

## **Competence in Healthcare Managers: HLA Model**

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### **ABSTRACT**

*In recent years, competencies in corporations have been used in the performance assessment process in the field of human resources. When competencies are accepted as observable behaviors including distinctive knowledge, skills and attitudes in achieving excellent performance. Performance is a concept that determines the outcome of an intentional and planned activity quantitatively or qualitatively. Competencies in assessing corporation and individual performance are key roles. In particular, the determination of the competencies of the managers adds positive value to the managers and to the corporation. It is an effective factor in achieving success and what the managers are aiming for health managers as well, like other managers, to be aware of their competencies. One of the models developed to assess the competencies of health care managers is the Healthcare Leadership Alliance (HLA). This article contains the model for assessment of the competences of the healthcare managers developed by the American College of Healthcare Executives and the studies conducted in this field.*

***Keywords:*** *Competence, Healthcare Managers, Performance, HLA*

## INTRODUCTION

For an organization to get maximum output and quality work it requires effective workforce but with an effective workforce the organization can only go to a certain distance (Arora, 2016). The use of competencies in reaching the target increases the quality of the work output generated by the workforce. When the results of the use of competencies are related to the quality of service, the application of learning processes is accelerated by determining the areas of competence needed. It is stated that competencies have an important influence on the competitive advantage of the corporations within the sector and between the sectors (Hawary & Bani-Hani, 2009).

Competencies provide managers with an alternative assessment approach to identify career goals of the employees and assess targeted development (Chong, 2013). Employee training and career development provide adequate support towards the potential moderating role of performance appraisal perceptions (Ahmed et.al, 2016). Competencies provide managers with an alternative assessment approach to identify career goals of the employees and assess targeted development. Competence models in the performance assessment process can be used as an important and useful tool for guiding the individual development of employees and managers (Chouhan & Sandeep, 2013). Performance appraisal is one of the basic principles of management; together with tools to assist managers in planning and controlling they are well-defined performance indicators to determine the difference between targeted and actual values and

direct managers to make decisions in accordance with the strategy (Chenhall & Smith, 2007; Muchiri & Cooksey, 2011).

As a result of high-performing and low-performing corporation competence assessment, identifying the competencies that bring success and identifying the deficits of the competencies that cause failure are among the major areas of activity in today's management processes (Bharadwaj & Punia, 2013). The performance of corporations depends on the quality of management, which is more directly related to managerial potentialities and managerial competencies. For this reason, corporations have been concentrating their efforts to improve management qualifications in recent years, especially at the level of implementation. Competencies are managers' micro-skills and they are part of the values that the corporations have. Determination of competences of managers has critical importance in terms of contributing to both the managerial works of managers and the organization they work for (Abraham et al., 2001).

The healthcare managers are largely responsible for execution of the visions and objectives of the health systems. The impact of the healthcare sector on the functioning of the healthcare sector of the community that it interacts with reveals that the competences of healthcare professionals need to be increased to achieve success in this challenging environment. The healthcare managers are accountable to the policy makers and society (public) for the quality of healthcare services. Although effectiveness of the healthcare managers bears professional judgements and skills, it is assessed by demonstrating such skills at individual, team and organizational levels.

## LITERATUR REVIEW

### **Competence in Healthcare Managers**

The competence in healthcare services involves the competence supported by the service quality and experience of the employee. Knowledge and skill are important factors in the development of competence and need to be reflected to the behaviors in the daily practices (Kaissi, 2005). In terms of healthcare professions, use of competences contributes to improving the labor quality (Calhoun et al., 2002). The competence levels of the healthcare managers are important in reaching producible results in the healthcare sector (Dwyer et al., 2006). In the studies conducted in the UK, it has been determined that occupational skill is an important factor in the management process. The arrangements (such as shortening waiting times, attitude of the healthcare staff towards the patient in the treatment process, etc.) carried out in the management process provide improvements in the conditions of the patient. The hospital management practices provide an effective way to improve quality and effectiveness. Practices and clinical outcomes among the best and worst hospitals in the world emphasize the potential to improve the hospital performance. According to the results of the research, it is indicated that clinical and managerial skills need to be combined and supported by education (Santric et al., 2011).

Some of the areas of competence defined for healthcare management by Stowe and Haefner (2012) contain the entire healthcare sector, while others contain differences aimed at own characteristics of the healthcare institutions. Management and organizational structure are critical competence areas for managers. This competence involves organizational structure and management processes, understanding the stakeholders and adapting the organizational changes. The professionalism and the ethical competence areas that a healthcare manager has to have

are the work responsibilities and having a regulatory influence when working with the organizations that have been interacted. The differences in the fields of activities of the healthcare institutions and expectations of the people demanding healthcare services require the knowledge needed in the healthcare area. The management knowledge of healthcare managers in the field of healthcare is regarded as a competence area requiring expertise. Competence areas for functional areas are knowledge of human resources, finance, health technology, areas of improving quality and performance, having knowledge on laws and regulations related to the health system and environment. The differentiation of human power in medical and administrative areas of the health institutions requires regulations for increasing the effectiveness of human resources. Being competent in finance defines the competence area that will provide interaction with the healthcare costs, payment mechanisms, reimbursement systems and service providers. The health information systems are the field of competence that contains use of medical and administrative processes of the information technology. It requires full knowledge of the forms of payment in the area of laws and regulations and the role of the state in the regulation of health services. It is also necessary to know the rights of patients and employees (Stowe and Haefner, 2011).

The competence model applied in the health sector in the United States is called HLA. The Healthcare Leadership Alliance (HLA) is comprised of six major professional associations and has more than 100,000 executive members. Professional organizations:

- American College of Healthcare Executives (ACHE)
- American College of Physician Executives (ACPE)
- American Organization of Nurse Executives (AONE)
- Healthcare Financial Management Association (HFMA)

- Healthcare Information and Management Systems Society (HIMSS)
- Medical Group Management Association (MGMA)

ACHE defines five competences as leadership, communication and interpersonal relationship management, professionalism, management knowledge and skill level and health sector knowledge level for the healthcare managers in different experiences and processes (Stefl, 2008).

Leadership: Differences in the implementation models of the health systems around the world are reflected to the management processes and to the regulations in training programs that raise healthcare employees. The effectiveness of medical leadership in the healthcare team is increasingly recognized for offering an effective healthcare service (Reddy et al., 2015). The focus on leadership in the studies conducted in the United Kingdom is noteworthy, however, it is emphasized that they have failed because medical leadership effectiveness of the clinicians and executive doctors could not provide the balance on the work and management roles between the management and treatment processes. In the study conducted by the participation of 250 people comprising of medical students and doctors working at the hospitals, it is determined that 78% of the participants thought that the content of the medical education was insufficient to develop leadership skills. The training programs are being organized to improve the leadership skills of managers within the framework of training programs developed by the National Health System Institute to close this gap in the UK (Oliver and Carnall, 2011). The managers having the leadership competence ensure improvement of the organizational performance in achieving the goals by contributing to the potential of healthcare employees. Gaining leadership skills is one of the most difficult areas of the

traditional development and it has been identified in the training processes of the leadership development activities that people focus on taking on leadership roles and receiving regular feedbacks on their performance. Leadership development is an activity required for long-term vitality and development of the healthcare management profession. Leadership development in the associations is one of the activities that must be supported by the senior management beyond individual expectations. Participation of young managers in the leadership development programs that increasingly becomes popular must be supported. These programs increase the success of leadership initiatives by providing development of social networks (Gaspar, 2012).

According to the research of McAlearney (2010), half of the hospitals implement nationally developed executive leadership programs. One of the programs was conducted in Egypt and a relation between leadership development and healthcare delivery results was determined. In 2002, in Egypt, a team comprising of healthcare professionals with the titles of physicians, nurses and midwives is organized within the framework of a program funded by the United States and implemented to fill the gap of health management in the central and urban regions of Egypt. Training on leadership and management practices has been given to the participants. According to the study results, these trainings affected the outcomes of the health service delivery and supported the use of leadership training programs in the developing countries by providing evidence that can be continued for at least six months.

b) Professionalism: Professionalism is regarded as a field of competence complementary to other competencies. A healthcare manager is accountable to the patients and the society for the given service and must set the goal of life-long learning and self-development by providing the ability to adapt the personal and organizational behavior in accordance with the ethical and

professional standards. It involves participating in training programs that provide professional development, following publications, proactive career planning and lifelong learning (Evans et al., 2006).

For professionalism, there is a need of modeling for creating an organizational climate. While this modeling can be done within the framework of the ethical rules in the public domain, awarding mechanisms for employees and promotion systems within the organization must be established at the same time. Professionalism is an organizational value and used as a guide for the organization. Training needs must be met for guiding young managers and improving their competencies in the organization (Dye and Garman, 2006).

c) **Communication and Interpersonal Relationship Management:** It provides communication and interaction with the patient, patient relatives and healthcare staff. A healthcare manager needs the communication and interpersonal relationship competence to maintain work relations effectively. Communication and interpersonal relationship management support the healthcare managers in understanding their employees and their high performance works. Communication and interpersonal relationship management are the areas focusing on communication processes (understanding expectations of the stakeholders, identifying supplementary resources that provide communication) at the organizational level (understanding the activities and practices of public relations by knowing the structure and relations of the organization, creating vision and mission oriented networks), at the departmental level (generating alternative solutions in conflicts, creating teams and ensuring participation). It is inevitable for the managers to encounter conflicts. The healthcare manager having communication

competence feels the conflict in advance and resolves the conflict without causing major problems (Garman and Strong, 2006).

In a survey conducted in India, competences were categorized in two groups in result of the interviews with thirteen managers to determine their competences. The first group covers interpersonal relationships, communication and professionalism, and the second group covers technical expertise taught in education. 31% of the respondents were trained on these subjects, and the only competence that all managers have determined as very important was communication (Rollins, 2003; Broscio and Scherer, 2003; Finley et al., 2007; Kubica, 2008).

d) Management Knowledge and Skill Level: Expresses the competence to apply basic business principles to the health sector within the framework of systematic thinking. In addition, it is stated that especially eight sub-domains are critical. These areas are listed below (Garman et al., 2006).

- Financial Management: This area contains financial information on financial analysis and planning methodologies, indemnifications and financial results. Among the skill areas within the domain, award analysis against risk, management of resources, development / use of monitoring systems and financial planning applications can be counted.

- Human resources: It involves having information on the legal rights and methods increasing motivation of the employees besides safety and health of the staff. The focus is on understanding the human resources systems including labor planning, performance management and management of different environments.

- Organizational dynamics and governance: This area covers change and resistance to change factors as well as understanding the organization. The skill areas on the other hand ensure creation of the opportunity of creative works that provide trust among the

stakeholder groups, develop policies and procedures between the organization and employee and improve performance at the organizational level.

- **Strategic Planning and Marketing:** This area focuses on services offered by the organizations for the expectations of their markets and needs of their consumers.

- **Information Management:** Covers the use of computer and software applications for increasing operational productivity in execution of the healthcare services.

- **Risk Management:** Contains risk and effective management for organizational effectiveness. The methods for reducing risks, malpractices, disaster planning, management and safety of quality and risk management relation are assessed.

- **Quality Improvement:** This area contains monitoring development constantly by using the quality theories, methods and current analytical tools.

- **Systematic thinking:** Considering the importance of entirely understanding an organization, it involves understanding the opportunities to develop the big picture, communication between the internal and external stakeholders and assessment of the impacts and consequences of the decisions.

The applications of management knowledge and skill level competence area particularly concern the healthcare managers. Work experience (when combined with accurate and timely feedback) is the best way to learn the management role; however, this process may show up a bit casually. Often, learning activity provides opportunities for new managers to develop proactive behaviors rather than responding to the offered needs (Dye and Garman, 2006).

e) **Health sector knowledge level:** Understanding the health system, recognizing healthcare actors and performing procedures. The determinants of the health system are the patient, the

employee, the systems and the society / environment (Garman and Tran, 2006).

- Patient: In the healthcare sector, the person in the patient role has the minimum experience. The patient experience created by individual differences may be a source of information for the managers by providing a reference. The diversity of patient experiences provides an opportunity to create a realistic picture to meet patient needs.

- Employee: The healthcare staff that makes up the workforce of the hospitals is composed of different professional groups. The quality of vocational education must be based on interpersonal trust and cooperation. Individual goals must support organizational strengths and coincide with organizational goals.

- Systems: Health systems are not only responsible for raising the health of people but also for ensuring sustainability of the health services.

- Society / Environment: “Health Sector” is a general and inclusive concept used to indicate all of the systems and sub-systems established in very different production areas to produce / supply and demand / consume any product in the nature of goods and services that has indirect, direct or actual effects on health as well as the persons, institutions, status, product, etc. that the systems contain. The common objective of the health services is to ensure that people are healthy and make the society healthy by protecting and developing this.

The healthcare managers in different positions meet on a common knowledge base by these five competence areas. According to the developed competency model, each new executive is a novice, the one with more work experiences is at the competent level and the senior executive is an expert or a master. What particularly emphasized here is that the skills require transition from novice to competent, that is to say, experience. It is thought that the

competences necessary to fulfill the role of a manager in a successful organization vary depending on the organizational hierarchy. Recent research emphasizes the behavioral differences of the organizational hierarchy level (Corley, 2004). Most research suggests that healthcare institutions must adopt approaches that will convert competition into an advantage. These approaches have shifted from the role to the necessity of the competences that the profession needs (Huselid, 2005). Mole et al. (1997) suggests in a study that clinical managers are unhappier than the general managers are in relation with the management practices. This is because the clinical managers mostly want to work on their fields (for example clinical workload). Although managers at different managerial levels are supported by the senior management, it is determined that the management development programs they attended create a few behavioral changes in the managers. In many countries, it is seen that most of the physicians that have medical education also take on the managerial roles. Differences were determined between physician and non-physician managers according to their competencies of making strategic decisions. In the research conducted, it is emphasized that there are role differences between the hospital managers that have medical education and the hospital managers that have managerial education, and this is due to the competence level of making strategic decisions rather than the hierarchical level (Schultz et al., 2004). According to the research conducted by Brinkmeyer et al. (2012), the areas, where the healthcare managers need training, are defined as health, governance and corporate management structures, laws and regulations, quality / performance improvement and human resources. The areas that the senior managers assess themselves in the best way are the laws and regulations and this is because of the penal sanctions experienced

against the legal arrangements faced in the repayment and accounting practices in the United States.

The motivation and teamwork competencies have been identified by the healthcare managers in a study on the competencies that the Australian, German and American health managers in the Australian health institutions should have. The administrative functions, such as establishment of short-term planning and control systems, are mostly identified by the German managers, who are generally accepted as the administrative center. The competencies of the hospital managers in the private and public sector in the areas of planning and organizing healthcare services, leadership, auditing, compliance with legal and ethical rules and self-management are measured and assessed by a Likert scale. In conclusion, it is emphasized that the managers in the private sector are more successful than the managers in the public sector are. In a study conducted in the United States regarding medical directors, it is emphasized that competencies must contain clinical skills and the employees in managerial positions must be selected from the ones who also have medical experiences. Similar studies are conducted in the UK and the hospital managers having medical skill deficits are directed to training programs (Pillay, 2008). In New Zealand, the healthcare managers are asked to make assessments on twenty-seven competencies through the web. The analytical skills (decision-making, strategic thinking, flexibility, management quality, political skill), interpersonal skills (team, leadership, communication and cooperation / partnership) and technical skills are considered as the most important competencies by forty-six senior executives according to their answers. It is emphasized that competencies of the healthcare managers must be assessed and training programs must be prepared so as to support professional development of the educational institutions. Six key competence levels were identified

in the project study conducted in Australia to determine the competence levels of healthcare managers. These are defined as decision-making, managing processes and resources, information and organization management in health services, interpersonal communication qualifications and managing relations, managing the organization and change management (Yang et al., 2006). It is emphasized that in South Africa, while public hospitals are often characterized as inefficient and ineffective in terms of factors such as patient dissatisfaction, the private hospitals have steadily rising values and this is also evidenced by the growth in medical tourism. The sample of the study, which is conducted to identify the competence levels of healthcare managers and to find out whether there is a meaningful difference between the competence levels of the managers in different sectors, consists of two hundred and fifteen public hospital managers in six public hospitals and one hundred and eighty-nine private sector managers in nine provinces. Five basic functions (ethics, self-management, control, organization and planning), as well as the needs for training and development, and perceptions of competence levels have been assessed. It has been determined that the healthcare managers participating in the study have the need for development of management. The fact that the public sector managers are over the age of fifty requires these managers to be changed in terms of natural wear and it is necessary to invest in the development of new managers. It is found that the competence level of public hospital managers in evaluating their competencies was "not competent but good" (Pillay et al., 2009).

## **DISCUSSION AND CONCLUSION**

As in other sectors, the quality of management in the health sector is also very different. These differences become more and

more important because of the health dimension. The need for highly motivated managers due to the competitive nature of the healthcare institutions is an important factor on the success of organizations. The healthcare managers have taken managerial roles in clinical and administrative areas. While clinical perspective of clinicians working in clinics as physicians and nurses focus on individual needs, the focus is on patients' needs from a managerial point of view. In terms of evaluating both perspectives, on-the-job training programs should be organized and participation should be supported to develop leadership competencies for the healthcare professionals.

The practices of measuring the competencies of healthcare managers need to be expanded. The emphasis is put on the importance of training on the elimination or reduction of competence deficits are determined by the results of studies on measuring the competencies of healthcare managers. Providing the training support by the assessment of the individual competence deficits of each manager will also increase the managerial achievement level. It could be said that qualified performance outputs would be reached by ensuring optimization of these practices for continuous improvement in the health services.

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