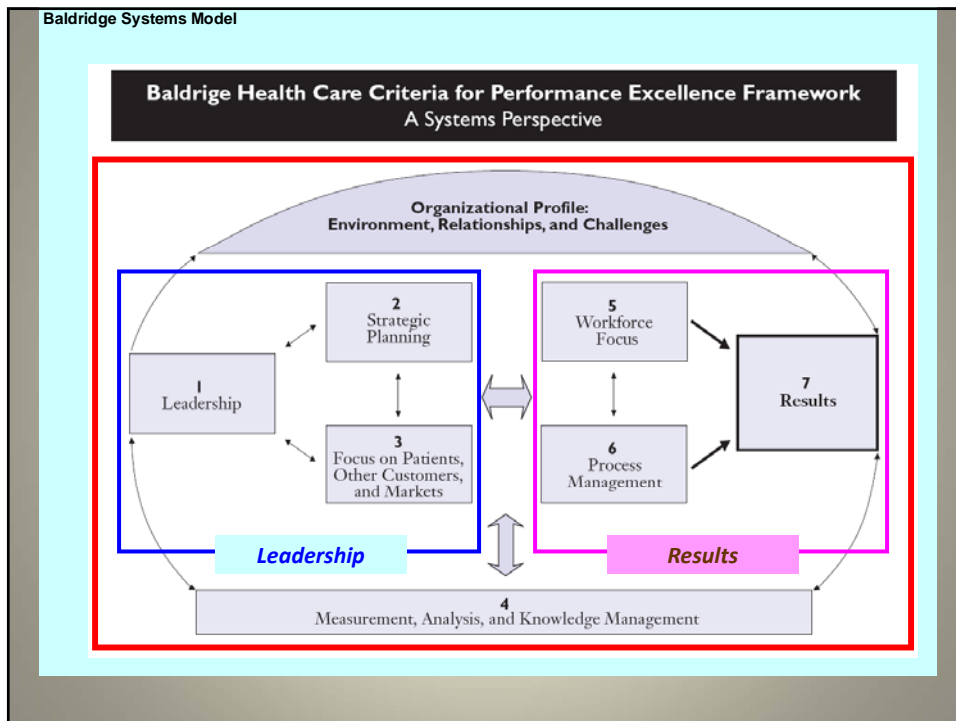


# Health Management Introduction Seminar

CHDD-LEND Seminar  
Autumn Quarter, 2010



## Organizations as Systems

“Organizations are human systems of cooperation and coordination assembled within identifiable boundaries to pursue shared goals and objectives”

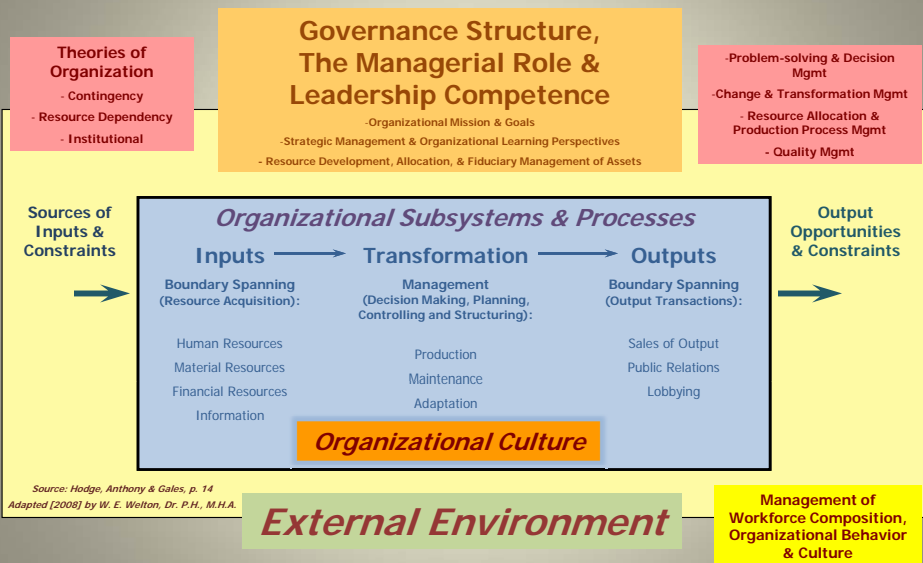
Hodge, Anthony & Gales, p.12

## Systems Characteristics

- Open vs. closed systems
- Holism
- Synergism

# Organizational Fundamentals

## The Open Systems Organizational Model & the Internal Organizational System



## Applying Transformation Leadership Skills and Competencies in Healthcare Welton, 2008

*“Transformation Leadership within Healthcare Organizations is Executed in an Evolutionary Manner Using Strategically Driven and Systemic Approaches, while Integrating a Core Set of Superior Personal Competencies and Skills within Effective Personal Styles:*

- Situational Assessment Skills
- Strategic Analysis & Execution Skills
  - Problem-framing Skills
  - Decision-management Skills
- Change Initiation & Org Transition Mgmt Skills
  - Organizational Development Skills
  - Team Management Skills
  - Outcome Evaluation Skills
- Effective Transformation Leadership Competencies & Styles

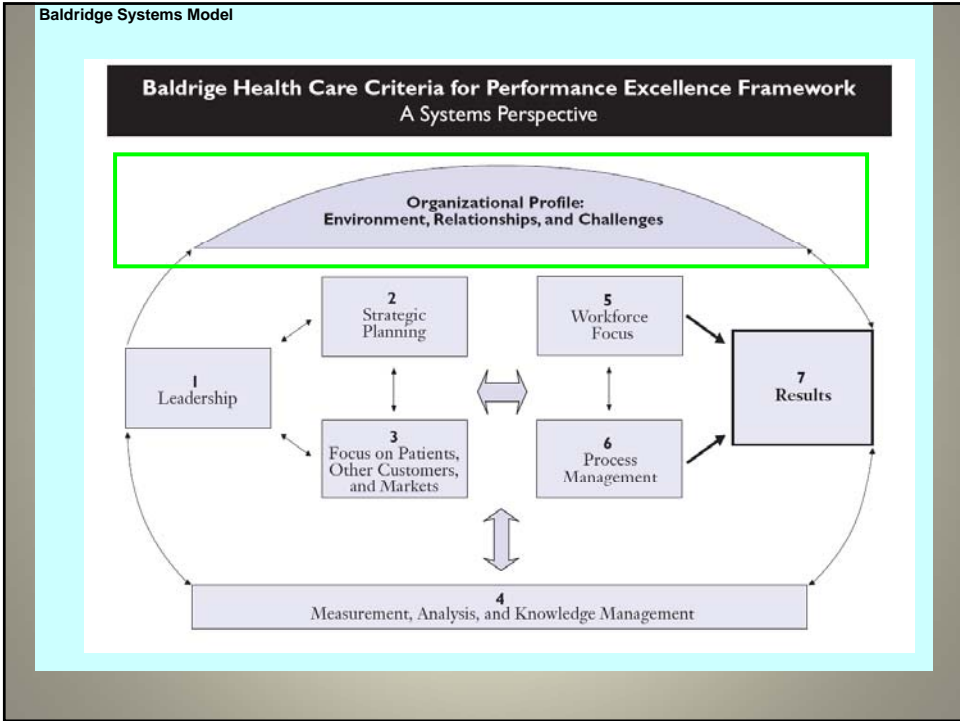
*-.... And Effectively Coordinating both ‘Transformation-oriented’ and ‘Execution-oriented’ Components of Evolutionary Strategic Organizational Development within Clinical Enterprises or Systems of Clinical Enterprises.”*

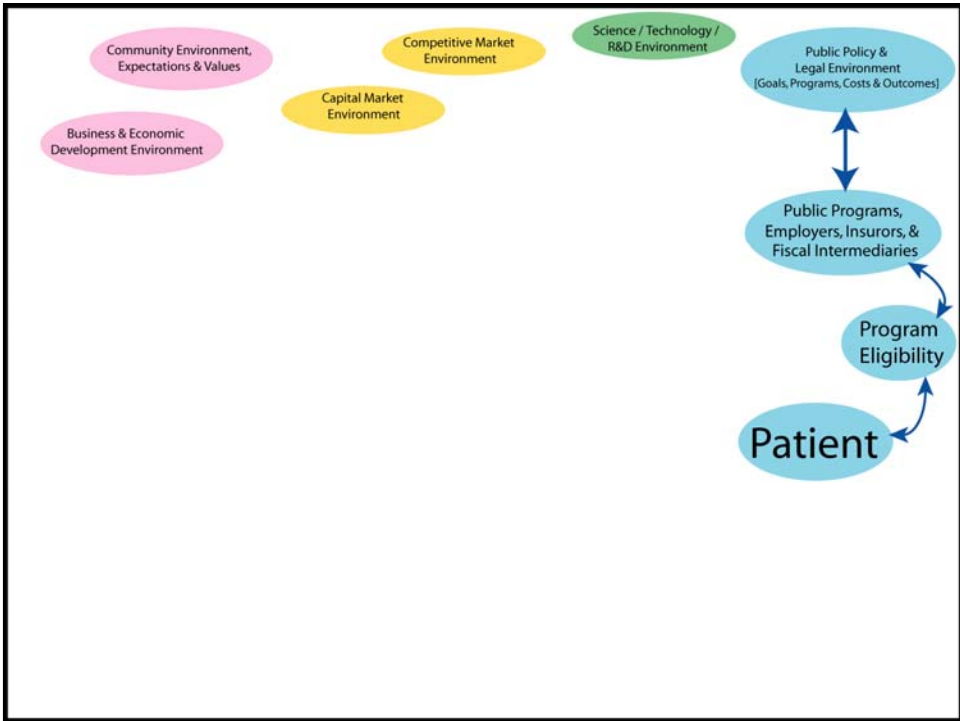
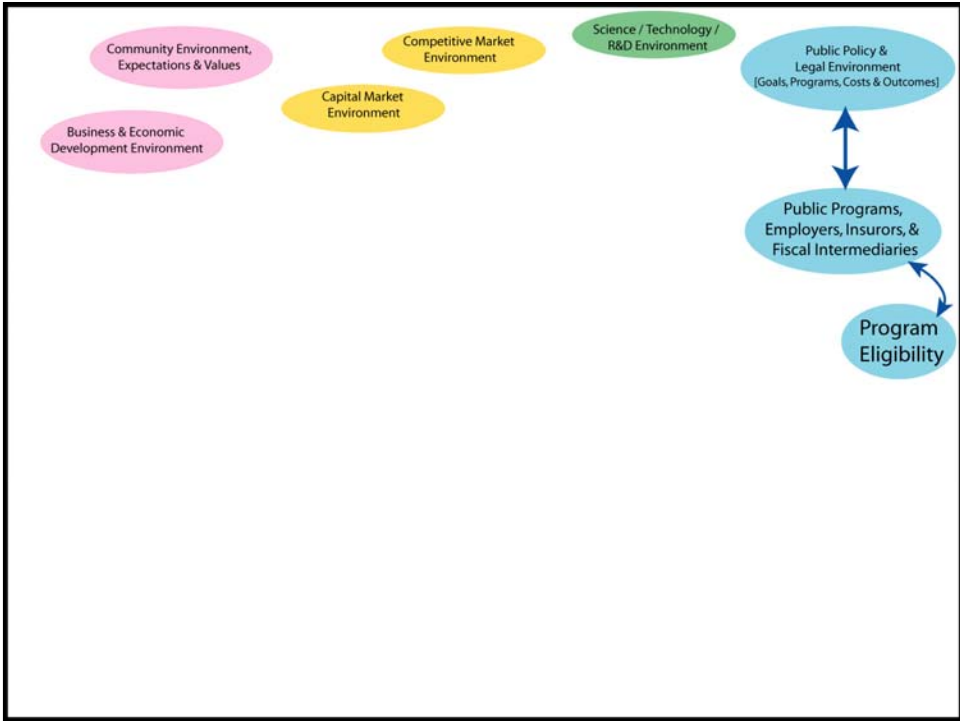
## Brache’s Business Issue Types

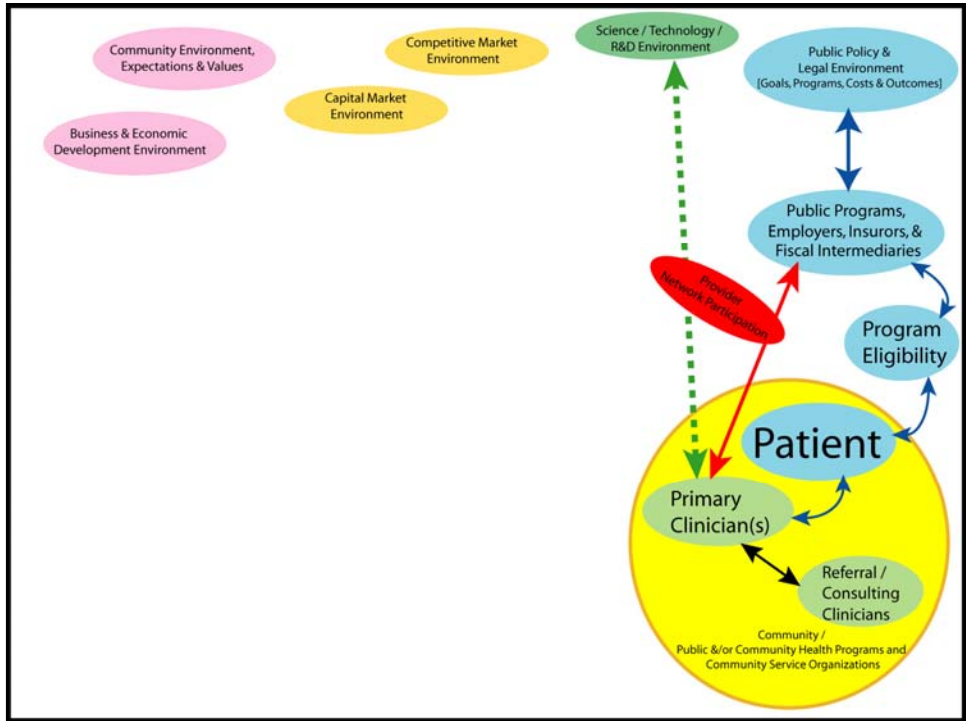
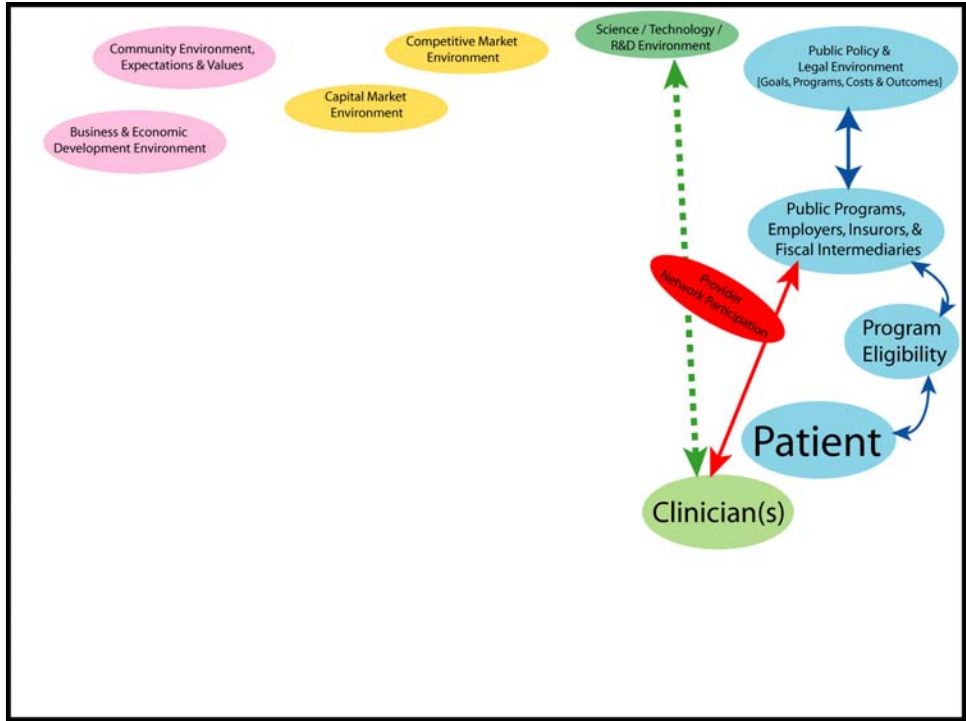
### ‘Management Action Steps’

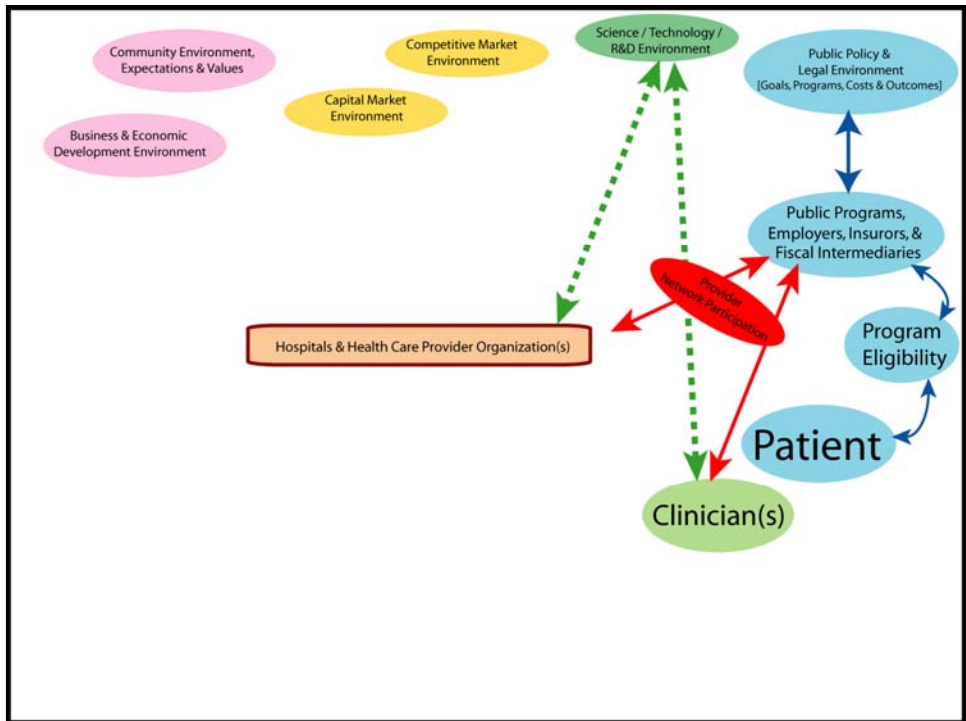
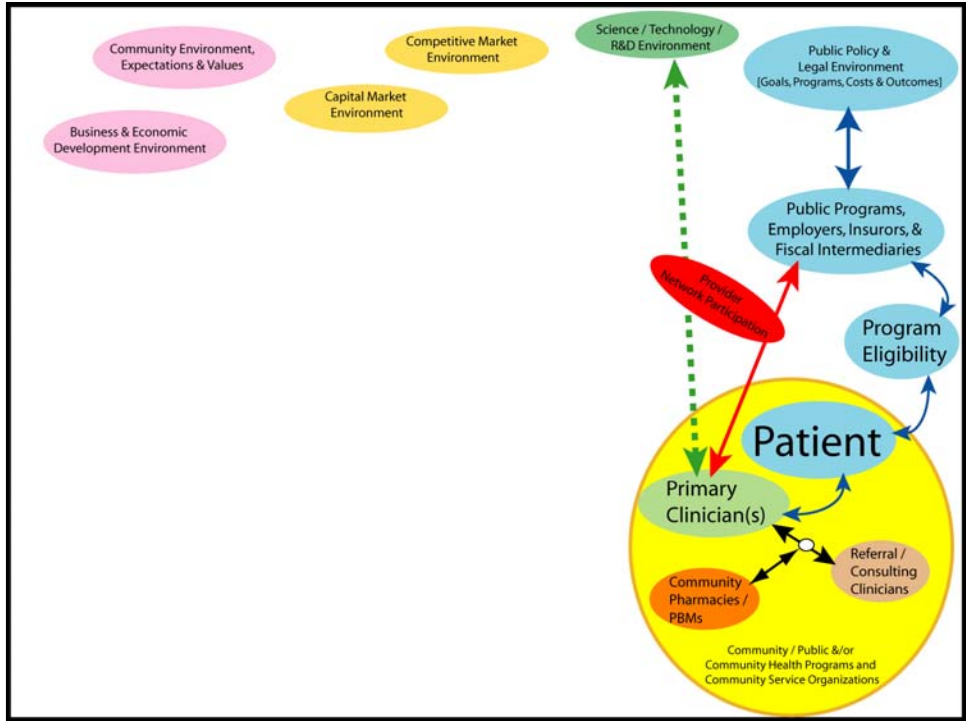


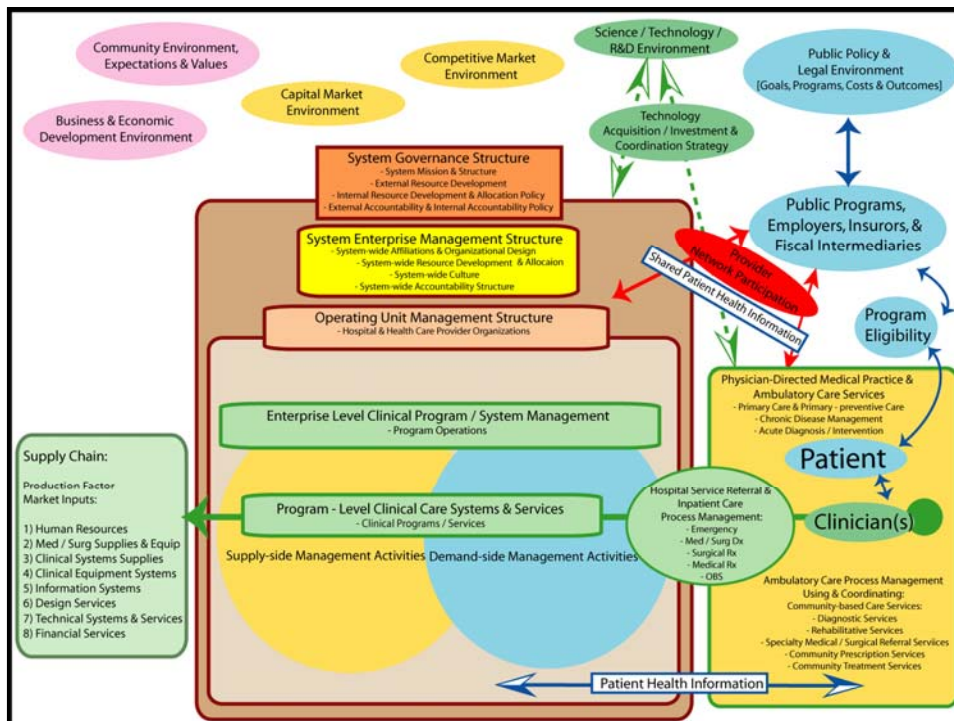
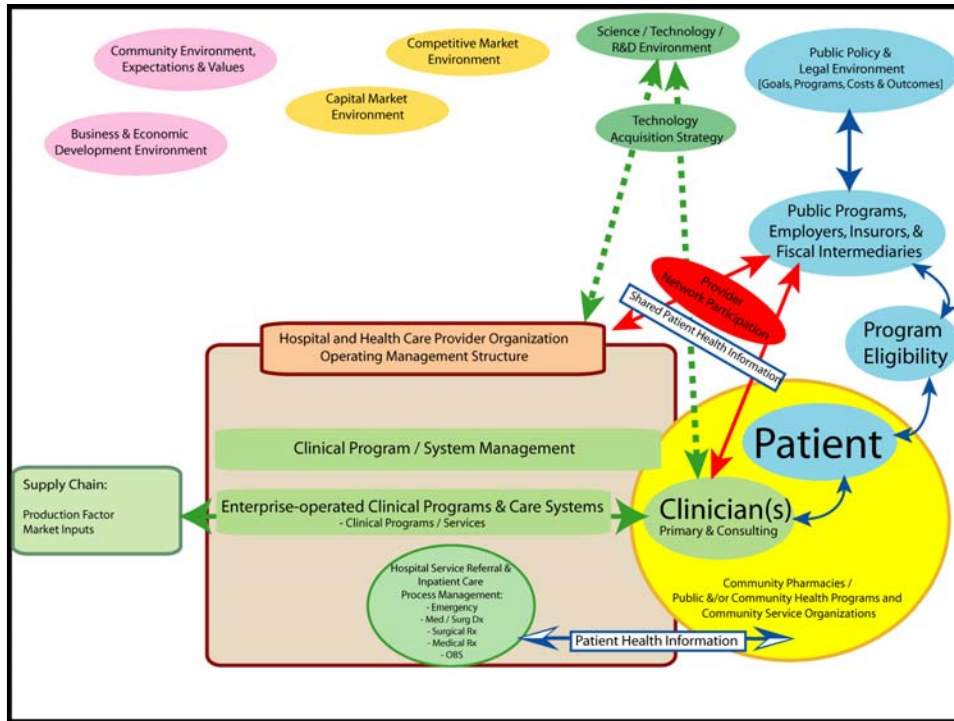
‘7 Business Issue Types’ [How Organizations Work: Taking a Holistic Approach to Enterprise Health: A. P. Brache, 2002]



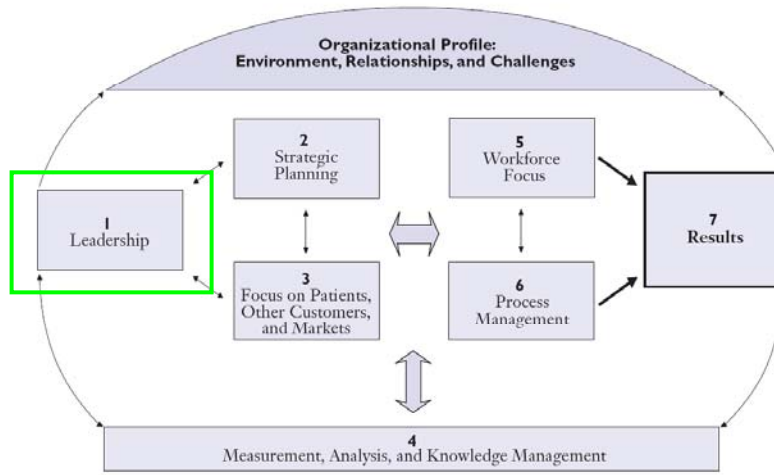








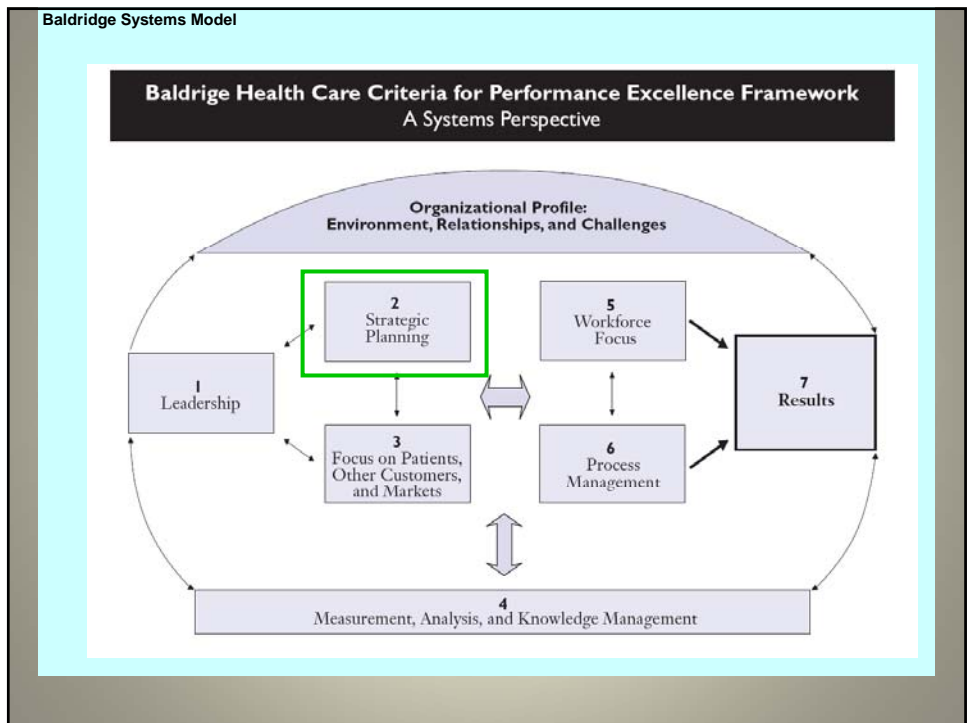
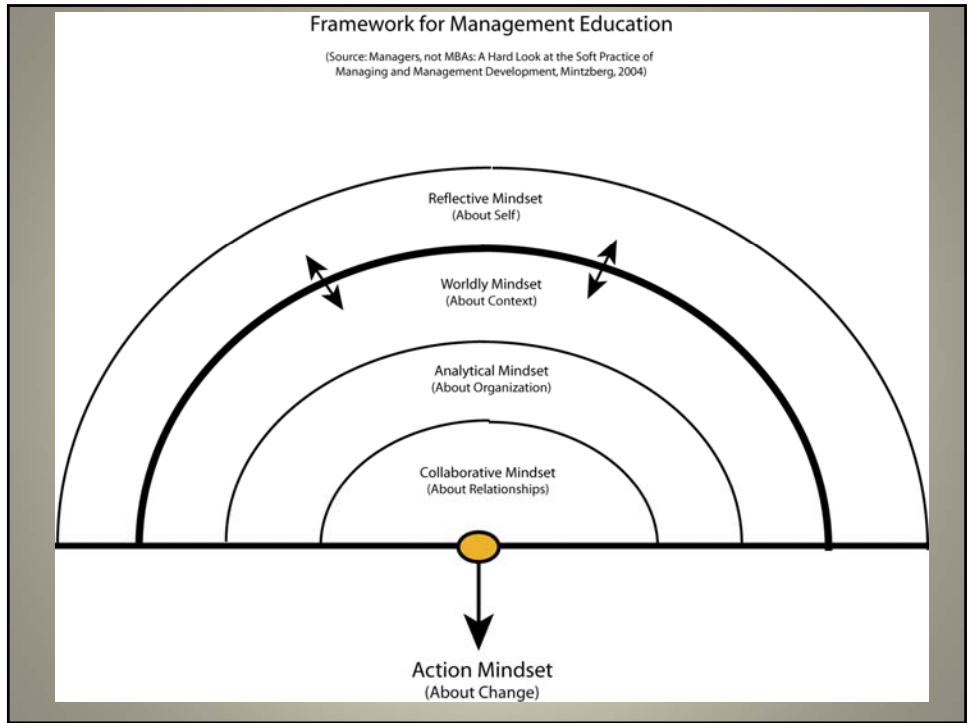
**Baldrige Health Care Criteria for Performance Excellence Framework**  
A Systems Perspective



## What is Leadership?

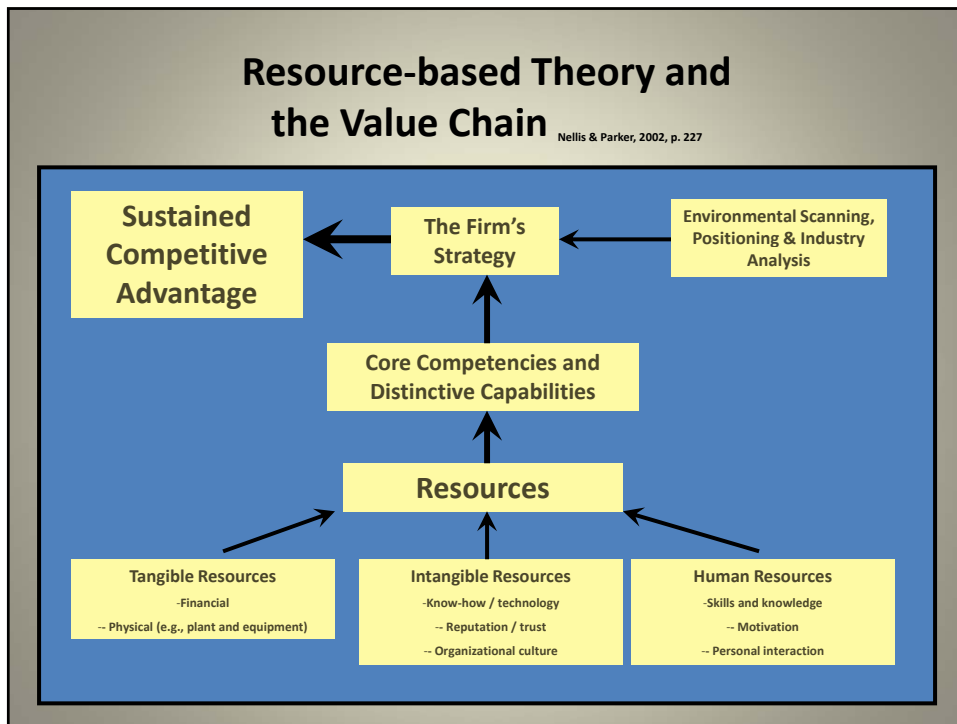
Northouse, Leadership: Theory & Practice, 2004, p. 3

*“Leadership is a process whereby an individual influences a group of individuals to achieve a common goal”*



## Resource-based Theory and the Value Chain

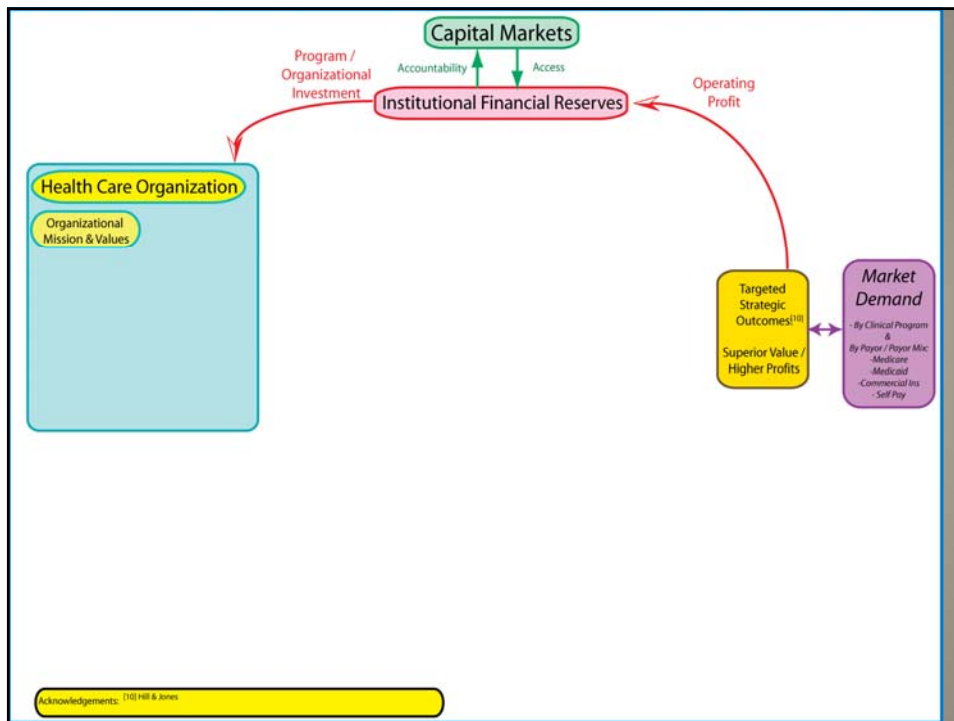
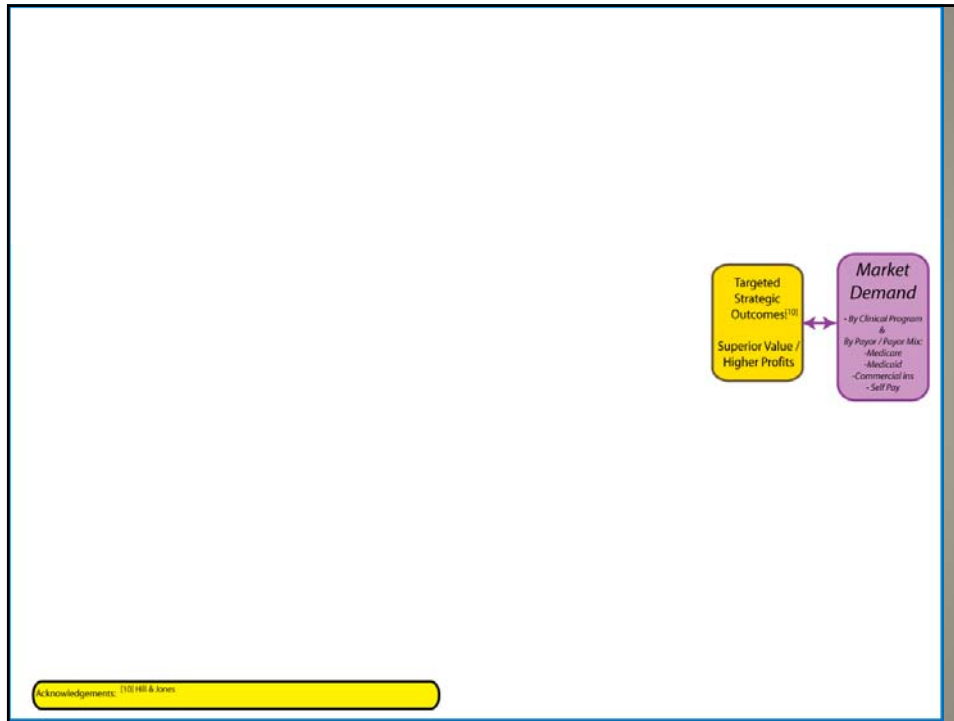
Nellis & Parker, 2002, p. 227

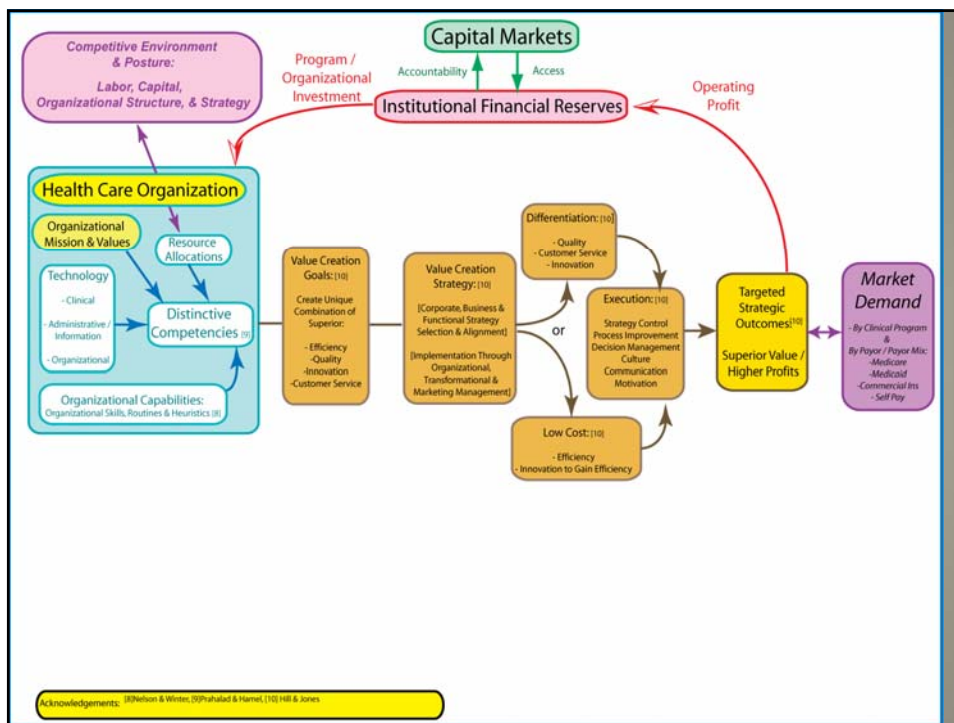
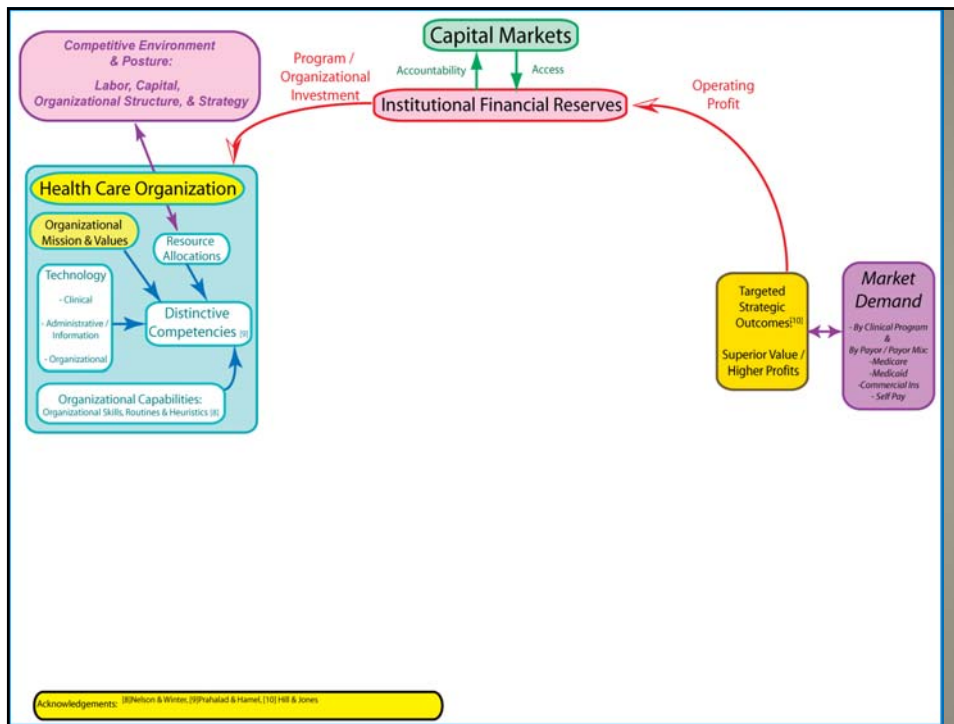


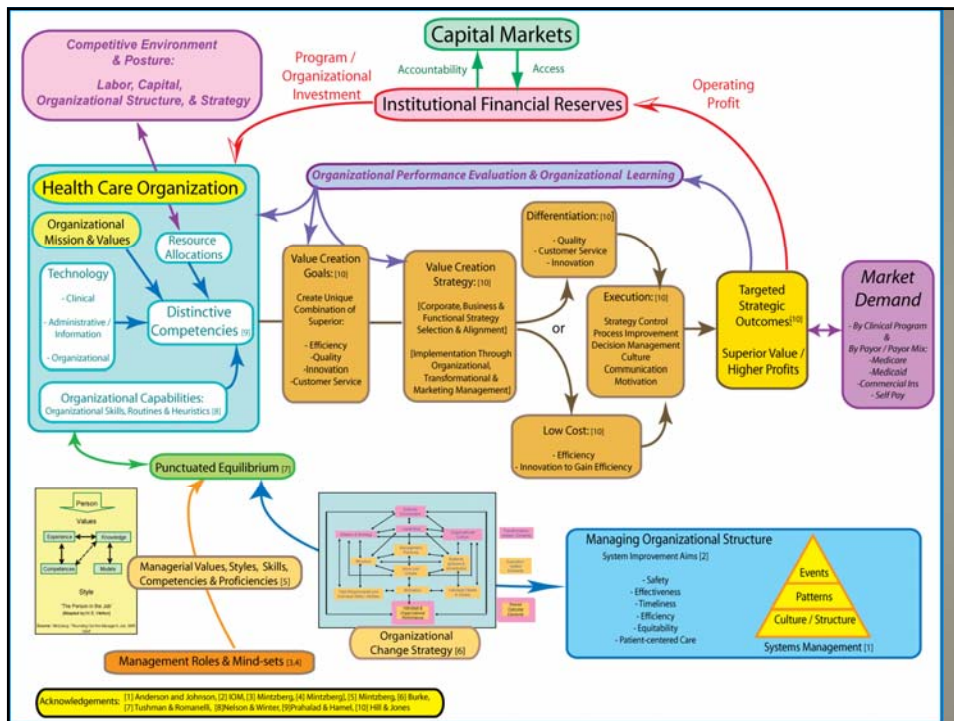
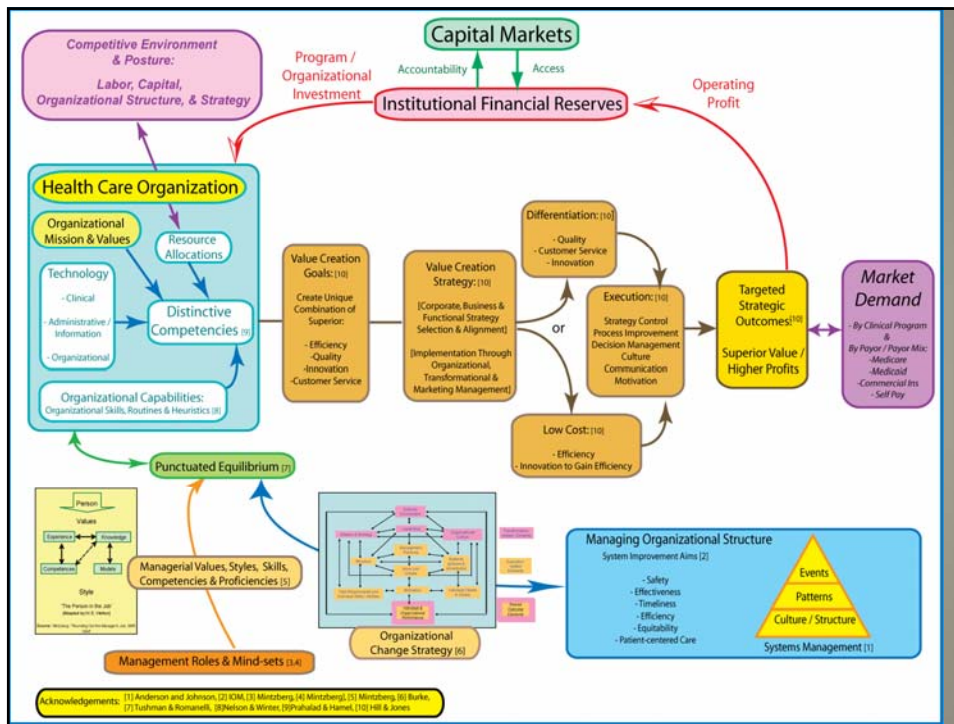
## Levels of Competitive Strategy

Nellis & Parker, 2002, p. 216

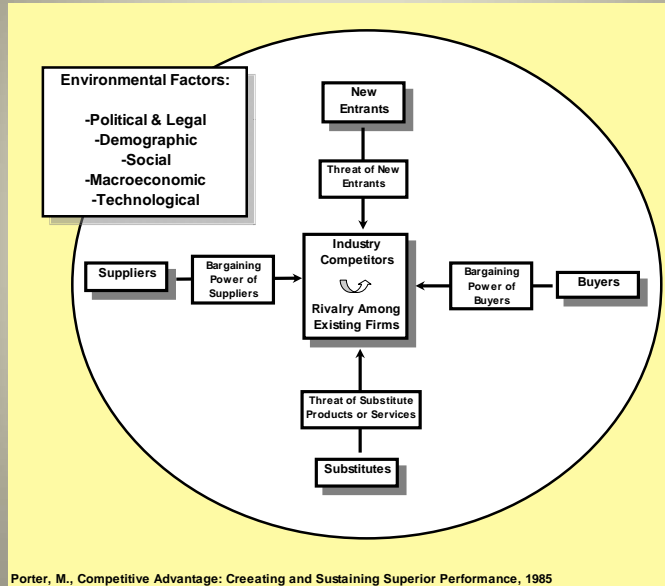








## The 5-Forces Model & the Macro Environment



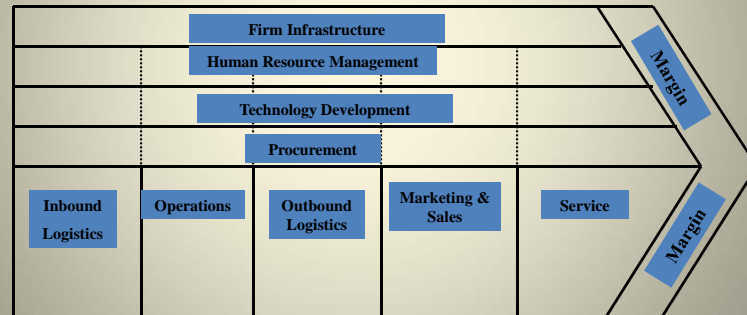
## Generic Strategies Model

		Competitive Advantage	
		Lower Cost	Differentiation
Competitive Scope	Broad Target	1. Cost Leadership	2. Differentiation
	Narrow Target	3A. Cost Focus	3B. Differentiation Focus

Porter, M., *Competitive Advantage: Creating and Sustaining Superior Performance*, 1985 [pp.12]

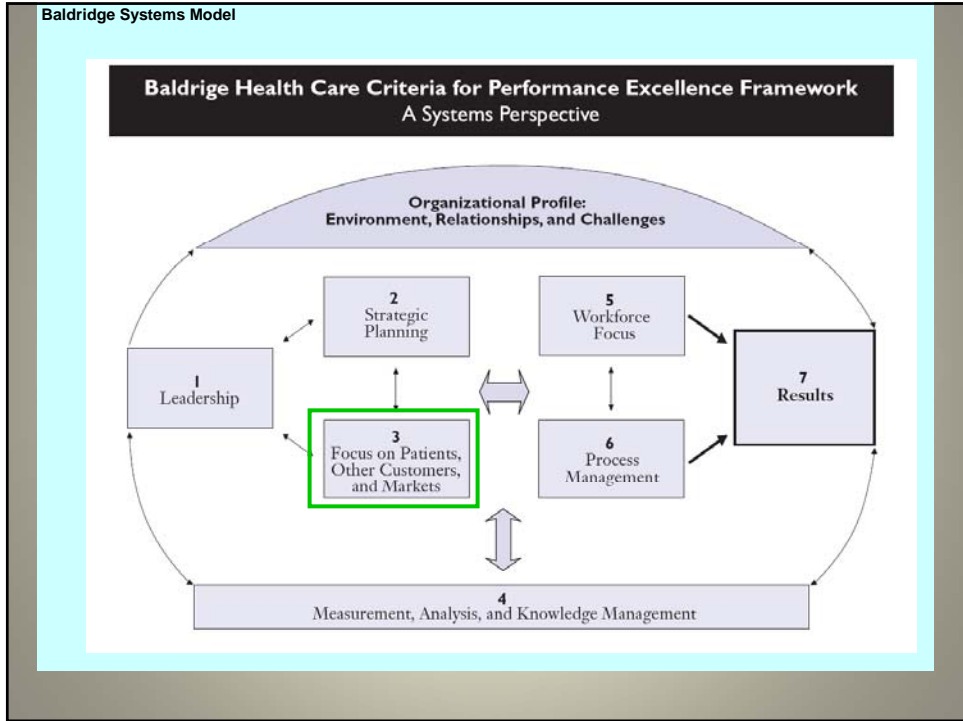
# Creating Competitive Advantage: Managing the Value Chain

M. Porter, Competitive Advantage, Chapter 2



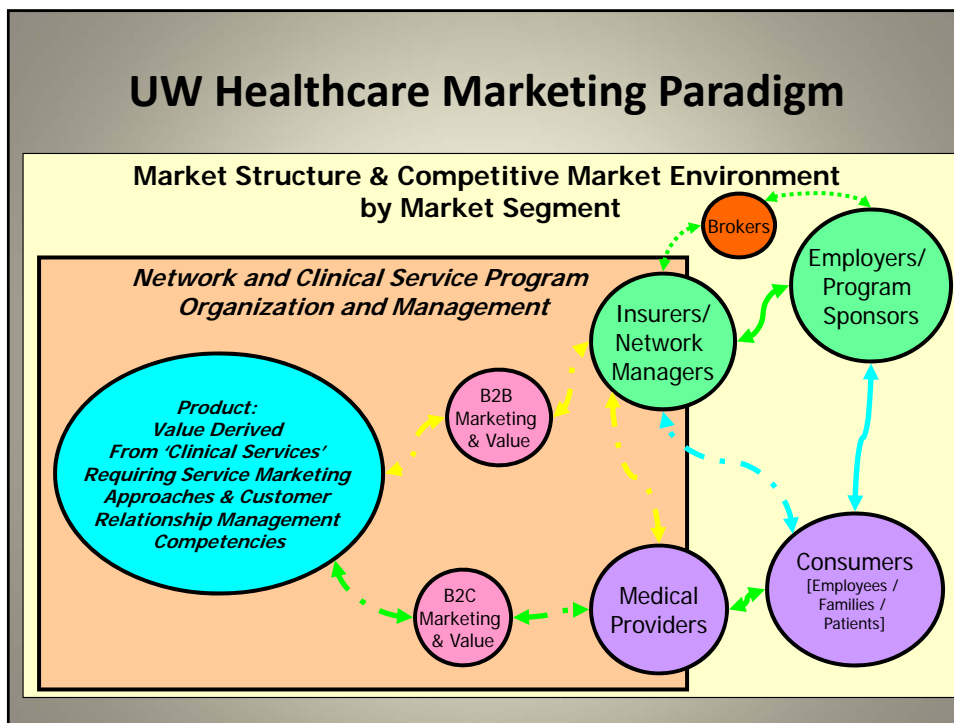
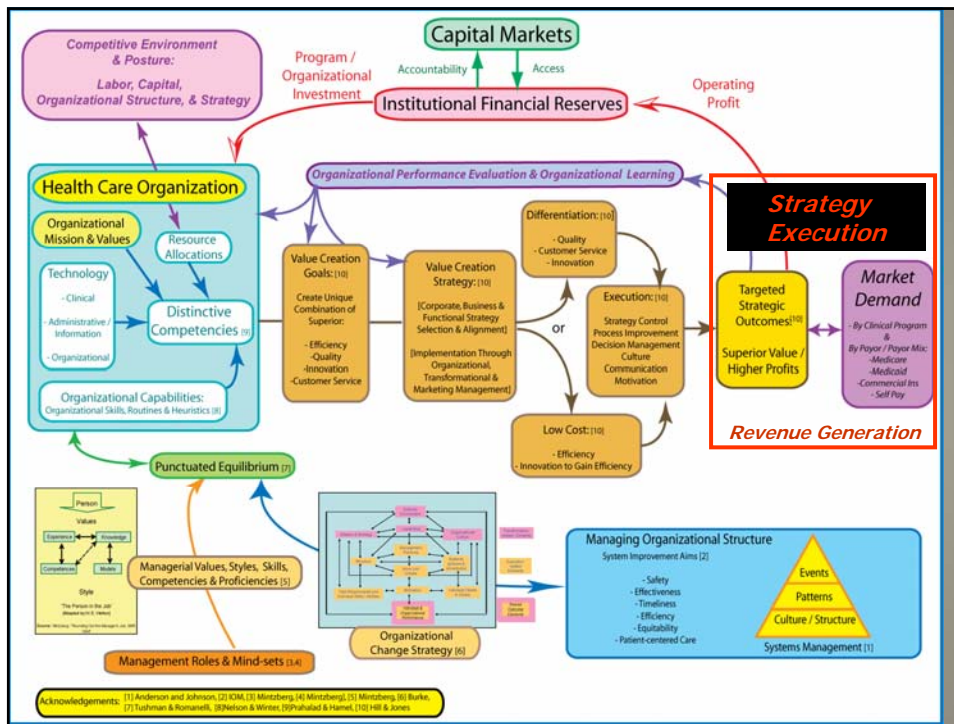
## Formulating Strategy

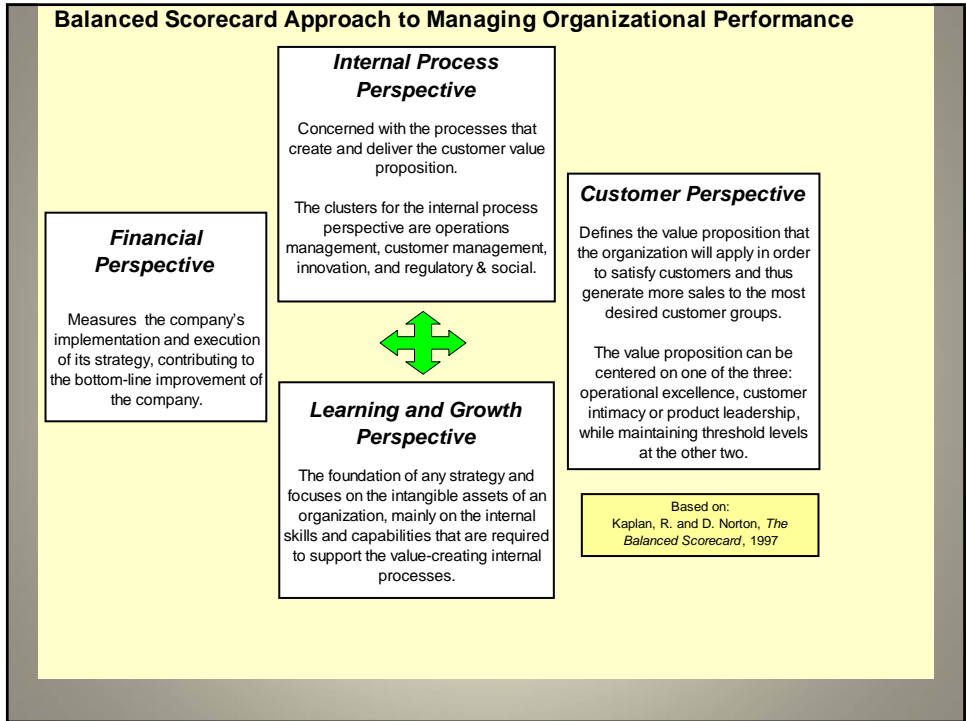
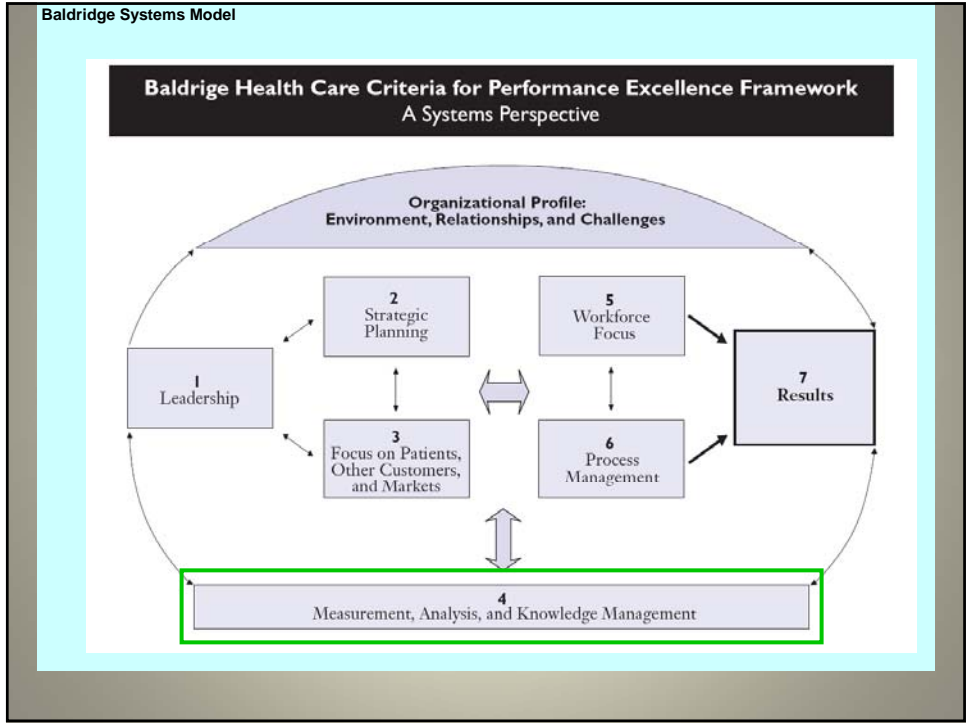
- Where are we?
  - Analysis & Assessment
    - Current Performance
  - Environment
    - Opportunities & Threats
  - Firm
    - Strengths & Weaknesses
  - Industry
    - Competitive Assessment
- Where should we go?
  - Corporate & Business Unit Strategies
- How do we get there?
  - Implementation
    - Resource requirements
    - Risk / return



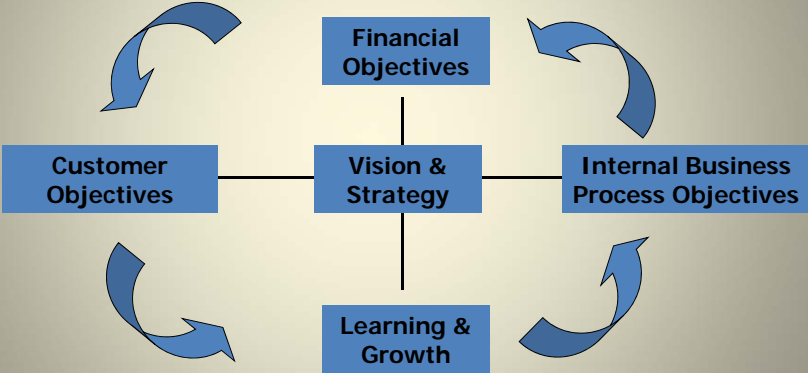
# Fundamental Marketing Concepts

Healthcare Marketing Concepts, Strategy & Tactics



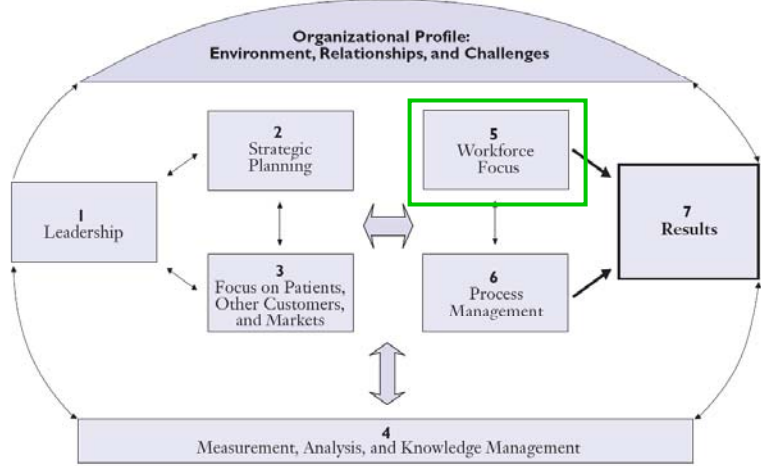


# Using the Balanced Scorecard to Translate Vision & Strategy



Baldrige Systems Model

**Baldrige Health Care Criteria for Performance Excellence Framework**  
A Systems Perspective



### Organizational Design & Development Model

- Environmental Considerations**
- Technology
  - Policy
  - Competitor Behavior
  - Partnerships
  - Business Environment
  - Funders
  - Community Values
  - Legal Environment

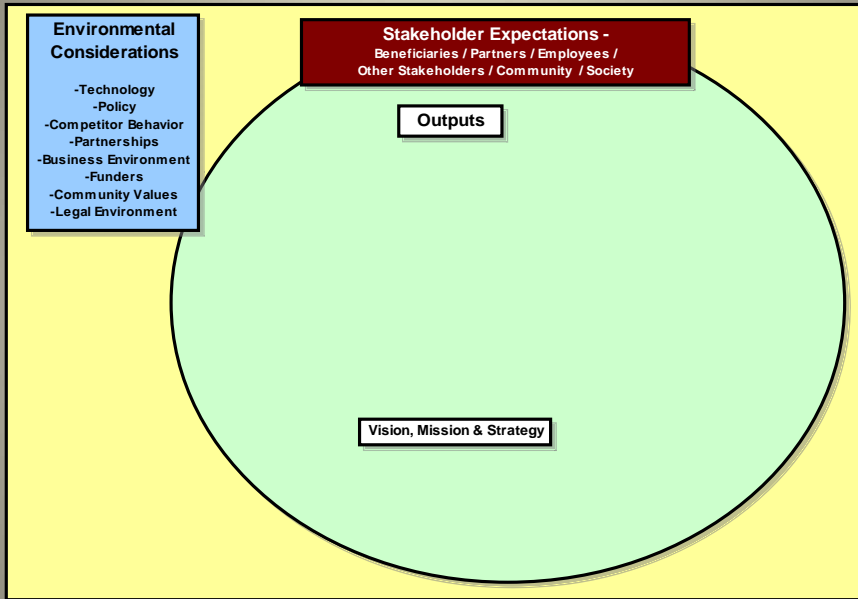
### Organizational Design & Development Model

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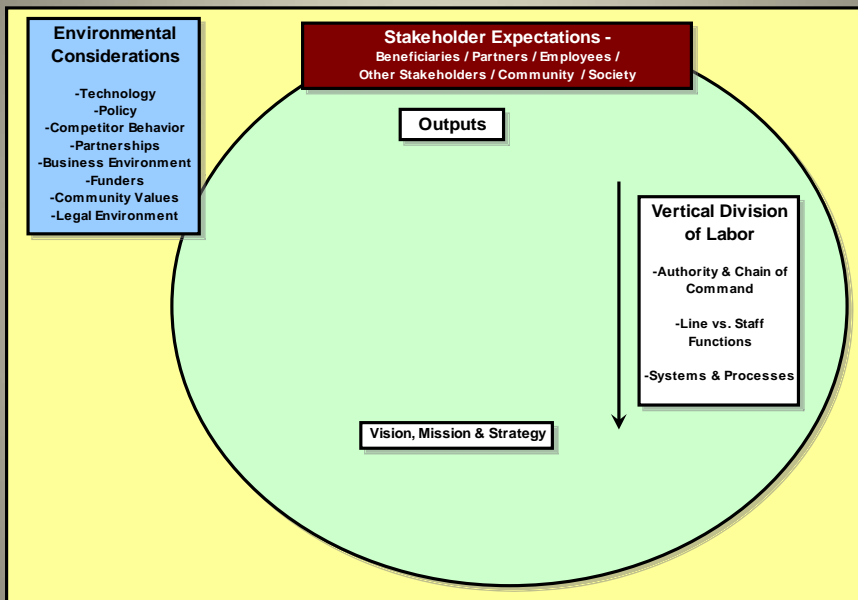
**Stakeholder Expectations -**  
Beneficiaries / Partners / Employees /  
Other Stakeholders / Community / Society

**Outputs**

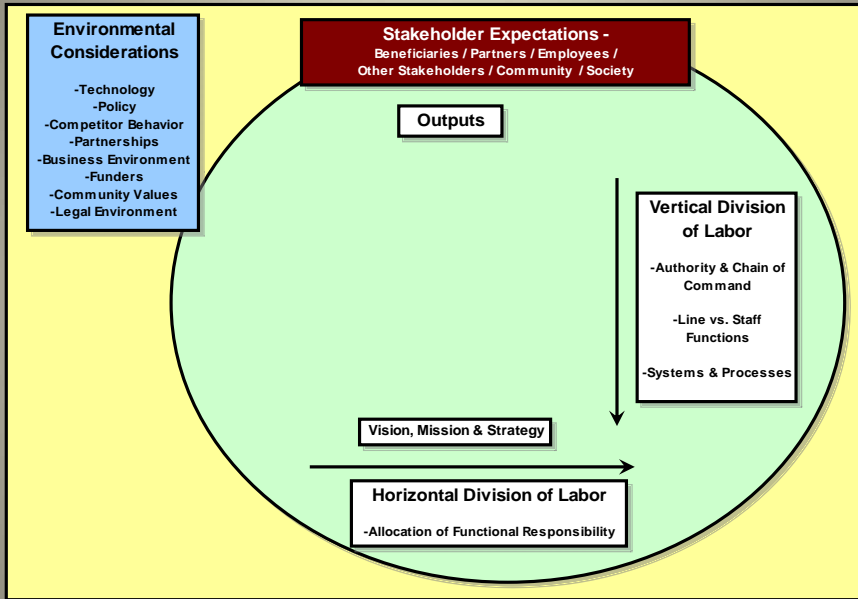
### Organizational Design & Development Model



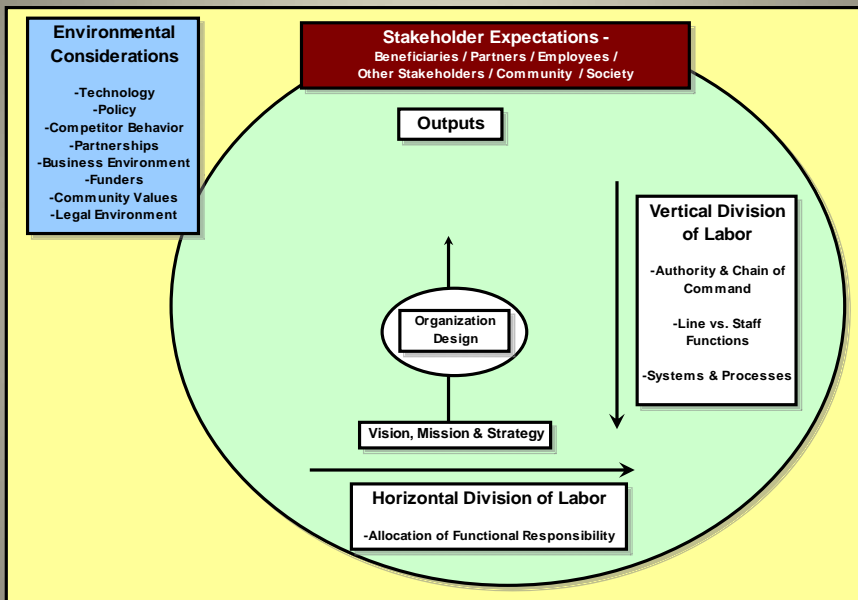
### Organizational Design & Development Model

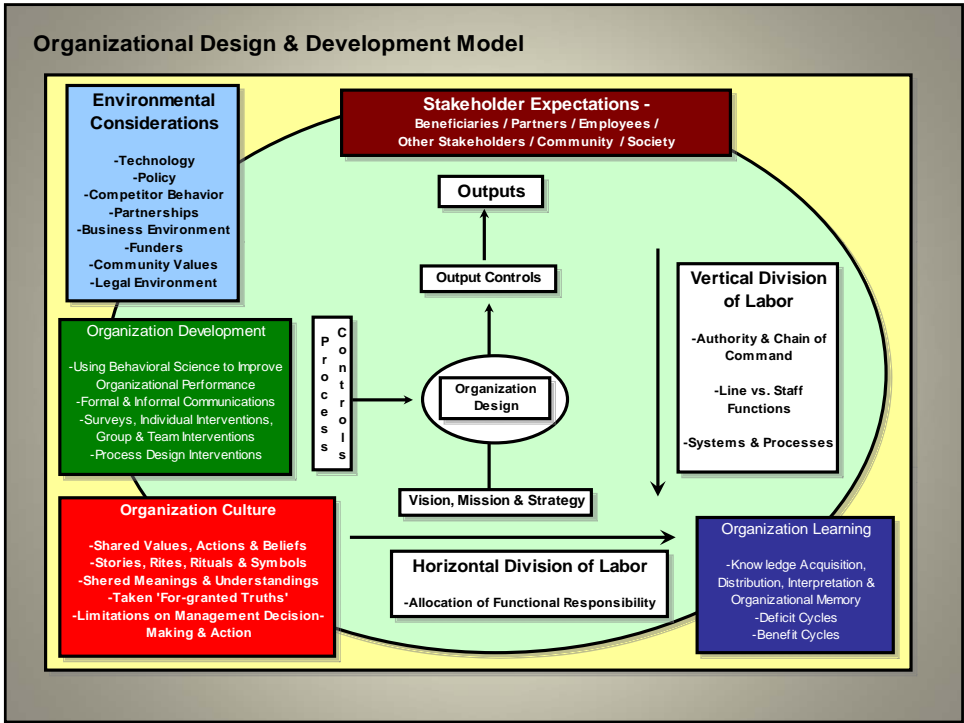
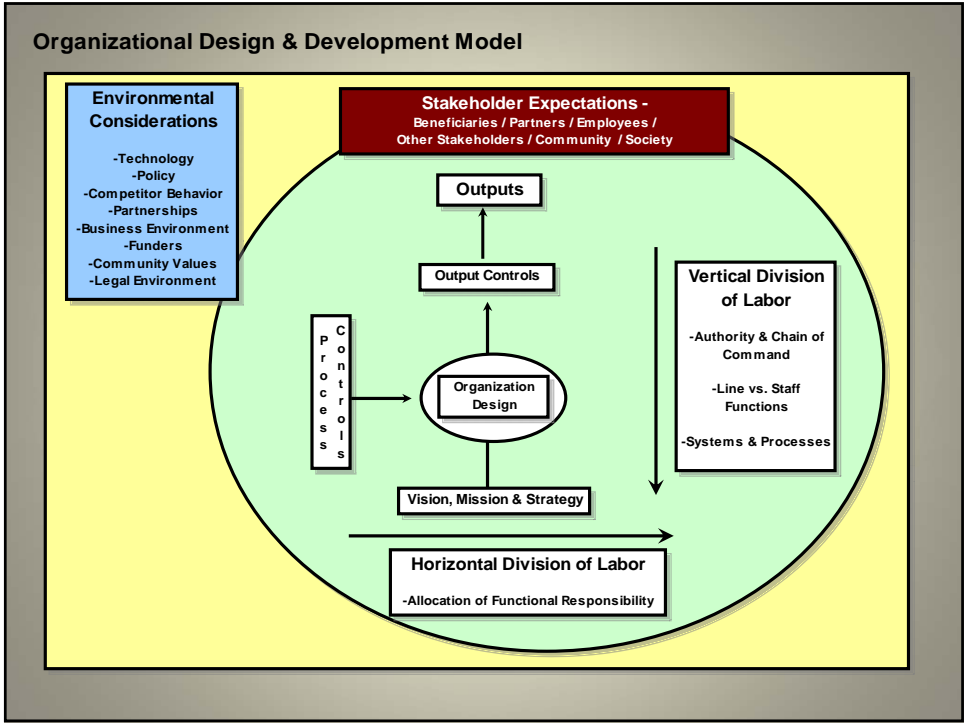


### Organizational Design & Development Model



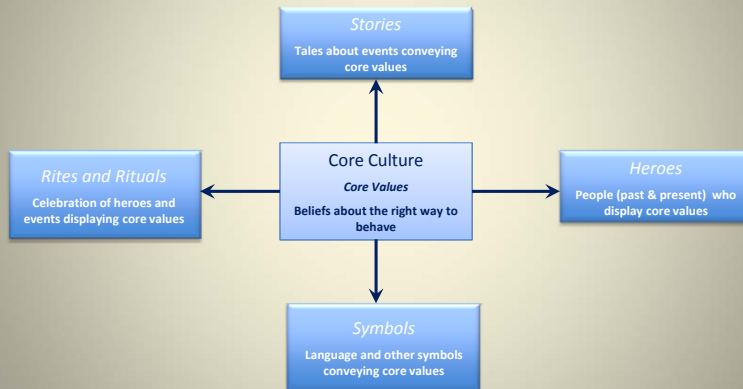
### Organizational Design & Development Model





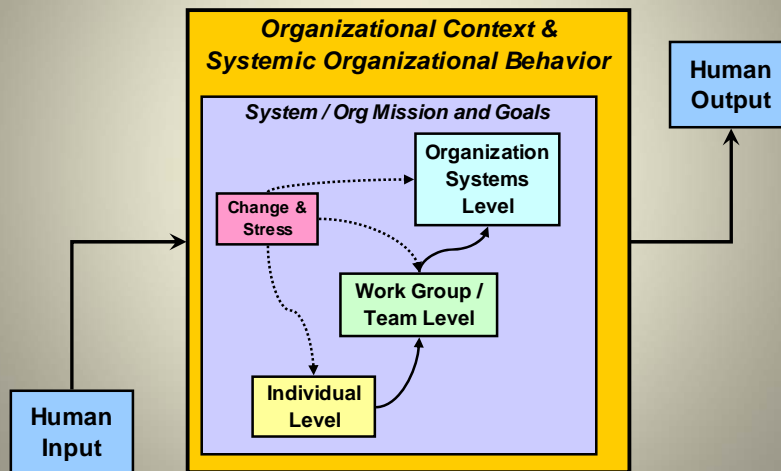
## Levels of Organizational Culture- Observable Culture and Core Culture

Schermerhorn, Core Concepts of Management, Chapter 9



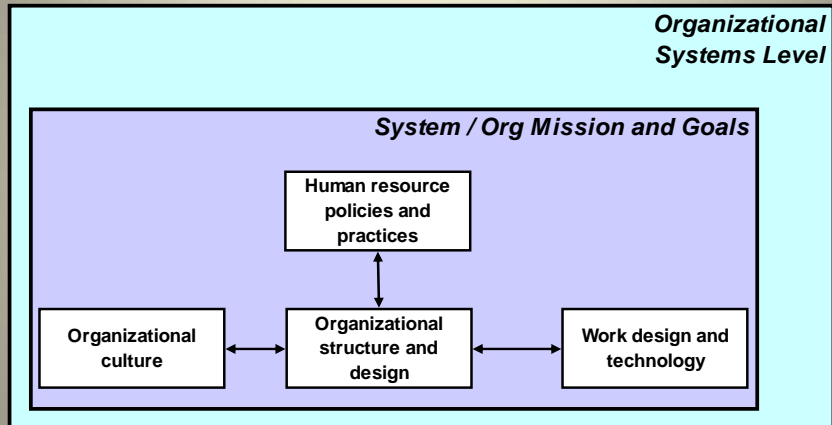
## Systemic Organizational Behavior Model

WEW Adapted from Robbins, 9<sup>th</sup> ed. 2001 p. 19



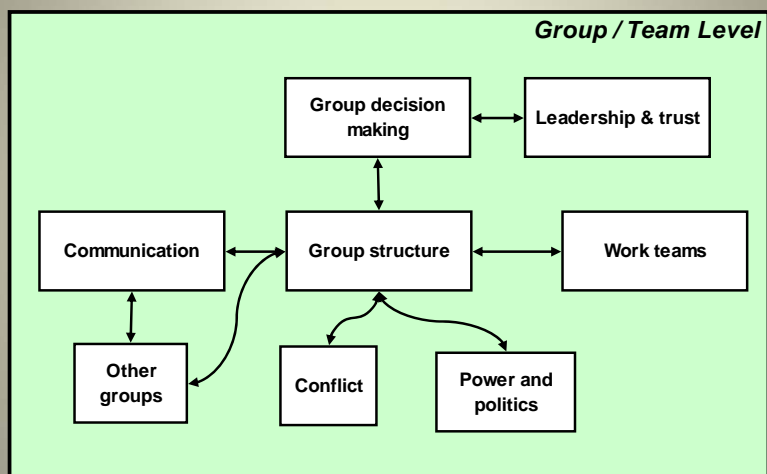
# Systemic Organizational Behavior Model

WEW Adapted from Robbins, 9<sup>th</sup> ed. 2001 p. 24



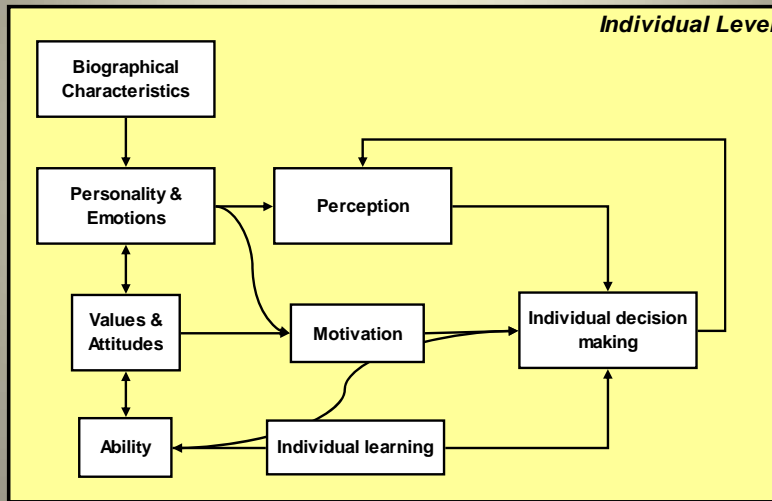
# Systemic Organizational Behavior Model

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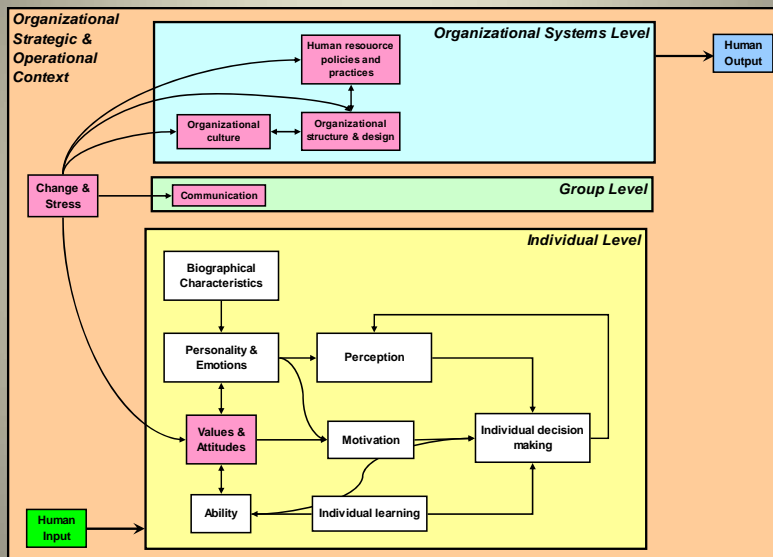
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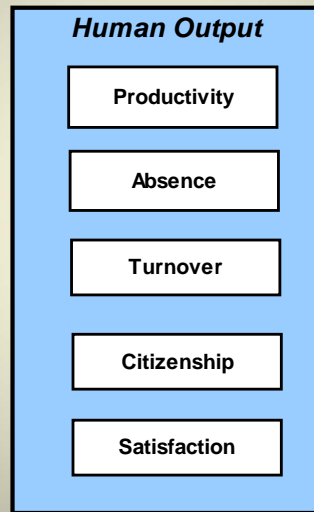
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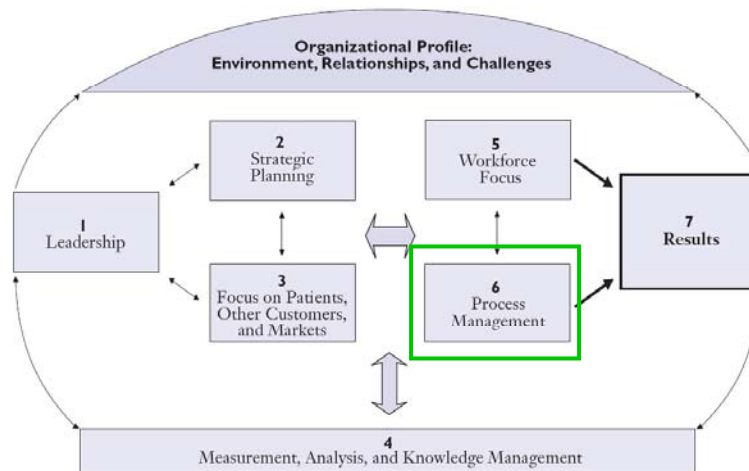
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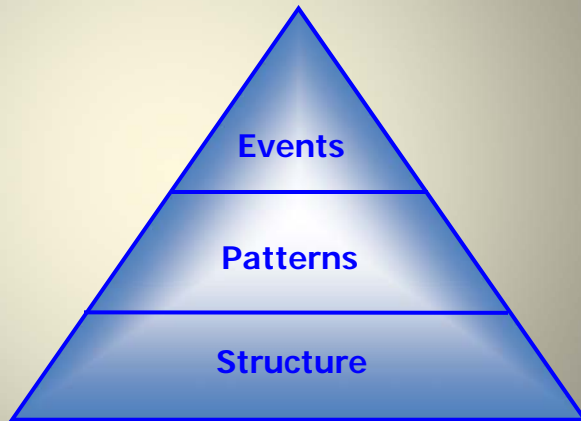


## Baldrige Systems Model

### Baldrige Health Care Criteria for Performance Excellence Framework A Systems Perspective

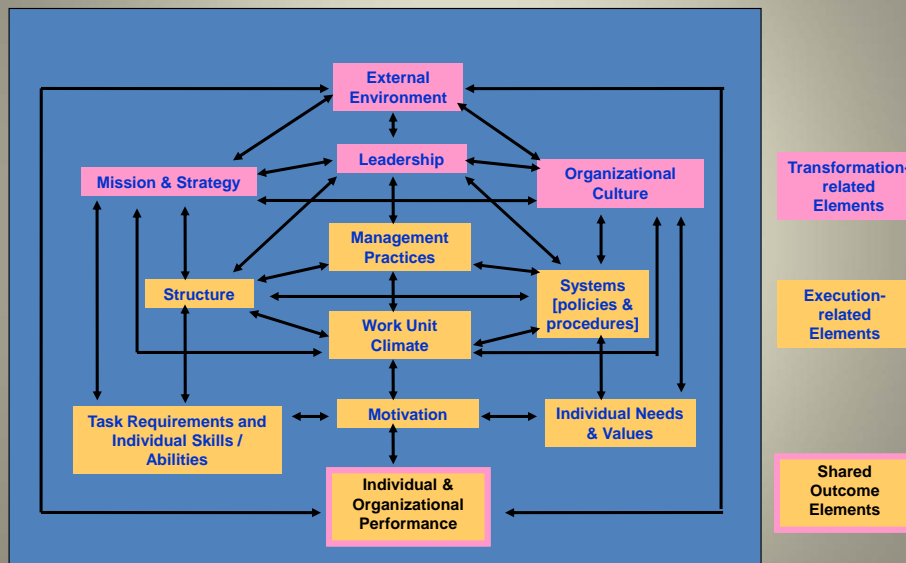


# Managing Systemic & Organizational Change



Anderson & Johnson, 1997

## Burke-Litwin Causal Model of Organizational Performance and Change Burke, 2002



## Integration of Managerial and Organizational Processes

		Organizational Processes		
Managerial Processes				

Garvin, Table 3

## Integration of Managerial and Organizational Processes

		Organizational Processes		
		Work Processes	Behavioral Processes	Change Processes
Managerial Processes	Direction-Setting Processes			
	Negotiation and Selling Processes			
	Monitoring and Control Processes			

Garvin, Table 3

## Integration of Managerial and Organizational Processes

		Organizational Processes		
		Work Processes	Behavioral Processes	Change Processes
Managerial Processes	Direction-Setting Processes	Are there clear goals for operational and strategic performance?	Are there well-specified approaches to communication, decision-making and learning?	Is there a clear rationale, direction, and path of change?
	Negotiation and Selling Processes	Have we obtained the necessary agreements and resources from upstream and downstream departments?	Is there widespread acceptance of the desired approaches to communication, decision-making, and learning?	Are others in the organization convinced that change is needed and that the proposed changes are the right ones?
	Monitoring and Control Processes	Do we know how well our performance matches plans?	Do we know how well our current behaviors match the desired approaches to communication, decision-making, and learning?	Do we know whether critical milestones have been reached and planned changes have been implemented?

Garvin, Table 3

## What leaders really Do: Leadership vs. Management Kotter

- Management
  - Coping with complexity
    - Complex organizations
- Leadership
  - Coping with change
    - Increasing competitiveness and volatility
- Management vs. Leadership
  - Planning & budgeting vs. Setting a direction
  - Organizing & staffing vs. Aligning people
  - Controlling & problem solving vs. Motivating & inspiring

## Managing Organizational Transitions: Change vs. Transition Bridges

- Change
  - ‘Happens when something starts or stops, or when something that used to happen in one way starts happening in another.’
- Transition
  - ‘3-part psychological process extending over a period of time & cannot be managed by the same rational formulae that work with change.’
    - Letting go of the old situation
    - Go through the ‘neutral zone’ between the old reality and the new, but unclear, future reality
    - Making a new beginning

## Phases of Organizational Transition Bridges

- Ending Phase
  - Disengagement
  - Disidentification
  - Disenchantment
- Neutral Zone Phase
  - Disorientation
  - Disintegration
  - Discovery
- New Beginning Phase
  - Old vision dead & buried
  - Culture is a dialog between proponents and opponents where they agree on the nature of their opposition. Culture change is a shift in the definition of the opposition and in the terms of the dialog.
  - Thinking and feeling types have different needs:
    - Vision (thinking) must be supplemented by a clear plan (feeling)
    - Describe how the plan will work (thinking) and what the future will feel like (feeling)
  - Identify a few concrete, complete, implemented outcomes of moderate importance

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Seminar***

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