

Critical Analysis to Framework Quality to HR Plan in Bankstown Hospital by SWOT

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Abstract

This article has recognised the need for fundamental improvements in the HRM department of the Bankstown Hospital. Through the critical analysis and evaluation of internal systems and processes we were able to identify a number of issues as areas where improvement must be facilitated, each with varying degrees of seriousness. The key problem areas identified were: Chronic under-funding by the government, obsolete hospital facilities, excessive debt and weak budgeting controls, disproportionately higher costs than other hospitals, lack of certain key HR skills/competencies by staff, and various internal operating problems. By applying the six-sigma quality control framework, World Health Organisation standards, and the works of various other prominent health care authors and consultants, we have devised a comprehensive and long term solution for improvement within this organisation. The use of HRM controls and tools, such as employee motivational framework is also highly beneficial to improving staff morale and work performance.

Introduction

The purpose of this report will be to discuss this particular hospital's HRM system, in regards to its : structure and processes, workforce supply and requirements, strengths and weaknesses, recommended strategies, level of implementation. Human Resource Management, or commonly abbreviated to HRM, is a strategic and coherent approach to the management of an organisation's personnel who collectively contribute to the objectives of the organisation (Armstrong, 2006).

The Bankstown-Lidcombe hospital is located in South Western Sydney, NSW and has been operating since 1995. It currently houses 433 beds and services 27,000 inpatients per year by the work of 1300 hospital staff members (SSWAHS, 2010). The hospital contains an approximation of 8 operating rooms, 2 endoscopy rooms, 6 birthing rooms and a family centred birthing room. It also offers services such as emergency, intensive care, day surgery and neonatology. The Bankstown Lidcombe hospital is a full teaching hospital of the University of NSW, and is closely affiliated with many other related health institutions(SSWAHS, 2010).

Methods

The planning and information collection stage of this assignment involved thoroughly searching for any related data and information about Bankstown Hospital. This led us to personally speaking with the HR manager of the hospital to find out some tacit information about the internal systems and processes within the hospital. During this stage, all problems and issues with the HRM department were identified. We were then required to seek out many diverse sources about the various HRM methodologies , frameworks, and tools that could be applied for improvements to the hospital. Our research led us to the Six-Sigma Model, WHO standards and best practices, and the findings of prominent authors. The recommendations were based on my own knowledge, combined with the synthesis of various authors and different theories which all helped to provide a very broad and widespread recommendations covering many different viewpoints and perspectives.

Findings

Structure

The organisational structure of the hospital is characterised by being hierarchical, topdown traditional management style. There are multiple tiers in the hospital and these correspond with different departments and managers within the organisation (Fried, 2008). The main sources of power within the hospital are structurally acquired, rather than personally. This power is derived through the divisions of labour and communication system of the organisation (Fried, 2008). Invariably, health care organisations require significant resources to operate daily and to achieve long term goals and objectives. There may exist a power complex, whereby different departments of the organisations are fighting over a finite and limited amount of funding and resources (Leiyu, 2006).

Another factor is organisational decision making processes in the hospital. Strategic goals which impact upon the whole organisation are conceived by top management (Patriccias, 2007). Performance appraisals are an excellent way to evaluate employees annually and to merit good areas and focus on areas of improvement in the criteria (Armstrong, 2006). Procedures relating to disciplinary action and punishments must be stipulated for any times that they may arise within the work environment.

Workforce Supply and Requirements

This will vary depending on the service utilisation of the hospital and how close it is to meeting capacity. However, due to the hospitals enormous demand from. At this point in the time the hospital does not require any additional quantity of staff, but the quality of staff can be greatly improved.

There may be use of new HRM techniques such as multi-skilling and efficiency based pay to further advance and refine the workforce and provide numerous incentives for skilled health care workers (Fried, 2008). Further training and development of staff is important (BC Jobs Online, 2009). Another method being the development of comprehensive performance objectives which clearly state the roles and functions of each position within the hospital and what is expected from everyone (Wilson, 2000). An often overlooked factor, is the compatibility of certain employees within an organisation and core culture, principles, philosophies, etc.

Strengths and Weaknesses of HRM Strategy

Based on our research and evaluation of the Bankstown hospital HRM system we have come to a conclusion on the strengths and weaknesses of their HRM strategy.

SWOT Analysis for Bankstown hospital

<p>Strengths</p> <ul style="list-style-type: none"> • Exceptionally high R&D and innovative standards • High level and utilisation of new technologies • Alliance with SWSAHS • Located in the geographical heartland of South Western Sydney. 	<p>Opportunities</p> <ul style="list-style-type: none"> • Serving additional patients • Potential expansion of premises, buildings and infrastructure • Transferring skills to new departments or health care initiatives • Public health care as a legitimate contender to private health care providers
<p>Weaknesses</p> <ul style="list-style-type: none"> • Chronically under funded by the government. • Obsolete hospital facilities. • Excessive debt and weak budgeting • Higher costs than other hospitals • Missing some key skills/competencies • Internal operating problems 	<p>Threats</p> <ul style="list-style-type: none"> • Migration of patients to private health care institutions • Government changes to funding arrangements, legislations, policies, programmes, regulations, etc. • Potential overload of the system in peak periods with higher than usual patient intakes • General public’s perceptions of quality and service delivery provided by the hospital • Demographic changes.

Recommendations to improve the hospital’s HRM strategy and workforce plan.

The first methodology we used is the 6 sigma approach. Six Sigma approach is a relatively new concept to the health care industry, despite being used in manufacturing industries for years. Schmidt(2008) informs that there are three key stages in applying the methodology to a health care institution. These involve the deployment or strategic level where the initiative must be canvassed across the entire organisation and seriously contemplated how it is going to be compatible and fit. Second stage is the project or tactical level, where the selection, conduct, and projects will be used. The third stage, is the methods and tools, which occurs at an operational level and defines to how to properly apply the analytical techniques of six sigma and overcome various technical problems and data collection measures.

Strengths and Weaknesses of HRM Strategy

Bankstown hospital is facing certain key problems which must be addressed. These are attributed to the :

- Highly centralised, hierarchical structure of the organisation – This can be viewed in light of (Buchanan, 2000), who provides an excellent thesis on the British public health care system where this is clearly defined as a deficiency of their system. Buchanan asserts that the widespread problem with this issue is that it is not productive and assertive to have a system that involves multiple chains of command and lines of authority. The vital problem is involved with information dissemination and communication which may be hindered by having such a large autocratic organisational structure. The main solution to this problem and by applying WHO standards is to radically redesign the structure of the health care organisation that will feature flatter management and less tiers of hierarchical authority, based on key principles and best practices espoused by the WHO. By using and adopting different organisational structures within an

organisation can greatly lead to an improvement in HRM and work performance. This will also have the added benefit of improving the quality of work. Structure should be dynamic and adaptable to changes in the hospital's internal and external environments, which is also endorsed by the WHO. It may also be necessary for the Bankstown hospital to change its structure to be aligned or realigned with strategic goals and objectives of the organisation in question. The main proposition is to transform from a centralised-functional-hierarchical structure to one that is decentralised, organic and flatter in nature. Another possibility is to shift towards to a divisional structure, which will allow the hospital to be structuralised according to different professionalist areas (Buchanan, 2000). Although this option is more expensive, it is highly sophisticated and will lead to better health outcomes and management of skilled personnel. In Bankstown hospital there is poor staff retention because there aren't good motivational systems available. In the article of by AUTHOR we can see the challenge of trying to retain staff levels within the hospital. The main ways to achieve this is by having strong incentives and remuneration that is linked to performance, and long term career options and training/development programs available.

- High wages expenses and productive inefficiencies. This blowout in wages is possible to conclude that it has resulted as a failure to link wages with employee productivity and performance levels. The author Buchanan(2000),has identified this as a persistent and fundamental problem in the British Health System in the 1990s, for very similar reasons which were quite large in magnitude. The main solution to this problem was by the highly concentrated composition of staffing arrangements and multiple levels of remuneration. Although he recognised the need for remuneration in line with skills and expertise of individual personnel, the importance of proven efficiencies and productivities was just as vital to ensuring dollar value of wages expenditure. When this was implemented a better situation occurred within the hospital system and there was a simultaneous decrease in wages expenditure, and increase in performance levels associated with most of the staff.
- Waiting/lead times of patient processing through the hospital – Heavy patient intakes and waiting times, specifically in the emergency departments of the hospital, has been exacerbated due to a lack of medical staff on hand, at any one time. Patient intake varies from day-to-day and on the certain times. We confer that waiting times must be reduced in the Bankstown hospital as the national average for emergency departments is 24 mins approximately, and for Bankstown hospital it is well over 30 minutes, at times. (Department of Health and Ageing, 2009). This has the negative effect of high patient dissatisfaction, poorer health outcomes and reduced chances of critical condition patient survival rates. By applying the various ISO standards we can significantly reduce lead/waiting times by using the concepts and philosophies of defective rate reductions and quality improvement initiatives.

According to the World Health Organisation's(WHO) recommendations, there are 4 key factors which lead to improvements to a HRM system and processes in any hospital. These include :

- Development of highly sophisticated evidence-informed policy making – basing policy formulation on empirical evidence, historical data, and comparative analyses with other health systems worldwide .
- Establishment of a degree of staff autonomy within the workplace – which allows workers space and prerogative to flourish by working with degree of independence, whilst not giving them too many liberties and ensure adequate supervision and monitoring.
- A hospital-wide monitoring and evaluation plan – which will specify core indicators, data collection measures, data management, analyses, and communication and information usage.
- Arrangements to make information highly accessible to all stakeholders within and outside the organisation – including regulatory health care bodies, the general public, health professionals and politicians.

(WHO, 2010).

The key benefits of applying the six sigma method, as advised by (Bertels, 2007) are the following :

- Since it measures and evaluates every process in a business, it provides senior management with an effective gauge to manage performance for such distinctly different processes.
- It may also reduce variability in the service delivery and service levels because of its effect to standardise and measure such performance indicators. Use of its advanced statistical techniques can also help to achieve best practices and gain substantial improvements.
- It provides a method of study one organisational unit or department, in isolation of all others, and then being able to replicate the most effective approach across the whole organisation. Its use of common language and processes makes it easier to make more informed and qualified decisions regarding strategy and long-term planning.

In relation to the bankstown hospitals key strategies, we can see that it will require a comprehensive set of measures that will be aligned and compatible with current organisational requirements and needs. The main components of their strategy is to encourage universal prevention measures, optimise patient experiences,

forming strong primary care system, cultivating harmonious partnership, utilising smart costbenefit areas and budget control, development and retention of a strong health workforce, adaptability and dynamism to respond to emerging external environmental changes and influences which will impact upon the hospital. Mathauer's low motivation theory is one identified area which can have a crippling effect on the organisation's HRM system because morale is such a key indicator of performance and satisfaction of the staff. Mathauer(2006) also emphasises the need to have strong financial incentives to provide a motivational boost and encourages higher levels of productivity and performance by the staff. Using the framework in [appendix 1] combined with various HRM tools, it will allow managers to make effective strategic decisions that trickle down to the individual employees and their role in the organisation.

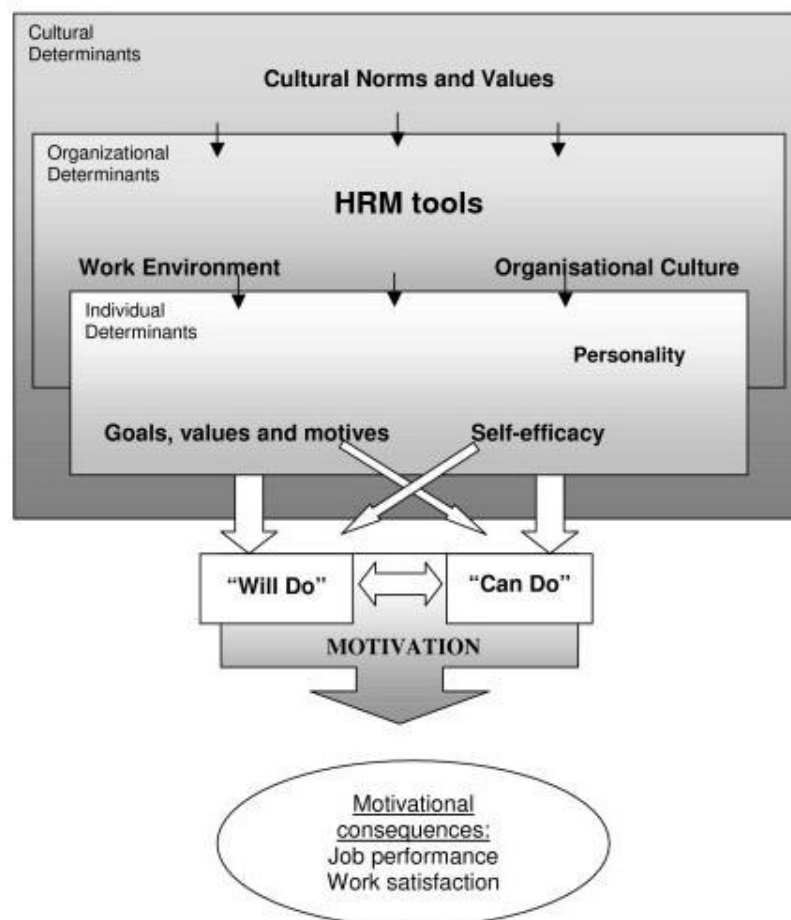
Implement a Policy/Coordination

It would be prudent to use the Six Sigma method for several reasons. It is a very good method and has useful applications in a health care setting because it will effectively reduce the rate of errors and enhance staff productivity and performance. It is clear that the Bankstown hospital is not currently using any sophisticated management tools or theories to improve performance. There is also a definite and congruent link between HRM and quality management/assurance theories, because the key outcomes and objectives of both fields are similar. As previously stated, six sigma has traditionally been used as a theory in manufacturing industries, but now health care and other fields have recognised its vast benefits and are starting to apply it as a viable alternative to more traditional HRM concepts, or in conjunction with them (Bertels, 2007). The Bankstown hospital would benefit greatly from adopting such a system and would represent the beginning of a shift to modernise and transform the hospital for the 21st century, whereby advanced management techniques and theories adapted from the business world are becoming prerequisites for optimal performance and service delivery measurement (Belcher, 1987). On a more practical level, we can see how the high medical error rates by staff in the hospital could be measured and controlled using the six sigma approach, by setting a maximum tolerable threshold on mistakes and errors by hospital personnel, based on a number of different criteria and variables, such as per number of patients, per particular type of operation, per staff member, etc. These should not have the aim of varying and offending problem areas or individuals, but seek to address it in a manner which is harmonious and linked with positive outcomes for the whole hospital (Bertels, 2007). It should also be noted that implementing six sigma techniques carries considerable cost and therefore the decision to invest in or not should be thought out carefully by the organisation, weighing all the positive and negative factors (Schmidt, 2008).

Conclusions

A health workforce is vital to achieving strong health outcomes. It is one which is highly responsive to the requirements and expectations of individuals and provides a level of fairness and efficiency to achieve the best possible health care outcomes using the allocated resources and funding available. There is an ongoing and perpetual requirement for improved training, recruitment, education, and personnel development initiatives, as well as staff retention and productivity and performance measures to support and foster a highly skilled and modernised health care workforce.

Appendices



Appendix 1 : Mathauer (2006), "Health Worker Motivation in Africa : the role of non financial incentives and human resource management tools", German Technical Corporation, website accessed on 15/5/10, available from : <http://www.human-resources-health.com/content/4/1/24>

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