HAD 500 - HEALTH CARE ORGANIZATION AND ADMINISTRATION
3 credits

Spring 2012
Tuesdays 4:30-7:10 pm and 7:20-10:00 pm
402 McGurrin Hall

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Office Hours: Monday 3:30-5:30 pm and Tuesday 3-4 pm, and, other days/times by appointment

'People need to learn organizations the way their forefathers learned farming.'   Peter Drucker

'The problem is with the system, and the system belongs to management.'   W. Edwards Deming

'The secret of success is not predicting the future. It is creating an organization that will thrive in a future that cannot be predicted.' Michael Hammer

I.   COURSE DESCRIPTION

This course uses a systematic approach to study organizations, with special interest in health care organizations. Topics include organizational strategy, goals, technology, size, design, adaptation, decision making, control, culture, processes, politics, conflict, learning, and inter-organizational relations. Conceptual foundations are drawn from organizational theory, management science, systems theory, sociology, and psychology. This course is required, and it has no pre-requisites.

II.   COURSE OBJECTIVES

Course objectives are based on requirements and input of the MHA Program's stakeholders including employers, faculty, students, deans, fieldwork preceptors, alumni, and the accrediting commission CAHME. During this course, students will:
a)   learn and identify factual knowledge about organizations and management
b)   understand fundamental principles, concepts, generalizations, and theories of organizations and management
c)   develop new ways of thinking about health care organizations and how to manage them
d)   analyze and understand health care organizations and their performance
e)   relate organizations to their external environment
f)   apply management concepts to health care organizations for problem diagnosis, problem solving, and decision making
g)   develop skills, competencies, values, and points of view needed by managers
h)   synthesize course knowledge and concepts to create an integrated view of organizations and their management

III.   COURSE ACTIVITIES

We will use readings, discussions, group activities, student participation, case studies, exercises, guest speakers, videos, lectures, student presentations, writing, research, faculty scholarship, and faculty service to enable you to achieve the course objectives. Other learning methods and activities may also be used.

IV.   CAHME/ACHE COMPETENCIES TAUGHT

Business Skills and Knowledge
A.   *General Management*
   H500 2   The functions of organizational policies and procedures
   H500 2   Systems theory
   H500 2   Management functions
   H500 1   Organize and manage the human and physical resources of the organization
D.   *Organizational Dynamics and Governance*
   H500 1   Organization systems theories and structures
   H500 1   How an organization's culture impacts its effectiveness
   H500 2   Organizational dynamics, political realities and culture
E.   *Strategic Planning and Marketing*
   H500 2   Organizational mission, vision, objectives and priorities

Leadership
A.   *Leadership Skills and Behavior*
   H500 2   Develop external relationships
B.   *Organizational Climate and Culture*
   H500 2   Create an organizational culture that values and supports diversity
C.   *Communicating Vision*
   H500 2   Establish a compelling organizational vision and goals
D.   *Manage Change*
   H500 2   Promote and manage change
   H500 2   Explore opportunities for the growth and development of the organization on a continuous basis
   H500 2   Anticipate and plan strategies for overcoming obstacles

Communication and Relationship Management
A.   *Relationship Management*
   H500 1   Organizational structure and relationships
   H500 2   Build collaborative relationships

Exams will assess achievement of all course competencies. Referring to Bloom's taxonomy of learning, multiple choice questions will assess knowledge, comprehension, and application. Essay questions will assess analysis, synthesis, and evaluation. Class participation, oral presentation, and TIAI exercises will supplement tests in assessing how well students achieve course competencies (especially comprehension, application, analysis, and synthesis).

V.   REQUIRED READING

*   Daft, R. L. (2010). <u>Organization theory and design</u> (10th ed.).Mason, OH: South-Western, Cengage.
*   Reserved readings, available through library electronic reserves linked to Angel and also available at
    http://libres.scranton.edu/. Password is 'had500'.
*   Additional reading, handouts, and materials distributed or assigned during the semester.
*   Reading in relevant journals, web sites, and other sources identified in class.

VI.   RESPONSIBILITIES AND GRADING

Students are responsible for:
*   completing all reading assignments prior to scheduled classes (except for the first class)
*   getting all material presented and announcements made during every class (even if you are not present)
*   doing alone all course work that will be graded (except the oral presentation that may be done with one other student)
*   completing all course assignments and activities as scheduled, or else contacting me well in advance if this is not possible so that reasonable adjustments can be mutually arranged
*   understanding and upholding university policies and the Academic Code of Honesty (www.scranton.edu/student handbook)

I want you to do well in HAD500, and this syllabus provides much information about the course to help you do well. During the semester, I will provide further information about course expectations, assignments, and so forth. Please contact me (by email, phone, after class, office visit, etc.) if you have questions or concerns about course material, class activities, assignments, grades, or any aspects of the course. I will provide feedback to you during the semester about your performance in the course; if you desire further feedback, please contact me. I will be available for individual help. I welcome your input and feedback about the course during the semester.

Your class preparation, attendance, and participation will help increase your learning, performance, and grades. Class attendance is expected unless important personal or professional matters take priority. You should come to each class prepared to meaningfully participate in discussions, assignments, and activities. The more you attend, prepare, and participate, the more you will learn and retain. You are encouraged to share your own experiences and opinions pertaining to each week's topics.

In order to receive appropriate accommodations, students with disabilities must register with the Center for Teaching and Learning Excellence and provide relevant and current medical documentation. Students should contact Mary Ellen Pichiarello (x4039) or Jim Muniz (x4218), 5th floor, St. Thomas Hall, for an appointment. For more information, see http://www.scranton.edu/disabilities.

The Writing Center helps students become better writers. Consultants work one-on-one with students to discuss students' work and provide feedback at any stage of the writing process. Scheduling appointments early in the writing progress is encouraged. To meet with a writing consultant, stop by during the Writing Center's regular hours of operation, call (570) 941-6147 to schedule an appointment, or complete the Writing Assistance Request Form online. You can also schedule an online appointment using Google Docs and Google Talk.

You will earn your course grade based on the following components of your final grade:
15% = Try It Apply It (TIAI) written applications of organization theory to solve problems in health care organizations
10% = Class participation (e.g., during activities, discussions, Q&A, group work, assignments for class, etc.)
15% = Oral presentation of an organization analysis for a health care organization (see details later in the syllabus)
25% = Midterm exam
35% = Final exam

Practice what you learn with Try It Apply It exercises. Health care organizations often have problems with efficiency, cost, patient safety, production, quality, customer satisfaction, etc. As you read a chapter, think about how to use it to fix these problems. Deming says 'The problem is with the system, and the system belongs to management.' Managers can use HAD500 concepts, principles, models, methods, tools, etc. to re-design organizations to fix problems and improve the organization's performance. For each class and chapter, use the TIAI template and *write how to apply a specific concept, principle, method, or tool to solve a problem* and improve performance in an HCO. These TIAIs will be used for class discussion and will count toward your final course grade. These will strengthen your understanding of course content and how to use it. If you will miss a class, email your TIAI to me prior to the class. A TIAI fill-in-the-blanks template and a completed TIAI example are on Angel (under Lessons / Course Documents / Class #1) to show what is expected.

Letter grades will be earned based on these numerical grades that have been set by the Department:
100-95 = A   94-92 = A-   91-89 = B+   88-86 = B   85-83 = B-   82-80 = C+   79-74 = C   below 74 = F

VII.   COURSE SCHEDULE

The schedule has been planned to enable you to meet course objectives. It may change, based on students' interests, guest speakers' schedules, and other factors that evolve during the semester. Changes will be discussed with the class as much in advance as possible. Please inform me if you foresee any problems or concerns with the course schedule.

<u>January 31 – Class #1</u>

Student Learning Objectives
State and describe the purpose, methods, resources, expectations, and grading for this course.
Conceptually explain organizations, organization theory, and how organization theory can be used to manage health care organizations.

Class Content
- Syllabus and course orientation
- What is an organization?
- Levels of organizational analysis
- Framework for the book
- Health care organizations compared/contrasted to other organizations
- Organization theory in action: 'Outcomes-Based Management Research to Improve Medical Care Quality Outcomes' (faculty scholarship)

Readings
Syllabus
Designing healthcare organizations to reduce medical errors and enhance patient safety (Reserved reading) (faculty scholarship)

<u>February 7 – Class #2</u>

Student Learning Objectives
Conceptually explain and describe organizations, organization theories, and how those theories can be applied to manage health care organizations.

Class Content
- What is an organization?
- Perspectives on organizations
- Structural dimensions of organizations
- Contextual dimensions of organizations
- Evolution of organization theory
- Open systems and subsystems
- Organizational types
- Mechanical versus natural systems
- Efficiency versus learning/innovating

Readings
Daft, ch. 1
Understanding organizational designs of primary care practices (Reserved reading)

<u>February 14 – Class #3</u>

Student Learning Objectives
Conceptually explain how managers establish direction and strategy in their organizations.
Describe and interpret different approaches for assessing organizational effectiveness.

Class Content
- The role of strategic direction in organization design
- Organizational purpose – mission, vision, values, goals
- A framework for selecting strategy and design
- Porter's competitive strategies
- Miles and Snow's strategy typology
- Assessing organizational effectiveness
- Effectiveness approaches based on goals, resources, and internal processes
- Balanced scorecard approach to effectiveness
- An integrated effectiveness model
- 'Keep One Eye on the Organization and One Eye on the Community: The Next Step in Hospital Balanced Scorecards' (faculty scholarship)

Readings
Daft, ch. 2
Healthcare stakeholders (Reserved reading)
Case study of a failed merger of hospital systems (Reserved reading)

<u>February 21 – Class #4</u>

Student Learning Objectives
Understand how to design an organizational structure based on specific design elements.
Analyze, compare, contrast, and evaluate alternative organizational design structures.

Class Content
- Guest speaker: Ms. Barbara Bossi, Vice President, Community Medical Center
- Organization structure
- Information-processing perspective on structure
- Organizational design alternatives
- Functional, divisional, and geographical designs
- Matrix structure
- Horizontal structure
- Virtual network structure
- Hybrid structures
- Application of structural design to health care organizations

Readings
Daft, ch. 3
Opportunities for improving patient care through lateral integration: The clinical nurse leader (Reserved reading)
Better OR teamwork cuts mortality rates (at http://www.medpagetoday.com/Surgery/GeneralSurgery/22845)

<u>February 28 – Class #5</u>

Student Learning Objectives
Conceptualize and analyze the external environment of organizations.
Explain how organizations respond and adapt to their environments.

Class Content
- The external environment and sectors
- Changing environment based on complexity and instability
- Adapting to environmental uncertainty
- Mechanistic versus organic management
- Framework for responses to environmental change

Readings
Daft, ch. 4
Holding on to success: A case study in mental health care (Reserved reading)

<u>March 6 – Class #6</u>

Student Learning Objectives
Explain and critique the purposes and types of relationships among organizations, and describe the work of managers in these inter-organizational relationships.

Class Content
- Organizational ecosystems
- Inter-organizational framework
- Resource dependence
- Collaborative networks
- Population ecology
- Institutionalism

Readings
Daft, ch. 5
Figure 4: The evolving strategic web (Reserved reading)

<u>March 13– Spring Break – No Class</u>

<u>March 20 – Class #7</u>

Student Learning Objectives
Conceptualize production technology and explain its relationship to organizational structure.

Class Content
- Core organization manufacturing technology
- Core organization service technology
- Designing the service organization
- Department design based on analyzability and variety of work
- Workflow interdependence among departments
- Impact of technology on job design
- Socio-technical systems
- Midterm exam

Reading
Daft, ch. 7
Technology in healthcare (Reserved Reading)

Student Learning Objectives
Analyze the importance of information, information technology systems, and knowledge management.

Class Content
- Information technology evolution
- Information for decision making and control
- Control systems
- Adding strategic value: Strengthening internal and external coordination
- IT impact on organization design

Readings
Daft, ch. 8
Healthcare IT isn't living up to the hype (available online at
    http://www.computerworld.com/s/article/352641/Healthcare_IT_No_Quick_Cure)
Safety issues related to the EMR (Reserved reading)

April 3 – Class #9

Student Learning Objectives
Analyze organizational size and life cycle and explain how they affect organizational structure.
Conceptualize organizational control and describe models of organizational control.

Class Content
- Guest speaker: Ms. Alice Hopkins, Executive Director, Hematology & Oncology Associates of NEPA
- Organization size
- Organizational life cycle
- Organizational bureaucracy and control
- Organizational control strategies
- Organizational decline and downsizing

Reading
Daft, ch. 9
Reducing variations in care (Reserved reading)

April 10 - Class #10

Student Learning Objectives
Conceptualize organizational culture and ethical values.
Explain how organizational culture and ethics influence and are influenced by organizations.
Explain how managers shape culture and ethics to fit strategy and desired performance.

Class Content
- Organizational culture
- Organizational designs and cultures
- Culture, learning, and performance
- Ethical values and social responsibility
- How leaders shape culture and ethics
- Structure and systems for culture

Readings
Daft, ch. 10
Creating a culture of safety: Why CEOs hold the key to improved outcomes (Reserved reading)
ACHE code of ethics, policy statements, self-assessment, and ethics toolkit - all online at ache.org

Student Learning Objectives
Explain how organizations change, and interpret the role of managers in directing that change.

Class Content
- Innovate or perish: the strategic role of change
- Incremental versus radical change
- Elements for successful change
- Technology change
- Product and service change
- Strategy and structure change
- Culture change
- Strategies for implementing change
- Organizational change: The American Cancer Society (faculty service)

Readings
Daft, ch. 11
Continuous innovation in health care (Reserved reading)
Why does the quality of health care continue to lag? (Reserved reading)

April 24 - Class #12

Student Learning Objectives
Analyze organizational processes for making organizational decisions.
Compare, contrast, evaluate, and integrate multiple models of organizational decision making.

Class Content
- Individual decision making
- Rational approach and bounded rationality
- Organizational decision making approaches: management science, Carnegie, incremental, garbage can
- Contingency decision making framework

Readings
Daft, ch. 12
The intuitive executive: Understanding and applying 'gut feel' in decision-making. (Reserved reading)

May 1 – Class #13

Student Learning Objectives
Study and analyze the nature of conflict in organizations.
Conceptualize power and politics, and explain their use in organizations by managers.

Class Content
- Intergroup conflict in organizations
- Sources of conflict
- Rational versus political model
- Power and organizations: individual versus organizational power
- Political processes in organizations
- Using power, politics, and collaboration

Readings
Daft, ch. 13

<u>May 8 – Class #14</u>

Student Learning Objectives
Describe challenges that arise when organizations extend globally
Explain approaches for designing international organizations

Class Content
- Entering the global arena
- Designing structure to fit global strategy
- Building global capabilities
- Cultural differences in coordination and control
- The transnational model of organization
- Course wrap-up and reflection

Readings
Daft, ch. 6

<u>May 14-18 – Exam Week</u>

Final exam (date and time TBA)
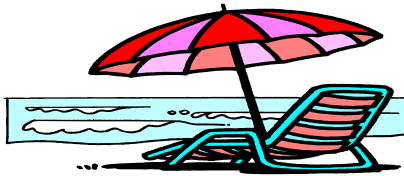
VIII.   SUPPLEMENTARY (OPTIONAL) READINGS

Buell, J.M. (2010). Lean Six Sigma and patient safety: A recipe for success. *Healthcare Executive*, 25(2), 27-35.

Capuano, T., MacKenzie, R., Pintar, K., Halkins, D., and Nester, B. (2009). Complex adaptive strategy to produce capacity-driven financial improvement. *Journal of Healthcare Management*, 54(5), 307-318.

Cowen, M.E., Halasyamani, L.K., McMurtrie, D., Hoffman, D., Polley, T., and Alexander, J.A. (2008). Organizational structure for addressing the attributes of the ideal healthcare delivery system. *Journal of Healthcare Management*, 53(6), 407-418.

Coyne, J.S., Richards, M.T., Short, R., Shultz, K., and Singh, S.G. (2009). Hospital cost and efficiency: Do hospital size and ownership type really matter? *Journal of Healthcare Management*, 54(3), 163-175.

Diana, M. and Olden, P. C. (2008).'Modern Organization Theory.' In Johnson, J. A. (Ed). Health Organizations: Theory, Behavior, and Development. Boston: Jones and Bartlett Publishers.

Fosdick, G.A. and Uphoff, M.E. (2007). Adopting cross-industry best practices for measureable results. *Healthcare Executive*, 22(3), 15-20.

Freund, L.M. (2010). Creating a culture of accountability: Ethics is the key to sharing healthcare stewardship. *Healthcare Executive*, 25(1), 30-36.

Friedman, L.H. & Bernell, S.L. (2006). The Importance of Team Level Tacit Knowledge and Related Characteristics of High-Performing Health Care Teams. *Health Care Management Review*, 31(3), 223-230.

Goldman, E.F. and Dubow, M.J. (2007). Developing and leading successful growth strategies. *Healthcare Executive*, 22(3), 9-13.

Hwang, T.G., Lee, Y., and Shin, H. (2011). Structure-oriented versus process-oriented approach to enhance efficiency for emergency room operations: What lessons can we learn? *Journal of Healthcare Management*, 56(4), 255-267.

Kaissi, A.A. & Begun, J.W. (2008). Fads, fashions, and bandwagons in health care strategy. *Health Care Management Review,* 33(2), 94-102.

Kaplan, G.S. and Patterson, S.H. (2008). Seeking perfection in healthcare: A case study in adopting Toyota production system methods. *Healthcare Executive*, 23(3), 17-21.

Nelson, W. and Donnellan, J. (2009). An executive-driven ethical culture. *Healthcare Executive*, 24(6), 44-46.

Olden, P. C. (2011). Management of Health Care Organizations: An Introduction. Chicago: Health Administration Press.

Olden, P. C. and Diana, M. (2008). 'Classical Organization Theory.' In Johnson, J. A. (Ed). Health Organizations: Theory, Behavior, and Development. Boston: Jones and Bartlett Publishers.

Pate, D.C., Hubiak, V.J., and Carr, K. (2010). A new view of IT in healthcare. *Healthcare Executive*, 25(5), 76-78.

White, K. R. and Griffith, J. R. (2010). The Well-Managed Healthcare Organization, 7th Edition. Chicago: Health Administration Press.

Wurster, C.J., Lichtenstein, B.B., and Hogeboom, T. (2009). Strategic, political, and cultural aspects of IT implementation: Improving the efficacy of an IT system in a large hospital. *Journal of Healthcare Management*, 54(3), 191-206.

Oral Presentation: Organizational Analysis of a Health Care Organization

Alone or with one other student, analyze and describe a real health care organization (HCO) *using HAD500 textbook terms, concepts, principles, theories, models, etc.* Your presentation must explain an HCO using what we study in the textbook and course – e.g. strategy, size, culture, structure, decision making, life cycle, control methods, etc. Each presentation must use at least 7 different HAD500 concepts, methods, principles, etc. Suggestion: To help your classmates learn HAD500, please use concepts and tools that have not been used often in prior presentations.

Choice of an HCO could come from work experience, studying an HCO, or other sources. A specific HCO (e.g., Blue Cross of NEPA or Community Medical Center) may be presented only once in each HAD500 section (4:30 and 7:20). Contact the instructor to schedule your presentation date and your HCO choice. Presentation dates and HCO choices will be approved 'first come first serve'.

Your presentation should demonstrate your ability to apply HAD500 textbook terms, concepts, principles, theories, models, etc. to an actual HCO. The presentation should be suitable for graduate studies and help your class learn organization and administration of HCOs. In your presentation, please do the following in about 20 minutes:
a) *Introduce the presentation* by stating the purpose, importance, and a quick outline of the presentation.
b) A*nalyze and explain the HCO* by applying at least 7 organizational terms, concepts, principles, theories, models, etc. from the HAD500 textbook. To do this, you might have to make judgments and inferences. Note: use terms, concepts, principles, etc. that have not already been used often in prior presentations
c) *List the 7 terms, concepts, principles, theories, models, etc.* you used from the HAD500 textbook. *Cite the chapter and page #* for each one.
d) *Conclude with a few main lessons (pertaining to HAD500)* the audience should have learned in your presentation. Use course terms, concepts, principles, theories, etc.
e)   *Ask for and answer questions* from the audience. Then a*sk the audience a discussion question pertaining to HAD500* concepts, principles, theories, models, and lead discussion. Call on people (even if no one volunteers).

Name(s):   Date:

Health Care Organization:

Criteria	*Points*	*Comments / Suggestions*
a) introduction [3 points]		
b) analysis [60 points]		
c) list and citations [7 points]		
d) conclusion [5 points]		
e) Q&A / discussion [5 points]		
Use of time [5 points]		
Visual materials [5 points]		

Delivery [10 points]
✓ connection with audience
✓ voice clear and loud enough
✓ pace, speed
✓ energy, enthusiasm
✓ gestures, movement
✓ minimal reading

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Total points [100 points]