
BUILDING QUALITY DECISION MAKING IN HEALTHCARE

Cumpăt Marinela Carmen¹

¹⁾ *Alexandru Ioan Cuza University of Iași*

E-mail: c_cumpat@yahoo.com

Abstract

Decision making in healthcare it's a very complex and dynamic process, but it is essential due to high stakes: on one hand doctors should choose quickly the right action when their patients' life is at risk and on the other hand hospitals must ensure quality care with limited resources generating sustainable income. The purpose of this paper is to identify the what defines a quality decision making process in healthcare, using the documentary study as a research method. The findings reveal that quality decision making in healthcare depends on the decision making model chosen, ethics, as well as the type of manager of the healthcare facility. By creating a corporate culture for quality and leading by example, healthcare managers can encourage clinical and non-clinical staff to participate in quality improvement efforts.

Keywords

quality, decision making, healthcare

JEL Classification

I10, I19

Introduction

The healthcare system is a complex system that includes organizations, individuals, institutions, and actors that seek to promote, maintain, and restore physical health. The decision-making process in the health sector can generally be classified into two categories. On the one hand, decisions on treatment options and therapies are made at the clinical level. On the other hand, at the level of healthcare management, the resources and the provision of services are planned. In the latter category, healthcare has long attracted classical approaches to decision-making and management sciences to support planning and decision-making (Craig Kuziemy, 2016). Many of the methods of planning the decision-making process and of managing efficiently the risks generated by these, adopted by the healthcare organizations, both public and private, have been taken over from the business sector. In many ways, healthcare has become a complex business that uses many of the same processes and much of the same language as the most sophisticated business corporations. Healthcare professionals, managers and administrators of hospital units have a great deal of pressure to make the best use of the resources available to achieve excellent results. In addition, they need to ensure the high quality of care at a lower and more competitive cost. Healthcare managers shape the unit they lead by the important decisions they make. These decisions concern staff recruitment, technology acquisition, allocation and spending of financial resources. In healthcare organizations, managers need to make frequent decisions

based on the information gathered, they must decide how to lead and organize others, how to control processes in the system and help others make their own decisions. Managerial decisions do not just focus on delivering the best patient services, but also on meeting established performance goals. Finally, decisions taken by one person affect the performance of the hospital unit as a whole.

The healthcare system decision-makers engage in three types of decisions: public policy decisions that determine what services will be offered, clinical policy decisions that identify who will receive clinical services, and policy decisions administrative services that determine where services will be located and how they will be supported and managed (Peter A Bath & Andrew Booth, 2008). Characteristics of the decision, such as the complexity and magnitude of the decision precedent, influence both the speed of decision-making and the level of support information commonly accessed in the decision-making process. Also, a high level of uncertainty has been shown to reduce adherence to a "rational" decision-making model and pave the way for more flexibility and judgment in decision-making (Iestyn Williams & Hilary Brown, 2014).

The decision making process within healthcare organizations is influenced by a number of factors, one of the most important being the pressure on economic resources. The financial constraints contribute to decisions to reduce investment in medical establishments (Bazzoli et al., 2007). Among the factors influencing the decision-making process the economic climate, the political and legal atmosphere, the organizational objectives and culture, the personal values and philosophy of the decision-makers, as well as the emotional nature of the decisions (Peer and Rakich, 1999).

Taking into account the unicity of the healthcare environment, the aim of this paper is to highlight the importance of the decision making process in healthcare and to determine what makes a quality decision making process in healthcare.

Healthcare decision makers

Depending on the position of authority held, decision-makers of medical units perform distinct roles. Therefore, first-line managers (supervisors, administrators, coordinators) are responsible for those directly involved in providing healthcare and providing them with the materials and information needed to perform their duties. Although the size of the hospital affects their role, the first-line manager is generally involved in managing staff within a particular healthcare department. They ensure that patients receive the correct services in an optimal manner. In addition, a first-line manager must understand ensure that the patient's medical records are properly maintained.) First-line managers in medical units have tasks related to operational management: recruiting and training nurses, performing performance appraisals, promoting and releasing employees, designing and organizing workloads (Lin et al., 2007).

Middle managers oversee the activity of first-line managers and have titles such as general manager, regional manager and division manager. They facilitate communication and collaboration between doctors, top managers and professional staff. Middle managers influence the implementation of health innovation. They disseminate and synthesize information on innovation, mediate between strategy and day-to-day activities and sell the implementation of innovation (Awowale, 2017).

Top managers are responsible for organizational decisions. These individuals usually have titles such as president, executive vice president, general manager, executive director, They are also involved in budgeting, resource allocation, technology acquisition and strategic planning. Top managers are the stimulus of strategic change and are responsible for the strategic direction and financial management of the medical organization. Also, top managers have an important role in improving clinical quality. By creating a corporate

culture for quality and leading by example, senior managers could encourage clinical and non-clinical staff to participate in quality improvement efforts (Weiner et al., 1997).

There are six main sources of evidence used by health managers. A first source represented by scientific evidence published in academic journals. This source is mainly used to substantiate organizational decisions. The hospital information system, the management dashboard and internal evidence have been identified as facts and information of the hospital, being the second source of evidence used in health management. Hospital managers also use political-social development plans as a source of quality in decision-making. A fourth source of evidence is the professional experience and judgment of hospital administrators. The professional experience of managers differs in terms of intuition and personal opinion, reflecting the acquired expertise. The fifth source of evidence consists of religious ethics and beliefs. This evidence is based on the beliefs of staff and managers that influence attitudes and, consequently, skills and competencies. Ethics can help manage organizational behavior and interaction between staff members. A sixth source of evidence is represented by the values and expectations of all stakeholders, such as employees, administrators, board members (Ali Janati et al., 2017).

In a similar study, Abdolvahab Baghbanian et al. (2012) found that most of the resource allocation decisions, considered the context, and were not based solely on the use of technical or research data. The main contextual factors that have habitually contributed to resource allocation decisions are policy directives or requirements to pursue national policies, ethics, common knowledge, organizational and institutional complexity and economy. The results of the study have also shown that the decision-making process is highly dependent on the operational context in time, place and purpose, and the decision makers often used common knowledge, experience, intuition and judgment. In particular, the study highlighted the importance of collective intelligence and practice communities in making decisions to discuss possibilities and outcomes (Baghbanian et al., 2012).

Decision making models in healthcare

In order to determine the decision model used in the public medical units in Poland, Karolina Szymaniec-Mlicka (2017) conducted a qualitative research based on the interview method. 8 hospital managers have been interviewed and the analysis of interview responses was based on the method suggested by Paul Nutt, which supports the allocation of responses to the appropriate phase of the decision-making process (problem definition, conceptualization, solution specification, evaluation and implementation). The research has shown that the interviewed organizations are dominated by the historical decision-making model, so directors mainly use proven solutions in other organizations. According to Paul Nutt, this model includes the formulation, specification and implementation of solutions. The solution's conceptualization phase has not been included in the model, as solutions derived from the practices of other similar organizations apply. This model allows decision-makers to start from a feasible real situation that is a tangible and solid basis for decision-making. The high popularity of this solution derives from its relatively low cost of application. The participants of this study indicated that they base their decision making process on the following sources of information: the knowledge and experience of directors and employees, the data available in the organization, the Internet, informal discussions with people in the medical field, literature, consulting companies, market observation (Szymaniec-Mlicka, 2017). Managers have also highlighted different aspects of the decision-making process, such as:

- Dependence on the political environment;
- Employees' resistance to change,
- Doing business in a very sensitive sector where decisions need to be thoroughly analyzed in terms of "patient welfare";

- Lack of an integrated system of medical and managerial information in the medical system,
- Dependence on too many external entities and interest groups;
- Financial constraints - too little financial means to ensure freedom of action;
- Trade unions, which often cause too much confusion and are not open to change and dialogue.

Another decision making model that can be used in healthcare is the one developed by Kristina L. Guo (2008). The author describes a step-by-step process for decision-making and created a model to help health managers make quality decisions, which ultimately determines the success of hospital units. The model is called DECIDES, each letter of the English acronym representing one of the six specific activities to be performed before proceeding to the next step (fig. no.1).

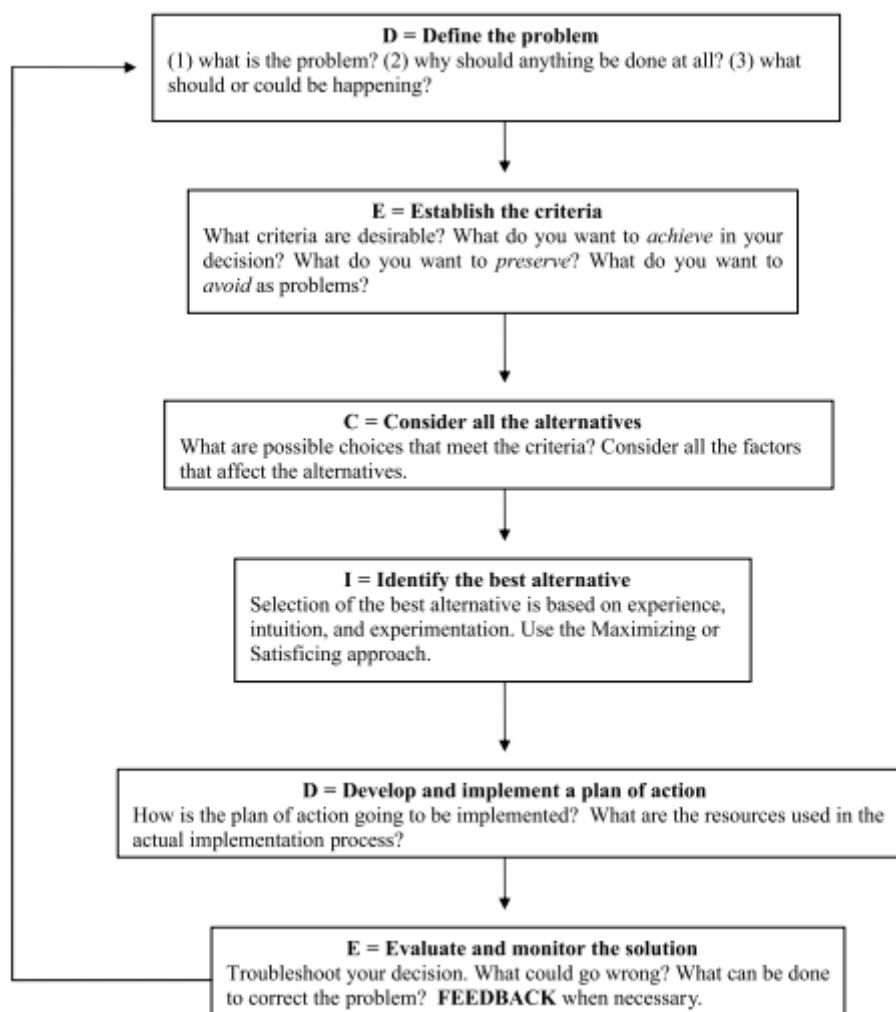


Fig. no. 1 DECIDE: a decision making model in healthcare

Source: Guo, K.L., 2008. *A Decision-Making Model for More Effective Decision Making by Health Care Managers*, *The Health Care Manager*, 27(2), pp. 118–127

Among the existing decision making models, José Márcio da Cunha Pacheco Júnior & Romeu Gomes (2016) consider that the incremental model formulated by Charles Lindblom in 1959 fits best on the sanitary system. This model involves the existence of several actors

involved in decision making. The incremental model argues that public sector decision-makers do not want to lose political support for a decision that is being taken, nor lose the support of important community groups (Pacheco Júnior & Gomes, 2016). As a result, the decisions to be adopted will consist of relatively small changes in existing procedures, but which will nevertheless help to improve the problematic situation and minimize the number of institutions/persons "disturbed" by these new measures. At the same time, in the incremental model incorporating behavioral hypotheses, decision-makers can only be understood as social actors, people with cognitive limitations that have constant interactions with other actors and are involved in social constructions. The idea is to add structure to the decision-making process so that there is less centralization and greater plurality of society. Another approach in decision-making within hospital units is evidence-based management. The idea of this concept is that high-quality decisions require both critical thinking and the use of the best evidence available. These "evidence" can come from both scientific research and internal hospital information and managers' professional experience. Taking into account that hospital management decisions have a significant impact on the effectiveness of delivering quality patient care and on the success of hospitals, the application of evidence-based management would improve the competence of decision-makers and their motivation to use more scientific methods in decision-making in hospital management. Therefore, evidence-based management is the guarantee of an efficient management (Janati et al., 2017).

Ethical decision making in healthcare

Healthcare is best understood as a social or public good that should be managed to meet the community's health needs. The way in which healthcare is distributed and delivered is, to a large extent, a matter of appropriately allocating a public good. In other words, the purpose of providing healthcare is to maintain and improve health, alleviate disability and give everyone access to appropriate health services regardless of their ability to pay.

For most people, the term "healthcare ethics" still suggests clinical problems, not management issues. In this context, it is necessary to present the four ethical times in the medical units (Daniela Agheorghiesei, 2013):

- Personal ethics – includes the principles, values and norms of ethics assumed and respected by the individual in the society in which he lives, in everyday life;
- Professional Ethics - refers to standards and expectations regarding moral behavior, acceptance of specific moral obligations in the exercise of the profession, materialized in codes of professional ethics;
- Ethics of the society - the system of values, norms and moral principles that define its identity, which its members adopt collectively, to which they subscribe and promote for good harmony between them, and the good development of the community;
- Organizational ethics - combines professional ethics with clinical practice within the hospital unit, giving rise to institutional principles and rules.

Healthcare ethics is a commitment to provide high-quality services and a commitment to respect patients' rights. This emphasis on patient care is, however, somewhat different for managers and doctors. Managers must recognize individual patients as part of a serving community of patients, having the responsibility of managing the limited resources available for healthcare services. They must be able to develop and implement fair procedures for assessing the requests made by different actors and for prioritizing decisions on resources (Leonard J. Weber, 2001).

The ethical management perspective focuses on the mission of the organization and the actors that are affected by its activities. As clinical ethics is an essential skill of medical practice, organizational ethics is a basic skill of medical management. Healthcare managers

are critical to the success of the medical system's performance, being creators of structure and support. Therefore, healthcare managers have an ethical obligation to provide a safe environment for patients and employees, as well as liaising with the community and third parties. This task requires proper knowledge on system functions, human relations, finance, and management, as well as a deeper understanding of the principles of ethics and ethical behavior from an individual, organizational and societal perspective. Ethics must be a way for hospital unit managers to manage healthcare activities every day (Morrison, 2011)

Generally, ethics in decision-making involves the process of evaluating and choosing alternatives in a manner consistent with ethical principles. The key factor in the decision-making process is to realize that hospital units are human-made systems, all of which are affected by the decisions managers take. In addition, unlike other organizations, in the medical field managers need to make ethical decisions about resource allocation, medical consent, experimentation, or death (Peer & Rakich, 1999).

At the same time, when a decision must be taken that cannot respect all legitimate interests that are consistent with a particular situation, the best decision is one that relies on the recognition of what is of greater ethical importance. In other words, if all legitimate interests cannot be respected, a wise choice is one that respects the most important. Often, the nature, purpose and role of the healthcare organization is management, so most decisions are based on them (Weber, 2001).

On the other hand, tools such as ethics committees, conflict of interest declarations, written policies and procedures, and / or staff ethics to assist health care managers in decision-making are of main importance. With these and other appropriate organizational mechanisms, conflicting interests of patients, families, doctors and other carers, employees, organizations and communities can be properly balanced (Perry, 2002).

Conclusions

To sum up, decision making in healthcare is a particularly difficult process. The decisions taken by the managers of the hospital units affect the health of people and communities around. In other words, managerial decisions, no matter how large or small, affect health institutions in a major way and it is essential for managers to properly assess the context before making a decision.

A quality decision making process in healthcare depends on there essential elements: an appropriate management, a suitable decision making model and ethics. Firstly, healthcare managers are critical to the success of the medical system's performance, being creators of structure and support. Secondly, depending on the type of healthcare facility and its mission, the manager has to choose the best decision making model, the one that best meets the needs of the hospital and patients. Last, but no least, healthcare managers have an ethical obligation to provide a safe environment for patients and employees, as well as liaising with the community and third parties.

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