Third Edition

Hospital Administration

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JAYPEE

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Section 2: Hospital Administrator

CHAPTER

2

The Hospital Administrator—Role and Responsibilities

…the man on the white horse……
…the kingpin in the entire organization……

The Hospital Administrator is the key executive of the hospital—'the' executive that everyone looks up to for direction. It is he who sets the tone for performance and largely determines how efficiently and effectively the hospital will function. It is therefore, the Hospital Administrator who is to be finally held responsible for success or failure of the hospital.

In the past, in India and in most other countries, it was the general tendency for a hospital to be headed by a doctor. A clinician rose in stature to be ultimately appointed as the Director or Chief Executive of the hospital. But being relatively untrained in management, he was unable to cope with general administration, personnel laws and labour relations, finance, planning, materials management, etc. Consequently, *the hospital lost an excellent clinician but gained a poor administrator.* Further, such a clinician administrator was often supported by an untrained (not incompetent) non medical administrator: a bureaucrat in Government hospitals, a clergy

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representative in the case of hospitals run by religious organizations, a confidante of the owners in the case of proprietary hospitals. With Hospital Management as an established discipline, it is now possible to have medical, nursing and non medical persons undergo hospital management training and be able to function effectively as Hospital Administrators.

Depending on one's background (medical or non medical), ownership of the hospital, and appointment of other top management executives, a Hospital Administrator—as chief executive—may be designated as: Chief Executive Officer (CEO), Director, Hospital Administrator, or Medical Director/Superintendent.

In medium and large hospitals, there is need for more than one Hospital Administrator, in which case the senior-most non medical administrator will function as the CEO/Director, while a Medical Superintendent—at times a practising clinician—may be appointed to look after medical administration. Alternatively, the CEO may be a Medical Director/Superintendent assisted by a non medical Hospital Administrator. In large hospitals, there may also be need for one or more Assistant Hospital Administrators, each overseeing a group of ancillary and support service departments.

The role and responsibilities of a Hospital Administrator, therefore vary depending on the job title, availability of other medical/non medical administrators, and the specific duties assigned to him or her by the Management (Government / Governing Board / Trustees / Owners) of the hospital.

Duties of a Hospital Administrator

In general, the duties of a Hospital Administrator functioning in the capacity of a CEO/Director include the following:

- Being the **legal representative** of the Management, the CEO:
  - is responsible for compliance by the hospital of all Government rules, legal, ethical and statutory requirements;
  - under the principle of 'respondeat superior' (let the master answer), he is responsible for acts of all staff of the hospital: full-time, part-time, visiting.
- As the **executive arm** of the Governing Board:
  - has a general duty to oversee every activity taking place in the hospital;

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— has ultimate responsibility to ensure that the mission/philosophy and objectives of the hospital permeate to its departments and staff;
— transmits, interprets and implements the Management decisions, and rules of the hospital;
— in keeping with the policies of the Management, he formulates major rules, regulations and procedures, and supervises their implementation;
— promotes effective utilization of hospital resources—human, money, materials, physical facilities and space;
— coordinates long term and annual plans for the hospital, and on approval of the Management, directs their implementation;
— submits to the Governing Body, on an annual basis, budgetary proposals, performance reports and audited statement of accounts;
— while a hospital is in the construction/equipping stage, liaises with the Management, architects and engineers on one side and with the medical/nursing professionals on the other in establishing the need for departments, facilities, equipment, furnishing and staffing;
— ensures financial viability of the organization by promoting proper marketing efforts, high turnover, and economy in use of resources.

- The CEO is also the **official link** between the Management and the employees and hence:
  — advises the Governing Board on the salary structure, service benefits, major staff grievances;
  — it is he who is ultimately responsible for healthy employer-employee relations and negotiations with employee union.
- As the **leader** of the organization:
  — creates a favourable organizational climate, resolves major organizational conflicts, promotes high employee morale and job satisfaction;
  — works closely with other key executives including the Medical Superintendent, Nursing Superintendent and Asst Hospital Administrators forming a cohesive management team to deal with day-to-day affairs;
  — selects other senior executives, department heads and senior staff, appropriately delegates duties and responsibilities to them, and makes them accountable;

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— ensures that these executive and administrative staff function effectively and thereby run the hospital smoothly and efficiently;
— is responsible for effective communication within the hospital—between departments and sections, and between the hospital and its employees—and thus issues circulars and attends inter-departmental and departmental meetings, and reports to the Management on relevant activities of the hospital.

- As **employer**, the CEO has major responsibility for personnel management:
  — appoints staff as required and as recommended by the heads of the respective departments, and fixes their remuneration in accordance with their qualifications and experience, relative grade/level in the organization, approved salary scales and budgetary limits;
  — contracts out those services which can be more efficiently and economically performed by firms specialized in that activity;
  — is responsible for the personnel policies, adherence to service rules and staff discipline, and maintenance of accurate personnel records;
  —is the final disciplinary authority in the hospital.
- Being the **custodian** of hospital funds and property:
  — establishes a good system for the careful, economical and proper use of hospital finances, develops adequate financial controls, ensures proper upkeep of accurate financial records, and prevents misuse of hospital funds and property;
  — advises the Management on the fees/charges for various services;
  — oversees the acquisition of facilities and purchase of equipment and materials, and ensures their proper use;
  — takes action to prevent/cope with disasters, fire, theft;
  —ensures that medical records are properly maintained, and that written records of all business transactions, correspondence, and reports are properly safeguarded.
- Since the hospital exists primarily to provide care, even if not of medical background, the CEO has fundamental responsibility for the **quality of care** provided. Thus:
  — takes all necessary steps to ensure high standard of service—professional, technical and supportive.

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  - ensures that proper procedures are in place for the efficient admission, care and discharge of patients;
  - monitors the performance of the hospital, its turnover, efficiency, effectiveness and quality of medical and nursing care provided;
  - ensures that physical facilities and equipment are adequately available and functioning properly to support good and speedy patient care;
  - implements a system to periodically review and improve the professional competence of staff through quality assurance, on-the-job training, and their continuing professional enrichment by involvement in continuing education, scientific activities and research.
- Being the official representative of the hospital, the CEO has responsibility for **external activities** too:
  - promotes a positive image of the hospital and develops good public relations with the Government, official agencies, vendors and the public at large;
  - maintains close contact with the Community served by the hospital;
  - liaises with Government and non-Government organizations in developing and implementing health policies and in solving health problems of the Community;
  - takes active interest in and encourages professional forums, publications, and educational activities.
- He/she carries out such other duties as may be reasonably called upon to discharge as the CEO of the hospital.

As it is not physically possible for the CEO to personally attend to all the above duties, some of them may be delegated to other key executives such as the Medical Superintendent, Hospital Administrator, Asst Hospital Administrator/s. However, the ultimate responsibility rests with the CEO/Director.

A Hospital Administrator with a designation of Medical Director/Superintendent has additionally direct responsibility for the following activities in medical administration:

- Heads the medical staff organization and is responsible for the effective functioning of clinical and ancillary services.
- Works closely with the heads of clinical and ancillary service department in developing and improving the quality and range of clinical services, diagnostic and treatment facilities, and protocols for efficient patient care.

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- Works closely with the nursing service in developing proper procedures for good nursing and supportive care to patients.
- Assists in the appointment of technical faculty, and approves clinical privileges, which define their scope of work.
- Adopts systems to monitor and improve the quality of care, utilization of facilities, turnover, and performance of staff.
- Develops policies and procedures to safeguard staff and patients against iatrogenic injuries and nosocomial infection.
- Organizes committees for clinical audit, operation theatre, control of hospital infection, drugs and therapeutics, patient research.
- Ensures proper upkeep and confidentiality of medical records and patient documentation.
- Oversees the medico-legal, ethical and research issues concerned with patient care and coordinates with the respective clinicians in this regard.
- Promotes continuing professional education of medical, nursing and paramedical staff.

If the Medical Director/Superintendent is the CEO, many of the non medical activities—general administration, personnel, finance, materials management, maintenance of physical facilities—are more specifically delegated to a non medical Hospital Administrator.

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Hospital Administration

Is a thoroughly revised and enlarged version of the book which is highly popular with all those involved with the subject of hospital administration– the students and academicians interested in the learning and teaching of the subject and administrators in sharpening their skills. The new edition has a number of new chapters aimed at the students of hospital administration and administrators who wish to run the health care institutions better.

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