SPECIAL FEATURE

SHAPE Declaration on the Organisation and Management of Health Services: a call for informed public debate

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Abstract

Purpose: This article presents a Declaration by the Society for Health Administration in Education Programs (SHAPE), to promote public debate on the reform of the organisation and management of health services.

Methodology/Approach: The Declaration was developed from the SHAPE 2008 Symposium and was primarily based on a research study conducted by the author. The draft Declaration was circulated to SHAPE members who participated in the Symposium and other interested senior health managers and feedback was encouraged. Contributions received were incorporated into the final Declaration.

The research study involved semi-structured interviews of a diverse purposive sample of 19 health service managers across Australia and New Zealand, conducted from 2004 to 2008. The literature review and the implications for policy and practice from the findings of that study were utilised in the preparation of the Declaration.

Main Findings: The success of reform internationally, mostly through restructure and the adoption of management techniques, has been questioned in terms of effectiveness, cost and negative impacts on health systems. In Australia there have been constant calls for reform, a number of formal Inquiries into health services and the creation of a National Health and Hospitals Reform Commission (NHHRC).

Conclusion: This Declaration proposes a public debate about how health services might best be organised and effectively managed and proposes principles and parameters for reform. Well-qualified and experienced health managers are considered to be of central importance to the effective organisation and management of health services and to the success of future health reform.

Abbreviations: NHHRC – National Health and Hospital Reform Commission; SHAPE – Society for Health Administration Programs in Education.

Key Words: health reform; health management; health organisations; health policy; education.

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Preamble

Healthcare systems in most countries have experienced decades of change as governments attempt to respond to forces impacting on health systems. [1-6] This change has invariably resulted in the restructure of health providers into large, centrally controlled health systems. [7, 8] Healthcare is a significant industry in most national economies. In Australia this industry now has an annual expenditure in excess of $86 billion, representing 9% of GDP compared to the United Kingdom at 8.3% and the United States of America at 15.3%. [9]

In terms of the Australian health workforce, 7% or more than 748,000 members of the civilian workforce is employed in health industries, with a growth rate of 14% compared to 10% in the overall civilian workforce in the 2001-2006 period. In that same period the number of workers in health occupations increased by 23% while medical and nursing administrators increased by 69%. This describes the increased presence of clinically qualified health workers in a management role. It also compares with increases of generalist medical practitioners at 8% and professional nursing workers at 12%. [9] Despite difficulties with defining who are health service managers, there were some 26,000 employed in the health and community industries in 2001 with a growth rate of 10.1%, compared to the overall health workforce of 10.6% since the 1996 census. [10]

Generally speaking, Australia's indicators of health are good and compare favourably in international comparisons. [9,11] There are areas of under achievement, notably for groups such as the socio-economically disadvantaged, Aboriginal and Torres Strait Islander peoples and those who live in rural and remote areas. [9] However, there have also been constant calls for health reform [12-16] with a number of recent state-based inquiries [17-21] and at the national level, the establishment of a National Health and Hospitals Reform Commission (NHHRC). [22] The success of reform internationally, mostly through restructure and the adoption of management techniques, has been questioned in terms of effectiveness, cost and negative impacts on health systems. [23-33]

These circumstances have prompted the members of the Society for Health Administration Programs in Education (SHAPE) to call for informed debate on how health services might best be organised and effectively managed. To inform that debate the following principles and parameters have been adopted. [34]

Principles

1. Public policy should focus on improving health outcomes and not be prescriptive but provide frameworks of responsibility and cooperation at the program delivery level.
2. Reform should focus on the needs of communities and populations and structural arrangements should be determined in the light of that focus.
3. If government and public policy focus on principles and guidance, [35] then providers should be structured to meet the diversity of need and demonstrate good governance and management through proper engagement of structural interests.
4. Effective models of community engagement need to be incorporated into public policy and the governance of health services.
5. Health managers should be appropriately qualified, skilled and adept in managing complex health service organisations.

Parameters

Successful implementation of reform is more likely to occur within the following parameters of organisational arrangements:

1. Health service structures should reflect the diversity of need and differences in geographic location of populations, culture and healthcare needs.
2. Health services at the service delivery level need to have the capacity to achieve intersectoral collaboration.
3. Governance should take into account how adequate levels of accountability, trust and stewardship can be restored to the health system. [23]
4. Debate about the degree of centralisation and decentralisation should consider the issue of how far those responsible for delivering care should be situated from those who receive care; [23] and that to be effective, managers need to be able to manage out and down to staff and communities and other stakeholders as well as up to central authorities.
5. The relationship between providers and recipients of care requires that health service managers need to be accessible to multi-disciplinary clinical teams and be capable of developing environments, cultures and systems to support the delivery of safe, quality care.

Transitional reform

This Declaration suggests a transitional approach to reform based on partnerships and joint ventures at the health delivery level, while government provides a policy, funder and effectiveness evaluation role. These approaches would require intra and intersectorial arrangements and incentives for newly funded initiatives while existing provider arrangements transform into those arrangements. This approach requires that well-qualified and competent management is engaged at all levels of reform and healthcare delivery.

The central importance of qualified and experienced health service managers

This Declaration affirms that if it is appropriate for health professionals who deliver care to be registered, licensed and required to evidence continuing professional development, then the same circumstance should be

applied to those entrusted with the management of those health professionals and the resources consumed by the health system. This suggests minimum standards of health management education, structured health system experience and continuing professional development. Health managers need to be capable in a number of areas.

These include:

1. Being trained and experienced to lead and manage in a range of differing health system and organisational arrangements.
2. Possessing a deep contextual understanding of health systems, public policy, professional cultures and politics.
3. Having competency in organisational sensemaking as negotiators of meaning, active participants, constructors, organisers and persuaders within health systems. [36]
4. Being drawn from a range of backgrounds including those with clinical and non-clinical experience and qualifications who can demonstrate broad contextual health knowledge that demonstrates more than one logic. [37]
5. Understanding how clinical work should be structured and managed and work actively with clinicians and others to deliver coherent, well-managed health services. [38]

Education and development of health service managers

This approach requires a commitment from government, health departments, providers, colleges and educational institutions to invest in and value education, experiential and work-based training and continuing development of the health management workforce. It will require a collaborative effort on the part of these stakeholders to develop cadres of well-qualified and experienced health managers who should be equipped and restored to a more central role in health system reform. [34]

In adopting this Declaration, SHAPE encourages those stakeholders supportive of this approach to participate in the development of the debate to achieve these objectives.

Competing Interests

The author declares that he has no competing interests.

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