Emerald Management First

Quality management in healthcare: the case of a South Indian hospital



The healthcare industry presents a very dynamic and uncertain environment in which "quality issues" have occupied a central position.

As healthcare organizations are becoming more and more complex, old models of quality assurance, relying on provider-based preset standards are insufficient to solving quality problems. Concepts of total quality management (TQM) and continuous quality improvement (CQI) have taken a central role in healthcare quality management.

By adopting the concepts of TQM or CQI, a healthcare institution can move away from an inspection-oriented quality improvement system to one that orients itself to a systematic transformation of an organizational culture through a roll-out plan involving customer focus, key-process monitoring, data-driven tools and techniques, and team empowerment. In order to determine an organization's level of quality management and continuous improvement, many have used Malcolm Baldrige National Quality Award (MBNQA).

Quality initiatives in Indian hospitals

As hospitals in India are not only growing in number but in size, complexity and the types of services provided, there is an ever-growing need for professional management of hospitals. A number of private and corporate hospitals are constantly innovating and improving the technical/clinical and service aspects like never before in order to provide world-class quality. In the absence of an accrediting body for hospitals, leaders in the industry are looking at different approaches like accreditation from organizations abroad and hospital grading by commercial organizations in India to improve quality and attract new markets.

Many Indian hospitals are getting ISO certification and the Apollo Group of Hospitals in its efforts to position itself as an Indian MNC in global healthcare is undergoing the US Joint Commission on Accreditation of Healthcare organizations (JCAHO) certification process. However, external reviews rarely generate wholly

new knowledge, are found to be more confirmatory than revelatory, and do not usually lead to major changes in policy, strategy or

practice. Industry leaders in India are also voicing their concerns about the usefulness of ISO and JCAHO certification for Indian hospitals.

While the TQM philosophy has its roots in manufacturing and industry, it is based on many techniques, which could easily be transferred to the healthcare setting. The MBNQA is widely used as a model for improvement and currently there are newly established criteria for performance excellence that have been specially tailored for healthcare providers. The seven criteria are:

- leadership,
- strategic planning,
- customer and market focus,
- measurement,
- analysis and knowledge management,
- human resource focus, and
- process management and business results.

As such, its underlying theoretical framework is of critical importance, since the relationships it portrays for the different criteria convey a message about the route to competitiveness. It was therefore judged that the MBNQA healthcare criteria would provide a good framework to analyze quality management practices in the case hospital.

Hospital profile

This 350-bed multi/super specialty private hospital is located in a non-metro city of South India and is run by a charitable trust. The hospital was established in 1975 as a modest 40-bed hospital with a staff of three doctors and 12 nurses, now it can boast of over 20 specialty departments and a total staff of about 1,200 including 150 doctors specialized in various fields and 600 nursing staff. The hospital offers a wide range of medical and surgical specialty areas, and all the support services of a modern super specialty hospital.

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This hospital is forefront in adopting quality practices. Today it is one of the best hospitals in the region and is known for its excellent technical and professional service capabilities as well as its ever-expanding specialty care areas. It is the fourth hospital in the country to have obtained ISO 9002 certification for rendering quality medical care.

Quality performance based on Baldrige criteria

Leadership

The hospital has effectively implemented leadership's vision even though it has a topdown structure at the outset. Allocation of resources, setting up of systems, formal daily meetings with various level managers and proper communication indicate management commitment for continuous improvement. Result oriented work culture with appropriate systems/mechanisms to facilitate achievement of organization goals is promoted. There is a clear indication of good governance practices with legal, human resource and finance functions of the organization.

Strategic planning

Strategic planning areas include setting up high quality standards, improving organ transplant/donor availability, education of Insurance companies for customizing medical

insurance schemes and tapping the international market (also referred to as medical tourism), expanding to Dubai.

Strategic development process and implementation is obviously a great plus for the hospital considering its growth, positioning in the region and the range of services.

Customer and market focus

A number of open communication channels interfacing patients/families, suppliers, community and staff are used to ensure patient satisfaction. Regular referrals to other hospitals, technology/knowledge and responding to social causes help optimize knowledge about the market and other customers. Well-planned physical infrastructure and artefacts and a clean/hygienic ambience support the services. A general customer friendly environment and helpful front desk staff further add to value the service aspects of care.

Measurement, analysis and knowledge management

analysis Measurement, and knowledge management of medical care procedures and outcomes are given primary importance. Mortality and morbidity data analysis along with medical records, department records and summary of results are maintained. Accessibility, security and confidentiality issues of information are strictly adhered to. However, data for various processes and performance measures is rather limited due to a heavy patient load and excess work demands. This is an area of weakness for the hospital; however, an IT based hospital information system is being developed.

Human resource focus

Human resource development is judged to be highly effective based on training, continuous learning and professional development activities carried out in this hospital. Customers, coworkers and senior colleagues' feedback constitute an important component performance appraisal, done every six months. Staff orientation, continuous medical education and professional development programmes are the major efforts in training and skill development. Rewards, monetary and otherwise, are used for motivating staff. Nursing staff attrition is higher than that of doctors, but the HR department tries to analyze and understand reasons, and minimize attrition through different benefits. Some challenges like staff retention, motivation, transparency and procedures continue to exist. However, this is one of the best-reported areas of hospital performance and

highlights the importance of human resource development in quality management.

Process management and business results

Standard operating procedures (SOPs) for emergency, laboratory, routine admissions and registrations, etc., are in place. Feedback to improve healthcare processes is an important feature. Doctors' inputs, latest information from medical journals and management inputs are used for improving care processes. Measurement and data analysis for healthcare processes and outcomes are rather basic and needs improvement. Support processes like pharmacy, central sterilization, diet and nutrition, etc., are very well streamlined with other processes. Safety and security processes are standardized. There is an active disaster management team, and rules and hazards are clearly displayed for various equipments used in the hospital. Overall process management is judged to be good; however, improvements such as incorporating data analysis into improving care processes are needed.

Organizational performance results are comparable to any multi-specialty hospital in India. The hospital's reputation and good quality services have been a major attraction to different groups of customers. In terms of referral within and outside, the relationships with various groups of customers are judged to be very positive. The patients show preference and return to the same consultant, which is seen as a good sign of customer loyalty. The hospital is reported to be a profit making venture. It has entered the field of cardio thoracic surgery in the last three years and it has already broken even at the end of two years.

Superior performance

The analysis of quality management using MBNQA criteria of the case hospital demonstrates that committed leadership is a driver for management accountability and creation of environment for empowerment and organizational agility. The hospital has effectively implemented the leadership's vision even though it has a top-down structure at the outset.

Human resource development is judged to be highly effective based on training, continuous learning and professional development activities. Customer focus has resulted in high customer loyalty, which is a positive change in a traditional healthcare system that is primarily provider based. Measurement, analysis and knowledge management and information technology based hospital information systems is an area of weakness for the case hospital. Also, there is a very limited amount of information for

benchmarking hospital performance in India and that in itself poses challenges for comparisons among hospitals in the country.

Though the hospital has made good efforts towards subsidizing the availability of medical care to patients in the lower end of economic scale, areas of social equity are still a difficult proposition to be achieved by a private healthcare provider owing to costs of high technology medical care.

Overall, this case hospital is judged to be performing at a good level. The hospital has followed the lead of other leading sectors in implementation of TQM, and the rich experience and knowledge of quality management available with this hospital really provides lessons to other hospitals in India and abroad in achieving superior performance. \Box

July 2007.

This is a shortened version of "Quality management in a healthcare organization: a case of South Indian hospital", which originally appeared in *The TQM Magazine*, Volume 19 Number 2 2007.

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