## Training for Diversity

# Executive Development for Hospital Administrators

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he advent in 1966 of Medicare made it even more evident that the role of hospital and health administrators has become increasingly significant. The modern technically and sociologically complex hospital is no longer an activity to be managed as a mere incidental sideline to medical treatment or as a workshop for local physicians. The technological advances of medical science have brought in their wake a burgeoning demand for new and increasingly complex facilities and services.

#### Scope of the Field

This knowledge explosion has also brought with it increasing use of medical services and expansion of the types of health services being offered. This led to a concurrent growth in total manpower involved in developing health services.

In 1950 there were 1.6 million workers in all health services. Of these, 32 percent were professional and technical workers requiring special education and formal training. By 1960 this group had increased to 1.95 million workers, of which 71 percent were in the professional and technical categories. By 1965 this group numbered 3 million, with 76 percent in the professional and technical categories. These data reflect both the significant rate of increase in the number of health service workers and the obvious upgrading of qualifications for health service personnel.

Currently, the hospital industry is the third largest single industry in the United States. Spending on health services has doubled in the past decade and the demand continues to increase. The result is that the health (and hospital) business is one of the most

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rapidly expanding areas of our economy, exceeded only by education in its rate of growth and in number of employees only by agriculture and construction.

This makes the health and hospital industry "big business" indeed. Obviously, this must be reflected in the preparation of the leaders and manpower in the field.

#### Managerial Needs

A hospital and health administrator must have a working knowledge of finance, personnel, religion, treatment, industrial relations, purchasing, psychology, engineering, architecture, political science and law. He must have a broad understanding of and a keen insight into the problems, needs and ethics of the professions of medicine and nursing. He must be alert to the latest social, cultural, legal and technological changes and advances which will effect his operation. Obviously, such a person needs both a broad education and extensive training.

As with any other organization, efficient and effective operation of hospital and health organizations calls for extensive knowledge of administration philosophy and techniques, coupled with special understanding of those features unique to the hospital itself.

Where once the field of hospital administration dealt solely with the preparation of hospital executives, many health care administrative positions have developed in recent years outside of the hospital, and more are being generated by the many new programs now being instituted. We see health care personnel engaged in teaching, research, management of clinics, directing state, regional and national health and hospital assistants, medical prepayment agencies such as Blue Shield-Blue Cross, regional planning agencies and the many

and diversified activities of the federal government.

We accept as a fundamental premise that administration of hospitals and other health institutions is, in most essential aspects, similar to the administration of other types of organizations. However, many aspects of hospital and health administration present the executive officer with problems different from those usually confronted in private business enterprise. In certain phases, hospital and health administration poses problems (technical, policy, community, and human relations) which are unique.

In the organizational environment of the modern hospital or health institution, excellence as an administrator is dependent upon comprehension and employment of general administration. Only after planned and comprehensive exposure to, instruction in, and individual work with the broad underlying principles and practices of general administration can the student in hospital and health administration be adequately prepared for the demanding and critical responsibilities of managing a hospital or health institution.

#### **Program Design**

Any educational program for health services, whether it be a formal graduate, continuing education or executive development program within a single institution, should draw upon the resources of as broadly trained and widely skilled faculty as possible and should incorporate the principles and techniques of business and public administration, public health, medicine, the social sciences, and general education as they apply to hospital and health administration.

Emphasis should be placed first upon general administration, since an understanding of general administration is fundamental to success as a health administrator. With this background, the student should then be introduced to the complexity of the administration of the hospital or health field.

The program design is generally that of nine months to a full year of academic work followed by a nine to twelve months residency which is a general on-the-job educational experience in a hospital under the close guidance and supervision of a senior hospital administrator. The student or resident is exposed to a rotational program of progressively responsible duties in the hospital, and it is also during this period that the student will write his thesis.

This program of studies enables the student to make a guided transition from the academic setting to the area of application under the guidance of a competent professional. This is accomplished in a setting that encourages creativity and experimentation permitting the student to learn in a less threatening atmosphere than might be possible if this were his first position after graduation.

Some graduate programs have eliminated the residency phase in order to expose the students to another year of academic work, but most hospital administration programs still adhere to this pattern.

#### **Program Availability**

Currently there are 24 graduate programs in hospital administration in the United States, Canada and Mexico. However, most of these have existed for only twenty years or so, and many are even more recent. The standard graduate program is two years in length, the average class about fifty students. The total output is relatively small when compared to total needs.

Obviously, with approximately 8,000 hospitals plus the burgeoning demands for administrators in a multi-

tude of related areas, the graduate programs are unable to meet the crying need for trained administrators now or in the immediate future. Entries from other professions have been few. Some physicians, nurses, laboratory and radiological technicians have been administrators, as have graduates of business administration, liberal arts and others.

A great many administrators, or would be administrators, have "developed" through various processes of on-the-job experience and training. These individuals generally lack the skills and knowledge of general administration and have only their job-acquired information to meet the increasingly complex problems of hospitals, health facilities and health care administration in general.

The majority of these individuals are acutely aware of their educational deficiencies and are seeking advanced education and training that would not necessitate prolonged absence from their duties and interruption of their normal progression plus the associated financial loss.

#### Alabama Program

It was in response to this need, and in line with the educational patterns indicated above, that we have developed the Health Services Administrators Development Program at the Center for Hospital Continuing Education, University of Alabama Medical Center, Birmingham, Alabama. This yearlong program, which consists of an initial two weeks in residence, followed by ten months of preceptorial home study and concluding with a final two weeks in residence, was designed to provide the developing hospital administrator with the opportunity to both develop the essential skills of administration and, also, to relate them specifically to his job of hospital administration.

It was our intention that the students would not be inactive observers but, rather, would be active participants in the educational process. The course is designed to encourage the students' involvement in the application of managerial principles to improve their daily administrative activities.

Students in the current program have been enrolled from hospitals in eleven states, ranging in size from 20 to 964 beds. We emphasize the principle that all executive development is essentially self-development, and make our students aware, early in the course that the real and eventual worth of the program will be determined by their own motivation and initiative.

#### Objectives and Content

The program's purposes and objectives are stated as follows:

- To develop a broad understanding of the principles of Health Services Administration and the role of the hospital administrator in the application of these principles.
- To develop a program of managerial self development which will enable each individual student to best fulfill his managerial responsibilities.
- To acquaint each student with the most recent concepts and techniques in management and Health Services Administration.
- 4. To create a climate for learning which will also serve to develop and deepen human relations skills and encourage and stimulate a continuing dialogue of ideas, concepts, and experiences between students and faculty.
- 5. To provide each student with problem solving tools and techniques as well as practice in their applications to current problems.

During the in-residence portion of

the program, the students are introduced to the following subjects:

- I. The Hospital As An Institution
  - A. History
  - B. Size
  - C. Components
  - D. Functions
  - E. Financing
- II. The Hospital As An Organization
  - A. Ownership
  - B. Trusteeship
  - C. Administrative Patterns and Organizations
  - D. The Medical Staff
  - E. Community Relationships
- III. Social Interactions
  - A. Group Dynamics
  - B. Leadership
  - C. Human Relations
  - D. Motivation
  - E. Role Expectation and Perception
- IV. The Administrative Art
  - A. Defining Objectives
  - B. Planning
  - C. Organization
  - D. Administering or Managing
  - E. Control
  - V. Administrative Functions
    - A. Decision-Making
    - B. Problem-Solving
    - C. Communications
- VI. Personnel Administration

#### Simulation Model is the Core

A key element of this course is the development of a complete simulation model of a typical hospital with complete budget, financial statements, personnel, history and problems. This hospital model is the core of our teaching and all subjects relate to it.

The students engage in role playing, simulation exercises, administrative inbasket exercises, lectures, group discussions and seminars, and are exposed to material in the audio-visual form of films, film strips, slides, etc. Full student participation is an essential and major part of the program.

Following the two weeks in residence (currently conducted in the secluded, rural setting of the University of Alabama Conference Center at the Ann Jordan Lodge, rather than on the Birmingham main campus), the student returns to his hospital or health facility. He now enters the second phase of the program, a preceptorial home study course of selected readings, case studies and essay type questions on items closely related to the daily operations of his hospital or health facility and to his own personal development program. We attempt to broaden the student's horizons by a broad exposure to a variety of readings in professional hospital/health services administration, and by important tangential material.

#### Personalized Attention

The completed lessons are returned to this Center for grading by the faculty. The graded lessons are returned, not to the student but rather, to his designated preceptor. This preceptor is a unique individual (part faculty member—part practicing administrator), chosen because he is a leader in hospital and health care administration and is willing to devote time to the educational guidance of a member of his profession.

This concept uses part of the resident training program, with modifications directed toward the different circumstances and relationships dictated by the maturity and experience of the students.

Much emphasis is placed upon communication skills, and the final home study assignment is the preparation of a report (paper, article or other piece of writing) for possible publication.

#### **Final Residence Session**

The student concludes the year with two weeks in residence session in the same conference setting as his initial two weeks. The pattern of these two weeks are as follows:

- I. Communications: Techniques and Systems
  - A. Semantics of Communication
  - B. Channels of Communication
  - C. Feedback
- II. Managing by Communication
  - A. Effective Writing
  - B. Orders and Instructions
  - C. Interviews
  - D. Reports
- III. Authority
  - A. Definition
  - B. Use
  - C. Delegation
- IV. Authority vs. Influence
  - A. Top Administration
  - B. Peer Groups
  - C. Subordinates
  - V. Building and Maintaining A Personnel Program
    - A. Selection
    - B. Training
    - C. Evaluating
- VI. The Decision-Making Process
  - A. Problems: Identification and Solutions
  - B. Grievances
  - C. Supervision
  - D. Assignment
  - E. Communications
- VII. Middle Management in the Hospital
  - A. Standards
  - B. Evaluation
  - C. Responsibility
  - D. Development

No academic credit is currently given for the program. However, upon satisfactory completion of the home study and the in-residence portions, the student is awarded a certificate of completion, and a letter detailing his accomplishments is sent to his administrator or the president of his board of trustees.

#### The Future

An active group of alumni and po-

tential alumni has been organized and are developing plans for future educational programs in cooperation with the Center for Hospital Continuing Education and the University of Alabama's School of Health Services Administration. A program with academic credit patterned after the current program is being planned.

We feel this program fills a clearly evident need for the education of hospital and health services executives (and developing executives). It is a dynamic experiment undergoing continual evaluation and, hopefully, an

experiment that will enable the health care industry to prepare leaders for the increasing challenges and demands that lie ahead.

It meets the needs of the health care executive for a program of education to build his knowledge for the emerging demands for comprehensive health care, as well as provide him with the skills for managing the increasingly complex professional, technical and social resources required to satisfy the growing requirements of the medical care complex of tomorrow.

### 'Co-Op' Students Alternate Work and Study

Humble Oil & Refining Company has 30 employees who show up for work only half the time, but none of them gets in trouble with his boss. The half-time workers are students at nine colleges and universities in various parts of the nation, who are attending school on the "co-op" plan. Colleges and industries co-operate under the plan to provide students with a combination of classroom instruction and on-the-job training in their career fields.

Nearly 10,000 students in 96 colleges are employed by approximately 5,500 businesses and industries participating in the co-op plan. A typical co-op student attends classes two quarters (or semesters) his freshman year and then alternates a quarter of work and a quarter of study for the next three years. The student concludes the program with a final year of study. Co-op programs usually require five years, including summers, to fulfill degree requirements.

The co-op system serves as a valuable tool for recruiting new employees, according to Harry G. Taylor, head of recruitment, employment and placement in Humble's employee relations department. An average of 50 per cent of all co-op students join their co-op companies as career employees.

Another advantage of the program, Humble says, is the opportunity the company has to evaluate the work of prospective permanent employees. The co-op students have also proved to be more useful during the early years of permanent employment because they are better oriented to industrial work than graduates with no previous experience.

Co-op students are usually employed through interviews by company representatives on the college campus. Most of Humble's co-op students are studying engineering, although some are majoring in business administration and secretarial science.