

into account in working out the details of the plans. However, there are certain basic points to be considered in every type of planning to be effective.

Any planning effort that will take place in the hospital at any level must be guided by the hospital mission and supporting its strategic directions, goals and objectives.

Additionally, inputs from internal and external customers (e.g., through satisfaction surveys) should be considered together with cultural and religious needs of the local community.

Because planning will be done in almost all units of the hospital and cutting across all levels of management, leadership should ensure the coordination and integration of all services, to decrease redundancies, and to prevent duplication of efforts. Moreover, they have to monitor the efficient use of different resources and upgrading of the hospital structure elements.

LD.13 Hospital leaders work collaboratively to develop an effective budgeting process.

LD.13.1 The hospital has a finance director who is qualified by education and experience.

LD.13.2 Hospital leaders work together to address both the capital and the operating budgets.

LD.13.3 The budgeting process addresses the manpower in addition to other financial assets.

LD.13.4 The budgeting process allocates resources to all patient care units based on the scope and complexity of care, aiming to ensure a safe, efficient process.

LD.13.5 The hospital's budget is approved by the governing body.

Standard Intent:

The purpose of budgeting is to plan for future success through effective resource allocation. Budgeting helps to coordinate the activities of all the different department of the hospital into a master single plan, and to communicate the policies and targets to every department's head in the organization responsible for carrying out a part of that plan. Also it helps to establish a system of control by having a plan against which actual results can be progressively compared.

Budgeting is a good tool of communication and coordination between departments and leadership. It is used to measure performance against performance indicators and available resources.

Good budgetary process requires a qualified finance director with degree in finance, accounting, or business management. The hospital budget should reflect capital and operating budgeting for manpower, projects, and consumables for different departments and activities.