**OTM SEPTEMBER 2021 CLASS.**

**HEALTH SYSTEMS MANAGEMENT – 30 HOURS.**

**Module competence.**

This module is designed to enable the learner utilize concepts and principles of managerial skills.

**Module outcomes.**

By the end of this module, the learner should be able to;

1. Demonstrate understanding of managerial process in the health sector.
2. Demonstrate understanding of organization of health care delivery system.
3. Use communication skills within health care delivery.

**Concept in health systems.**

* Concepts are ideas.
* They are expressed in certain words which are understood to have particular meaning that defines an underlying reality.
* The most important concepts in healthcare systems management are effectiveness, efficiency and equity.
* In this section you will learn more about these concepts to help you work successfully with other people and resources.

**INTRODUCTION TO LEADERSHIP AND MANAGEMENT.**

# LEADERSHIP.

# Definitions.

* Leadership can be defined as the process of motivating a group to achieve a common goal.
* Management is the administration of an [organization](https://en.wikipedia.org/wiki/Organization), whether it is a [business](https://en.wikipedia.org/wiki/Business), a non-profit organization, government body or institution.
* A leader can be defined as anyone who uses interpersonal skills to influence others to accomplish a specific goal.
* A manager is a person responsible for supervising, controlling, administering or motivating employees and for directing the progress of an organization.

# Concept of leadership.

# Leadership occurs within a group context.

# Good leaders develop through a never ending process of self-study, education, training and experience.

# Good leaders are made. If you have the desire and power, you can become an effective leader.

# The work of a leader is to;

# Inspire the employees.

# Lead employees by example to do their best.

# Guide employees know their strengths, weaknesses, aspirations and goals much better.

# Motivate employees to meet the institutions goals.

# Importance of leadership and Management.

# Influencing the behavior of people:

# A leader impresses his subordinates with his leadership ability.

# He brings them under his control in such a way that they put in their best efforts to achieve the goals of the organization.

# Good leaders usually get good results through their followers.

# Helps employees in fulfilling their needs:

# A leader establishes personal relationship with his subordinates and tries to meet their requirements.

# People follow a leader because he provides them security and the opportunities to earn wealth.

# He gives them the right to work and tries to understand their feelings.

# Employees willingly accept him because he takes care of their needs.

# Consequently, they work with complete dedication and enthusiasm.

# Introducing required changes:

# The business environment and activities are changing at a quick pace.

# In order to face the changing environment, many alterations have to be introduced in an institution.

# A good leader can easily make new changes.

# The possible resistance to the change is eliminated with the strength of leadership ability.

# Solving conflicts effectively:

# A leader can effectively solve every type of conflict be it employee vs. employee or employees’ vs. employer, under the weight of his influence.

# A leader allows his followers the liberty to express their views.

# By understanding the nature of the conflict, he tries to provide timely solution and minimizes the possibility of adverse results.

# Training and development of subordinates:

# A leader helps in the training and development of the employees under him.

# He makes them aware of the modern techniques of work.

# In addition, he makes it possible for them to be good leaders in future.

# Setting a clear vision:

# This means influencing employees to understand and accept the future state of the organization.

# A good leader will influence his followers to perform their duties by explaining the vision and the importance of their role in the outcome.

# Motivating and guiding employees:

# This involves finding out the needs of the employees and fulfilling them.

# It is important to define the employees’ role in the work process and provide them with the tools needed.

# A good leader will explain the task and be available to assist them if they run into a problem.

# Building morale:

# This involves pulling everyone together towards a goal.

# A good leader will let the employees’ know how much their work is appreciated.

# A simple gesture like providing praise for a task well done, or throwing a party to recognize small achievements, will regenerate their spirits.

1. **Achievements of group goals:**
* Management makes group efforts more effective.
* The group as a whole cannot realize its objectives unless and until there is mutual co-operation and co-ordination among the members of the group.
* Management creates team work and team spirit in an organization by developing a sound organization structure.
* It brings the human and material resources together and motivates the people for the achievement of the goals of the organization.

# To maximize efficiency:

# Leadership motivates the people to a higher level of performance through their strong human relations.

# It is an important function of management which helps to maximize efficiency and to achieve organizational goals, so managers must have traits of a leader.

1. **Minimization of cost:**
* In the modern era of intense competition, every business enterprise must minimize the cost of production and distribution.
* Only those concerns can survive in the market, which can produce goods of better quality at the minimum cost.
* A study of the principles of management helps in knowing certain techniques used for reducing costs.
* These techniques are production control, budgetary control, cost control, financial control, material control, etc.

**MANAGEMENT.**

* Management is the administration of an [organization](https://en.wikipedia.org/wiki/Organization), whether it is a [business](https://en.wikipedia.org/wiki/Business), a non-profit organization, government body or institution.
* The term "Management" may also refer to the people who manage an organization.
* Good managers must be equipped with strategic skills to break down demanding visions into achievable targets.
* They must establish rules and regulations in a workplace, define the boundaries and specifics of the operating procedures, delegate tasks to ensure target completion.

**Managerial skills.**

* A skill is an individual's ability to translate knowledge into action.
* Skill is manifested in an individual's performance.
* Skill is not necessarily inborn.
* It can be developed through practice and through relating learning to one's own personal experience and background.
* In order to be able to successfully discharge the roles, a manager should possess three major skills. These are;
1. **Conceptual skill.**
* This deals with ideas.
* The conceptual skill refers to the ability of a manager to take a broad and far-sighted view of the organization and its future.
* The conceptual skill entails;
	+ - Ability to think widely.
		- Ability to analyze the working situation.
		- Creative ability.
		- Innovative ability
		- Ability to assess the environment and the changes taking place in it.
1. **Technical skill.**
* This deals with material things.
* The technical skill is the manager's understanding of the nature of job that people under him have to perform.
* It refers to a person's knowledge and proficiency in any type of process or technique.
* In a production department this would mean an understanding of the technicalities of the process of production.
* Whereas this type of skill and competence seems to be more important at the lower levels of management, its relative importance as a part of the managerial role diminishes as the manager moves to higher positions.
1. **Human relations skill.**
* This deals with people.
* Human relations skill is very necessary for a good leader.
* Human relations skill is the ability to interact effectively with people at all levels.
* This type of skill remains consistently important for managers at all levels.
* This skill develops in the manager sufficient ability;
1. To recognize the feelings and sentiments of others.
2. To judge the possible actions to, and outcomes of various courses of action he may undertake.
3. To examine his own concepts and values which may enable him develop more useful attitudes about himself.

**PRINCIPLES OF MANAGEMENT.**

* Henri Fayol held that there is a single "administrative science", whose principles can be used in all management situations no matter what kind of organization was being managed.
* He developed the following principles underlying management of all kinds of organizations:
1. **Authority and responsibility are related:**
* Managers who exercise authority over others should assume responsibility for decisions as well as for results.
* Authority is official as well as personal.
* Official authority is derived from the manager's position in organizational hierarchy and personal authority is compounded of intelligence, experience, moral worth, past services, etc.
* No manager should be given authority unless he assumes responsibility.
* That means those who have responsibility should also have commensurate authority in order to enable them to initiate action on others and command resources required for the performance.
1. **Unity of command:**
* This principle holds that one employee should have only one boss and receive instructions and command from him and has to obey.
* If this principle is violated authority will be undermined, discipline will be jeopardized, order will be disturbed and stability will be threatened.
* Dual command is a permanent source of conflict.

1. **Unity of direction:**
* This means that all managerial and operational activities which relate a specific group with the same objective should be directed by one head and one plan.
* It, however, does not mean that all decisions should be made at the top.
* It only means that all related activities should be directed by one person.
* This is essential for the unity of action, coordination of strength and focusing of effort.
* Violation of this principle will cause fragmentation of action and effort and wastage of resources.
1. **Scalar chain of command:**
* Scalar chain is the chain of superiors ranging from the ultimate authority to the lowest ranks.
* The line of authority is the route followed via every link in the chain by all communication which start from or go to the ultimate authority.
1. **Division of Work:**
* This is the principle of specialization which applies to all kinds of work, managerial as well as technical.
* It helps a person to acquire an ability and accuracy with which he can do more and better work with the same effort.
* Therefore, the work of every person in the organization should be limited as far as possible to the performance of a single leading function.
1. **Discipline:**
* Discipline is *sine qua non* (necessary) for the proper functioning of an organization.
* Members of an organization are required to perform their functions and conduct themselves in relation to others according to rules, norms and customs.
* Discipline can best be maintained by:
* Having good superiors at all levels.
* Agreement.
* Penalties judiciously imposed.
1. **Subordination of individual interest to general interest:**
* The interest of the organization is above the interests of the individual and the group.
* It can be achieved only when managers in high positions in the organization set an example of honesty, integrity, fairness and justice.
* It will involve an attitude and a spirit of sacrificing their own personal interests whenever it becomes apparent that such personal interests are in conflict with organizational interests.
1. **Remuneration:**
* Employees should be paid fairly and equitably.
* Differentials in remuneration should be based on job differentials, in terms of qualities of the employee, responsibility, working conditions and difficulty of the job.
* It should also take into account factors like cost of living, general economic conditions, and demand for labour and economic state of the business.
1. **Centralization:**
* Centralization and decentralization is a question of proportion.
* In a small firm with a limited number of employees, the owner/manager can give orders directly to everyone.
* In large organizations, where the worker is separated from the chief executive through a long scalar chain, the decision making authority has to be distributed among various managers in varying degrees.
* Here one generally comes across a situation of decentralization with centralized control.
* The degree of centralization and decentralization depends on the quality of managers.

1. **Order:**
* Order means right person on the right job and everything in its proper place.
* This kind of order depends on precise knowledge of human requirements and resources of the concern and a constant balance between these requirements and resources.
1. **Equity:**
* This means that subordinates should be treated with justice and kindliness.
* This is essential for eliciting their devotion and loyalty to the organization.
* It is, therefore the duty of the chief executive to instill a sense of equity throughout all levels of scalar chain.
1. **Stability of tenure of personnel:**
* The managerial policies should provide a sense of reasonable job security.
* The hiring and firing of personnel should depend not on the whims of the superiors but on the well-conceived personnel policies.
* It takes time for an employee to learn his job.
* If they quit or are discharged within a short time, the learning time has been wasted.
* At the same time those found unsuitable should be removed and those who are found to be competent should be retained and promoted.
1. **Initiative:**
* This focuses on the ability, attitude and resourcefulness to act without prompting from others.
* Managers must create an environment which encourages their subordinates to take initiative and responsibility.
* Since it provides a sense of great satisfaction to intelligent employees, managers should encourage their subordinates to show initiative.
* This should be limited by respect for authority and discipline.
1. **Esprit de Corps:**
* Cohesiveness and team spirit should be encouraged among employees.
* It is one of the chief characteristics of organized activity that a number of people work together in close cooperation for the achievement of common goals.
* An environment should be created in the organization which will induce people to contribute to each other's efforts in such a way that the combined effort of all together promotes the achievement of the overall objectives of the organization.
* There are two enemies of esprit de corps, viz.;
1. Divide and rule.
2. Abuse of written communication.
* It may work to the benefit of the organization to divide its enemy but it will surely be dangerous to divide one's own workers.
* Written communication, where necessary, should always be supplemented by oral communication because face-to-face contacts promote speed, clarity and harmony.

**FUNCTIONS OF MANAGEMENT.**

* A function is a broad area or responsibility with many activities aimed at achieving a predetermined objective.
* We shall designate the following functions of a Manager, which include but not limited to;
1. Leading.
2. Supervising.
3. Organizing.
4. Coordinating.
5. Planning.
6. Staffing.
7. Delegating
8. Directing.
9. Controlling.
10. Budgeting.
11. Implementing.
12. **LEADING.**
* Leading is the use of influence to motivate employees to achieve organizational goals.
* Importance functions of a leader are;
* Setting goals.
* Organizing.
* Initiating action.
* Coordinating.
* Showing direction and motivation.
* Link between management and workers.
* Improves motivation and morale.
* Acts as a motive power to group efforts.
1. **SUPERVISING.**
* Supervision is guiding the activities of people who perform the work.
* The key supervisory roles include;
* Educator – This will happen when employees and team members are new, when processes or conditions change and when discussing performance expectations.
* Sponsor – support employee’s career and development.
* Coach – By explaining, encouraging, planning, correcting and checking with employees.
* Counselor – Used when employees problems have impact on their performance.
* Director – Used when performance problems continue, by recommending alternatives and consequences clear.
1. **ORGANIZING.**
* Organizing involves identification of activities required for the achievement of objectives and implementation of plans.
* Every manager has to decide what activities have to be undertaken in his department or section for the achievement of the goals entrusted to him.
* Organizing is the process of grouping the necessary responsibilities and activities into workable units.
* This includes;
* Determining the lines of authority, communication, developing patterns of coordination and giving feedback.
* Identification of activities required for the achievement of objectives and implementation of plans.
* Assignment of jobs to employees.
1. **COORDINATING.**
* Coordinating is the function of establishing relationships among various parts of the organization.
* It is done so that they all pull together in the direction of organizational objectives.
* Importance of coordination includes the following;
* It encourages team spirit.
* It gives proper direction.
* It facilitates motivation.
* It makes optimum utilization of resources.
* It helps to achieve objectives quickly.
* It improves relations in the organization.
* It allows the unity of command.
* It enhances effective communication, etc.
1. **PLANNING.**
* Planning is the most fundamental and the most pervasive of all management functions.
* Planning is deciding in advance what will or will not be done in the next minute, hour, day, month or year.
* Planning is advance thinking as a basis for action.
* Planning is concerned with 'what', 'how, and 'when' to perform.
* Failing to plan is planning to fail.
* Importance of planning;
	+ Gives focus and facilitates the accomplishment of company objectives.
	+ Gives direction to activities in an organization.
	+ Planning facilitates control.
	+ It helps detect problems within the organization.
	+ It serves as a framework for all other managerial functions.
	+ Planning helps in use and applications of resources.
	+ It forces managers think ahead.

 **What is involved in planning?**.

* Determination of long and short-range objectives.
* Development of strategies and courses of actions to be followed.
* Formulation of policies, procedures, rules, etc.

1. **STAFFING.**
* Staffing is a continuous and vital function of management.
* Staffing involves hiring and retaining staff in an organization.
* The staffing process involves a situation analysis, looking into what you want and whom you can get.
* No organization can be better than its people and managers must perform the staffing function with as much concern as any other function.
* Functions of staffing include;
* Manpower planning.
* Recruitment for adequate number of potential and suitable employees in the enterprise for the jobs under consideration.
* Placement, induction and orientation.
* Transfers, promotions, termination and layoff.
* Training and development of employees.
1. **DELEGATION.**
* Delegation is the process through which responsibility and authority for performing a task, function, activity or decision is transferred to another individual.
* The individual has to accept that authority and responsibility.
* Factors involved in the delegation process include;
	+ Responsibility for work delegated and willingness to do the task.
	+ Obligation or authority to accept ownership for the results.
	+ Authority or the right to act.
* Steps involved in delegation include;
	+ Defining the task.
	+ Evaluating the task.
	+ Determining who should perform the task.
	+ Provide clear communication about expectations regarding the task.
	+ Reach agreement with the delegate on accepting responsibility and accountability.
1. **DIRECTING:**
* Directing is the function of leading the employees to perform efficiently.
* It helps employees to contribute optimally to the achievement of organizational objectives.
* Jobs assigned to subordinates have to be explained and clarified.
* They have to be provided guidance in job performance.
* They are to be motivated to contribute their optimum performance with zeal and enthusiasm.
* Functions of directing include;
* Communication.
* Motivation.
* Leadership.
1. **CONTROLLING.**
* Controlling is the function of ensuring that the divisional, departmental, sectional and individual performances are consistent with the predetermined objectives and goals.
* It is the measuring and correcting performance of employees to ensure the planned objectives of an organization are achieved.
* Deviations from objectives and plans have to be identified and investigated and corrective action taken.
* Controlling implies that objectives, goals and standards of performance exist and are known to employees and their superiors.
* It involves;
* The regulation of activities so that some targeted element of performance remains within acceptable limits.
* Measurement of performance against predetermined goals.
* Identification of deviations from these goals.
* Corrective action to rectify deviations.
* The importance of controlling include;
* Ensuring work is done according to the objectives, activities are carried out as planned, within the time and resources provided.
* Enabling supervisors recognize gaps in the knowledge and understanding of the staff.
* Enabling management to ensure that the resources provided for work are adequate and are being properly used.
* Enabling management to identify the cause of work deficiencies.
* Facilitates the recognition and reward for good work done and recognizes suitable staff.
* Identifies mistakes before they become critical, bearing in mind that prevention is better and cheaper than cure.
1. **BUDGETING.**
* It is the process of costing inputs and activities in monetary terms.
* It is the act of quantifying objectives in financial terms.
* Budgeting is made of estimated costs of inputs and activities that will be required to implement the plan.
* Reasons for budgeting include;
	+ To avoid spending more than an organization can afford.
	+ To aid in planning and controlling.
	+ To assist in assessing the financial requirements of the institution.
	+ To indicate the areas in which money raised or received will be spent.
	+ To facilitate comparison of actual performance with budgeted targets.
1. **IMPLEMENTING.**
* This is the process that turns strategies and plans into actions.
* It is done in order to accomplish strategic objectives and goals.
* The implementation techniques help to provide guidance on factors to achieve optimal strategy results by ensuring that plans are aligned with vision, mission and values.
* For example;
* Create an implementation plan.
* Build an effective leadership team.
* Communicate the strategy.
* Review and report on progress.
* Develop an organizational culture that supports the strategy.