

UNIT I

OVERVIEW OF HOSPITAL ADMINISTRATION

Distinction between Hospital and Industry, Challenges in Hospital Administration – Hospital Planning- Equipment Planning – Functional Planning.

DISTINCTION BETWEEN HOSPITAL AND INDUSTRY

1. MANAGEMENT

Management is an activity which is necessary for a group of people working in an organization.

The task of management incorporates:

1. Determining the goals and objectives of the organization.
2. Acquiring and utilizing resources.
3. Installing communication system.
4. Determining controlling procedures.
5. Evaluating the performance of the organization.

Management is a purposive activity. It is something that directs group efforts towards the attainment of certain pre-determined goals.

According to *F.W. Taylor*, “Management is an art of knowing what to do, when to do and see that it is done in the best and cheapest way”.

1.1 Functions of management

Management as a function performs the following five functions:

1. Planning
2. Organizing
3. Staffing
4. Directing
5. Controlling



1.1.1 Planning

A plan is a future course of actions. It is an exercise in problem solving and decision-making. Planning is determination of courses of action to achieve desired goals.

1.1.2 Organizing

It is the process of bringing together physical, financial and human resources and developing productive relationship amongst them for achievement of organizational goals.

To organize a business involves determining & providing human and non-human resources to the organizational structure.

Organizing as a process involves:

- Identification of activities.
- Classification of grouping of activities.
- Assignment of duties.

1.1.3 Staffing

Staffing has assumed greater importance in the recent years due to advancement of technology, increase in size of business, complexity of human behavior etc.

The main purpose of staffing is to put right man on right job i.e. square pegs in squareholes and round pegs in round holes.

Staffing involves:

Recruitment, Selection & Placement.

Training & Development.

Remuneration.

Performance Appraisal.

Promotions & Transfer.

1.1.4 Directing

Direction is that inert-personnel aspect of management which deals directly with influencing, guiding, supervising, motivating sub-ordinate for the achievement of organizational goals.

Direction has following elements:

Supervision

Motivation

Leadership

Communication

1.1.5 Controlling

The purpose of controlling is to ensure that everything occurs in conformities with the standards.

Controlling has following steps:

Establishment of standard performance.

Measurement of actual performance.

Corrective action.

2. MANAGEMENT IN HOSPITAL

Hospital is an institution for the care, cure and treatment of the sick and wounded, for the study of diseases and for the training of doctors and nurses.

It mainly relates to management of all aspects of a hospital; a coordination of all elements of a hospital.

This may range from patient care to record keeping to inventory of medicines and cleanliness.

The functions of the management in all types of the organization remains the same and revolves round the following management functions.

3. DISTINCTION BETWEEN HOSPITAL AND INDUSTRY

Hospitals has some difference from industries.

- Hospital gives **service to people** provided by variety of skills.
- Hospitals exist because people need care, and nursing homes exist because of the need for long-term health care.
- The nature of the demand for hospital services is also different. The patient made

decision that he is ill and requires **services which cannot be provided at home.**

- The patient leaves home, family, friends, his work-place, his way of life for a **new environment**, i.e. the hospital.
- In this new environment, he becomes one of the many. In his home, he has a definite role.
- In the hospital, his role is similar to 30 or 40 others in the ward or unit in which he is a patient. He is subjected to a new set of values and a new way of life.
- A hospital **deals daily with the life, suffering, recovery and death** of human beings.

Hospital is different in many aspects:

1. Complexity

- Hospitals tend to have very complex organizational structures compared to their overall size.
- A 400-bed hospital might have over 1,000 different job titles.

2. Highly trained professionals

- A large portion of the workforce- physicians, nurses, allied health and many technical positions, are highly trained and have a high level of autonomy.

3. A fragmented organization structure

- An auto manufacturer designs the entire workforce around production of the car.
- Hospitals have begun to take a service line or patient-centered approach to organizational structure, built around the patient experience.

4. Customer Service is no longer a 'nice to have'

- Every company wants to improve customer service.
- But with the new HCAHPS (Hospital Consumer Assessment of Health care Providers and Systems) requirements, patient satisfaction scores are a critical success metric for hospitals.

5. The nature of the Services

- Poor quality in a manufacturing plant means a poor product and a weakened competitive advantage.
- Poor quality in a hospital means harm to patients and the hospital's ability to fulfill its mission.