

## Strategic Management of Human Resources in the Health Care System

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*Abstract* Development of the strategy in the health care system cannot be done without granting special attention over human resources. These are an important component in any system and influences the evolution and actual situations by their subjective dimensioning. HR management should actively participate in drafting the strategy, having in consideration the relatively long time stamp of the strategy. This participation is determined by the time needed to ensure appropriate and adjustable human resources to the strategy considered. The activities specific to the planning, organization, coordination, training and evaluating human resources are expensive activities which impose a special attention, particularly because it affects directly the achievement of the proposed objectives.

*Keywords:* strategic management; management of the medical system; management of human resources; strategy in the medical system; economic constraints for human resources.

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### 1. Introduction

In order to build a durable development strategy in the health care system, the assembly of measures to preserve, grow and value all the resources available for the medical system in a given moment has to be identified, and between them, the human resources are becoming primary due to the fact that the development of a social system is achieved in the first place by people and especially for people.

Human resources raise special problems in quantitative and qualitative terms. Their quality represented a preoccupation, especially in the last decades, and one of the main themes of the public policies in many countries. The quantitative and qualitative analysis of human resources from the health care system assumes the evaluation of the educational level and professional level, level which forms the human capital.

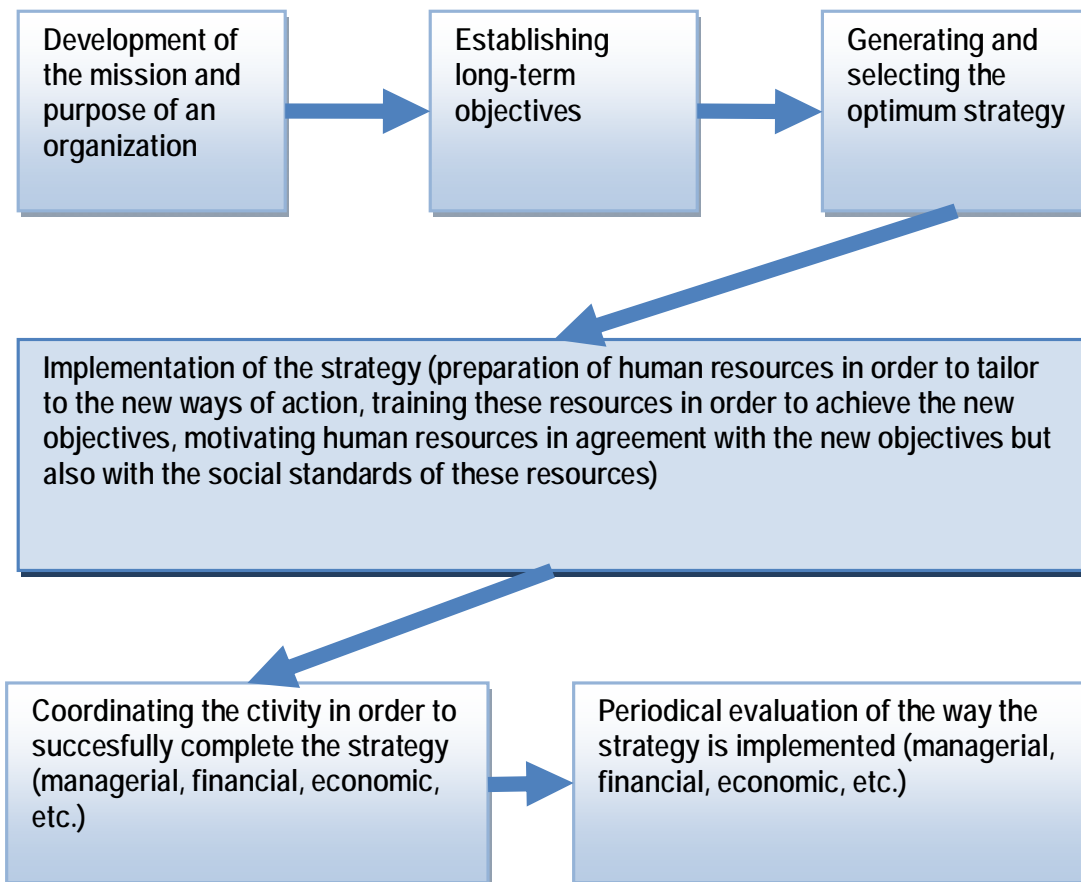
Most of the knowledge, skills, and qualifications are acquired in school, through the educational process, and therefore, education and professional training of human resources within the health system have the decisive role in the acquisition and development of human capital and, accordingly, development of the system they belong. For the effects generated by the quality of human resources over the health system and implicitly over its social and economic side to be maximum, it has to comply with certain conditions becoming more and more significant and which impose a strategic approach. In figure no. 1 it is observed the importance of human resources within the strategy.

As regard to the human resources within the medical system, the strategy delivers the necessary frame for annual planning, annual budget and evaluation cycle within the system. (Lefter 2008)

The process is rational and includes the entire system, but is admitted that this rational approach presents an external dimension, since the plans are made and executed according to the external environment.

The strategy in the field of human resources includes a large vision which deals with data and aggregated tendencies and not with disaggregated details. On the other hand, the strategy in the health system operates with long-term perspectives more than with short-term perspectives. Moreover, it is important to consider strategy as a perspective and to focus on strategic thinking. Human resources from within the health system do not need only agenda of improvement on short term but also strategic approaches of support on long term.

Figure 1. Importance of human resources within the strategy in the medical system



A model for understanding the strategy which has a considerable applicability for management of human resources from the medical system has mainly a structure with two main directions. Firstly, it sorts the change which, in its dynamical form, it considers as better described as turbulence, covering a low to high turbulence range. Secondly, it sorts the levels of understanding the nature and sizes of that change and an ability of the system to respond to the change. Within this strategic approach, are considered four strategic fields: strategic planning, emergent strategy, entrepreneurship and strategic intention.

## 2. Evolution

Strategic planning is based on the premise that in large terms (dealing with aggregate data) is possible medium-term planning, e.g. five-year planning, because the environment is predictable. Strategic planning operated with an environment where there is a moderate or low level of turbulence - fundamental nature of the health system was not caused, and there is a high level of understanding regarding the level of turbulence and how it can be understood, and its impact, On short, strategic planning takes place in stable and predictable parts of the system environment which deals with aggregate data in a certain time interval.

The emergent strategy can be better understood if it is considered to be learning from practice. This appears when human resources from within the health system registers a change which, although on background is not significant, is not fundamental for the existence of humans, and the leaders have a limited understanding over the nature of the change or how to better implement the necessary change. (Cassels 1995)

In such circumstances, it can be used a process of continuous perfecting of human resources by what is done, by trial or error. Therefore, unlike strategic planning, this change involves a reactive process to the level of the entire system. This approach which is often used by human resource managers when they have to face many initiatives coming from the government, when the health care facilities have little time or too little choice for the task of implementing the change or how to implement the change, but it builds experience, which advance planning cannot do. (Lefter 2008)

The term of entrepreneur describes a creative and dynamic individual who develops products and sells them on the market. The term of intrepeneur describes the same type of individual, dynamic and creative, but who operates with a larger organization. This form of strategy involves a very limited number of requirements from the center and allows the subunit to have a considerable freedom on the operating manner and the manner to accomplish those central requirements.

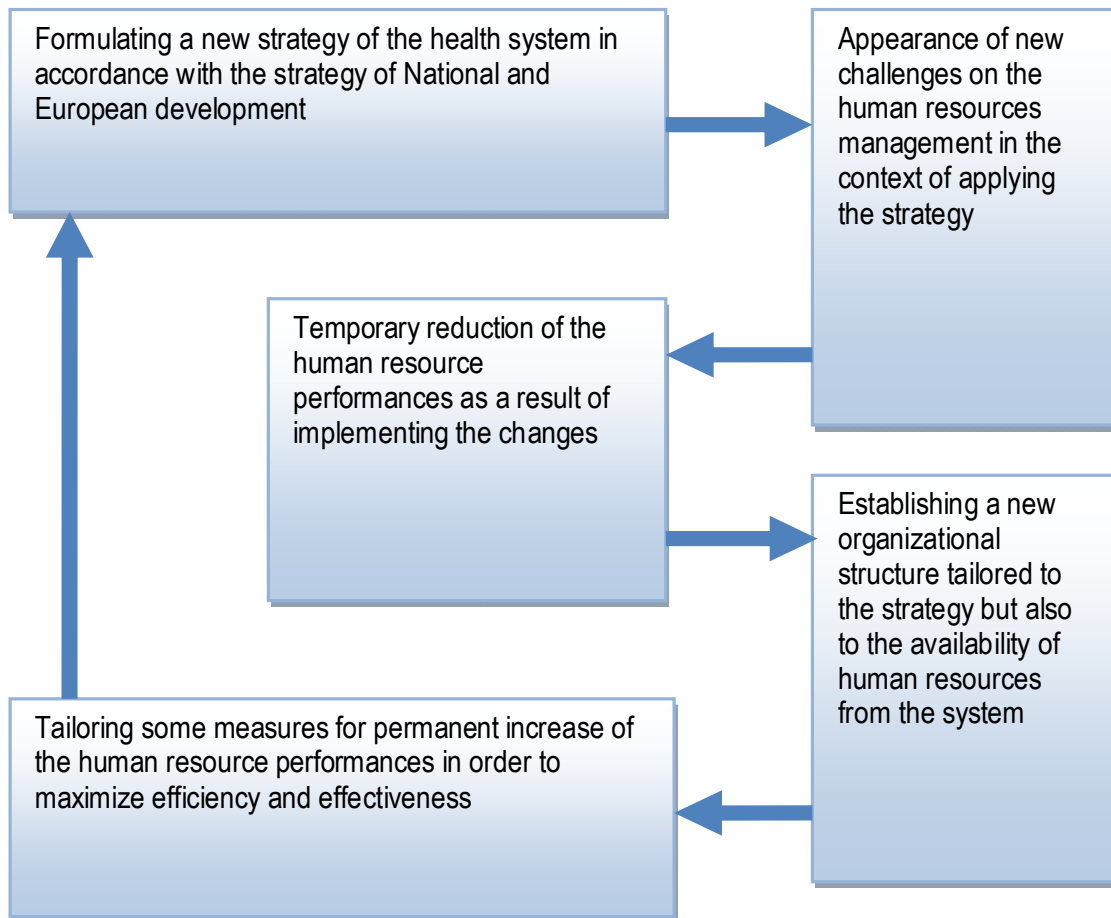
Intrepeneurship is associated with the management based on location or delegated management. It can be involved also within the health system or at the regional or central governmental level, even at the level of hospitals and clinics. The government could constitute a number of reforms or initiatives. Then it can implement a series of schemes which distribute the management on level of the medical units, therefore, at least in theory, leading to the increase of the abilities of these units to implement reforms. Then, the administrative units of the medical system would be considered liable by a limited number of central measures of liability. At the level of the administration unit from the health care system, it is not recommended that any individual leader to try to understand every detail or aspect of the major reform by which human resources will have to pass. In practice, they would delegate the responsibility to every individual subject leader and would consider it liable against a global requirement of the system.

So, in conclusion, intrepeneurship is a strategy by which the central unit develops and fights with the complexity making the subunit liable for the limited central targets within a large frame of decentralization and management based on location. The strategic intention of an organization allows planning in a turbulent environment with a larger understanding, without being necessary to employ in obsessive details in the planning process. Strategic intention involves management of the organization which has to be capable to articulate a limited number of strategic intentions - even only five, in order to prevent the loss of concentration. These intentions involve significantly ease of the organization performance in critical fields. Therefore, strategic intention imposes a process to build the capacity and capability. (Luchian 2005)

When the concept of strategic intention is used, the medical system would establish a limited number of intentions, and these would be expressed in clear terms, because they do not represent only vague visions, but also specific fields of activity. They can be considered as means to translate vision in action. The manager of an organization from the medical field would know the fields on the fundamental change and improvement and would know that to obtain, but for the moment would not know how to improve.

A good example would be the development of a successful culture and of high achievement by the entire human resource from within the public health system. The challenge would consist in living with the ambiguity while the organizational capacity is developed firstly to understand the nature and sizes of the field to be developed and then are built solutions. In figure no. 2 is evidenced the strategy in the health system from perspectives of human resources.

Figure 2. Strategy of the health system in approaching human resources



Strategic intention is connected to taking over the cultural change and fundamental re-thinking by building capabilities and organizational competences, and not by assuming that the medical system has a set of linear simple plans to put in force.

With an approach of strategic planning is possible to go directly to the implementation of the plan, but the process for building capacity required in establishing a set of usual strategic intentions involves work in all the four stages. The human resources managers understand, at least in theory, very well the strategy, but often see it as a simple addition of another year to a short-term planning frame. Of course, the control systems from the central level of the system often require planning frames with results which can be defined and measured. This precision can be very good for certain activities, but when we have activities connected with qualitative indicators, complex, which are connected with social and emotional understanding, such specification is not possible. (Flett 2008)

When such challenges appear, connected with the change in organizational culture, with establishing intentions while the organization builds an understanding over the nature of the change and the capacity to take it over, this is the only way to obtain a sustained transformation. We can say that the change strategy and improvement vision are easier than to move the culture.

There is a key factor to highlight here: no strategic approach is superior to other, necessarily. All can be developed in different circumstances and, indeed, the medical system can use more of them competitively. The particularly significant field of building strategic intention allows the HR manager from within the health system to undertake the fundamental re-enlightenment of human resources and the organizational practice which means both creativity and development and the more specific planning of human resources from within

the health system. If HR management develops the idea that the rational, linear and predictable strategic planning is not necessarily feasible, it is more probable that the emergent strategy, entrepreneurship and strategic intention to have a considerable contribution in the medical field.

We can say that it is an error to believe that the long-term results are controllable and predictable. Therefore, analytical thinking which has a cause and effect relationship should be replaced with analogue thinking. We can consider that focusing on the perfecting process and mental patterns which govern the process, rather than on results, can constitute a more beneficial approach. Therefore, it is considered that instead of vision and plans, efficient managers will focus on the changing agenda of strategic problems, challenges and aspirations.

The key message of the model of dynamic systems represents a concern as regard to the order, stability and consistency of the perpetual frames which prejudice managerial creativity and ability to deal with the unknown. When the future is not stable, the managers cannot install techniques, procedures, structures and ideologies in order to control results on long term. (Cassels 1995)

Although, they can handle with limitative conditions in a way that pushes the system in an area far from balance where can appear spontaneous self-organization and where can converge new strategic directions. Then, the managers will have to deal with key questions which are not connected with maintaining the stable balance, but with the manner in which can be established a constraining instability sufficient to cause the complex development of humans.

From the above mentioned, we can deduce that, in fact, the conceptual frame of planning has to be developed on order to lead to the idea that the strategy can be developed in a non-linear or emergent manner. This perspective can help managers to deal with the unknown challenges and can help us to understand that the simplistic models of the predictive safety are no longer appropriate to the actual complex systems. Probable, by creating a number of strategic capacities or competencies in a core and relating them with the strategic intentions, we can find a way to build the capacity to develop strategies as the events appear. This manner of building would involve organizational learning as proactive strategy which could be a better solution against the one to be based on reactive answers later. This aspect imposes the involvement on participative level of all human resources from within the system. (Luchian 2005)

If the strategy develops deliberately by approaching rational planning or by processes of building emergent intentions, the managers will need to translate that strategy in action. This change is fulfilled by employment in the strategic process. In order to define this strategic process, five perspectives are required:

- penetration: the ability to find a meaning to the environment and its impact over the organization, and the ability to prefigure a viable future;
- concentration: as the estimation of feasible and desirable actions, the ability to choose the right ones at the right time and concentration to see their implementation;
- alignment: key task to align the individual and the organization to the strategic direction of the program;
- execution: the ability to efficiently implement the strategy;
- renewal: the ability of the organization to learn from the strategic process and to renew its purpose.

When elements of the successful translation of the strategy in action are identified, the central factor is the capacity of strategic management of the manager and of the administrative team of the unit. Therefore, is appropriate to consider firstly the management and then the strategic management. (Flett 2008)

As regard to the strategic management at the level of the health system (especially as regard to the human resource as strategic resource), but not only, it is clearly that we must observe that the strategic process aims in positioning medical unit in its relation with the competitors from the external environment. As a result, in the large part of the cases, on international level, efforts have been made in order to employ external experts or advisors, trained in the process of strategic planning. The medical units used the connections of their personnel with communities, thirds or businesses in order to identify aspects of external environment and to establish new opportunities.

Although, practice or approaching demonstrated rather a constrained strategic vision, especially as regard to the external environment, even situations where the perspective over the entire system was absent. There were situations where the leaders from the level of educational unit did not consider the competition as being significant. (Cassels 1995)

The reasons on this dispersion can be more complex, but the ones managing the medical units rather have an internal operational orientation, somewhat far from the external environment. The managers of medical units, who saw the competition as being significant, were the ones who had responsibilities also outside the unit where they worked.

Also there were micro-political factors which made to disappear any rational perspective of the external environment. Although, probably the most fundamental inhibitor vis-a-vis a rational perspective of planning was dissociation of the strategic planning and obtaining funds.

### 3. Concluding Remarks

The medical units are, mainly, supported with public fund and, therefore, the study of strategy and politics finds its place within the debates of public management. On European plan, all the issues on the delivery of public service have been altered by managerial reforms of the 80s and 90s, even of the reforms besides these periods, which led to a re-defining of the relations between the center and the institutions which deliver services. While there are different emphasis over the ideological perspective or other motivators of these reforms, there is although a consensus in the literature on the reduction of the role for delivery of service, the state having less responsibility connected with the delivery of services, this leading inherently to the proliferation of agents, non-department public bodies and especially in partnerships, all these being connected by contractual relations, surveillance and regulating regimes. This direction became international, although there is an active debate over the extent in which this convergence goes beyond discourse and decision to reach the results.

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