



# 1

## MEETING THE CHALLENGE

### The Supervisor's Job, Roles, Functions, and Authority in Today's Health Care Workplace

#### ***Starting Point***

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Go to [www.wiley.com/college/Lombardi](http://www.wiley.com/college/Lombardi) to assess your knowledge of the basic job of a health care supervisor.

*Determine where you need to concentrate your effort.*

#### ***What You'll Learn in This Chapter***

- ▲ The characteristics and components of today's health care work environment
- ▲ Patient expectations
- ▲ Expectations for today's health care manager
- ▲ Typical levels of management
- ▲ Four management functions
- ▲ Contrasts between professional and managerial work

#### ***After Studying This Chapter, You'll Be Able To***

- ▲ Distinguish common characteristics of patients
- ▲ Discuss the three top expectations for health care managers
- ▲ Distinguish levels of management and respective responsibilities
- ▲ Compare the four core management functions
- ▲ Differentiate between professional and managerial experiences

#### ***Goals and Outcomes***

- ▲ Master terminology related to today's health care workplace, patients, and management roles
- ▲ Recognize common tools and techniques of health care managers at various levels
- ▲ Describe trends and changes in health care management
- ▲ Discuss duties and expectations for health care managers
- ▲ Compare managerial tasks, skills, roles, and responsibilities
- ▲ Connect with others within and outside a health care organization
- ▲ Evaluate management concerns and responses

## INTRODUCTION

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In the new health care workplace, everyone must respond and adapt to rapid changes in society and science, as well as to the shifting needs of today's health care patient. Managers must be accountable for productivity while encouraging a high-quality, diverse work environment. Managers exist at a variety of levels in a health care organization, and each level of management has specific roles, expectations, and duties. The experience of a manager stands in contrast to the daily work of nonmanagerial professionals.

### 1.1 Exploring Today's Health Care Workplace

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We live and work in a challenging environment, filled with both dramatic uncertainty and great opportunity. As the manager in a health care organization, your personal and organizational responsibilities require that you work in and create an environment that promotes participation, empowerment, involvement, teamwork, flexibility, self-management, and more. Along with these ideals, there are continuing calls for higher performance, greater efficiency, and lower costs. Health care organizations and the patients they serve demand nothing less than the best from every employee—and managers are no exception!

An **organization**, from a large corporation to a governmental agency to the local convenience store, is a collection of people working together to achieve a common purpose. In so doing, members of the organization are able to accomplish tasks that are far beyond the reach of anyone acting alone. In health care, organizations can take a variety of forms—small nonprofit clinics, networks of health care specialists, large for-profit research hospitals, and privately run physicians' offices, to name but a few options. When describing health care organizations, experts often speak of where the organization falls along the **continuum of care**, the complete spectrum of available health care services today.

The **purpose** of an organization is to produce goods and/or services that satisfy the needs of customers. While many of today's health care organizations focus primarily on producing services (immunizing infants, testing for diseases, treating illnesses, or providing long-term nursing care, to suggest just a few examples), all organizations exist because they contribute something useful to society.

Technologies, experts, and resources are all important components of organizations, but people are at the center of any organization. People—what they know, what they learn, and what they do with it—are the ultimate foundations of organizational performance. People are so valuable that nowadays most economists and top executives refer to an organization's employees as its **intellectual capital** of talents, knowledge, and experience. Intellectual capital is indispensable in creating long-term success.<sup>1</sup>

To further understand today's workplace, you can also divide the workplace into general and specific environments.

### FOR EXAMPLE

#### U.S. Department of Health and Human Services

To get a nationwide view of the health care industry—including the most recent reports on the economic, social, legal, and technological issues surrounding health care organizations and workers today—spend some time getting to know the U.S. Department of Health and Human Services (HHS; [www.hhs.gov](http://www.hhs.gov)). HHS is the principal agency for protecting the health of all Americans, managing more than 300 agencies, 67,000 employees, and a multibillion-dollar annual budget (almost a quarter of all federal spending, in fact). The agency's Web site is packed with industry-wide reports, as well as useful links to virtually every governmental agency.

#### 1.1.1 The General Environment

Health care services are provided in a broad range of physical environments today, including hospitals, nursing care facilities, clinics, mobile medical vehicles, and within patients' own homes. However, this book focuses on the **general environment** of health care organizations, which includes all the background and external conditions for the organization. This part of the environment provides a situational context for managerial decision making.

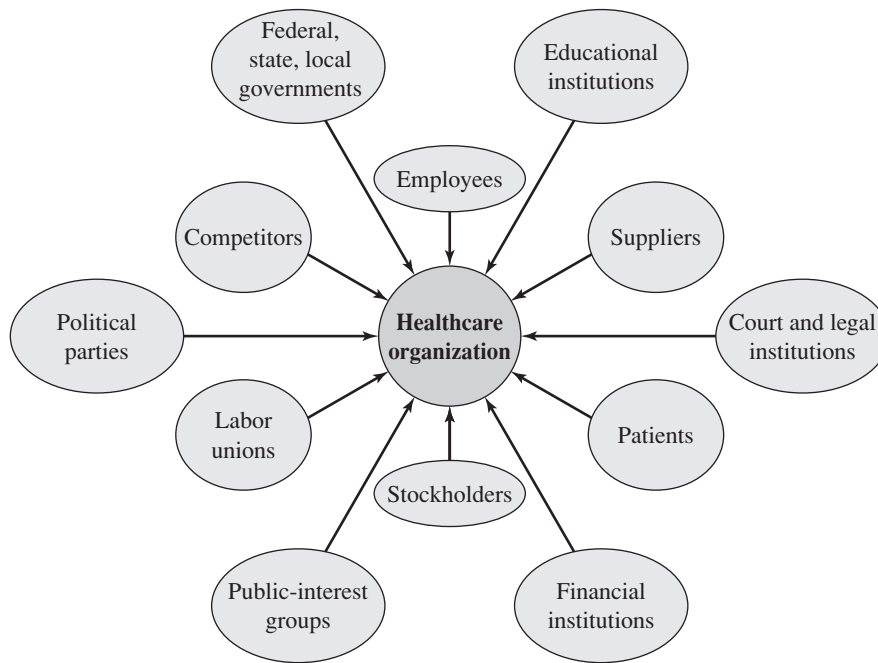
Major external environmental issues include

- ▲ **economic conditions**, including inflation, income levels, gross national productivity, unemployment, and other related indicators of economic health;
- ▲ **social-cultural conditions**, including the prevailing social values on human rights, the natural environment, education, marriage, and family;
- ▲ **legal-political conditions**, including the philosophies and objectives of political parties running the government, as well as laws and government regulations;
- ▲ **technological conditions**, including the development and availability of the latest computers, software, research tools, drugs, medical procedures, and health care devices;
- ▲ **natural environment conditions**, including conditions of the natural or physical environment, which includes levels of public concern expressed through environmentalism.

#### 1.1.2 The Specific Environment

The **specific environment** consists of the actual organizations, groups, and persons with whom an organization must interact in order to survive and prosper.

Figure 1-1



The many stakeholders in today's health care organizations.

These are environmental elements of direct consequence to the organization as it operates on a day-to-day basis.

The specific environment is often described in terms of **stakeholders**—the people, groups, and institutions who are affected in one way or another by the organization's performance. Figure 1-1 shows multiple stakeholders as they may exist in the external environment of a typical business firm.

Sometimes the specific environment and the stakeholders are distinct for each organization. They can also change over time according to the company's unique customer base, operating needs, and circumstances. Important stakeholders common to the specific environment of organizations include

- ▲ **patients**, who are the groups, individuals, and organizations that purchase the organization's goods and/or use its services. Section 1.2 covers the particularities of today's patients;
- ▲ **suppliers**, who are specific providers of the human, information, and financial resources and raw materials needed by the organization to operate;
- ▲ **competitors**, who are specific organizations that offer the same or similar goods and services to the same consumer-patients;

- ▲ **regulators**, which include specific government agencies and representatives, at the local, state, and national levels, that enforce laws and regulations affecting the organization's operations.

## SELF-CHECK

- Identify and define **organization, purpose, environment, and stakeholders**.
- List five conditions that make up the general environment of an organization.
- Describe major stakeholders for a health care organization.

### 1.2 Getting to Know Today's Patient

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**Patient** is the term used most consistently in the book to refer to the individuals who utilize the goods and services produced by health care organizations. Three critical dynamics figure prominently when considering today's patient: public scrutiny, customer expectation, and customer demand.

#### 1.2.1 Public Scrutiny

Public scrutiny of health care organizations and institutions is at an all-time high because

- ▲ individual patients are paying a larger portion of their health care costs due to higher insurance deductibles and rising costs;
- ▲ the media, insurance companies, and government regulators are focusing more attention on cost-versus-quality issues.

Health care patients are increasingly aware of the quality of services they receive as well as certain quantity indicators, such as time and expense. Consumers pay closer attention to their local health care providers and the services they provide.

In your role as health care manager, you must be acutely aware of this scrutiny and how your organization is perceived by its paying public.

#### 1.2.2 Customer Expectation

In the media, modern health care is often referred to as a *public trust*, and access to appropriate health care is an inalienable American right. These assertions, combined with the reality that most Americans do pay for their health care,

demand that expectation and effort be at the forefront of the health care manager's thinking at all times.

Patients expect more, and when they are in the care of a health care organization, they are unquestionably the highest priority. The amount and quality of effort demonstrated by a manager and his or her staff, as perceived by the patient, is the most critical indicator of whether you are upholding your organization's charter as a public trust. This dynamic applies to any health care department or organization, in any institution, regardless of financial structure.

Health care managers recognize the importance of always maintaining a service-oriented image and realize that the patient drives the organization, not vice versa. Managers must set an example of strong commitment to each patient and establish this commitment as a criterion of service for all staff members.

### **1.2.3 Customer Demands**

Today's health care patient also demands a broader range of newer technologies and services. As a result, health care managers must constantly determine how their departments can satisfy these new consumer expectations.

To meet patient needs and fulfill expectations and demand, health care providers are diversifying their delivery systems to include numerous nonmedical goods and services. In the 1970s, for example, it would have been unique for a community hospital to have a drug-awareness program or a rehabilitation program. Today, it would be unusual for a large community hospital not to have both.

Health care managers can contribute to this demand for organizational diversity by seeking out opportunities for your department to provide new and better services. In dynamic organizations, great ideas are generated from the

#### **FOR EXAMPLE**

##### **Health Advocates**

A new type of health care professional has emerged in the last few years to help guide patients through complex medical decisions. Health advocates help seriously ill patients research new treatments, cut through medical bureaucracy, coordinate treatment and expertise from various specialists, and assist with insurance-related questions. The service is available through private for-profit providers and through nonprofit groups (which usually focus on a specific disease or aspect of health care, such as insurance problems). As the complexity of health care decisions continues to increase, the use of health advocates is likely to increase. For more information about leading nonprofit health advocate services available through the University of Wisconsin Law School, visit [www.law.wisc.edu/patientadvocacy](http://www.law.wisc.edu/patientadvocacy).

bottom up; team leaders and lower-level managers develop and execute some of today's most important new health care programs and initiatives.

## SELF-CHECK

- Identify and define patient.
- Discuss reasons for increases in patient scrutiny.
- Explain how patient expectations and demands affect health care organizations.

### 1.3 Managing in the New Workplace

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This book is about managers in today's new, exciting, and highly demanding health care workplace. A **manager** is anyone in an organization who supports and is responsible for the work performance of one or more other persons. Managers can have a variety of titles (including supervisor, team leader, division head, administrator, vice president, and more), but all managers share some common traits:

- ▲ Managers mobilize people and resources to accomplish the work of organizations and their subunits.
- ▲ Managers share responsibility—with people they report to and with people who report to them—in order to accomplish high-performance results.
- ▲ Managers accomplish their goals through the process of organizing, planning, controlling the use of resources, leading, and influencing.

Although specific day-to-day responsibilities vary greatly, managers within health care organizations typically<sup>2</sup>

- ▲ plan meetings and work schedules;
- ▲ clarify goals and tasks and gather ideas for improvement;
- ▲ appraise productivity and team-member performance;
- ▲ recommend pay increases and new assignments;
- ▲ recruit, train, and develop team members;
- ▲ encourage high performance and teamwork;
- ▲ inform team members about goals and expectations;
- ▲ inform higher levels of team needs and accomplishments;
- ▲ coordinate with other teams and support their work efforts.

In addition to these day-to-day duties, today's health care manager deals with a few overarching concerns, specifically accountability, quality of work life, and diversity.

### 1.3.1 Accountability

In this context, all managers must face and master a common problem: They must create the work environments in which individuals and groups contribute to organizational productivity. Furthermore, they must do this while being held *accountable* for results achieved. Formally defined, **accountability** is the requirement of one person to answer to a higher authority and show results achieved for assigned duties.

Every manager's daily challenge is to fulfill performance accountabilities for the results achieved by a team or work unit. To do so, however, every manager depends on the accomplishments of others to make this performance possible. Truly effective managers fulfill this accountability while utilizing organizational resources in ways that result in the members of their work teams achieving both high-performance outcomes and high levels of personal satisfaction.

### 1.3.2 Quality of Work Life

**Productivity** is a measure of high-performance results; by contrast, **quality of work life (QWL)** is an indicator of the overall quality of human experiences in the workplace. The QWL concept expresses a true respect for people at work and their rights to job satisfaction—an important theme that is addressed frequently throughout this book.

Practically speaking, a high quality of work life is one that offers the individual such things as

- ▲ fair pay;
- ▲ safe working conditions;
- ▲ respect for talents;
- ▲ opportunities to learn and use new skills;
- ▲ room to grow and progress in a career;
- ▲ protection of individual rights;
- ▲ pride in the work itself and in the organization.

Part of any manager's accountability is to achieve high-performance outcomes while supporting a high quality of work life for those who actually make this performance possible. Simply put, in the new workplace, productivity and a high-quality work life can and should go hand in hand.

### 1.3.3 Valuing Diversity

Closely associated with the quality of work life concept is another aspect of managerial accountability—valuing diversity.<sup>3</sup> **Workforce diversity** describes demographic differences among employees, principally differences in age, gender, race, ethnicity, able-bodiedness, religious affiliation, and sexual orientation. Today's workforce is increasingly diverse not only in demographics, but also in cultural

## FOR EXAMPLE

### U.S. Plans for Workforce Diversity

The U.S. federal government places great value on the goals of creating, defending, and ensuring workplace diversity in every U.S. state, county, and city. In particular, the Department of the Interior Office for Equal Opportunity serves as an organizing hub for national plans, reports, and news about workplace diversity. Visit the DOI's Web page dedicated to workplace diversity ([www.doi.gov/diversity/workforce\\_diversity.html](http://www.doi.gov/diversity/workforce_diversity.html)) to review the United States's official 5-year plan for maintaining a diverse workforce, as well as the most recent annual survey of workplace demographics in U.S. businesses and organizations.

traditions and lifestyles. This presents both a challenge in terms of required employer support and an opportunity with respect to potential performance gains.<sup>4</sup>

Managers should value diversity and help everyone work to their full potential. But what does this really mean? A female vice president answered the question this way: “consciously creating an environment where everyone has an equal shot at contributing, participating, and most of all advancing.”<sup>5</sup>

Diversity barriers in organizations can exist as prejudice involving negative, irrational attitudes of some members toward people different from themselves. It can take the form of discrimination that puts such people at a disadvantage by denying them the full benefits of organizational membership. It can also result in what some call the **glass-ceiling effect**—the existence of an invisible screen that prevents disfavored people or minorities from rising above a certain level of organizational responsibility.<sup>6</sup>

## SELF-CHECK

- Identify and define **manager, accountability, quality of work life, workplace diversity, and glass-ceiling effect.**
- Cite typical traits of managers and list typical managerial responsibilities.
- Describe characteristics of a job with high quality of work life (QWL).
- Explain reasons why workforce diversity is valuable in today's health care organizations.

## 1.4 Management at Various Levels

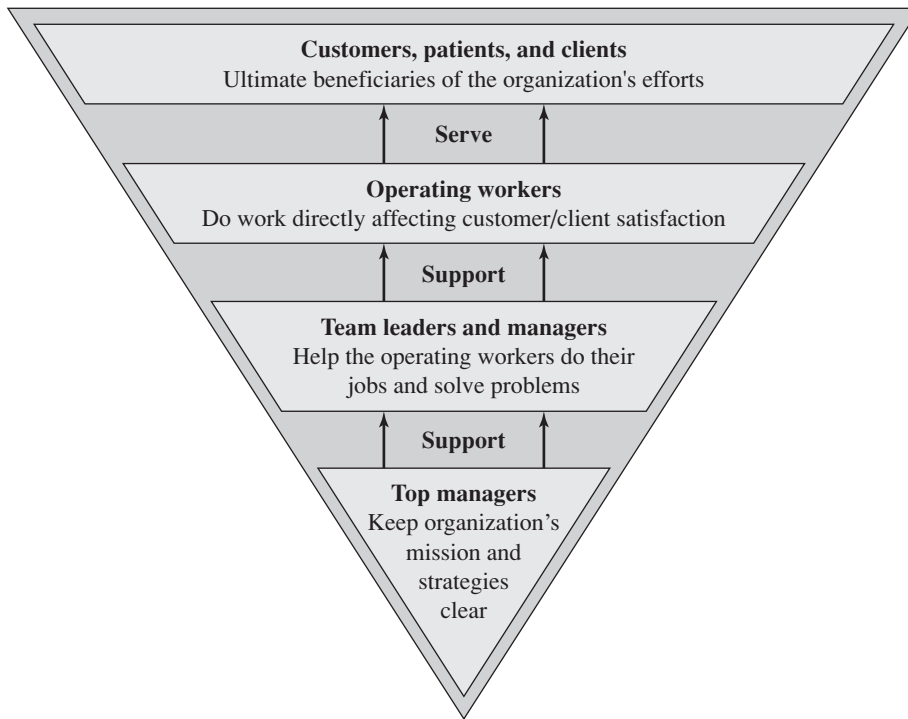
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Managers exist at a variety of levels within today's health care organizations. While the trend toward less hierarchy (i.e., few middle and upper managers) is definitely in effect, most organizations continue to have managers at three main levels:

- ▲ A top manager (or perhaps a few top senior managers) establishes an organization's major performance objectives and ensures that the rest of the company accomplishes the goals in accordance with the organization's purpose. The CEO of Johnson & Johnson and the director of the Centers for Disease Control are examples of top, senior-level managers. Top managers are responsible for the performance of an organization as a whole or for one of its major parts. They pay special attention to the external environment, are alert to potential long-term problems and opportunities, and develop appropriate ways of dealing with them. The best top managers are future-oriented strategic thinkers who make good decisions under highly competitive and uncertain conditions. Other common job titles at this level are *chief executive officer*, *chief operating officer*, *president*, and *vice president*.
- ▲ Middle managers are in charge of relatively large departments or divisions consisting of several smaller work units. Examples are clinic directors in hospitals, division managers, and regional managers. Middle managers report to top managers and develop and implement action plans consistent with organizational objectives. They must be team-oriented and able to work well with peers to help coordinate activities across the organization. Middle managers must often implement complex projects that require the contributions of people from many different parts of an organization.
- ▲ Team leaders and supervisors are in charge of smaller groups of nonmanagerial workers. Although most people enter the workforce as technical specialists—such as accounting clerk, information system technicians, medical professionals, or customer care representatives—sooner or later, many advance to positions of initial managerial responsibility. Job titles at this level vary greatly but include *department head*, *group leader*, and *unit manager*. These managers ensure that their work teams or units meet performance objectives that are consistent with the plans of middle and top management.

Among the many changes affecting managerial work today, the concept of the “upside-down pyramid” is one of the most symbolic. As shown in Figure 1-2, this new way of looking at organizations puts customers and clients at the top of the pyramid, followed by operating workers who interact directly with customers. These groups are supported by managers located below them, and top

Figure 1-2



The “upside-down pyramid” view of today’s organizations.

managers support everyone. In a sense, everyone in the upside-down pyramid becomes a **value-added worker**—someone who does things that create eventual value for best serving the customers.

The implications of this new perspective are dramatic for day-to-day work:

- ▲ Today’s best managers are known more for helping and supporting, rather than directing and order-giving.
- ▲ Even in this age of high technology, people and their talents are critical building blocks of organizational success.
- ▲ Jobs in the new workplace put more emphasis on teamwork.

### 1.4.1 Appreciating Managerial Skills

Two ways to further define what exactly a manager is in today’s health care organization is to explore the position in terms of skills and roles.

A **skill** is an ability to translate knowledge into an action that results in desired performance. Many skills are required to master the challenging nature of managerial work, and the most important ones allow managers to help others be highly productive.

One important distinction for management skills is effective versus affective. **Effective management skills** are abilities that support the effort to complete work on time and within budget. Key effective skills include estimating, scheduling, assigning work, supplying feedback, and analyzing processes. **Affective skills** are abilities managers use to manage their own emotions and their interaction with others in the workplace. Key affective skills include self-awareness, self-management, and relationship management.

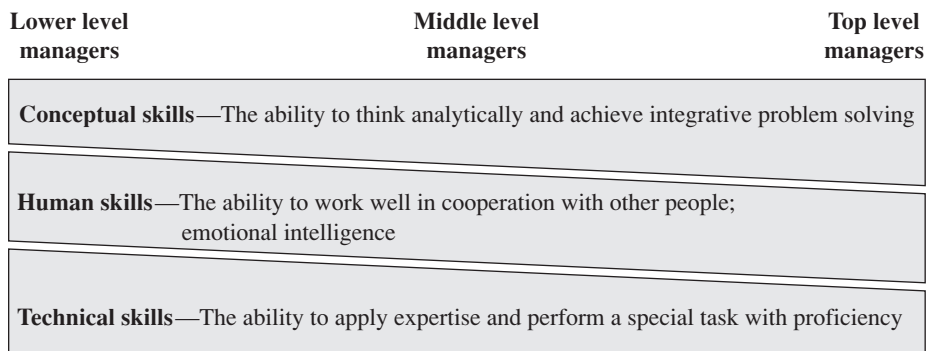
Robert L. Katz classifies the essential skills of managers into three categories: technical, human, and conceptual.<sup>7</sup> Although all three skills are essential for managers, their relative importance tends to vary by level of managerial responsibility, as shown in Figure 1-3.

A **technical skill** is the ability to use a special proficiency or expertise to perform particular tasks. Accountants, engineers, market researchers, and computer scientists, for example, possess technical skills. These skills are initially acquired through formal education and are further developed by training and job experience. Technical skills are most important at lower levels of management.

A **human skill** is the ability to work well with other people. Trust, enthusiasm, and genuine involvement in interpersonal relationships are all examples of human skills. A manager with good human skills has a high degree of self-awareness and a capacity to understand or empathize with the emotions and feelings of others. Given the highly interpersonal nature of managerial work, human skills are critical for all managers.

A **conceptual skill** is the ability to think analytically and solve complex problems. All good managers ultimately have the ability to view situations

Figure 1-3



Essential managerial skills.

Figure 1-4

Interpersonal roles	Informational roles	Decisional roles
How a manager interacts with other people <ul style="list-style-type: none"> <li>• Figurehead</li> <li>• Leader</li> <li>• Liaison</li> </ul>	How a manager exchanges and processes information <ul style="list-style-type: none"> <li>• Monitor</li> <li>• Disseminator</li> <li>• Spokesperson</li> </ul>	How a manager uses information in decision making <ul style="list-style-type: none"> <li>• Entrepreneur</li> <li>• Disturbance handler</li> <li>• Resource allocator</li> <li>• Negotiator</li> </ul>

Ten managerial roles.

broadly and find solutions to problems. Conceptual skills involve the capacity to break down problems into smaller parts, to see the relations between the parts, and to recognize the implications of any one problem for others. As managers assume ever-higher responsibilities in organizations, they must deal with more ambiguous problems that have longer-term consequences. Conceptual skills gain in relative importance for higher management levels.

### 1.4.2 Appreciating Managerial Roles

In trying to define the position and importance of managers in the workplace, classic managerial researcher Henry Mintzberg systematically divided and described the nature of managerial work into a set of 10 roles, which Figure 1-4 depicts graphically.

The roles managers must be prepared to perform fall into three categories:<sup>8</sup>

- ▲ A manager's **interpersonal** roles involve interactions with people inside and outside the work unit.
- ▲ The **informational** roles involve the giving, receiving, and analyzing of information.
- ▲ The **decisional** roles involve using information to make decisions, to solve problems, or to address opportunities.

### 1.4.3 Responding to Change

The nature of managerial work is always evolving as organizations change and develop with time. A *Wall Street Journal* article described the transition this way: "Not so long ago, [managers] may have supervised 10 people sitting outside their offices. Today they must win the support of scores more—employees of different backgrounds, job titles, and even cultures . . . these new managers are

expected to be skilled at organizing complex subjects, solving problems, communicating ideas, and making swift decisions.”<sup>9</sup>

We live in times of dramatic and continuous change. Values, cultures, and societies are changing along with today’s health care organizations. In many ways, change is only constant in today’s workplace, especially within the dynamic health care industry. Prominent trends include<sup>10</sup>

- ▲ **preeminence of technology:** New opportunities appear with each new development in computer and information technology. Technology continually changes the way organizations operate and how people work; all workers need to be open to incorporating new technology into their work processes;
- ▲ **emphasis on knowledge:** Knowledge and *knowledge workers* (employees who primarily know how things work and share this understanding with other employees or patients) are increasingly driving organizations. Because knowledge constantly makes itself obsolete, the pressure is on everyone to learn and continually apply new knowledge to problems and opportunities;
- ▲ **demise of command-and-control:** Traditional hierarchical structures with “do as I say” bosses are proving too slow, conservative, and costly to do well in today’s competitive environments. While most health care organizations still have upper, middle, and lower management, fewer layers of power now exist between workers and top management. As a result, every manager and worker must take greater responsibility for the success of their career, department, and organization;
- ▲ **focus on speed:** Everything moves fast today. The health care organization that provides a needed service first will always have an advantage in the vast array of health care options available to patients;
- ▲ **embrace of networking:** Like traditional corporate entities, health care organizations are increasingly communicating and coordinating with external partners, contractors, suppliers, and customers to provide a greater array of services to patients in more efficient and effective manners;
- ▲ **belief in empowerment:** Today’s workplaces demand highly involved workers who utilize their knowledge, experience, and commitment on a daily basis to solve problems and provide solutions to patients. The days of relying on upper management to “fix” situations or make all the tough decisions are ending. Today’s health care managers are increasingly expected to figure things out on their own, working with the resources available to them;
- ▲ **reexamination of ethics:** Prompted by recent business and governmental scandals, the public has increased its demand for ethical behavior and socially responsible actions within health care organizations. Managers must do the “right” things, not just the convenient things, or else potentially

lose customer-clients to organizations that are viewed as ethical and socially responsible. Monitoring organizations, such as the Joint Commission on Accreditation of Healthcare Organizations ([www.jcaho.org](http://www.jcaho.org)), evaluate thousands of hospitals, clinics, and health care providers each year to determine whether these organizations are fulfilling both their medical and ethical responsibilities;

- ▲ **emphasis on teamwork:** Today's health care organizations are increasingly driven by teams that combine individuals with different expertise into one, high-functioning unit. For example, it's not uncommon to find "treatment teams" consisting of a physician, several nurses, a social worker, a therapist, an office manager, and several specialized medical assistants all working closely together on a daily basis to serve the needs of patients;
- ▲ **concern about work-life balance:** As society increases in complexity, workers are forcing organizations to pay more attention to balance in the often-conflicting demands of work and personal affairs. Demands for flexible scheduling, job sharing, part-time employment, and telecommuting are prompting managers in health organizations to come up with ever more creative ways to get work done.

#### 1.4.4 Meeting the Challenges Ahead

Those who want to succeed in the twenty-first-century workplace must be self-starters and leaders who find continuing ways to add value to employers even as the environment continues to change. They must be willing to "do the right things" every day and continuously learn from experience to remain as capable in the future as they are in the present.

##### FOR EXAMPLE

###### Mayo Clinic Responds to Change

More than a century ago, brothers and physicians Charlie and Will Mayo realized that medical professionals needed to be organized differently in order to respond to the rapidly changing health care needs of patients in early twentieth-century America. The brothers created the first group practice, a health care system in which multiple physicians with various expertise can work together to provide the best care for patients. Today, Mayo Clinic continues to respond to the rapidly changing needs of patients with state-of-the-art research, complementary treatment programs, and experimental medicine. Find out more about Mayo's history—and its future plans—at [www.mayoclinic.org/about/index.html](http://www.mayoclinic.org/about/index.html).

In this context, new managers must be well educated, and they must continue their educations throughout their careers. Success in turbulent times comes only through continuous learning.

## SELF-CHECK

- Define the three levels of management and give examples of responsibilities and duties at each level.
- Define **skill** and discuss the three types of managerial skills.
- Compare Mintzberg's three categories of managerial roles.
- Discuss the most prominent changes in health care today.

### 1.5 Tackling Managerial Duties

The ultimate “bottom line” in every manager’s job is to succeed in helping an organization achieve high performance while utilizing all of its human and material resources. For many organizations, high productivity (in the form of high levels of performance effectiveness and efficiency) is a measure of organizational success. Managers are largely responsible for ensuring its achievement.

The job descriptions of most health care managers are extensive yet also open-ended. Managers monitor and endeavor to improve the daily operations of their departments or teams. They also need to think strategically about the future—how to improve the efficiency and productivity of their staffs and departments, and how to grow their own careers.

The duties and responsibilities outlined in this section cover many of the most common managerial duties.

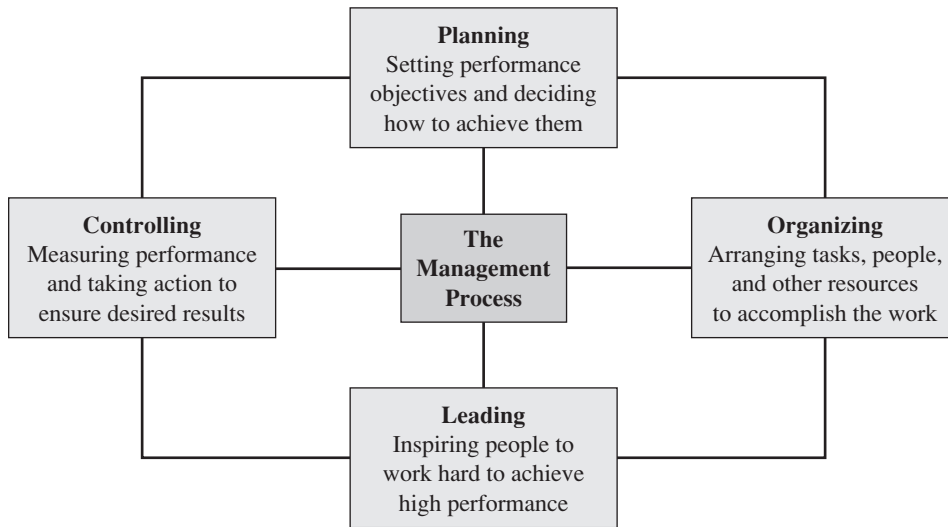
#### 1.5.1 The Management Process

On a daily basis, health care managers must recognize performance problems and opportunities, make good decisions, and take appropriate action. Managers do this through the process of **management**—organizing, planning, controlling the use of resources, and leading to accomplish performance goals. These functions of management and their interrelationships are shown in Figure 1-5.

All managers, regardless of title, level, type, and organizational setting, are responsible for the following four functions:<sup>11</sup>

- ▲ **Organizing** is the process of assigning tasks, allocating resources, and arranging and coordinating the activities of individuals and groups to implement plans. Through organizing, managers seek to understand and

Figure 1-5



Functions of management.

give shape to the complex nature of the workplace. Defining jobs, assigning personnel, and supporting staff with formal plans, specific technology, and other resources are all organizing tasks. Chapters 3 and 4 focus on organizing.

- ▲ **Planning** is the process of setting performance objectives and determining what actions should be taken to accomplish them. Through planning, a manager identifies desired work results, makes decisions, and lays the path for others to achieve the results. Chapters 6 and 8 focus on planning.
- ▲ **Controlling** is the process of measuring work performance, comparing results to objectives, and taking corrective action as needed. Through controlling, managers maintain active contact with people in the course of their work, gather and interpret reports on performance, and use this information to plan constructive action and change. Chapter 7 covers controlling.
- ▲ **Leading** is the process of arousing people's enthusiasm to work hard to fulfill plans and accomplish objectives. Through leading, managers build commitments, encourage activities that support goals, and influence others to do their best work on the organization's behalf. Chapters 9, 10, and 11 address leading.

While all managers are responsible for these functions, managers do not often accomplish these functions in a linear step-by-step fashion. In the real world, managers quickly move from task to task, utilizing multiple, sometimes overlapping, functions.

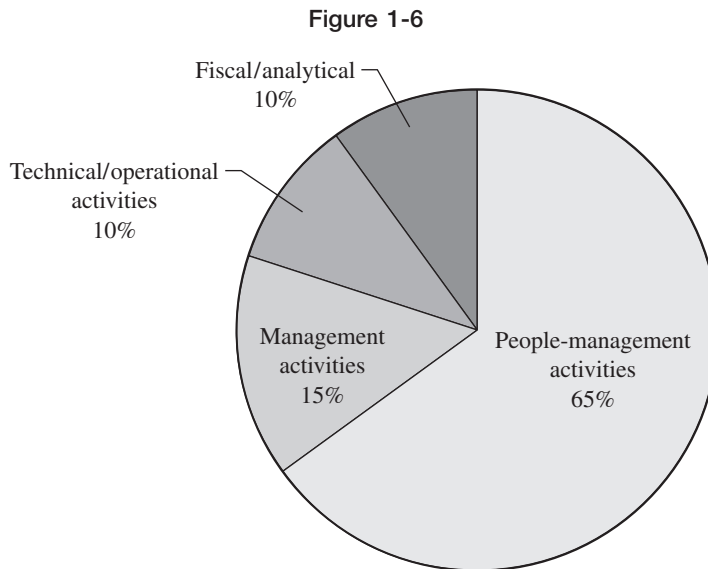
### 1.5.2 Time Management

Successful managers must learn, early on, to manage their time—in terms of how much time they spend working and how they allot the time spent.

Without a set shift or nine-to-five routine, a manager's time is never really his or her own. The amount of time a manager spends on the job largely is dictated by the needs of the organization and the manager's department. Some new managers overact to the time demands, assuming that the only way to meet their new objectives is to spend 18 hours a day at work while virtually forgoing a personal life. This quickly results in burnout and failure in the management role.

Not only is the number of hours different between managers and nonmanagers, but also the way this time is allotted is usually quite different. Nonmanagerial health care professionals spend about 80% of their time in professional activities—conducting laboratory work, treating patients, filling prescriptions, or repairing equipment. Health care managers tend to divide their time quite differently, as shown in Figure 1-6.<sup>12</sup>

As Figure 1-6 shows, almost two-thirds of managerial time involves *people-management activities* (motivating employees, setting work objectives, dealing with employee performance problems, assisting employees in accomplishing their work goals). This category also includes handling patient requests and complaints, working with peers, and engaging in other people-intensive activities.



Typical management responsibilities.

Additionally, 15% of managerial time is dedicated to *management activities*. Meetings, which consume a big part of this managerial time, are necessary as the business itself changes and new objectives are established. Other management activities include training employees, participating on councils and committees, and collaborating with colleagues and upper managers.

The remaining 20% of the chart in Figure 1-5 is divided equally between fiscal-analytical responsibilities and technical-operational responsibilities.

- ▲ **Fiscal-analytical responsibilities** include budgeting, financial paperwork, and cost-benefit analyses. In some management roles, this 10% quotation can easily be replaced or supplemented with administrivia, a popular term that relates to the paperwork (for example, compliance reports and organizational inventories) in many organizations.
- ▲ **Technical-operational** activities include participating in conferences related to your department's specific area of technical expertise or participating in educational activities aimed at improving your technical proficiency.

### 1.5.3 Agenda-Setting

Successful health care managers develop action priorities for their jobs by setting **agendas**, plans that include specific long- and short-term goals. Agendas are usually incomplete and loosely connected in the beginning but become more specific as the manager utilizes information that is continually gleaned from many different sources.

Forward-thinking managers keep their agendas in mind and are ready to share details whenever opportunities arise, such as when the general manager unexpectedly visits or team members express concerns about the appropriateness of a manager's decision.

Good managers implement their agendas by working with a variety of people inside and outside the organization.

### 1.5.4 Connecting with Other Departments

The old expression says that “no man is an island,” and by extension, the same can be said of health care managers. Savvy managers understand how their department or team relates to other departments or teams in the broader organization.

For example, as the personnel manager in a large metropolitan hospital, your departments would connect with a large employee population—nursing, support services, and operations, for example. Or if you managed a drug-rehabilitation team, all other rehabilitation-related departments (such as physical therapy, occupational rehabilitation, and social work) are closely related to your day-to-day work.

To determine which departments are closely related to yours, consider the following four questions:

- ▲ Which department(s) seem to have a natural similarity to the department I manage?
- ▲ Which department(s) do I communicate with the most frequently?
- ▲ Which department(s) do I find myself spending the most time in?
- ▲ Which areas have similar personnel and mission objectives and work with the same type of patient as my department?

Wise health care managers learn as much as possible about these closely related departments. Open communication and a spirit of freely shared information can lead to greater action and better productivity for all departments.

### 1.5.5 Networking

**Networking** is the process of building and maintaining positive relationships with people (typically outside of your current organization or business) whose help you may need to someday implement your work agendas. Networks are indispensable to managerial success in today's complex health care environments, and the best managers devote time and effort to developing their network.

Entire books are written on the process of networking, but the following techniques are some of the most effective means for developing these important connections:

- ▲ **Collect business cards.** Whenever you meet a management counterpart in the course of your personal or professional activities, exchange business cards. Counterpoints may be professionals at other hospitals, clinics, health care suppliers, governmental agencies, or nonprofit organizations. Even if another professional's job tasks seem far removed from your duties, keep the person's card; contacts are all potential sources of information.
- ▲ **Join a professional organization.** Membership in a strong national or regional professional organization can help you develop in your area of expertise. The organization may be related to a specific technical area, or it could be a general health care management development organization. Professional associations offer tremendous educational and networking opportunities, as well as a range of publications that can help developing management skills.
- ▲ **Become involved in community activities.** One of the unique qualities of health care is its standing within a community and its people-orientation. Try to participate in a range of community activities to build your base of contacts while providing you with information about how your organization

### FOR EXAMPLE

#### American College of Healthcare Executives

The American College of Healthcare Executives (ACHE; [www.ache.org](http://www.ache.org)) is a leading professional organization for health care managers in the United States and abroad. The society's membership includes more than 30,000 professionals, representing a wide range of health care managers working in hospitals, health care systems, nonprofit health care initiatives, and other organizations. ACHE's Congress on Healthcare Management is a popular national event, drawing more than 4,000 participants annually. ACHE publishes the *Journal of Healthcare Management* and *Healthcare Executive*, in addition to dozens of research, career development, and public policy papers every year. A significant portion of ACHE's content is also available free and online.

is perceived throughout the community. Community-based contacts may include religious organizations, schools, social service agencies, and more.

- ▲ **Ask questions.** When you meet a new contact, ask as many questions as you can without becoming impolite or intrusive. Ask about the person's background, areas of interest, and knowledge. Furthermore, ask about other individuals he or she may know who might help you gain specific knowledge in key areas. Most individuals are flattered by such questions and will be more than happy to provide you with critical information.
- ▲ **Read critically.** Take full advantage of journals, newsletters, abstracts, and other professional literature. Even the daily newspaper in your area, given health care's prominence on the public scene, is also a great source of useful information.

## SELF-CHECK

- Identify and define management, productivity, agenda, and networking.
- Define and describe the four functions of management: organizing, planning, controlling, and leading.
- Discuss the four typical, daily management activities.
- Explain the purpose of agendas and agenda-setting.
- Suggest ways to effectively network with outside departments and individuals.

## **1.6 Differentiating between Professional and Managerial Experiences**

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Whatever your career history and goals, working as a team member (as a specialist, technician, assistant, or some other title) and working as a manager—even within the same health care organization—are two distinct experiences.

The following sections identify four of the biggest contrasts between health care professional and health care manager.<sup>13</sup>

### **1.6.1 Self-Direction versus Selfless Service**

As a health care professional, you are in a position that is more **self-directed**. Your job description reflects a range of activities that you pretty much control and that require mastery of some technical discipline. (Here, *technical discipline* includes specific medical skills, as well as expertise in accounting, information technology, customer care, and a host of other specific skills.) In your daily work, you make technical judgments without undue reliance on others, and external and internal organizational dynamics have little impact on your daily activities. In essence, professionals are responsible first and foremost for their own performance: you are the key factor in determining the level of success you experience and what contribution you make to your organization.

As a health care manager, by contrast, you are in an area of selfless service. Rather than focusing on self-performance, health care managers supervise the activities of others. You have a great degree of control over and responsibility for others' activities. Your time is governed by the work activities and needs of your reporting staff, as well as the needs of your organization. Your work is constantly interrupted by people problems, organizational mandates, and change in work direction generated by upper management. Furthermore, your first responsibility is to the individuals you supervise, not to yourself. This means that your priorities and interests often take a backseat.

### **1.6.2 Autonomy versus Circumstantial Control**

As a health care professional, you have *autonomous control* over your work responsibilities. In many cases, your work activity is primarily governed by a job description, and you perform your tasks based on deadlines, processes, and procedures. Unless an emergency arises, you can work at your own pace and accomplish the goals you desire, based on your own performance and motivation.

As a manager, circumstances and situations control your action flow. The organizational contribution your department makes is the main factor in determining your workflow and your daily responsibilities. As emergencies arise, you must mobilize your entire department and determine who will work to attain specific objectives. Flexibility is a key factor in your success; you must be positively reactive, adaptable, and versatile in undertaking your management responsibilities.

### 1.6.3 Quantitative versus Qualitative Outcomes

The roles of most health care professionals usually lead to a variety of **quantitative outcomes**. In general, your performance as a professional is assessed based on meeting quantitative outcomes on a regular basis. For example:

- ▲ A lab technician conducts analysis and assays, which produces numerical (quantitative) outcomes.
- ▲ A staff pharmacist is responsible for filling a set amount of prescriptions on a daily basis.
- ▲ A staff nurse has a certain number of procedures and activities that, if successfully undertaken, dictates whether you had a good day.

As a manager, you deal largely in **qualitative outcomes**, which means measuring your success is more difficult. You deal with personalities and perceptions rather than measurable results. Even the most important indicator of successful health care management performance—patient satisfaction—is very difficult to measure numerically and is definitely qualitative in scope.

### 1.6.4 Focusing on Definitive Criteria versus Focusing on Overall, Comprehensive Goals

Health care professionals deal with definite outcomes. For example, you either complete a lab analysis or not; fill a prescription correctly or fail to note contraindications. Having clear-cut criteria provides a degree of satisfaction: You can recognize clearly the contribution you make toward providing stellar health care. Furthermore, this clarity of outcome provides a building-block-like sequence, whereby you can improve your performance each day and compare it with a previous goal.

Health care management offers few black-and-white performance criteria. Given all the dynamics of change and expectations mentioned earlier in this

#### FOR EXAMPLE

##### **Healthcare.Monster.com**

Over the last decade, Monster.com has transformed the way people search, prepare, apply, and interview for jobs. To assist both new and experienced health care professionals to successfully find and transition to new jobs, Monster created a free health care-specific information hub (<http://healthcare.monster.com>). In addition to listing thousands of open positions nationwide, the site's lively discussion forum offers a place for individuals searching for new work or transitioning to new responsibilities to ask questions and share insights.

chapter, it is very difficult to measure performance, clearly identify key performance criteria, and establish reliable goals for optimum performance. As a result, you must adapt your thinking to look at the breadth of activity, as opposed to the depth of activity. This means looking at the big picture as it relates to all your department's activities, establishing overall, comprehensive goals, and closely monitoring performance with an open mind—all without ever losing sight of the objective of providing excellent health care.

## SELF-CHECK

- Identify and define the four biggest contrasts between professional and managerial work.
- Contrast self-direction with selfless service.
- Discuss forces that control professional and managerial work experiences.
- Define **quantitative** and **qualitative** outcomes.
- Compare definitive criteria and comprehensive goals.

## SUMMARY

Careers in health care offer both fantastic opportunities and considerable challenges. Today's health care organizations must respond to many dynamic changes, while today's patient has new demands and expectations. As in any workplace, health care managers must be accountable, create a quality of work life, and value diversity. Although managerial levels, roles, and responsibilities vary within organizations, all managers must respond effectively to change. Every day managers must organize, plan, control, and lead in order to achieve the goals of their health care organizations.

## KEY TERMS

<b>Accountability</b>	The requirement of one person to answer to higher authority and show results achieved for assigned duties.
<b>Affective skills</b>	Abilities managers use to manage their own emotions and their interaction with others in the workplace.
<b>Agendas</b>	Action plans set by managers that include specific long- and short-term goals.

<b>Continuum of care</b>	The complete spectrum of available health care services.
<b>Controlling</b>	The managerial process of measuring work performance, comparing results to objectives, and taking corrective action as needed.
<b>Effective skills</b>	Managerial abilities that support the effort to complete work on time and within budget.
<b>General environment</b>	The background and external conditions for an organization.
<b>Glass-ceiling effect</b>	The existence of an invisible screen that prevents disfavored people or minorities from rising above a certain level of organizational responsibility.
<b>Human skill</b>	the ability to work well with other people
<b>Intellectual capital</b>	An organization's employees, including their talents, knowledge, and experience.
<b>Leading</b>	The managerial process of arousing people's enthusiasm to work hard to fulfill plans and accomplish objectives.
<b>Management</b>	The process of organizing, planning, controlling the use of resources, and leading to accomplish performance goals.
<b>Manager</b>	Anyone in an organization who supports and is responsible for the work performance of one or more other persons.
<b>Networking</b>	The process of building and maintaining positive relationships with people, typically outside of your current organization or business.
<b>Organization</b>	A collection of people working together to achieve a common purpose.
<b>Organizing</b>	The managerial process of assigning tasks, allocating resources, and arranging and coordinating the activities of individuals and groups to implement plans.
<b>Patient</b>	Individual who utilizes the goods and services produced by health care organizations.
<b>Planning</b>	The managerial process of setting performance objectives and determining what actions should be taken to accomplish them.
<b>Productivity</b>	Performance effectiveness and efficiency within the organization.

<b>Purpose</b>	Why an organization exists; organizations exist to produce goods and/or services that satisfy the needs of customers.
<b>Qualitative outcome</b>	A nonmeasurable result, usually involving personalities and perceptions rather than specific figures.
<b>Quality of work life (QWL)</b>	An indicator of the overall quality of human experiences in the workplace.
<b>Quantitative outcome</b>	A measurable result.
<b>Skill</b>	An ability to translate knowledge into action that results in desired performance.
<b>Specific environment</b>	The actual organizations, groups, and persons with whom an organization must interact in order to survive and prosper.
<b>Stakeholders</b>	The people, groups, and institutions who are affected in one way or another by the organization's performance.
<b>Technical skill</b>	The ability to use a special proficiency or expertise to perform particular tasks.
<b>Value-added worker</b>	Someone who does things that create eventual value for best serving customers.
<b>Workforce diversity</b>	Demographic differences among employees, principally differences in age, gender, race, ethnicity, ability, religious affiliation, and sexual orientation.

## ASSESS YOUR UNDERSTANDING

Go to [www.wiley.com/college/Lombardi](http://www.wiley.com/college/Lombardi) to evaluate your knowledge of the basic job of a health care supervisor.

*Measure your learning by comparing pretest and post-test results.*

### Summary Questions

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1. Prevailing social values on the environment, human rights, education, and family are part of an organization's
  - (a) economic conditions.
  - (b) legal-political conditions.
  - (c) technological conditions.
  - (d) social-cultural conditions.
2. The only stakeholder that matters for today's health care organization is the patient. True or false?
3. The amount and quality of effort demonstrated by the staff of a health care organization, as perceived by the patient, is the most critical indicator of whether the organization is upholding its charter as a public trust. True or false?
4. Regardless of the industry, business, or organization, managers do all of the following, except
  - (a) alleviate uncertainty.
  - (b) share responsibility.
  - (c) mobilize people and resources.
  - (d) accomplish goals through organizing and planning.
5. A high quality of work life offers employees
  - (a) room to grow and progress in a career.
  - (b) safe working conditions.
  - (c) fair pay.
  - (d) all of the above.
6. Managers who ensure that their teams or units meet performance objectives that are consistent with plans can be described as
  - (a) middle managers.
  - (b) team leaders or supervisors.
  - (c) top managers.
  - (d) technical specialists.
7. In the "upside-down pyramid" model, top management is at the top of the pyramid and their plans and recommendations flow down to

- middle management, team leaders, and, finally, customer-patients. True or false?
8. Change is the only constant in today's health care workplace. All of the following are change-related trends in health care, except
    - (a) the revision of traditional, hierarchical reporting structures.
    - (b) worker demands for flexible scheduling, telecommuting, and other benefits.
    - (c) decreased reliance on diagnostic testing.
    - (d) reexamination of ethics and socially responsible behaviors.
  9. The managerial functions of organizing, planning, controlling, and leading are interconnected and do not flow in a linear fashion. True or false?
  10. The majority of managerial time—typically more than 60% of any given day—is spent on
    - (a) people-management activities.
    - (b) management activities.
    - (c) fiscal-analytical activities.
    - (d) technical-operational activities.
  11. An effective technique for networking is
    - (a) posting your resume online.
    - (b) joining a professional organization.
    - (c) consulting with a career counselor.
    - (d) donating money to a community organization.
  12. As a manager, you have autonomous control of your work, setting your own pace and accomplishing goals based on your desires. True or false?
  13. An example of a qualitative outcome is
    - (a) the number of blood tests conducted daily.
    - (b) the cost savings from terminating an ineffective lab technician.
    - (c) the number of postsurgical patients a physical therapist can see in a day.
    - (d) the satisfaction of a pharmacy customer when offered generic drugs.

### **Review Questions**

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1. Health care organizations are only as strong as their intellectual capital. What is intellectual capital, and what are some specific types of capital?
2. What are the actual organizations, groups, and people with whom an organization interacts collectively referred to?
3. What are some reasons that public scrutiny of health care is at an all-time high?

4. An employee is prevented from rising above a certain level in an organization based on his or her gender. What might the employee be experiencing?
5. Workplace diversity encourages, maintains, and defends (when necessary) demographic differences among employees. What are the key demographic factors of workplace diversity?
6. The floor nurse at a university hospital is known for being able to almost instantly connect with patients, sensing how they really feel about a situation. What category of managerial skill is the nurse exemplifying?
7. Managers must have a variety of skills to do their jobs effectively. The ability to think analytically and solve complex problems is what type of skill?
8. How does the upside-down pyramid model change the basic responsibilities and duties of managers?
9. Today's health care workplaces must embrace networking to a greater degree than ever before. With whom might today's health care manager be likely to network?
10. Which function of the management process are you exemplifying when you ask staff to tally and log the exact number of syringes they use each day?
11. About 15% of a typical manager's day is spent doing management activities. What sorts of things are considered "management activities"?
12. Every time you meet a new co-worker or contact, you add their name and pertinent contact information to your electronic organizer. Which networking activities are you essentially doing?
13. As a manager, you must respond with great flexibility to emergencies as they arise, mobilizing your staff and resources to attain specific objectives. How could you describe the controls involved here?
14. In what ways is managerial work "selfless service"?

### **Applying This Chapter**

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1. In a speech to investors, the CEO of a medical research firm complains about the current environment as being "bad for business," due to new governmental regulations, high unemployment, and public demands for limited tests on animal subjects. What environment is the CEO referring to? What are some conditions the CEO is referring to?
2. Today's health care patient has new expectations and demands. What are some of these expectations and what are some of the demands? How do these expectations and demands compare and contrast?

3. The manager of a radiology department sets up an interdepartmental exchange program in which her radiological technicians can spend one afternoon a month shadowing an MRI technician. In exchange, MRI technicians get to spend similar time each month in radiology learning about the department and its procedures. Which aspect of the quality of work life is the manager trying to address?
4. A large suburban hospital has several levels of management—lower level, middle level, and top level. If you were the director of Human Resources, how would you compare the relative levels of technical, human, and conceptual skills required at each level within your organization?
5. As the manager of a small-town health clinic, you want to introduce a diabetes-screening program for your patients and the community at large. What would be at least one task/duty to be addressed for each of the four functions of the management process?
6. A busy four-physician medical office has a small front office staff, including a front-desk receptionist and a general office manager. Although these two individuals work in the same office, how might their work experiences differ based on the characteristics described in section 1.6?

# YOU TRY IT

## **You and Your Environment**

Take a moment and think of yourself as a company or organization. Just like any successful health care organization, you personally need to be aware of your general environment if you want to make yourself the most successful job candidate or employee. In your general environment, what are the economic, social-cultural, legal-political, technological, and environmental conditions that affect your ability to find and prosper in a health care job?

## **The Patients' Bill of Rights**

Based on a mandate from President Bill Clinton, the Advisory Commission on Consumer Protection and Quality in the Health Care Industry presented a seven-part "Patients' Bill of Rights" in 1998. Since then, many health care organizations have adopted the document as a way to treat patients. Review the seven parts of the Patients' Bill of Rights at [www.consumer.gov/qualityhealth/rights.htm](http://www.consumer.gov/qualityhealth/rights.htm) and determine which portions protect the "customer" and the "patient" portions of today's patient approach to delivering health care.

## **Daily Managerial Duties**

Take another look at the list of typical day-to-day responsibilities of health care managers in section 1.3. Go through the list and consider what percentage of an average day you anticipate you'll spend doing each of the nine general tasks on the list. After you make sure your percentage estimates total 100, ask at least two health care managers how they spend their time on an average day. Compare your findings with your estimates. Which differences surprised you the most?

## **Your Managerial Skills**

Evaluate your resume in terms of the three categories of skills that are expected of managers in today's health care workplace. (If you haven't begun creating a resume that chronicles your health care-related experiences, begin doing so immediately. Even if you don't plan to enter the workforce for several years, a detailed resume helps you figure out what skills and experiences you have and still require.) Does your resume include specific examples of

technical, human, and conceptual skills? If you don't have health care-specific examples of human and conceptual skills, brainstorm instances in which you helped someone else do or learn something new (human skills). Also list any event or major project that you planned or led (conceptual skills). Consider incorporating the best examples of human and/or conceptual skills on your resume.

## **Network Now**

The health care organization you currently work for represents your biggest bank of career advancement contacts—even if you don't plan to move into a management position within your current employer. Many managers within your health care organization have expertise in areas that interest you and already have their own networks established. Make a list of health care practitioners you respect and feel comfortable talking with. (You can start building your health care contacts, even if you're not currently working at a health care facility, simply by listing physicians, therapists, nurses, social workers, and others who you and your family and friends have had positive health care experiences.) Ask each person on your list, "Do you know someone who...?" This approach not only solidifies the person you're asking as part of your network, but it also yields valuable answers and information that can further enhance your own network.

## **Professional versus Manager**

Consider the four major contrasts of professional versus managerial work outlined in section 1.6. As you review the four dynamics, consider when in your work, school, and personal life you experienced each side of the dynamic. Do you prefer working in a self-directed manner, or do you prefer selfless serving of others or an organization? How do you feel about controls in your workday—do you like to be in control or can you work with circumstantial control? Are you more comfortable achieving quantitative or qualitative outcomes? Do you enjoy working toward definite outcomes, or do you prefer working toward a general goal? Your thoughts, experiences, and feelings toward each of these dynamics can play a significant role in your ability to acquire and enjoy management work in today's health care environment.