required for a successful mental health clinic manager or director?
 - (a) Therapeutic skills
 - (b) Administrative skills
 - (c) Relational skills
 - (d) All of these

2. What is the source of most mental health clinic manager's or director's managerial training?
 - (a) Business college
 - (b) Graduate school
 - (c) Observations of previous supervisors
 - (d) None of these

3. What is meant by *empowering* employees?
 - (a) Providing an atmosphere in which employees desire to innovate
 - (b) Adding to their duties and responsibilities
 - (c) Giving them permission to make more decisions
 - (d) Rewarding employees for adhering to company policies

4. Effective managers encourage
 - (a) adherence to rules and regulations.
 - (b) experimenting with new procedures.
 - (c) leadership spread out as people rise to the occasion.
 - (d) all of these.

5. What is the main difference in the management of a mental health clinic compared to other businesses?
 - (a) A mental health clinic makes less profit
 - (b) A mental health clinic is a nonprofit agency

- (c) The public's image
 - (d) The wage structure of employees
6. Clinic credentialing of therapists is
- (a) required in all mental health clinics.
 - (b) an optional practice.
 - (c) is required by licensing agencies.
 - (d) not necessary because therapists are professionals.

Answers: 1. d; 2. c; 3. a; 4. d; 5. c; 6. b

