

<b>MANAGEMENT IN HEALTH CARE PRACTICE</b> A Handbook for Teachers, Researchers, Health Professionals and Decision Makers	
<b>Title</b>	<b>A HEALTH ORGANISATION PURPOSE AND STRATEGIC INTENT: CREATING VISION AND MISSION</b>
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<b>Keywords</b>	Planning, mission, vision, health organization
<b>Learning objectives</b>	After completing this module students and public health professionals should have: <ul style="list-style-type: none"> <li>• increased their awareness of strategic planning significance;</li> <li>• identified drivers for strategic management of health organization;</li> <li>• understood how strategic intentions vary by level of health care and stakeholders; and,</li> <li>• explored the similarities and differences between missions and visions of existing organization.</li> </ul>
<b>Synopsis (Abstract)</b>	Raised awareness of macro-environment change pointed out the necessity for strategic planning and management of a modern health organization. The apparent management concern is how to maintain a pace with dynamic environment and innovations and to preserve proactive position. Economic transition in health systems of south east Europe countries acts as driver for strategic respond to imposed changes. Health organizations do vary by their corporate values and level of their autonomy. Like entities they have to define their purposes, missions, visions, functional capabilities and unique personalities. Also, as an open system; they must relate effectively to its external and internal environment.
<b>Teaching methods</b>	After introductory lectures students will work in small groups up to 8 members. They should be divided according to working place in their countries. They will participate in brainstorming technique in order to recognize and to define their health organizational values and purpose. Then, they will discuss the possibilities for change and improvement in their own environment, while developing their vision and mission. Teacher should assist by introducing good examples and by highlighting organizational values. Finally, groups will be asked to present their work and explain their organizational current and future direction.
<b>Specific recommendations for teacher</b>	Teacher should be familiar with examples of different health institutional strategic orientations. Also, teacher should be ready to help students to explore internet sites of various health organizations and their strategic concepts and directions (e.g. <a href="http://www.isqua.org/isquaPages/Links.html">http://www.isqua.org/isquaPages/Links.html</a> ).
<b>Assessment of students</b>	Group presentations and discussions.

# **A HEALTH ORGANISATION PURPOSE AND STRATEGIC INTENT: CREATING VISION AND MISSION**

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## **THEORETICAL BACKGROUND**

The environment of rapid changes calls upon health organizations to respond appropriately to them (1). While health managers in high developed economies struggle with global trends trying to stabilize their positions on competitive health service markets, those in transitional countries and particular in public services seek for opportunities and appropriate means for effective development (1,2,3,4). In the course of generating insight into how to manage strategic change and get forward to the goals, two standpoints appeared interesting. First is the Ohmae's formula for success that comprise knowledge of organizational boundaries (three R): reality, readiness, and resources of the organization (5). The second is the Pettigrew and Whipp observation, based on empirical case studies, that a strategic change is a result of the interaction between content of change (what: objectives, purpose and goals), process or how of change is implemented and the organizational context of change (the internal and external environment) (6). In practice, it is seen that some private sector health organizations were better able than others, and especially than public ones to improve their competitive performance. Moreover, while young organization tends to be energetic and oriented to change, a mature one is prone to conservatism and protection of the resources and authority they have acquired (6). For that reason, health organizations alike other open systems must relate effectively to its external environment, without sacrificing hard won prior accomplishments. As a start in response to the specific needs identified, health organizations should have developed missions and visions statements.

Vision and mission declarations are necessary step in strategic planning, management and leading processes. Thus, a significant management concern is how to remain dynamic and innovative while acknowledging that health organization development is determined by several factors like it is the position in the system, their functional capabilities and unique personalities. In addition, governing body arrangements act as drivers of change, by influencing who should the health organization serve and how should purpose be determined. On the other side, who is health organization supposed to serve, is imposed by powerful external stakeholders. Besides, the suitability, acceptability and feasibility of health organizational change are to be assessed within the ethical stance of the organization and social context. The climate of integrations and globalization itself open the space for new values and new generations of health managers (7-10). The principles like solidarity, equity and accessibility which are legacy in some health systems sometimes are confronted with feature of other philosophy values that imply fast growth and accomplishments (11,12). Finally, usual macro-environment forces (historical, cultural, economic and political factors) require balancing between directions to "fit" and to "stretch" to all of the mentioned challenges (1,6).

Fundamental reckoning for a strategic leading of a health organization are the well designed vision and mission. The leader of a health organization should have imagination, should be unorthodox and challengeable, but at the same time be clear and practical to assure objectives achievability and realization within the legislative framework (6). Therefore, leaders are rare, instead frequent are managers or management teams, but more often we see directors of health institutions (who follow directions). Since it is likely they

face multiple priorities and pressures they should constantly strive to maintain a proper balance between reactive and proactive postures. The passive posture of management boards of directors should be replaced by proactive and sometimes aggressive one. As it is understood a decade ago, “what we need today, maybe is not new theory, or new conception or framework, but they are people that can thing like strategists” (5). The key strategic values of the new era are innovations, quality, speed, flexibility and continual improvement. Those attributes are also the prerequisites for a modern strategic and health management in a complex and dynamic social ambient.

Important for heath manager who is strategist also, is to frequently re-inquire the aim of the health organization, strategic position and operational policy, since everything that will happen is hard to plan, and it is important to take into account the fact that any intervention may set off unexpected costs (2,3,4). By analyzing the internal strengths and weaknesses of an organization in the light of the external threats and opportunities one should be able to adequately determine the vision, mission, objectives, policy and goals of a health institution. The key questions, modified after Norburn and Birley, in planning the strategic orientation of a health institution are presented in table 1 (2).

**Table 1.** Keys questions for mission and vision development of a health organization

Questions	Keys
<i>What is our job?</i>	To understand the field where health organization operates, the level it is in and the services it offers to whom.
<i>What is our position in the health service production framework?</i>	To analyze the external environment, health sector market and competitors.
<i>Where are we now?</i>	To analyze resources, competences and competitive advantage.
<i>What should be our future position?</i>	To analyze stakeholders` expectations, power, energy and interest.
<i>What activities will lead successfully to it?</i>	To analyze approaches, good models and benchmarking
<i>Where do we want to be?</i>	To create organizational vision, strategic intent and strategic positioning in future.
<i>How do we get there?</i>	To plan organizational structure, directions, development, strategies and to design policy.

The mission statement is generalized statement of the purpose of the organization. Also, it defines and specifies the vision of the organization starting from the geographical territory, target market, philosophy and production conditions (like quality) and social responsibility. In the literature various approaches exist for development of mission. Prescriptive approaches usually emphasize the need to set out a mission and objectives for the next few years. Some managers accept the need but emphasize the bottom up approach and inclusive development of health organizational core values. Emergent approaches doubt the usefulness as the future is so uncertain. Ansoff and McDonell point out that mission represent the aspiration or intentions of stakeholders that organization serves (13). Johnson and Scholes call it like „*raison de`être*” - the reason it exists as such in social and economical context (2). Complementary, Drucker signifies it as the way that one could create its new clients or customers (14). In summary, it should be in line with the expectations of the key stakeholders and the reasoning behind it. Key values of health

organization should be incorporated in the mission in the form of beliefs, attitudes, image, tradition, truism, symbols, legitimacy, cultural web and sometimes values are stakeholders themselves.

Mission statements should be visionary description of the position in the 'health service production framework'. As it outlines the broad future directions, missions are followed by objectives which are more detailed, usually quantified, measurable and achievable in a specific a time period. So, the identity of health institution is its mission, philosophy (cultural web, values, principles, beliefs and policy) and is its purpose.

The mission is important to be set before putting into practice an effective change initiative or strategic plans, because it should guide the health organization through strategy implementation.

The strengths and competencies of managers to improve the position of health organization are reflected in vision. Vision should be clear inspiration for the both internal (e.g. employees, owners, and unions) and external stakeholders (e.g. clients, suppliers, competitors, and local community). Clarity can be obtained by very natural statements, like what are our purpose framework, competencies and unique values. For the vision development it is useful to explore what stays the same in health organization despite continual efforts and necessities to change (5). The crucial health organization stewardship comprises intelligent use of the knowledge and power, regulations and data sets that will upgrade understanding and commitment of employees to the mission and vision (2,7,8,11,12). Besides managers, it is expected that other professionals and staff of health organization show a growing interest in understanding how they can develop the skills and attitudes required in a visionary health organization and service. A team of high performance that creates vision for the longer period should interact with each other in real talk and open listening, to confront the obstacles with risk tolerant high energy, and high trust. There is a large and growing body of evidence that demonstrates a positive linkage between the development of human capital and organizational performance. Moreover, a health organization market value depends less on tangible resources, but rather on intangible ones, particularly human resources, all human capital forms, notably intellectual, social, and organizational (2). In shaping a health organizational performance human resources are assets and liabilities in linking overall coherence with vision. Depending on how internal and external business communication is regulated, the local and national prestige and growth among customers will eventually be visible (16). So sharing the vision with all multidisciplinary teams in his/her organization is another core issue.

The final points will be that vision is „what can be“(e.g. our new way of organization, functioning, values, and image), and that it should not be blind nor have tunnel outcome or myopia effects (2,9). In conclusion, the overriding purpose of a health institution is outlined in its main intentions as well as in the broad directions to be followed in the future. Strategically thinking from the vision agreed upon, we realize what should be our mission and objectives of the organization starting from the real circumstances and creating new one if necessary. In other words, modern strategic planning should be supported by creativity.

Below are presented strategic statements of some health organizations, showing how they fit with the key stakeholders' values, and are stretched with internal and external customers' expectations.

### **AHRQ Mission**

*To improve the quality, safety, efficiency, and effectiveness of health care for all Americans.*

Accessed June 17<sup>th</sup> 2008 at URL: <http://www.ahrq.gov/about/budgtix.htm>

*“HOPE mission is to promote improvements in the health of citizens throughout Europe, high standard of hospital care and to foster efficiency with humanity in the organization and operation of hospital and healthcare services. To reach its goals, HOPE has then been and is involved in numerous comparative and exchange activities. And since the influence of EU legislation on hospitals dramatically increased with the internal market, HOPE has developed an activity to analyze and to influence decisions in their earlier phases”.*

Accessed June 17<sup>th</sup> 2008 at URL: <http://www.hope.be/>

### **MINISTRY OF HEALTH SINGAPORE**

#### ***Vision and mission***

*Championing a healthy nation with our people - To live well, live long & with peace of mind. We are an innovative and people-centred organization, committed to medical excellence, promoting good health and reducing illness, and to ensuring that Singaporeans have access to good and affordable healthcare that is appropriate to their needs.*

#### ***Delivery and philosophy***

*Through MOH, the Government manages the public healthcare system to ensure that good and affordable basic medical services are available to all Singaporeans. We achieve this through providing subsidized medical services while promoting individual responsibility for the costs of healthcare services. Our population is thus encouraged to adopt a healthy lifestyle, taking responsibility for one's own health. Safety nets are provided however, to ensure that no Singaporean is denied access into the healthcare system or turned away by public hospitals because of lack of money.*

Accessed June 17<sup>th</sup> 2008 at URL: <http://www.moh.gov.sg/mohcorp/about.aspx?id=82>

### **HEALTHCARE QUALITY CERTIFICATION BOARD (HQCB)**

#### ***Vision statement:***

*The Healthcare Quality Certification Board raises the standard for healthcare quality professionals by defining world-class professional excellence through the international Certified Professional in Healthcare Quality (CPHQ) certification.*

#### ***Mission statement:***

*The Healthcare Quality Certification Board, by providing the only accredited international healthcare quality certification, improves the quality of healthcare by advancing the theory, practice and development of diverse quality professionals.*

#### ***Core Identity:***

*Professional — The standard of professional excellence. We are personal and professional at every contact point. We are transparent and ethically sound;*

*Definitive — We are the only organization defining healthcare quality professional excellence through certification;*

*Dynamic — We are dedicated to fostering professional growth and*

*encouraging continuous improvement;*

*Passionate — We are passionate about serving our profession. Our job is to raise the standard of our profession and improve health care quality for all people;*

*Inclusive — We address all specialty areas and settings;*

*Accessible — We seek to make quality healthcare certification accessible to all. We are accessible to all via Web, mail and phone;*

*Dynamic/Evolving — We are changing to meet the needs of CPHQs and those they serve. We are a constantly evolving to further our mission. In addition, the role of the HQ professional is constantly evolving;*

*Proactive — We actively anticipate trends through industry involvement. We constantly reach out to current and prospective CPHQs for insight and needs assessment;*

*State-of-the-Art/State-of-Science — We are innovative and driven by new research, principles and techniques. We are dedicated to leveraging new technology and ideas.*

Accessed June 17<sup>th</sup> 2008 at URL: <http://www.cphq.org/2about.html>

## **EXERCISES**

### **Task 1**

After introductory lectures students will form small group consist of up to 8 members. Students will be divided in groups according to their countries and health organizations (primary health care institution, hospitals, non-governmental health organization, pharmacy, etc). They will participate in brainstorming technique in order to recognize and to define their organizational values and purpose. Each student will give an example of health organizational value according to his/her experience and knowledge and should be warned to be ready to explain it later. Group leader will write down each example on the flip chart. Students should make an extensive list of organizational values by naming as many as they have been aware of. Each of the listed values should be explained in relation to organizational aim and purpose.

The work will continue in small groups to discuss their routine tasks, responsibilities and clients and stakeholders. Group leader will summarize them on a paper. Teacher should point out the differences that exist among various health organizations to help them in clarifying their mission reports. The necessary time for this exercise is 45 minutes, if the group is consisted from 20 students.

### **Task 2**

The second exercise will be to discuss the necessities in their organizational environment and the possibilities for improvement. Within the small groups they will create the vision statements. After small group presentations, discussion will be in front of the whole group. Teacher will support students to search Internet resources of useful links to health care sites around the world with intention to explore existing models of organizational missions and visions. For this exercise additional 45 minutes under the supervision are suggested.

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