

QUALITY MANAGEMENT PRINCIPLES – AN APPROACH IN HEALTHCARE INSTITUTIONS

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Abstract:

The problems of quality management systems development don't seem to be interesting for healthcare institutions (HCI) at a glance. But a lot of managers and employees of HCI (including physicians) have already understood that their organizations also operate in environment, which asks for quality, performance and effectiveness. The quality management systems create a strategic framework in which every organization can meet these requirements. In case of HCI the term "quality management system" can be understood as a part of overall management system that is to guarantee the highest customer satisfaction in the most effective manner, especially by following functions: a) assuring the highest service quality for patients; b) creating environment oriented to continual improvement of processes and c) doing it with the lowest expenditure.

Keywords: quality management; healthcare institutions, ISO - standards

There are some different conceptions of quality management systems development throughout the world at present. The ISO conception is looked upon basic one from the point of HCI. This conception is based on voluntary implementation of requirements and recommendations included into a special set of international ISO 9000 standards. The last version of these standards was issued at the end of 2000 year. These standards are generic – it means they can be introduced in each organization regardless its size and products or services offered to customers. An effective implementation of these standards has been already proved. These standards are recognized around the world and their principal meaning is in fact that they can lead the organizations to higher effectiveness and efficiency of their management systems on basis of common .

The implementation of the effective quality management systems in HCI

has some clear advantages. We could not forget especially these strengths:

- The patient and other stakeholders trust will increase;
- The level of management and realization processes and level of their repeatability will increase;
- The number of failures and errors at organizational units and number of patient claims will decrease;
- All responsibilities and authorities are clearly defined for each group of employees;
- The overall HCI expenditure will decrease as a result of minimizing of wasted resources caused by failures;
- It builds preconditions for prevention of potential problems occurring at workplaces;
- It increases quality and effectiveness of services offered to the customers namely patients;
- It increases competitiveness of HCI.

But some objective and subjective barriers exist on the other hand when

HCI wants to implement the quality management system effectively:

- An overall conception and strategy of health care could not be clear;
- The health care services strongly depend on personal quality and responsible approach of employees to patients and their families;
- A real difference between possibility of health care quality increasing (linked with scientific development in this field) and available resources will exist at any time;
- It is difficult to understand language and purpose of the ISO 9000 family of standards for the most of HCI staff;
- A level of knowledge related to principles and approaches to quality management is also insufficient within the HCI top management;
- A shortage of active involvement of HCI management (including top managers) into development and implementation of quality management systems;

A real goodwill of HCI managers to change current status and understanding of purpose and essence of quality management processes seems to be a decisive precondition for successful implementation of quality management systems into HCI environment.

Principles of Quality Management

The ISO 9000 standard defines eight basic principles of quality management. We will explain their essence and we are going to define main activities within practical implementation of these principles.

Principle 1: Customer focus

Patient represents a typical customer for HCI. *The customer is uncompromising arbiter of product and service quality and every organization fully depends on its customers. Thus, organization must take into account all product and service features and*

characteristics that can bring value to customers and lead to customer satisfaction, preference, referral and future loyalty.

The practical implementation of this principle in HCI asks for following activities:

- a) The systematic research and fully understanding of customer requirements (needs and expectations);
- b) It must be ensured that HCI objectives are linked to and derived from customer needs and expectations;
- c) The customer requirements must be met very quickly and effectively;
- d) The HCI must systematically measure customer satisfaction level as an important response to their offer.

Principle 2: Leadership

Managers must be real leaders. They have to create such environment in organization in which all groups of employees can become fully involved in achievement of the organization objectives.

Applying the principle of leadership typically leads to these activities:

- a) Establishing a clear and customer oriented mission, vision, policies and values of the organization;
- b) Setting challenging objectives and targets throughout the organization – every organizational unit ought to have its objectives;
- c) Creating and sustaining shared values, fairness and ethical role models at all levels of the organization;
- d) Involving and motivating all people to continuous improvement activities;
- e) Providing people with required resources, education and training and providing a freedom to act with responsibility and accountability.

It is obvious that this principle also includes ethical aspects and it is related to attitudes and behaviour of HCI managers. Its implementation is therefore very sensitive affair.

Principle 3: People involvement

The full potential of organization's people is best released through shared values and culture of trust and empowerment that encourages the involvement of everyone. The knowledge of employees is a vital value for every organization and valuing the people means committing to their satisfaction, development and well-being.

When HCI applies the principle of people involvement it would make an effort to these activities:

a) People understanding the importance of their contribution and role in the organization processes by systematic communication and listening them;

b) People identifying constraints to their best performance and seeing these barriers as opportunities for improvement;

c) People evaluating their performance against their personal goals and objectives. The self-assessment and regular evaluation

performed by managers could serve as suitable approaches to these evaluations;

d) People freely sharing knowledge and experience as a result of effective motivation for performance improvement;

e) Managers lead a dialogue with all levels of employees in order to listen to them and to explain strategic intentions;

f) The permanent analysis of employees' response is crucial.

Principle 4: Process approach

This principle is very important for modern quality management unquestionably. *The organization performs more effectively and all results are achieved more efficiently when inter-related activities are managed as a process.* What about the process?

The process is a set of activities that transform inputs to outputs in the frame of defined limitations and resource consumption. The basic process model is in figure 1.

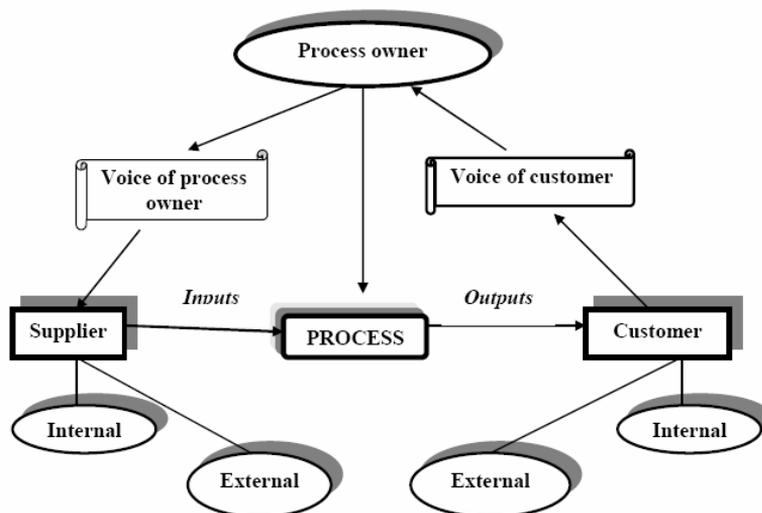


Figure 1. The process model

The information and materials are fully transformed within the process to information or material outputs. The outputs are given results of health care

services of course. All inputs are delivered by internal or external suppliers (it can be men who does some work before or another

organization from which inputs are purchased). Resources are not fully consumed during the process but they are necessary for its realization (people, equipment, etc). The limitations are such factors that limit the process- it means legislation, standards, laws and some conditions too (as a number of beds in hospital departments for example). It is crucial to identify and empower so-called process owner for every process. The process owner is person (function) in organization who is responsible for:

- Outputs quality and
- Effective process performance.

Whatever we do can be interpreted as a process. Applying this principle HCI must:

- a) Define systematically the activities necessary to obtain desired results and to fulfil the HCI objectives;
- b) Appoint the process owners for all HCI processes with regard to their competencies and knowledge;
- c) Define so called key processes of HCI against suitable criteria;
- d) Measure and monitor process performance through suitable set of indicators;
- e) Focus on the factors – such as resources, methods and materials – that could contribute to the process performance improvement.

Principle 5: System approach to management

This principle is closely linked with process approach. It says that *identifying, understanding and managing interrelated processes as a system contributes to the organization's effectiveness and efficiency in achieving the company objectives. The quality management system is considered as a set of interrelated processes.*

In order to achieve stage when quality management system is a set of interrelated processes HCI must:

- a) Structure a management system in the most effective and efficient way;

- b) Discover and understand the interdependencies between the processes of the management system;

- c) Understand organizational capabilities and establish resource constraints prior to action;

- d) Target and describe how specific activities within a system should operate.

Principle 6: Continual improvement

Every organization always will have a lot of opportunities for next improvement. The continual improvement must be understood as a basic aim in each HCI. The efficient implementation of this principle leads to serious reducing of failures in health care services, an offer of new products and elimination of internal non-effectiveness in HCI.

The following activities are necessary to do in each HCI when implementing this principle:

- a) It must discover all weaknesses throughout the organization and processes by effective internal and external auditing, self-assessment, process performance measurement, benchmarking, etc. The weaknesses would be looked upon the areas for improvement;

- b) It must plan and release all resources needed for the improvement projects;

- c) The top management must create an environment for inventions and must involve itself and work in improvement teams very actively;

- d) The partial successes within the improvement processes must be recognized and people must be rewarded or motivated to next improvement activities;

- e) Whereas the step by step improvement is never ending process, the breakthrough improvements project must be very carefully planned and organized.

Principle 7: Factual approach to decisions making

Effective decisions are based on the analysis of data and information. It means that managers make a decision on basis of various measurements within the management system. What about conditions related to the successful implementation of this principle in HCI? The health care institutions must develop and perform such activities as:

- a) Training of people in order to correct performing the measurements and data analysis;
- b) Collection of all data from processes needed for analysis and decisions making;
- c) Making data accessible to whose functions (persons); throughout the organization that really need it;
- d) Permanent and systematic analysis of data and information using valid methods for trends and data projections learning.

Owing to this principle the HCI reaches higher level of decisions makings objectivity and transparency, status of comprehensive communication with HCI staff, what can influence their positive motivation and trust.

Principle 8: Mutually beneficial supplier relationship

Every organization takes use products and services delivered by its suppliers. And *every organization works more effectively when it has mutually beneficial relationships with its suppliers built on trust, sharing knowledge and integration. The supplier ought to be a partner not adversary.*

And what HCI must do when it applies this principle?

- a) It must structure all suppliers and identify so-called key suppliers;
- b) It must develop and introduce criteria for supplier selection and assessment;
- c) It must measure actual performance of suppliers and communicate the results;

d) It must offer various kinds of technical aid to important suppliers;

e) It must share best practises and knowledge and pool of expertise and resources with suppliers;

f) It must openly communicate its requirements and future plans to suppliers in a systematic way.

The principles mentioned above must be understood as cornerstones during the quality management system implementation in each organization, including health care sector. Ignoring or underestimating them from the point of managers will certainly cause that the system will not be effective and efficient at all.

Quality Management systems in HCI – where to start and how to implement them effectively?

It is obvious that also HCI must search an answer to question of the next management systems development. Three basic directions exist for this situation:

- a) To apply a set of accreditation standards;
- b) To apply requirements and recommendations of the ISO 9000 family of standards;
- c) To apply the EFQM Excellence Model.

Some experience shows that certain systematic items absent when using the very accreditation standards – a quality of health services is preferred in comparison to quality of management. On the other hand: the EFQM Excellence Model represents the most exacting conception for management system development that is difficult to apply without suitable basis.

The ISO 9000 family of standards seems to be suitable starting point, especially if accreditation standards are included into service realization processes. The EFQM Excellence model could then serve as excellent inspiration for the future management

system development regardless type and size of HCI.

Let's suppose that very the ISO 9000 family of standards will be used as convenient basis to quality management system implementation in HCI environment. Figure 2 shows principal steps, which are necessary to be done during implementation these standards.

It is clear that any HCI top managers' decisions makings ought to be derived from long-term objectives defined by this management team. The increasing of effectiveness, efficiency and performance should belong to these goals. When managers realize that ISO 9000:2000 can bring value for their organization some information about these standards is needed usually. A lot of information has been published already in every country, and special ISO Web site www.iso.ch is available for general information, too. The HCI top managers should understand purpose of the ISO 9000 family standards and learn about eight basic quality management principles.

Also the next step is strategic one: the top management at the HCI would make a decision about what standard is convenient for its organization. If organization is going to demonstrate the quality management system conformity afterwards the ISO 9001 standard would have be used as a basis for certification. If HCI looks for a way to Excellence, the ISO 9004 standard could be a first step of course. The analysis of current status of HCI management system maturity against the ISO 9001 standard is necessary to do as it is a key step for defining gaps between standard's requirements and HCI reality. The analysis could be made by internal or external resources.

The results of such analysis can discover that especially the processes of health services provision can have a high level of conformity with standard requirements at the beginning. On the other hand: the most of weaknesses occur in processes linked with management responsibilities and against requirements of measurements, analysis and improvement in HCI. The results of analysis mentioned above represent very important input to working out of implementation plan. This article presents the necessary steps during the quality management system creating, resources needed for implementation processes and time schedule too with regard to needs and possibilities of HCI. The carrying out of the implementation plan means to fulfil all requirements of ISO 9001 standard (for certification) or all recommendations of the ISO 9004 standard (for HCI management system improvement). The external consultants may be very useful for this step. As these activities are typical project and their management could be done with regard to the ISO 10006 standard as it is oriented to project management.

As we have mentioned above the main purpose of internal audits is to discover nonconformities (especially during the first stages of the quality management system implementation) and to define areas for improvement of processes or management system of HCI. Such audits can serve as suitable preparation for the independent quality management system assessment. An independent quality management system assessment (performed by the third party) is called certification. The HCI must engage only accredited certification body for this purpose.

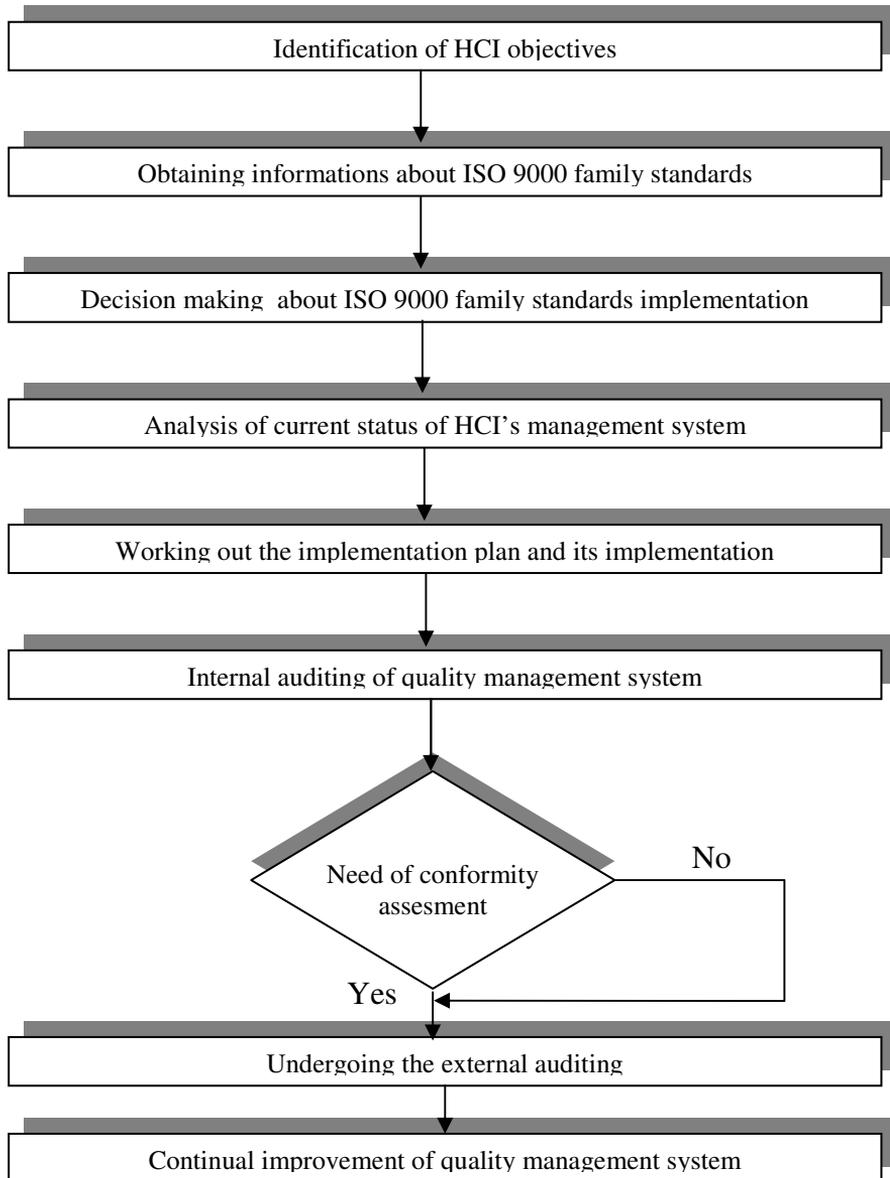


Figure 2. Basic steps during quality management system implementation in HCI

The last step – and it is never ending story – is continual improvement of quality management system processes performance. The ISO 9004 standard or the EFQM Excellence Model can be convenient issue.

It is evident that also in HCI environment a shortage of money or other resources is not decisive barrier of quality management system implementation. A key limitation is real concern and involvement of HCI managers.

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