

Effects of Organizational Structure on Management of Public Hospitals in St. Vincent and the Grenadines

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Abstract

This study explored the effects of organizational structure on the management of hospitals in St. Vincent and the Grenadines. The study sought to answer the question: What effects does the existing organizational structure have on the management of hospitals in St. Vincent and the Grenadines? The study took a qualitative approach. The participants consisted of a purposively selected sample of forty-five (45) top level and senior managers in the health care system, assigned to the four public hospitals on the island of St. Vincent and managers within the administrative arm of the Ministry of Health, Wellness and the Environment in St. Vincent and the Grenadines. The findings revealed that poor problem-solving strategies and the lack of or inadequate input from middle managers as it relates to operations of the organization were some of the ways in which the existing organizational structure affected hospital management. The results also highlighted challenges which included inadequate communication, poor distribution, and management of resources as well as poorly defined and inflexible roles. Lack of support from top level managers, contradictory decisions made by the managers and poor accountability measures, were also stated as challenges of the existing structure. The results of this study have informed the conclusion that the organizational structure of Hospital Services impacts performance, prompting a call for review of the existing organizational structure of hospital services in St. Vincent and the Grenadines.

Keywords: *Hospital services, Management, Organizational structure, public hospitals.*

Introduction

St. Vincent and the Grenadines has an area of one hundred and fifty (150) square miles, and a population of 110, 000 persons throughout the islands. The population of the country is considered stable as growth has remained at 0.89% over the years [1]. The public health care system of St. Vincent and the Grenadines includes one (1) main hospital, five (5) district hospitals and one diagnostic Centre. The total number of beds in these facilities is three hundred and twenty-six (326). Over the years, the main hospital (the Milton Cato Memorial Hospital) was the only institution included in the programme of secondary health care services in the Ministry of Health Wellness and the Environment. In the year 2016,

following a series of consultation on the recognition of the need for change, the programme was restructured to include other institutions; hence, all the hospitals on the island of St. Vincent were included as a part of secondary health care, and the programme then became “Hospital Services”. Despite the changes in the programme, which included the expansion of services there has been no change in the organizational structure of the programme. The managers at the Milton Cato Memorial Hospital were charged with responsibilities for the facilities that were added to the programme.

In his 2018 budget statement, the Prime Minister of St. Vincent and the Grenadines announced that there will be a change in the

organizational structure of Hospital services. It is therefore the focus of this study, to establish the effects of such organizational structure on the management of hospitals in St. Vincent and the Grenadines [2].

Purpose of the study

The purpose of the study was to explore the effects of organizational structure on the management of hospitals in St. Vincent and the Grenadines and establish whether there was need for a change in the current organizational structure of hospital services in St. Vincent and the Grenadines.

Research Question

The study sought to answer the question: What effects does the existing organizational structure have on the management of hospitals in St. Vincent and the Grenadines?

Literature Review

Organizational Structure and Management of Hospitals

Hospitals are complex organizations by virtue of their operations and management, having multiple elements in functions, services, and leadership. According to [3], understanding of the organizational structure of hospitals will ensure that the employees of the hospital know their individual responsibilities. It was also stated that to accomplish precision in the execution of job responsibilities and accountability, hospitals use vertical organizational structure with many layers of management.

Traditionally, hospitals are seen as having dual hierarchies, comprising of a formal administrative pyramid and the professional medical system. Changes in general hospital management which includes developments in areas of legislations, financing and organizational structures has resulted in interesting developments. With these changes resulting from increased size, mergers and integration of specialist services, there are

outcomes of change in positions of power, strategic decisions and shifts in influences from medical professionals to middle and top managers [4].

It would be reasonable to assume that there is a relationship between the structure of an organization and how the organization is managed. According to [5], health care systems are notoriously difficult to manage. It was stated by [6], that more complex organizational structures will result in positive performance or greater effectiveness and profitability, further stating that certain structures are better able than others to achieve certain goals.

The management of hospital requires the appropriate skills and knowledge in order to facilitate efficiency and effectiveness. Transformation of the health care organization necessitates that managers acquire not only skills, but also the abilities and knowledge needed in understanding processes of effective leadership and also to be able to anticipate changes that may occur in the environment [3].

Effects of Organizational Structure on Management of Hospitals

The impact of the organizational structure on the performance of the organization was measured in private hospital in Malaysia. It was found that those hospitals that utilized formalized rules and written procedures to ensure management and governance in hospitals exhibited improvement in performances in areas of internal business processes, quality of care to patients, finance as well as organizational learning and growth [7].

In some developing countries, health sector reform has been utilized as an opportunity for enhancing health care through community governance and to improve effectiveness of management in the public hospitals [8].

While there has been increased interest on the organizational contributions to health care delivery, the methods and means of improving health care services in order to improve care

delivery have been a major challenge for practitioners and policy makers.[9].

It was posited by [10], that health system management is a global Phenomenon that has been progressively established over the last thirty years and has become a potent force resulting in great cultural shift in health. Before 1980, doctors dominated the healthcare services, in terms of decision making, distribution of resources and control of day to day running of health facilities. However, the concept of general management with a single person having overall management responsibilities was introduced in 1983, and replaced the triumvirate (doctor, nurse, administrator), and managers were empowered for operational as well as strategic decision making. The health system today is typified by the emergence of information revolution, the arrival of health managers as powerful players inter alia.

Challenges in Current Hospital Management

Healthcare delivery in resource constrained environment can be challenging, as managers are expected to balance disease burden, patient load and shrinking resources, while maintaining quality of care. Leaders in health care need a change in strategy, as the expectation of good governance and management incorporates not only the management of resources and people, but also an understanding of the context of executive responsibilities, staff motivation and consumer needs.

Association between the leadership of hospitals and quality has not been deeply explored, and there is less known about how leadership and management – as two critical elements – influence the delivery of high-quality care [11]. Furthermore, [11] added that higher quality of care was delivered at hospitals with more effective management practices of frontline managers; and that hospital boards that were rated higher had superior performance by management staff.

An understanding of the interaction of hospital boards and management as well as the ways they motivate the gains and quality of hospitals is critically important [11]. Additionally, [12] stated that challenges in organizational structure include increasing horizontal differentiation which may cause conflict in communication and coordination due to the existence of various professions in hospitals, and insufficient authority of managers in recruitment, relocation, promotion and dismissal of personnel and inefficient use of time due to bureaucracy in hospitals.

Addressing Management Challenges Relating to Organizational Structure

It was posited by [5], that efficiency in managing hospitals requires use of funds in a responsible and effective way coupled with the professional management and competent governing structure. Top-level organizational leadership, policy making, and decision making are shared processes in governance of hospitals, and there are principles of ‘good governance’ that could be applied to the management of health care.

The problems with health care quality were identified by [9], as being related systems rather than individual competencies, also positing that the hierarchical of health care systems is arrayed where the levels affect each level below it. They further stated that in order to improve the quality of health care systems, there must be an overhaul of the system that exists, and that the overhaul should include all levels.

According to [12] the performance of the health care organization – which includes hospitals – depends on the skills and knowledge of human resources. Thus, consistent leadership is required for the achievement of high performance and improvement in quality of care and outcomes.

Public hospitals are known to be difficult to reform and while they remain broadly insulated from major policy-driven change, there are noticeable successful changes in medical

practice in keeping with current trends and public needs. Since the early 1990s, there was the rise of “new Public Management theory” which called for the private sector-derived managerial strategies [13]. More recently, the idea of complexity theory has been invoked, resulting in explanation of why organizational change was difficult, but providing strategies in achieving it.

A variety of regulatory solutions have been put forward in the health care sector to address the problem and turning away from public sector control by creating different management structures including a semi-autonomous public hospital management. These have all been suggested as solutions and in some cases have been introduced and have had some effect on hospital behaviour and institutional outcomes. Although these have been positive, they have often been less powerful than expected and not necessarily what was intended [13].

Methods

Research Design

The study utilized a qualitative approach. The selection of a qualitative method was made due to the explorative nature of the study. In addition, the study sought to explore the knowledge and opinions of the participants regarding the stated problem rather than the collection of statistical data which results from a quantitative approach.

Population and Sampling Technique

This study was conducted in the four public hospitals on the main island of St. Vincent. The four hospitals were conveniently selected due to their accessibility as well as the fact that they are part of Hospital Services. The sample of the study consisted of forty-five (45) top level and senior managers in the health care system, assigned to the four public hospitals on the

island of St. Vincent hospitals and those within the administrative arm of the Ministry of Health, Wellness and the Environment in St. Vincent and the Grenadines. The top level and other senior managers were purposively sampled to provide the information that is relevant for fulfilling the purpose and achieving objectives of this study, as well as to inform an appropriate conclusion. According to [14], data saturation is often obtained with numbers between twelve to thirty (12 – 30) participants of a study. Additionally, purposive sampling was used based on the existing system of operations of facilities, where the duties of managers extend to more than one institution.

Data Collection Instrument

A semi-structured questionnaire was utilized to collect data. The questionnaire comprised fourteen (14) open-ended and close-ended questions and was divided into five sections according to topics which include demographic data, organizational structure, effects, challenges, and changes.

Results & Discussion

The study investigated the effects of existing organizational structures on hospital management in St. Vincent and the Grenadines. This was done as a means of assessing the effectiveness of these structures in the delivery of hospital services. The response rate of this study was 86%, which is considered an acceptable value [15, 16, 17] The results of the study are presented and discussed as follows.

Effects of Existing Organizational Structure on Hospital Management

A number of effects that the existing organizational structure has on hospital management were revealed in this study as are as presented in Figure 1.

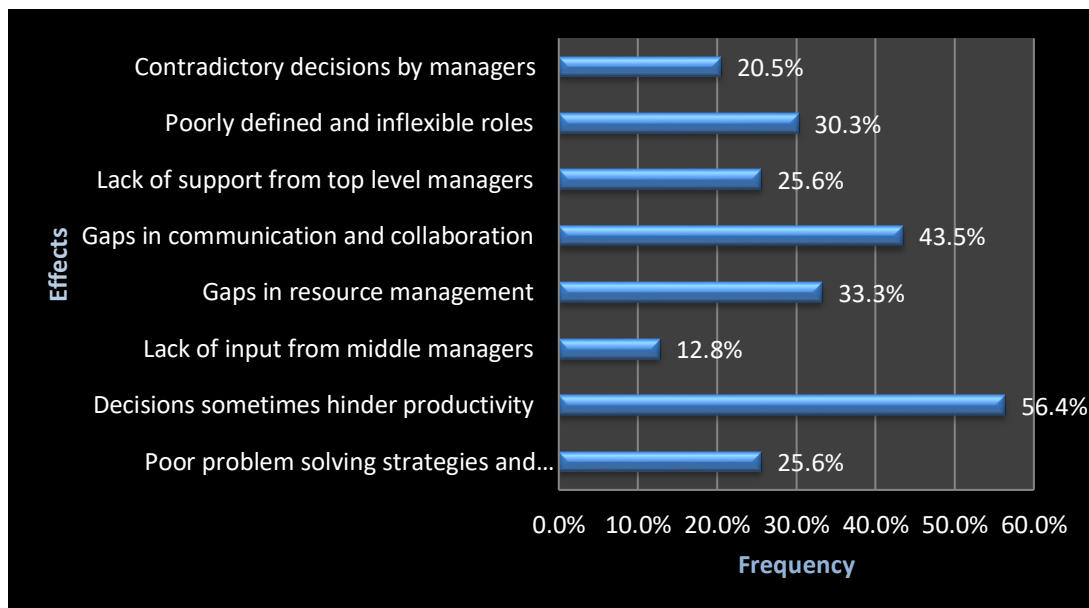


Figure 1. Effects of organizational Structure on Management of Hospital Services

As illustrated in figure 1 above, 56.4% of the participants stated that the current structure resulted in decisions that often hindered the productivity of the organization. Some participants (30.3%) stated that organizational productivity is hindered because the organization structure has poorly defined and inflexible staff roles. These poorly defined and inflexible staff roles also contributed to conflicting or contradictory decisions from managers as cited by 20.5% of the participants and poor accountability and lack of support from top level managers was cited by 25.6% of participants as another effect of the organizational structure on the management of hospital services.

Gaps in communication and collaboration were stated by 43.5% of the participants as another way that the organizational structure affected the management of hospital services. In a study on management practices and performance of public hospitals in Uganda, [18] found that communication was seen as the biggest independent factor on performance in hospital management. Communication was noted as the highest association to performance and management, while decision making was seen as the lowest associated factor.

The study also showed that existing organizational structure contributed to gaps in resource management (33.3%). The structure prevented proper distribution and management of resources within the organization thereby negatively affecting the delivery of hospital services.

Other cited effects of the organization structure on management of hospital services included poor problem-solving strategies (25.6%) and lack of or inadequate input from middle managers as it relates to operations of the organization (12.8%). Lack of input from middle managers was mostly reported by participants in the categories of supervisors and senior staff.

Similar effects of organizational structure on management of hospital services were reported by [6] who stated that success of an organization is a result of the structural organization, and that certain goals are better achieved with certain structural configurations. In a vertical organizational structure, the provision of clear lines of authority offers efficiency in operations, with closer monitoring of staff and better control of activities. However, there may be issues in human resources as some employees, particularly those

at the bottom levels, may experience feelings of being less valued.

It was stated by [19], that most hospital management challenges are related to structural issues as decisions making is done at a number of different “centers” and most managers believe that they do not have executive authority in their roles; that they do not make decisions but rather issue orders based on decisions made by those in higher authority; they do not utilize their skills in management and that there was no congruence between authority, responsibility and accountability.

Conclusion and recommendations

The results of this study have informed the conclusion that the organizational structure of Hospital Services impacts on the performance of these services.

The effects of the existing organizational structure on hospital management included flaws in the communication and command lines; conflict and contradictions among the leaders of the programme and inefficiencies with role definitions and resource management. With the forgoing listed as challenges identified, it can empirically be concluded that the management of hospital services is exhibiting gross inadequacies resulting from the way the organization is structured. To improve

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outcomes and reduce chaos, a new kind of leadership must be developed in the health care system where the workforce is understood, and teamwork is a requirement for improved performance [20]. In view of these findings, it is recommended that the existing organization structure be reviewed for improved service delivery of hospital services.

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Conflict of Interest

The author declares that there is no conflict of interest associated with this paper.

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