

The Future Healthcare Executives

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Year 2004 signifies a remarkable accomplishment for the Hong Kong Society of Health Services Executives in advancing the profession of healthcare management in Hong Kong. After nearly 10 years of preparation and hard work, the Hong Kong Society of Health Services Executives is now granted the authority to confer, by examination, fellowship of the Australian College of Health Services Executives to qualified healthcare executives in Hong Kong. This power to award fellowship, recognized by an international organization, to Hong Kong healthcare executives is first for Hong Kong and first for the Australian College of Health Services Executives to do it outside of Australia and New Zealand.

At this joyful juncture and when the Hong Kong healthcare system seems to inevitably glide into more changes and uncertainty, it would be meaningful to reflect on who healthcare executives are, what they do and what it means to be a healthcare executive in the future.

Who are we?

A healthcare executive is someone with a specialized body of knowledge in healthcare management who is appointed to a management position in a healthcare or related organization. Typically, such an organization has been a hospital, a medical center or a medical group practice. A healthcare executive leads people and manages the financial or physical resources of the organization with the aim of contributing to or optimizing health of individuals and the community.

But not everyone in an appointed position with management responsibility in healthcare regards himself or herself as a healthcare executive. In Hong Kong, one frequently finds that those managers with medical or nursing qualifications tend to identify themselves as doctors or nurses. They seldom regard themselves as healthcare executives. They tend to identify themselves with the clinical discipline in which they were trained. The irony is that, while many clinician-turned-executives prefer to retain their identity as clinicians, their clinical peers often regard them as administrators or managers instead.

How has this phenomenon come into being? The short history and the general lack of understanding of healthcare management are perhaps some of the reasons. It was only about fourteen years ago when the formal education for healthcare executives in Hong Kong began to receive wider recognition. But the long held tradition, as eloquently described by Sir Cyril Chantler when he visited Hong Kong as a member of the expert panel for organizational transformation of

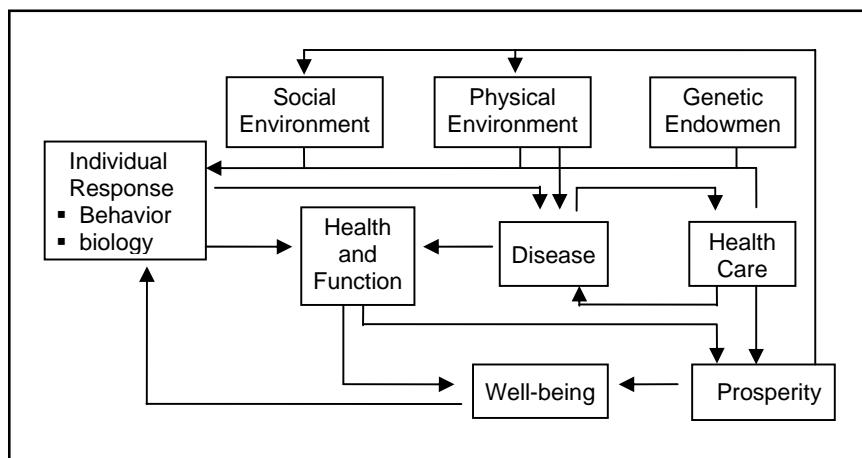
the Hospital Authority, that “doctors manage doctors, nurses manage nurses, allied health workers manage allied health workers and hospital administrators manage those whom no body wants to manage or those who don’t care much about who manages them” may have more to do with the low recognition or status given to healthcare executives.

With the public’s uninformed view of hospital operations, medical doctors are thought to be natural fit to be top healthcare executives. Medical doctors, perhaps also out of self interest, tend to appoint their own kind to these influential positions. Medical dominance is rampant. Many of those who are not medical doctors feel suppressed in a system with both glass ceilings and walls for non-doctors. It is a sad situation, reflecting the immaturity of the system. But the role model of what a healthcare executive should be or can be is largely absent in Hong Kong.

In more developed healthcare systems, healthcare executives are professionally trained, with formal education in healthcare management at the post-graduate levels. They comprise individuals with leadership attributes and are knowledgeable of the business of healthcare and healthcare organizations. They are an inclusive group, not dominated by any particular clinical profession. They also hold management positions in the pharmaceutical industry, the medical insurance sector, the medical equipment or supplies industry, or organized healthcare delivery organizations. Educators involved in teaching or research in public health or healthcare management are often included as members of healthcare executive groups as well, for they influence the education, development and work of the healthcare management professions.

Should healthcare executives be such an inclusive group? The determinants of health (see Figure 1 below) suggest that good health and sound physical

Figure 1: The Determinants of Health



Source: Evans and Stoddart (1990)

functioning involve much more than disease intervention through healthcare. Numerous other social, environmental and individual personal factors affect a person's health. It is important, therefore, that executives in organizations other than the traditional hospitals and medical centers, such as medical insurance companies, pharmaceutical companies, bio-medical and life science companies, which can also contribute significantly to enhancing and sustaining people's health, be included as integral members of the healthcare management profession.

What do we do?

The fundamental objectives of the healthcare management profession are to maintain or enhance the overall quality of life, dignity, and well-being of every individual needing healthcare service; and to create a more equitable, accessible, effective, and efficient healthcare system (ACHE 2003). To uphold the mission and objectives of the organization, the role of healthcare executives is multidimensional: to seek and deploy resources to meet the healthcare needs of patients and the community, to enhance quality of care, to safeguard assets, to sustain the organization's survival, and to optimize the productive use of the organization's resources, including staff and employees.

To discharge their responsibilities, healthcare executives have obligations to patients and other consumers of healthcare, the organization, the employees, the community and society. As professionals, they also have obligations to the profession of healthcare management.

The role of healthcare executives is significantly different from that of business executives, although both may need to utilize similar knowledge and skills in managing or developing the organization. Healthcare provides a unique environment and a unique set of challenges for leaders (Ross 1992). Many healthcare executives have chosen a career in healthcare services because they believe that their involvement will make a difference. Many are also drawn to the rewards associated with "service above self". Hence, what sets the healthcare executives apart are their personal and professional motives: the sense of being and what that being aims to achieve. Healthcare executives are about healthcare and health optimization. Business executives are about business performance and profit maximization.

The work of healthcare executives is to ultimately contribute to optimizing health of individuals as well as the community. This is not just about health in the macro sense, but also at the individual level. This requires that healthcare executives address healthcare needs of patients at a personal level while striving to optimize health of the community at large.

To integrate these requirements is not an easy task. But this is precisely what healthcare executives must do and where they can add value while others normally do not: clinicians focus on addressing the healthcare and medical needs of individual patients and public health administrators focus on addressing health of the public in an aggregate sense. Healthcare executives deal with both.

So what competencies are uniquely required of healthcare executives? There are at least three:

- Healthcare executives need to have a clear sense of where healthcare is headed. This requires that they fully understand the epidemiology and the determinants of health of the community and that they have the perceptiveness to discern the underlying patterns of change in people's lifestyle preferences. Tuning into the community, and staying informed of other healthcare systems' development and upholding the alertness to forthcoming changes are critical.
- Healthcare executives must have a proper concept of what quality is in healthcare and a keen commitment to making higher quality possible. This includes an understanding of the complexity of clinical processes as well as people issues and organizational dynamics and how they interrelate and affect each other.
- Healthcare executives must be able to anticipate crisis and make the organization readily capable of anticipating it, weathering it and being ahead of it. This requires a sense of crisis preparedness and a deep understanding of the organization's ability to respond in addition to a high level of political acumen and professional resolve in addressing patient, staff and community issues during and after a crisis.

What is our working environment?

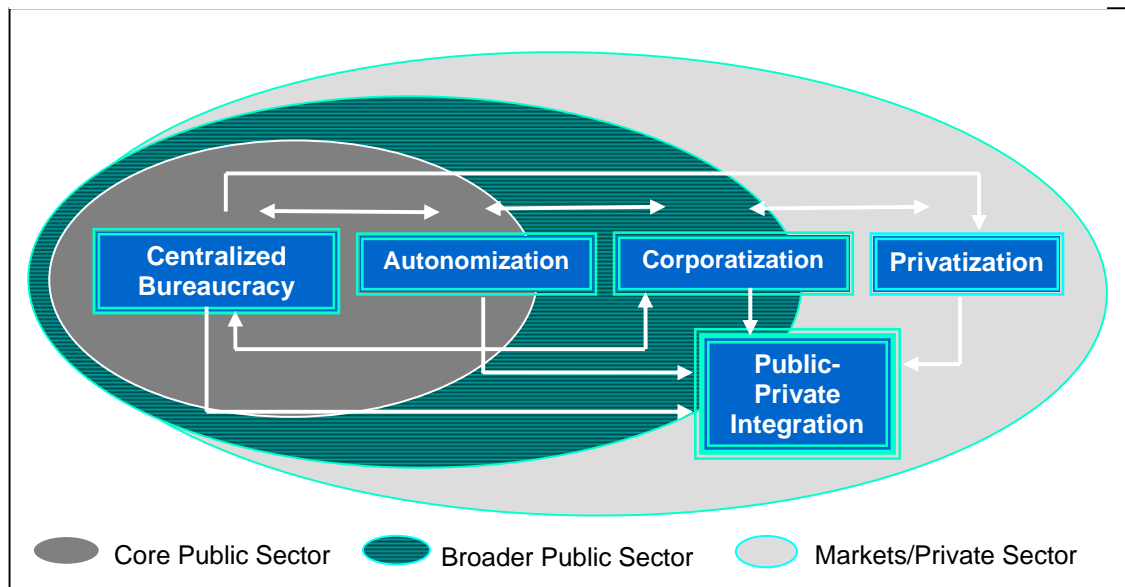
The working environment of healthcare executives has been changing continuously and, in some cases, rapidly. Many Asian healthcare systems have

Figure 2: Modes of Public Sector Healthcare Financing and Infrastructure Reforms in Selected Asian Economies

| | Financing Reform | Infrastructure Reform |
|-------------|-------------------------|-----------------------|
| Japan | NHI 1961 | Under consideration |
| Taiwan | NHI 1995 | Privatization 1998 |
| South Korea | NHI 1989 | Under consideration |
| Thailand | Universal Coverage 2001 | Autonomization 1999 |
| Malaysia | Under consideration | Under consideration |
| Singapore | MSA 1984 | Corporatization 1988 |
| Hong Kong | Under consideration | Corporatization 1992 |

undertaken financing and infrastructure reforms in recent decades (see Figure 2 for selected examples in the Asia Pacific Region). In Hong Kong, the formation of the Hospital Authority in 1990 with an independent governance structure and management system denoted a strategy of corporatization (i.e., introducing more private sector or market economy practices) for reforming the public hospitals (see Figure 3 for strategies of public sector infrastructure or hospital reforms).

Figure 3: Strategies for Public Sector Infrastructure Reform



Recently, the Hospital Authority’s independence is increasingly put to question as its funding continues to be almost totally dependent on government and its management subject to government direction and control. The Hospital Authority is now operating under the autonomization mode (i.e., operating under government control but serving both the government funded and subsidized patients). How it will evolve in the future is uncertain, although public sector services should need to be better integrated with private sector services in order to better serve the community.

Whatever future reform strategy Hong Kong’s public hospitals may undertake, there will need to be more involvement of the public and engagement of community leaders in order to be successful. This means healthcare will be more politicized. But no system of healthcare can survive if it does not ultimately respond to or meet the needs of patients and the community.

What do we stand for?

Healthcare executives are expected to bring about improvements in the health of individuals and society. This implies that healthcare executives must exert

leadership that embraces a commitment to the ordained mission of protecting and enhancing people's health. The vision, values and beliefs to which healthcare executives adhere are based on this mission. The organizational goals and implementation strategies are also based on this mission. This mission is the foundation of excellence for healthcare executives. This is his mission and focus. This is the reason for his being. Any leader who focuses on himself or anything else is going to mislead (Drucker 1990).

In fulfilling that mission, healthcare executives have fundamental responsibilities to the society, the organization, patients and staff. Apart from conducting personal and professional activities with honesty, integrity, respect, fairness, and good faith in a manner that reflect well upon the healthcare management profession, they have specific obligations in (extracted and modified from ACHE's Code of Ethics, see ACHE 2003):

- working to identify and meet the healthcare needs of the community and to support access to healthcare services for all people
- encouraging and participating in public dialogue on healthcare policy issues and advocating solutions that will improve health status and promote quality healthcare
- seeking to obtain or secure resources to ensure an effective functioning of the organization
- leading the organization in the use and improvement of standards of management and sound business practices
- being truthful in all forms of professional and organizational communication, and avoid disseminating information that is false, misleading or deceptive
- demonstrating zero tolerance for any abuse of power that compromises patients or others served
- fostering a work environment that promotes and values service orientation, innovation and ethical conduct by employees
- ensuring that staff may freely express ethical concerns and providing mechanisms for discussing and addressing such concerns
- providing a safe work environment that also promotes the proper and inclusive use of employees' knowledge and skills

The emphasis on mission, vision, values and beliefs will be the focus of the not only healthcare organizations, but also that of future business corporations. Peter Drucker argues that these components, not the creation of wealth and jobs, will

form the basis of social legitimacy of large corporations in the future (Drucker 2002):

In the half-century after the Second World War, the business corporation has brilliantly proved itself as an economic organization, i.e., a creator of wealth and jobs. In the Next Society, the biggest challenge for the large company—especially for the multinational—may be its social legitimacy: its values, its mission, its vision.

Maintaining a health-promoting mission, upholding values that focus on optimizing the health-promoting mission, sustaining a service oriented culture, fostering and protecting an inclusive and performing workforce, and executing strategies in line with ethical, professional and moral obligations are what healthcare executives must stand for.

The future healthcare executives

Healthcare executives will face many changes in the future. Healthcare systems and financing reforms will continue and need to accommodate the community's changing socioeconomic and political development. Individual healthcare organizations will need to anticipate and adapt quickly to changing policies and regulations that affect healthcare funding or revenue generation, quality assurance and patient and employee safety. In the meantime, civil society's expectations on healthcare organizations and its leadership will rise.

Healthcare executives of the future will not have an easy job. This complexity is reflected in the Preamble of the Code of Ethics that the American College of Healthcare Executives prescribes for its affiliates (ACHE 2003):

Healthcare executives have an obligation to act in ways that will merit the trust, confidence, and respect of healthcare professionals and the general public. Therefore, healthcare executives should lead lives that embody an exemplary system of values and ethics.

In fulfilling their commitments and obligations to patients or others served, healthcare executives function as moral advocates and models. Since every management decision affects the health and well-being of both individuals and communities, healthcare executives must carefully evaluate the possible outcomes of their decisions. In organizations that deliver healthcare services, they must work to safeguard and foster the rights, interests, and prerogatives of patients or others served.

The role of moral advocate requires that healthcare executives take actions necessary to promote such rights, interests, and prerogatives.

Being a model means that decisions and actions will reflect personal integrity and ethical leadership that others will seek to emulate.

Future healthcare executives are not only about learning and applying more new technical and operational knowhows, but also about how to be leaders that add value to people's health individually and as a community. This requires effective management of the service organization and its moments of truth (Norman 1984). This requires a deep understanding of how complex organizations like hospital systems work and how to avoid such organizations becoming unmanageable (Mintzberg 1989). This requires a personal intensity to making higher quality possible. This requires a clear sense of understanding of one's own obligations, commitment and responsibility. This requires the integrity to obtain and deploy resources effectively with a clear moral, social and professional conscience. Being a successful future healthcare executive has never been more difficult and challenging, for he is charged and must be committed to balancing the demands and needs of individual patients and staff, the organization and the society far beyond what a business executive would ever have to face.

Yet, the role of management is an exciting one. As a manager or leader, one has the opportunity to gain control over one's own work; not all of it, but some of it. One can change things. One can do things differently. One actually has the authority to make a huge impact upon the way in which staff works. One can shape one's own work environment.

There is more to being a healthcare executive: he can positively affect or influence the life of patients in particularly sensitive, critical or vulnerable moments. In an aggregate sense, this is about protecting and enhancing people's health. There lies the fundamental responsibility and value of a healthcare executive. There lies the basis upon which one can distinguish good performance from poor performance.

Conclusion

The Hong Kong healthcare system still has room for improvement in many areas. Further changes will be inevitable as government funding for public sector healthcare becomes more constrained and the financial burden of healthcare shifts more to the patients. These changes may adversely affect the quality and access to public sector healthcare. The role of Hong Kong's healthcare executives will increasingly be more complicated and challenging.

Those Hong Kong healthcare executives who have been conferred fellowship in the profession have a particularly unique opportunity to showcase what healthcare executives are about and what their contributions can be. They can be drivers of Hong Kong's healthcare system and leaders in enhancing people's health and their social well-being. There is much that they can do and contribute.

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