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**NECESSARY CONDITIONS
FOR PERSONNEL CONTROLLING
IN HEALTHCARE UNITS**

Introduction

After the restructuring of the Polish Healthcare Sector new ways of managing organizations of this sector (different to the previously applied ones) should be introduced. The ultimate shape of the Healthcare System is still being discussed. Part of changes concerning this system are introduced according to individual ideas rather than solutions offered by state authorities. One of the necessary changes in the Healthcare System, which will enable solving problems in Healthcare units, is for example introducing management tools which have already been applied in organizations of the Private Sector. Surely, controlling solutions at the strategical and operational level can be classified as such tools. Creating budget and control of results in the most cost-making areas (such as distribution of medicines, number of patient's stay at hospital and optimization of single medical procedure costs). Without any doubt, this way of dealing with problems is necessary for sound management based on reliable information derived from solid, system of accounting management. In most Healthcare units income costs are the highest of all costs. Therefore, it is extremely important to apply personnel controlling. This article tries to identify circumstances in which personnel controlling in Healthcare units is possible to be applied. Moreover, it examines context of the changes concerning personnel controlling, which is possible after research conducted by the author himself.

1. The Philosophy Issue of controlling and personnel controlling

It is worth noticing that using controlling is often mentioned in the context of to industrial organizations, however, its elementary methods and principles are for many organizations. Controlling is especially important in modern management in the Public Sector as it deals with two basic aspects: management by achieving goals and creating budget. The main idea of management by achieving goals is to create unified system of goals and their consequent realization¹. This approach makes this type of management a motivation tool, motivative tool. Additionally, certain organizations gain from it as it integrates employees. It is one of management methods aimed at achieving company's key goals². New

¹ M. Sierpińska, B. Niedbała: *Controlling operacyjny w przedsiębiorstwie* [*Operational Controlling In Corporation*]. Wydawnictwo Naukowe PWN, Warszawa 2003, p. 68.

² *Podstawy zarządzania przedsiębiorstwem* [*Principles of Corporation Management*]. Ed. H. Bieniok. Vol. II. University of Economics, Katowice 2001, p. 142.

approach to Healthcare unit strategy management by achieving goals is related to Mission Oriented Scorecard. As far as creating budget is concerned, it enables changing strategical goals of certain organizations units into operational ones. The literature concerning the given topic presents few concepts of controlling:

- controlling that is oriented at accounts,
- controlling oriented at data information generating and processing,
- controlling as a subsystem of management³.

Baring these information in mind one can clarify the definition of controlling that is given by H. Bieniok: ‘Controlling is a system of unified actions in management mainly concerning planning, control, data gathering and processing as well as organizing and personnel training in order to achieve organization’s goals’⁴.

Introducing budget system helps in creating so called ‘cost awareness’ in single employees. As they are given certain tasks to perform they start to be aware of an influence they have on organization’s financial aspect. The role employees play in the structure of organization's goals is being indicated. Introducing system of goals based on hierarchal structure will enable easier identification of these dependencies. This leads to circumstances when employees feel more responsible for the process and results of achieving goals⁵. Creating budget treated as a mechanism that helps in sound management is observed to:

- allocate resources (choosing tasks possible to be performed using these of the resources which have already been possessed),
- keep constant control of results (comparing results with earlier plans),
- play integrative role that helps to eliminate actions which should not be performed (the same or contradictory actions),
- making optimization of plans due to foreseeing possible results of organization’s activity
- play informative role (keeping control and optimizing costs after their assessment and noticing reasons why they appeared),
- assesses department managers⁶.

³ M. Sierpińska, B. Niedbała: Op. cit., p. 25-29.

⁴ *Podstawy zarządzania przedsiębiorstwem [Principles of Corporation Management]*. Ed. H. Bieniok. Vol. I. University of Economics, Katowice 1997, p. 267.

⁵ K. Gorczyński: *Controlling jako instrument zarządzania finansami przedsiębiorstwa [Controlling as an Instrument in Financial Management]*. In: *Zarządzanie finansami. Mierzenie wyników i wycena przedsiębiorstwa [Financial Management. Evaluating Corporation and its Results]*. Vol. II. Ed. D. Zarzecki. University of Szczecin, Szczecin 2003, pp. 209-212.

⁶ K. Jędralska, B. Woźniak-Sobczak: *Metoda controllingu strategicznego i jej implementacja w zarządzaniu biznesem [Method of Strategical Controlling in Business Management]*. University of Economics, Katowice 2001, pp. 116-117.

Creating budget of employees' incomes is of great importance as costs of these incomes are the highest of all as far as primary costs are concerned. Examining the whole concept of controlling one can point at some of its functional areas such as: logistic controlling, controlling of production and personnel controlling. The role of this type of controlling in the Healthcare Sector is an important one. Personnel controlling is the one to be applied in order to use employees' potential in the most effective way so that it would be as profitable for company as possible. It has two major roles: informative role based on gathering and processing personnel information and controlling one that is related to coordination and system control⁷.

The elementary features of personnel controlling are as follows:

- perceiving employees as an important element of company's potential,
- perceiving personnel as source of organization's competitiveness,
- changing approach of treating employees only as a source of possible costs,
- combining personal strategy with the overall strategy of company,
- active introducing managers at one level in the process of personnel management⁸.

Personnel controlling deals mainly with investigating:

- dependencies between personal strategies and other strategies of a certain organization,
- social potential possessed by company,
- employees' qualifications as to the task they perform and are to perform in future,
- the way developmental plans influence the change in requirements concerning employees' qualifications,
- how personal system and motivative factors encourage employees to work effectively,
- the level of proper decisions concerning personal policy which result in higher costs of employment,
- employees' reaction to changes in personal system,
- culture of company organization,
- right decisions as to employment and choosing suitable measurements at every level of personnel management⁹.

⁷ Z. Sekuła: *Controlling personalny. Część I: Istota i przedmiot controllingu personalnego* [Personnel Controlling. Part I: The Issue of Personnel Controlling]. Oficyna Wydawnicza Ośrodek Postępu Organizacyjnego, Bydgoszcz 1999, p. 55.

⁸ A. Poczowski, J. Purgał-Popieła: *Controlling personalny* [Personnel Controlling]. In: *Controlling funkcyjny w przedsiębiorstwie* [Functional Controlling in Corporation]. Ed. M. Sierpińska. Oficyna Ekonomiczna, Kraków 2004, p. 179.

⁹ Z. Sekuła: Op. cit., p. 56.

Difficulties with measurement of economical effects in personnel management lead to introducing indicators that help in assessing work and its effects which are related to development of work potential as well as to other areas of personnel management¹⁰.

Measurements used in personnel management and other areas of management can be classified as 'hard' and 'soft'. According to Fitzenz the accurate evaluation of tasks and functions of personnel management can be done using measurement tools that measure:

- productivity,
- quality,
- costs,
- time,
- 'soft data',¹¹.

The first measurement tools to be used should be 'hard' measurement tools as they are more available and then gradually one can use 'soft' measurement tools. Fully objective results of using 'soft' measurement tools depends on right construction of a measurement tool and eliminating subjective factors which can have a negative influence on measurement results¹².

System of measurement should be as clear and understood as possible. Moreover, it ought to measure the most important factors which share common cause and effect relations. The complete measurement of the effectiveness of personnel management can take place at four levels:

- company's own effectiveness of personnel management,
- the influence of personnel management on organizational processes,
- employees' actions as a result of applied methods and systems of personnel management,
- the influence of these who possess personal function in achieving goals¹³.

2. Features of personnel management in Healthcare units

Personnel management in Healthcare units during restructuring of the Sector, lack of personnel in certain work groups (especially the problem of genera-

¹⁰ K. Jędralska, B. Woźniak-Sobczak: *System wdrażania controllingu w przedsiębiorstwie* [How to Introduce Controlling in Corporation]. University of Economics, Katowice 2000, p. 125.

¹¹ M. Fryczyńska: *Działalność personalna w perspektywie zysków* [Personnel Behavior and Gains]. „Personnel” 2003, No. 20.

¹² J. Brahman: *Benchmarking w zarządzaniu zasobami ludzkimi* [Benchmarking in Personnel Management]. Oficyna Ekonomiczna, Kraków 2004, p. 116.

¹³ M. Fryczyńska: Op. cit.

tion gap as far as certain medical specialists and nurses are concerned) as well as in the aspect of high costs of employees' incomes seem to be more important in its strategical sense. Since January 1st, 2008 changes in organization of medical doctors' work had to be introduced. It is the result of adjusting Polish medical laws to the laws of UE. It is worth mentioning that these changes are not related to regulations of civil-law contracts. It is not until December 31st, 2007 that emergency services were not perceived as normal work hours. The number of medical doctor was obliged to take could not be higher than two hours a week and eight hours a month (which was regulated by Act of Healthcare Units – Ustawa o Zakładach Opieki Zdrowotnej).

After changes had been introduced and medical background and reactions to these changes had been shown (concerning the possibility to work after work hours – over 48 hours a week so-called opt-out) other systems of work had to be applied. The possibility of work on civil-law contracts has been an alternative to other work systems¹⁴. Supplying of medical service is a process where engagement in work is of crucial importance. In the majority of Healthcare units income costs are the highest of all the costs¹⁵. Changes in medical duty hours and treating them as work over hours (as far as income costs are concerned) caused negative consequences, which can be eliminated by introducing balanced work hours (increased number of work hours is balanced by shorter work hours during certain days or by free days). The other idea is shift – work introducing. However, this solution is impossible to apply when number of professional medical doctors is not sufficient¹⁶.

As employee's and non-employee's work co-exist it gives the opportunity to possess different work contracts at the same time (as one can have work contract as well as few civil-law contracts)¹⁷. Changing present organization of work time may be a danger in proper contacts with patients. Therefore, changes in work organization should be discussed in broader context. These systems cause situation when doctors are present in hospital ward not only on different days but also at different times. Nevertheless, one cannot forget that introducing these systems may be necessary (no matter how negative consequences for patients

¹⁴ M. Rycak: *Czas pracy w zakładach opieki zdrowotnej [Work Hours in the Healthcare Sector]*. Wolters Kluwer, Warszawa 2008.

¹⁵ T. Karkowski: *Restrukturyzacja szpitali [Restructuring Hospitals]*. Wolters Kluwer, Warszawa 2010.

¹⁶ M. Głowacka, J. Galicki, E. Mojs: *Zarządzanie zakładem opieki zdrowotnej [Management in the Healthcare Sector]*. Wolters Kluwer, Warszawa 2009, pp. 163-164.

¹⁷ *Profesjonalne zarządzanie kadrami w zakładach opieki zdrowotnej [Professional Management in the Healthcare Sektor]*. Eds. M. Głowacka, E. Mojs. Wolters Kluwer, Warszawa 2010, p. 202.

they may cause) as managers are obliged to reduce increasing income costs. Moreover, evaluation of effective usage of work hours in circumstance when pressure of costs appears (increasing costs of incomes) cannot be forgotten.

3. Areas of personnel controlling in Healthcare units

In order to fully present how the elements of personnel controlling are applied in Healthcare units results from two researches (based on questionnaires) have been presented. The given results can be helpful in choosing suitable area for personnel controlling. The following data was gathered thanks to Śląska Izba Lekarska¹⁸ – Silesian Healthcare Unit. The research had been conducted using questionnaires, which were to fill in written and electrical form. Conducting the research took place at the second half of 2008 in Silesian Healthcare units. 194 research subjects – doctors of both Private and Public Sector were examined. The major number of subjects (nearly 80 percent) claimed that they either cannot see the real motivation system in their work place or that such a system does not exist. Only 20 percent of subjects seem to notice this system of motivation. One in ten research subjects working in Public Sector admits to notice motivation system. As far as Private Sector is concerned, 32 percent of subjects from this Sector is aware of it. This may suggest better quality of personnel management in Private Sector than it is in the case of the Public Sector. However, it must be noticed that even two-third of private units does not possess any tool that would improve quality and effectiveness of doctors' work. Almost one-third (58 subjects) is not aware how their work is being evaluated. Only 26,3 percent seem to know their work is assessed using formal (tools such as assessing questionnaires), which enable control of supervisors and getting feedback information as to the way their work was assessed. As research shows the structure of work place (public or private) does not influence way of work evaluation.

The second research to be discussed dealt with chosen problems of management in Healthcare units. In this research 28 units from Silesia have been examined. The vast majority – 25 units were public units working on their own, only 3 of them work as joint. The research showed that choosing aims related to creating budget takes place at the level of certain organization goals. The table presents the analysis of forms of employment and systems of work organization that are indicated by the research.

¹⁸ The research project was to examine social and work status of medical doctor in Silesia. Research was conducted with the help of members of Koło Naukowe Menedżer (Scientific Group Manger) under the supervision of PhD G. Głoda.

Table 1

The analysis of forms of employment and systems of work organization

	Work groups			
	Medical doctors	Nurses	Lower medical personnel	Administration
Forms of employment:				
a) work contract	27	25	27	28
b) civil-law contracts so-called contracts	26	10	3	1
Systems of work time organization:				
a) usual work hours	19	18	20	22
b) balanced work hours	11	9	6	6
c) task work hours (hours needed to perform certain task)	6	2	2	0

Source: Author's research.

Research shows that the main form of employment is work contract and that social-law contracts are only popular with the group of medical doctors. As it is indicated by the research the usual work hours is the most popular system of work organization. In some cases, however, balanced work hours also appears. The least popular of all forms is task work hours.

In the majority of Healthcare units clear motivation system does not exist. Moreover, in only 20 percent of the researched units awarding system is related to work results.

The given context may not encourage to personnel management, however, it shows potential of controlling which are not used. Furthermore, it is worth mentioning that the researched results only indicated so-called 'shallow throats' as far as personnel management in Healthcare units is discussed. Only by pre-planning and proper creating of human resources one can eliminate unexpected rise of income costs and save employees' potential (needed to fulfill company's strategy). Active and optimal management of human resources is what is need to achieve these goals. The difficulties that may appear during personnel management are as follows:

- changes of employees' productivity,
- changes in size and structure of work costs,
- waste of work time,
- changes of size and structure of employment and employees' qualifications,
- interpersonal relations.

One universal indicator characterizing all aspects of organization surely does not exist. Managers are expected to use not only financial measurement tools, but a whole integrated system of financial and operational measurement tools.

This is the tool which helps to organize the vision and strategy of organization and then uses them to create goals and operational measurements. It also points at the effective role of human resource management and tries to examine its influence on the other areas including success on the market and financial gains. Such approach towards organization besides other important factors such as development of products or introducing new technologies care for workers is crucial for stabilized development of a given organization. This results in development of a company and increase in its quality¹⁹.

As observation shows one can point at some standard measurement tools used in evaluating of effectivity of human resources. They are as follows:

- indicators of human resources (incomes/average employment) productivity in relation to certain units (hospital wards, additional units),
- indicators of financial gain (income in certain unit compared to employee's income),
- indicators of work size (percent of time used effectively) analysed in relation to the number of beds for patients or using surgery wards,
- average level of employees' incomes,
- work gain (gain in certain unit/income costs).

Application of personnel controlling should be aimed at:

- analysis of task work form,
- considering alternative costs related to changes in organization of work hours (not forgetting about patients' safe and the quality of medical services),
- analysis of employment needs for certain medical specialists and the rest of medical personnel (during choosing additional work places and changes of contracts with NFZ),
- creating effective motivation systems (based not only quantity indicators) related with system of work evaluation,
- assessing the level of innovations of culture of organization.

¹⁹ Z. Leszczyński, T. Wnuk-Pel: *Controlling w praktyce [Practical Controlling]*. ODiDK, Gdańsk 2004, pp. 610-611.

Conclusions

After examining all the information concerning personnel controlling in Healthcare units one can come to the following conclusions:

1. Usage of personnel controlling has to start from introducing standard tools of controlling-creating budget.
2. Controlling in Healthcare units cannot be aimed only at indicators of quantity.
3. Solutions of controlling must be used with motivation systems.
4. Personnel controlling should be applied at two levels (creating budget of incomes) and strategical one (development of employees in the aspect of outside changes, for example demographical trends or changes in competitive company such as new effectively managed private units).
5. At advanced level one can consider creating budget that is based on costs examination.

Broader introduction laws of market competitiveness in the Healthcare Sector seem to force type of management that is oriented at financial goals and goals connected to the quality of the medical service. It has to be admitted that before using these tools effectively (which are also used in other areas), specific qualities of this sector have to be taken into account. This also applies to personnel controlling in Healthcare units.

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