

# Leadership Competencies for Healthcare Services Managers



This document is the result of a global consortium for healthcare management that has work extensively between January 2013 and June 2015.

The following organization have participated in the consortium set up by The International Hospital Federation:

- American College of Healthcare Executives
- Australasian College of Health Service Management
- Canadian College of Health Leaders
- European Association of Hospital Managers
- Federacao Brasileira de Administradores Hospitalares
- Federacion Andina y Amazonica de Hospitales
- Federacion Latinoamericana de Hospitales
- Health Management Institute of Ireland
- Hong Kong College of Healthcare Executives
- International Health Services Group
- International Hospital Federation
- Jamaican Association of Health Services
- Management Sciences for Health
- Pan American Health Organization
- Sociedad Chilena de Administradores en Atención Médica y Hospitalaria
- Taiwan College of Healthcare Managers
- Tropical Health and Education Trust – Partnership for Global Health
- University of the West Indies

All the participants from these institutions have built up a consensus to promote the foundation of healthcare management professionalization supported by universally recognized competencies that will enhance health care to the people.

In addition more than one hundred healthcare professionals and academics have contributed in the written open review process as well as by providing inputs during the presentations made at several occasions during the period 2013-2015. Their contribution is fully recognized and appreciated.

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# Global Consortium for Healthcare Management Professionalization

“The science of medicine is thousands of years old. The discipline of management sciences, which includes the study of leadership, is less than 100 years old. The management sciences applied to health care are still in their infancy.”<sup>1</sup>

The leaders of organizations representing government, the private sector, healthcare associations, and academic institutions have come together to raise the recognition of professional management in healthcare, by developing a core competencies directory for healthcare leaders with the input of a diverse group of multilateral healthcare organizations. The shared aim of all participants is professionalizing the leadership and management of health systems to improve patient care globally.

To further promote this shared aim and enhance leadership and management practices in healthcare, these leaders have created a **Global Consortium for Healthcare Management Professionalization**<sup>2</sup> that is recognized and supported by International Hospital Federation members.

## The Need for the Professionalization of Healthcare Management

Ministries of health recognize that delivering quality healthcare is dependent on the efficient and effective use

1 Management Sciences for Health “Occasional Papers” NO. 4 (2006)

2 International Hospital Federation, Pan American Health Organization, American College of Healthcare Executives, Australasian College of Health Service Management, Canadian College of Health Leaders, Taiwan College of Healthcare Managers, Health Management Institute of Ireland, European Association of Hospital Managers, Jamaican Association of Health Services, Management Sciences for Health, International Health Services Group, THET Partnership for Global Health, Sociedad Chilena de Administradores en Atención Médica y Hospitalaria, Federación Andina y Amazónica de Hospitales, Federación Latinoamericana de Hospitales, University of the West Indies, Federación Brasileirade Administradores Hospitalares, Hong Kong College of Healthcare Executives

of resources. The professionalization of management of healthcare organizations enhances efficiency and helps to ensure the best use of limited resources.

As the healthcare portion of nations’ GDP continues to increase, the pressure for enhanced management capacity will continue to grow. In addition, as healthcare management is recognized as a profession, people will be attracted to the profession. The profession will have a greater voice in society and will be increasingly relevant to achieve improved patient and population health outcomes.

The evidence is convincing that the efficient and effective use of resources and the quality of healthcare services provided is improved by enhancing the management capacity of individual leaders and teams.

Yet, healthcare organizations face two key barriers to realizing the benefits of professional management. The first is the lack of adequate management preparation in the training of many healthcare leaders. The second is the fact that the role of healthcare manager is not recognized as a profession in all countries.

To professionalize healthcare management and produce highly competent managers, the Consortium’s collective work to date has identified the need to focus on six critical areas: *accountability and transparency, service improvement, educational standards, integrity, a commitment to share leading practices, and equity in access to and delivery of care.*

## The Call to Action

The Global Consortium for Healthcare Management Professionalization is urgently calling on governments and the international health community to recognize that healthcare performance and improvement are significantly dependent on the existence and quality of professional management of healthcare organizations.

Healthcare professionals should:

- Display ethical, just and equitable behavior at all times
- Commit to active, lifelong learning of sound management and leadership practices and demonstrate those management and leadership practices in the execution of their daily responsibilities

- Serve as a resource for training less-senior healthcare managers
- Commit to improve the health of populations and individuals
- Acknowledge healthcare management associations as the governing bodies in the field, and accept their rules, regulations and codes of conduct

***The Consortium also calls for the adoption of the Global Healthcare Management Competency Directory as the initial basis for healthcare management development frameworks and programs, for use by academic institutions and relevant licensing and accrediting bodies.***

The Consortium advocates for the formation and strengthening of professional organizations for healthcare managers, which provide the infrastructure for effective healthcare management practices to become pervasive, thus improving health outcomes and optimizing resource utilization. Departments of health at the country level are urged to actively support the development of professional healthcare management organizations.

The Consortium recognizes that the competency framework must remain flexible and needs to be adapted to the specific circumstances of each country. Accordingly, the competencies identified in the directory may be adapted to ensure their relevance in the local context.

Recognizing the need for greater progress in the ongoing effort to build professional healthcare management capacity, the members of the Consortium agree that the following measures should be implemented according to national circumstances and needs:

- Adoption of the Global Healthcare Management Competency Directory to inform and align healthcare management development programs at all levels of undergraduate, postgraduate and ongoing education and professional development.
- Customization and incorporation of each of the competency requirements into formal credentialing systems, which should be based on independent evaluation and evidence of demonstrated competencies
- Formal recognition at the national level of healthcare management as a profession
- Implementation of merit-based career advancement along with a career path for healthcare managers and leaders
- Recognition of healthcare managers' professional associations as key stakeholders for policy dialogue related to leadership and management and for the advancement of the profession

## Competency Domains and Sub-domains

The competencies in the Competency Directory are derived from those in the Healthcare Leadership Alliance (HLA) Competency Directory.<sup>3</sup> The HLA competencies were developed from job analysis surveys conducted to determine the relevant tasks typically performed by healthcare managers regardless of work setting or years of experience. The global competencies have been validated by the organizations that contributed to the Competency Directory and represent documented skills and abilities of thousands of healthcare managers from a variety of settings. The Competency Directory may be used to show the depth and breadth of knowledge healthcare managers need to know to ensure that their organizations and the healthcare system are operating effectively in providing optimal care to the population served.

Figure 1



<sup>3</sup> In addition to the American College of Healthcare Executives, other members of the Healthcare Leadership Alliance (HLA) are American Association for Physician Leadership, American Organizations of Nurse Executives, Healthcare Financial Management Association, Healthcare Information and Management Systems Society and the Medical Group Management Association

In the Competency Directory, the competencies are categorized into five critical domains: Leadership, Communication and Relationship Management, Professional and Social Responsibility, Health and Healthcare Environment, and Business. The Definitions of the domains are as follows:

### 1. Leadership

The ability to inspire individual and organizational excellence, create a shared vision and successfully manage change to attain an organization’s strategic ends and successful performance. Leadership intersects with the other four domains.

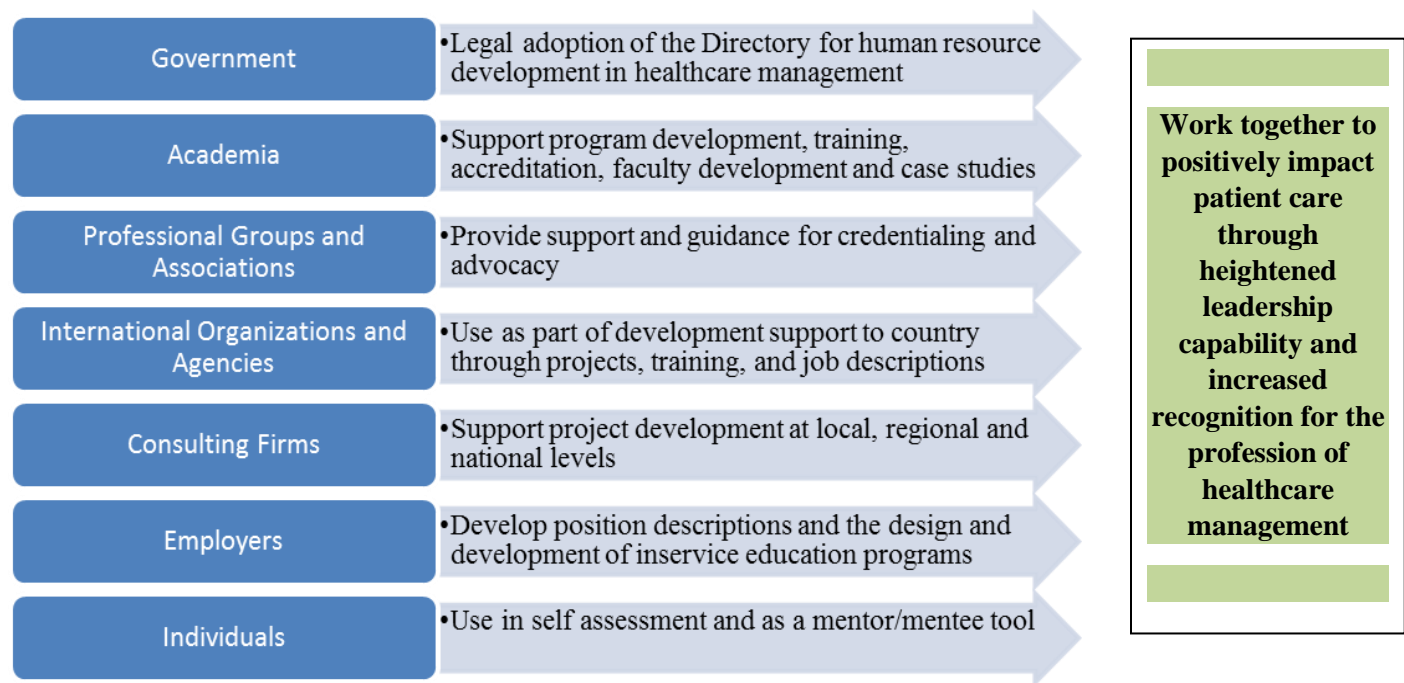
### 2. Communication and Relationship Management

The ability to communicate clearly and concisely with internal and external customers, establish and maintain relationships, and facilitate constructive interactions with individuals and groups.

### 3. Professional and Social Responsibility

The ability to align personal and organizational conduct with ethical and professional standards that include a responsibility to the patient and community, a service orientation, and a commitment to lifelong learning and improvement.

Figure 2



### 4. Health and the Healthcare Environment

The understanding of the healthcare system and the environment in which healthcare managers and providers function.

### 5. Business

The ability to apply business principles, including systems thinking, to the healthcare environment.

The Competency Directory can be used in a variety of ways. Figure 2 shows some of the key stakeholders and their possible uses of the Competency Directory.

Healthcare managers should demonstrate competence in all five domain areas. As you work your way through the Directory, the Consortium hopes you will find it valuable on your path of lifelong professional education. Please share the tool with other healthcare managers, government agencies, academicians and others to help support the international recognition of the healthcare management profession. For more information on this Directory, contact the International Hospital Federation at <http://www.ihf-fih.org/>.

## **1. Leadership Competencies:**

### **A. Leadership Skills and Behavior**

- Articulate and communicate the mission, objectives and priorities of the organization to internal and external entities
- Incorporate management techniques and theories into leadership activities
- Analyze problems, promote solutions and encourage decision making

### **B. Engaging Culture and Environment**

- Create an organizational climate built on mutual trust, transparency and a focus on service improvement that encourages teamwork and supports diversity
- Encourage a high level of commitment from employees by establishing and communicating a compelling organizational vision and goals
- Hold self and others accountable to surpass organizational goals

### **C. Leading Change**

- Promote ongoing learning and improvement in the organization
- Respond to the need for change and lead the change process

### **D. Driving Innovation**

- Encourage diversity of thought to support innovation, creativity and improvement

## **2. Communications and Relationship Management Competencies:**

### **A. Relationship Management**

- Demonstrate effective interpersonal relationships and the ability to develop and maintain positive stakeholder relationships
- Practice and value transparent shared decision making and understand its impacts on stakeholders (internal and external)
- Demonstrate collaborative techniques for engaging and working with stakeholders

### **B. Communication Skills and Engagement**

- Exercise cultural sensitivity in internal and external communication
- Demonstrate strong listening and communication skills
- Present results of data analysis in a way that is factual, credible and understandable to the decision makers
- Prepare and deliver business communications such as meeting agendas, presentations, business reports and project communication plans

- Demonstrate understanding of the function of media and public relations

### **C. Facilitation and Negotiation**

- Manage conflict through mediation, negotiation and other dispute resolution techniques
- Demonstrate problem solving and problem-solving skills
- Build and participate in effective multidisciplinary teams

## **3. Professional and Social Responsibility Competencies:**

### **A. Personal and Professional Accountability**

- Advocate for and participate in healthcare policy initiatives
- Advocate for rights and responsibilities of patients and their families
- Demonstrate an ability to understand and manage conflict-of-interest situations as defined by organizational bylaws, policies and procedures
- Practice due diligence in carrying out fiduciary responsibilities
- Commit to competence, integrity, altruism and the promotion of the public good
- Promote quality, safety of care and social commitment, in the delivery of health services

### **B. Professional Development and Lifelong Learning**

- Demonstrate commitment to self-development including continuing education, networking, reflection and personal improvement

### **C. Contributions to the Profession**

- Contribute to advancing the profession of healthcare management by sharing knowledge and experience
- Develop others by mentoring, advising, coaching and serving as a role model
- Support and mentor high-potential talent within both one's organization and the profession of healthcare management

### **D. Self-Awareness**

- Be aware of one's own assumptions, values, strengths and limitations
- Demonstrate reflective leadership by using self-assessment and feedback from others in decision making

### **E. Ethical Conduct and Social Consciousness**

- Demonstrate high ethical conduct, a commitment to transparency and accountability for one's actions



- Use the established ethical structures to resolve ethical issues
- Maintain a balance between personal and professional accountability, recognizing that the central focus is the needs of the patient/community

### 3. Health and Healthcare Environment Competencies:

#### A. Health Systems and Organizations

- Demonstrate an understanding of system structure, funding mechanisms and how healthcare services are organized
- Balance the interrelationships among access, quality, safety, cost, resource allocation, accountability, care setting, community need and professional roles
- Assess the performance of the organization as part of the health system/healthcare services
- Use monitoring systems to ensure legal, ethical, and quality/safety standards are met in clinical, corporate and administrative functions
- Promote the establishment of alliances and consolidation of networks to expand social and community participation in health networks, both nationally and globally

#### B. Health Workforce

- Demonstrate the ability to optimize the healthcare workforce around local critical workforce issues, such as shortages, scope of practice, skill mix, licensing and fluctuations in service

#### C. Person-Centered Health

- Effectively recognize and promote patients and their family's/caregiver's perspectives in the delivery of care
- Include the perspective of individuals, families and the community as partners in healthcare decision-making processes, respecting cultural differences and expectations

#### D. Public Health

- Establish goals and objectives for improving health outcomes that incorporate an understanding of the social determinants of health and of the socioeconomic environment in which the organization functions
- Use vital statistics and core health indicators to guide decision making and analyze health trends of the population to guide the provision of health services
- Manage risks, threats, and damage to health during disasters and/or emergency situations
- Evaluate critical processes connected with the public health surveillance and controls systems and

communicate relevant surveillance information to increase response to risks, threats, and damage to health

- Recognize the local implications of global health events to understand global interconnectivity and its impact on population health conditions

### 5. Business Competencies:

#### A. General Management

- Demonstrate knowledge of basic business practices, such as business plans, contracting, and project management
- Collate relevant data and information, and analyze and evaluate this information to support or make an effective decision or recommendation
- Seek information from a variety of sources to support organizational performance, conduct needs analysis and prioritize requirements

#### B. Laws and Regulations

- Abides by laws and regulations applicable to the work of the organization

#### C. Financial Management

- Effectively use key accounting principles and financial management tools, such as financial plans and measures of performance (e.g., performance indicators)
- Use principles of project, operating and capital budgeting
- Plan, organize, execute and monitor the resources of the organization to ensure optimal health outcomes and effective quality and cost controls

#### D. Human Resource Management

- Provide leadership in defining staff roles and responsibilities, developing appropriate job classification/grading systems and workforce planning
- Effectively manage departmental human resource processes, including scheduling; performance appraisals; incentives; staff recruitment; selection and retention; training and education; motivation, coaching and mentoring; and appropriate productivity measures

#### E. Organizational Dynamics and Governance

- Demonstrate knowledge of governmental, regulatory, professional and accreditation agencies
- Effectively apply knowledge of organizational systems theories and behaviors
- Interpret public policy, legislative and advocacy processes within the organization

- Manage within the governance structure of the organization
- Create and maintain a system of governance that ensures appropriate oversight of the organization
- Demonstrate knowledge of the role of leadership within governance structure

#### **F. Strategic Planning and Marketing**

- Lead the development of key planning documents, including strategic plans, business service plans and business cases for new services
- Plan for business continuity in the face of potential disasters that could disrupt service delivery
- Develop and monitor operating-unit strategic objectives that are aligned with the mission and strategic objectives
- Apply marketing principles and tools to develop appropriate marketing to the needs of the community
- Evaluate whether a proposed action aligns with the organizational business/strategic plan

#### **G. Information Management**

- Use data sets to assess performance, establish targets, monitor indicators and trends, and determine if deliverables are met
- Ensure that applicable privacy and security requirements are upheld
- Ensure optimal use of information and trend analysis within the organization through the use of business intelligence, information management, clinical, and business systems
- Promote the effective management, analysis and communication of health information

#### **H. Risk Management**

- Effectively use risk management principles and programs, such as risk assessment and analysis and risk mitigation

#### **I. Quality Improvement**

- Develop and implement quality assurance, satisfaction, and patient safety programs according to national initiatives on quality and patient safety
- Develop and track indicators to measure quality outcomes, satisfaction and patient safety, and plan continuous improvement

#### **J. Systems Thinking**

- Demonstrate an understanding of the interdependency, integration, and competition among healthcare sectors

- Connect the interrelationships among access, quality, cost, resource allocation, accountability and community need

#### **K. Supply Chain Management**

- Effectively manage the supply chain to achieve timelines and efficiency of inputs, materials, warehousing, and distribution so that supplies reach the end user in a cost-effective manner
- Adhere to procurement regulations in terms of contract management and tendering guidelines
- Effectively manage the interdependency and logistics of supply chain services within the organization





## Appendix: History and Process of Collaboration

1. Work has been accomplished within individual countries on identifying needed competencies for healthcare leaders. In the United States, the Association of University Programs in Health Administration and the Commission on Accreditation of Healthcare Management Education have been leaders in identifying competencies and developing healthcare executives from a University education perspective. In the United Kingdom, the Institute of Healthcare Management and the London School of Economics have been working to promote the profession of healthcare management and support individual healthcare managers. Canada's and Australia's initiatives have supported the development of healthcare leaders. As these examples show, the Global Consortium for Healthcare Management Professionalization is not the only entity working to make a difference in this field. However the Consortium is uniquely positioned to make a global contribution to identifying needed competencies for healthcare leaders as a result of its international makeup. The variety of efforts that are currently under way also show that there is a growing recognition of the importance and urgency to identify needed competencies for healthcare leaders on a global scale.
  2. Despite the benefits, challenges persist in professionalizing healthcare management. Less fragmentation in addressing this issue is needed, and the case for support requires a more objective presentation of the benefits. Governments are encouraged to recognize the potential impact of professionalizing healthcare management and the need for urgency in achieving this objective. As nations strive to address the issues of outcomes, access, resources, globalization and complexity, the objective of professional healthcare management will be increasingly pressing.
  3. The work of the Consortium began in 2012 with a cross-walk of current healthcare management competency frameworks from around the world. These competency models include: USA's Healthcare Leadership Alliance competency model, Canada's LEADS leadership framework supported by the Canadian College of Health Leaders and the LEADS Collaborative partnership, Australia's competency model developed by Health Workforce Australia and supported by the
- Australasian College of Health Service Management, the United Kingdom's competency model developed by the National Health Service and the Regional Core Competency Framework for Public Health, and the emerging countries competency model developed by Management Sciences for Health for USAID.
4. The Consortium was established to support professionalizing healthcare management and to enhance training for healthcare leaders by:
    - creating an internationally agreed-upon set of core competencies for healthcare managers,
    - encouraging the use of this framework as a tool to intensify the training, employment and promotion of healthcare managers,
    - promoting the development of long-term career pathways for healthcare managers,
    - promoting peer control and development of healthcare managers through the formalization and acceptance of healthcare management associations within countries and regions.
  5. The first in-person meeting was hosted by the Pan American Health Organization (PAHO) in Washington DC, in January 2013. The focus of this meeting was to achieve agreement on fundamental competencies needed for healthcare service executives, the target audience for the framework; the appropriate range of competencies; and how and by whom the competencies should be assessed. In March, 2013, the Consortium adopted its guiding principles, and in May, 2013 the members agreed on an initial competency framework. The Consortium was then formalized and the initiative was launched in June, 2013. The second half of 2013 was spent validating the initial version of the Competency Directory. In November and December 2013, a survey was sent to experts in a variety of healthcare management settings and in locations throughout the world, who reviewed the Directory and gave feedback.
  6. In January 2014, a second meeting was hosted by PAHO in Washington, DC, to review the survey results and create an updated version of the Competency Directory. The focus of this second meeting was to utilize the diverse perspectives of 22 individuals from 15 countries to work together to gain consensus on the key competencies needed for healthcare executives from a larger directory framework of more than 300 statements. The Consortium worked to finalize and validate a list of competencies and to ensure the competency model is applicable to healthcare leaders on a global level.

7. In January 2015, a third meeting was hosted by PAHO in Washington, DC to review the updated Competency Directory, move forward with the call to action and develop a communication plan. The Competency Directory was approved by the Consortium, which was renamed the Global Consortium for Healthcare Management Professionalization.
8. The Competency Directory resulted from consensus building among the largest possible representation of healthcare management associations and groups in the world. It is a cornerstone for enhancing the professionalization of healthcare managers. It will serve as a universal reference that can be customized in each country to advance the credentials of healthcare leaders.
9. The Competency Directory is a first step of an ambitious initiative to professionalize healthcare management, and therefore the Global Consortium for Healthcare Management Professionalization is putting forward a call to action to further mobilize all key stakeholders in the health arena.



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