

# PREFACE

**H**ealthcare is a dynamic and demanding field that involves continuous human interaction. Successful leaders in this field are characterized by their ability to work well with others. The success or failure of leaders is primarily tied to how they interact with and motivate their employees. This book is designed to prepare and instruct existing and future healthcare leaders to understand and apply the principles of organizational behavior and theory to improve their management abilities and skills. Ultimately, honing these abilities and skills will lead to greater success and satisfaction with one's accomplishments.

This text examines theories of organizational design, leadership, and management and the social psychology of organizations as they apply to health services organizations. It provides the tools and framework needed to understand, structure, and change organizational behavior in our dynamic healthcare environment.

Specifically, this book approaches these concepts from a practical, applied perspective. Through the chapters and cases, the book provides an understanding of not only theory but also the way the interactions and interrelationships of people, organizations, and structures affect the extent to which companies succeed or fail. Having spent many years as healthcare administrators, we have sought to demonstrate real-world experiences in useful and direct ways.

This second edition offers more in-depth, focused chapters on diversity, attitudes and satisfaction, work teams, and human resources policies and practices. All chapters have been rewritten, and each includes activities and questions designed to prompt deeper reflection on the complexity and challenge of working with individuals in organizations. Thought-provoking cases are provided at the end of each chapter, most based on actual occurrences that either we or one of our associates experienced. Furthermore, 29 new cases have been added to the end of the book, which can be used to enrich learning and improve understanding of the book's concepts. A matrix in the appendix shows how each case can be used in conjunction with specific

chapters. We believe the second edition gives instructors many more options to enrich their classes and provides more material on critical healthcare topics.

## Text Competencies

Our educational and professional environment, along with accrediting bodies, now strongly encourages—indeed, mandates—the use of competency-based learning models that seek to identify performance needs and demonstrate the value of learning. From an educational perspective, course curricula should provide students with the knowledge and skills required for future careers. Recognizing the wide variation of healthcare administration roles and professional settings, accrediting bodies such as the Commission on Accreditation of Healthcare Management Education allow individual programs to develop their own unique competencies.

Likewise, several professional organizations propose different sets of competencies for healthcare leaders. The Healthcare Leadership Alliance (HLA)—a consortium of professional healthcare administration associations composed of the American College of Healthcare Executives (ACHE), the American Organization for Nursing Leadership, the Healthcare Financial Management Association, the Healthcare Information and Management Systems Society, and the Medical Group Management Association—has identified five domains of competencies as being valuable to healthcare executives, administrators, and managers: (1) communication and relationship management, (2) leadership, (3) professionalism, (4) knowledge of the healthcare environment, and (5) business skills and knowledge (see the Competency Directory page on the HLA website for additional information and resources). ACHE, in conjunction with the Global Consortium for Healthcare Management Professionalization, adapted the same HLA competencies and published a document titled “Leadership Competencies for Healthcare Services Managers” (available from [www.ache.org/about-ache/resources-and-links/healthcare-leadership-competencies](http://www.ache.org/about-ache/resources-and-links/healthcare-leadership-competencies) at “See the full list of competencies”). ACHE also offers its members the *Healthcare Executive Competencies Assessment Tool* (available from [www.ache.org/career-resource-center](http://www.ache.org/career-resource-center) at “Competency Assessment”), which helps healthcare administrators self-assess their strengths and priorities for skill development. ACHE deems the identification and improvements of members’ competencies so important that they update this tool annually.

Given the wide variation of possible competencies, we have chosen the ACHE *Healthcare Executive Competencies Assessment Tool* to identify competencies in this book. Using the following list, instructors can quickly ascertain which competencies are covered in each chapter to appropriately develop their course and syllabus according to their competency-based curricula.

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## ***Competencies by Chapter***

### **Chapter 1. Organizational Behavior, Organizational Theory, and Their Importance in Healthcare**

#### Competencies:

- Knowledge of the healthcare environment
  - The community and the environment
    - Socioeconomic environment in which the organization functions
    - Healthcare trends
- Business skills and knowledge
  - Organizational dynamics and governance
    - Organization systems theories and structures
    - Governance structure
    - Principles and practices of management and organizational behavior

### **Chapter 2. Theories of Managing People**

#### Competencies:

- Business skills and knowledge
  - Organizational dynamics and governance
    - Organization systems theories and structures
    - Governance theory
    - Principles and practices of management and organizational behavior
  - Strategic planning and marketing
    - Organizational mission, vision, objectives and priorities

### **Chapter 3. Supporting Diversity, Equity, and Inclusion**

#### Competencies:

- Communication and relationship management
  - Relationship management
    - Build collaborative relationships
    - Demonstrate effective interpersonal relationships
- Leadership
  - Organizational climate and culture
    - Create an organizational culture that values and supports diversity
- Professionalism
  - Personal and professional accountability

- Cultural and spiritual diversity for patients and staff as they relate to healthcare needs

#### **Chapter 4. Individual and Organizational Learning**

Competencies:

- Leadership
  - Managing change
    - Explore opportunities for the growth and development of the organization on a continuous basis
    - Promote continuous organizational learning/improvement
- Professionalism
  - Professional development and lifelong learning
    - Acquire and stay current with the professional body of knowledge

#### **Chapter 5. Attitudes and Satisfaction**

Competencies:

- Business skills and knowledge
  - Human resource management
    - Employee satisfaction measurement and improvement techniques
    - Employee motivational techniques
    - Labor relations practices and strategies

#### **Chapter 6. Individual and Organizational Values and Ethics**

Competencies:

- Professionalism
  - Personal and professional accountability
    - Consequences of unethical actions
    - Organizational business and personal ethics
    - Professional standards and codes of ethical behavior
    - Uphold and act upon ethical and professional standards
    - Adhere to ethical business principles

#### **Chapter 7. Individual and Organizational Motivation**

Competencies:

- Leadership
  - Communicating vision
    - Create an organizational climate that facilitates individual motivation

- Business skills and knowledge
  - Human resource management
    - Employee satisfaction measurement and improvement techniques
    - Employee motivational techniques

## **Chapter 8. Emotions, Moods, and Stress on the Job**

Competencies:

- Professionalism
  - Professional development and lifelong learning
    - Time and stress management techniques
- Business skills and knowledge
  - Human resource management
    - Conflict resolution and grievance procedures

## **Chapter 9. Paradigms and Perceptions**

Competencies:

- Knowledge of the healthcare environment
  - Healthcare personnel
    - Staff perspective in organizational settings
- Business skills and knowledge
  - Human resource management
    - Employee motivational techniques

## **Chapter 10. Decision-Making**

Competencies:

- Leadership
  - Leadership skills and behavior
    - Potential impacts and consequences of decision making in situations both internal and external
- Business skills and knowledge
  - General management
    - Ability to analyze and evaluate information to support a decision or recommendation
    - Ability to integrate information from various sources to make decisions or recommendations
    - Distinguish between important and unimportant aspects of business and clinical situations as a basis for sound decision making

- Human resource management
  - Decision making on operations, finances, healthcare and quality of care

### **Chapter 11. Creativity and Innovation**

Competencies:

- Leadership
  - Managing change
    - Promote and manage change
    - Explore opportunities for the growth and development of the organization on a continuous basis

### **Chapter 12. Group Behavior**

Competencies:

- Communication and relationship management
  - Facilitation and negotiation
    - Team building techniques
    - Build effective physician and administrator leadership teams
    - Create, participate in and lead teams
    - Facilitate group dynamics, process, meetings and discussions
- Leadership
  - Organizational climate and culture
    - Create an organizational climate that encourages teamwork

### **Chapter 13. Work Teams**

Competencies:

- Communication and relationship management
  - Facilitation and negotiation
    - Team building techniques
    - Create, participate in and lead teams

### **Chapter 14. Communication**

Competencies:

- Communication and relationship management
  - Communication skills
    - Principles of communication and their specific applications
    - Sensitivity to what is correct behavior when communicating with diverse cultures, internal and external
    - Identify and use human and technical resources to develop and deliver communications

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## Chapter 15. Leadership Theories and Styles

### Competencies:

- Leadership
  - Leadership skills and behavior
    - Leadership styles/techniques
    - Leadership theory and situational applications
    - Incorporate and apply management techniques and theories into leadership activities
  - Managing change
    - Promote and manage change

## Chapter 16. Power, Politics, and Influence

### Competencies:

- Leadership
  - Leadership skills and behavior
    - Incorporate and apply management techniques and theories into leadership activities
- Business skills and knowledge
  - Organizational dynamics and governance
    - Organizational dynamics, political realities and culture

## Chapter 17. Conflict Management and Negotiation

### Competencies:

- Communication and relationship management
  - Facilitation and negotiation
    - Mediation, negotiation and dispute resolution techniques
    - Facilitate conflict and alternative dispute resolution
- Business skills and knowledge
  - Human resource management
    - Conflict resolution and grievance procedures

## Chapter 18. Organizational Design and Structure

### Competencies:

- Communication and relationship management
  - Relationship management
    - Organizational structure and relationships
- Knowledge of the healthcare environment
  - Healthcare systems and organizations
    - The interdependency, integration and competition among healthcare sectors

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- Business skills and knowledge
  - General management
    - Organize and manage the human and physical resources of the organization to achieve input, buy-in and optimal performance
  - Organizational dynamics and governance
    - Organization systems theories and structures
    - Governance structure
    - Construct and maintain governance systems

## **Chapter 19. Performance Management**

Competencies:

- Business skills and knowledge
  - General management
    - Collect and analyze data from internal and external sources relevant to each situation
    - Analyze the current way of doing business and clinical processes
    - Perform audits of systems and operations
    - Measure quantitative dimensions of systems and departmental effectiveness
  - Financial management
    - Outcomes measures and management
    - Fundamental productivity measures
    - Develop and use performance monitoring metrics
  - Human resource management
    - Performance management systems
    - Develop and manage employee performance management systems
  - Strategic planning and marketing
    - Develop and monitor departmental strategic and tactical objectives
    - Develop a benefits realization model that measures product or service performance to ensure that strategic goals are met

## **Chapter 20. Developing Employees Through Mentoring, Coaching, and Delegation**

Competencies:

- Communication and relationship management
  - Relationship management
    - Practice and value shared decision making

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- Leadership
  - Leadership skills and behavior
    - Support and mentor high-potential talent within the organization
- Professionalism
  - Contributions to the community and profession
    - Mentor, advise and coach

## **Chapter 21. Organizational Culture**

### Competencies:

- Communication and relationship management
  - Communication skills
    - Sensitivity to what is correct behavior when communicating with diverse cultures, internal and external
- Leadership
  - Organizational climate and culture
    - Create an organizational culture that values and supports diversity
    - Knowledge of own and others' cultural norms
    - Assess the organization, including corporate values and culture, business processes, and impact of systems on operations
- Professionalism
  - Personal and professional accountability
    - Cultural and spiritual diversity for patients and staff as they relate to healthcare needs
- Business skills and knowledge
  - Organizational dynamics and governance
    - How an organization's culture impacts its effectiveness

## **Chapter 22. Human Resources Policies and Practices**

### Competencies:

- Business skills and knowledge
  - Human resource management
    - Human resources laws and regulations
    - Performance management systems
    - Compensation and benefits practices
    - Organizational policies and procedures and their functions

## Chapter 23. Strategy and Change Management

### Competencies:

- Communication and relationship management
  - Communication skills
    - Communicate organizational mission, vision, objectives and priorities
- Leadership
  - Communicating vision
    - Establish a compelling organizational vision and goals
  - Managing change
    - Promote and manage change
    - Anticipate and plan strategies for overcoming obstacles
- Business skills and knowledge
  - Strategic planning and marketing
    - Strategic planning processes development and implementation
    - Develop and monitor departmental strategic and tactical objectives

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—*Stephen L. Walston and Kenneth L. Johnson*

### INSTRUCTOR RESOURCES

This book's instructor resources include PowerPoint slides, case study guidelines, answer guides to the chapter discussion questions, and a test bank.

For the most up-to-date information about this book and its instructor resources, go to [ache.org/HAP](http://ache.org/HAP) and browse for the book's order number: 24461.

This book's instructor resources are available to instructors who adopt this book for use in their course. For access information, please e-mail [hap-books@ache.org](mailto:hap-books@ache.org).

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