

Basic Management Principles

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Learning Objectives

- Understand basic management principles applying to individuals, small and large organizations
- Grasp the basics of management functions
- Appreciate the ideal characteristics of a good manager
- See the importance of knowledge of self when viewing management skills
- Recognize professional skills required of managers

Learning Objectives

- Appreciate the impact that unresolved issues can have on management skills
- Be knowledgeable of the varying available self-development methods
- Understand strategic planning and its use
- Understand how project management tenets can be applied to initiation of new products and services
- Know how to implement a project and evaluate the process

Learning Objectives

- Understand varying problems from a risk management standpoint that can impact a pharmacist in a management position
- Appreciate varying problem solving techniques and processes; and their applications to pharmacy management situations
- Appreciate the origins, key elements and applicability of continuous quality improvement (CQI)

Learning Objectives

- See how the P-D-C-A segments of the CQI process can enable a manager to impact problems and opportunities in pharmacy
- Know how change impacts varying aspects of a pharmacy
- View motivation as a crucial skill for a manager in pharmacy settings
- Appreciate the need to obtain involvement and commitment from others to set in place mechanisms to affect change

Key Management Components

- Self
- Controllable surroundings
- Uncontrollable surroundings
- The external environment

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Part 1 – Basic Management Functions

Management Activities

- Satisfy varying entities
- Dealing with emergencies
- Purchasing
- Recruitment
- Accounting

Management Activities

- Training
- Planning
- Negotiating
- Sales
- Dealing with regulatory officials

Basic Management Actions

- Identify what is needed or has to be done
- Organize resources
- Monitor performance and task completion
- Plan ahead for future requirements
- Deal with any problems that arise

Functions of Management Actions

- Target setting
- Problem solving
- Leadership
- Team building
- Dealing with emergencies

Management Functions

- Controlling
- Directing
- Organizing
- Planning
- Staffing

Management Functions

- Controlling
 - Establishing standards based upon objectives
 - Measuring and reporting performance
 - Comparing the two
 - Taking corrective/preventive action
 - Directing

Management Functions

- Directing
 - Motivation
 - Communication
 - Performance appraisal
 - Discipline
 - Conflict resolution

Management Functions

- Organizing
 - Division of labor
 - Delegation of authority
 - Departmentalization
 - Span of control
 - Coordination

Management Functions

- Planning
 - Vision
 - Mission
 - Objectives
 - Goals

Management Functions

- Staffing
 - Recruiting
 - Selecting
 - Hiring
 - Training
 - Retraining

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Part 2 – Characteristics of a Good Manager

Importance of Knowledge of Self

- Identity, who are we and what do we aspire to become?
- New information, what else do we need to know?
- Relationships, who else needs to be here to work with us?

Professional Skills Required of Managers

- Intellectual skills
- Technical skills
- Ethical skills
- Interactive skills
- Emotional skills

Professional Skills Required of Managers

- Intellectual skills
 - Logical thinking
 - Problem solving

Professional Skills Required of Managers

- Technical skills
 - Motor performance at various tasks

Professional Skills Required of Managers

- Ethical skills
 - Define right from wrong

Professional Skills Required of Managers

- Interactive skills
 - Communicate intelligently and create an atmosphere that facilitates communication

Professional Skills Required of Managers

- Emotional skills
 - Ability to identify and handle one's feelings

Most Threatening Unresolved Issues

- Poor communication
- Developing people
- Empowerment
- Lack of alignment
- Entitlement

Most Threatening Unresolved Issues

- Balancing work and personal life
- Confronting poor performance
- Coaching senior management
- Cross-functional strife
- Fascination with programs

Seeing Decisions Through

- Identify objectives
- Analyze relevant factors
- Consider all alternatives
- Select the best option
- Implement the decision
- Evaluate the results

Management Style and Leadership

- Organization
- Situation
- Personal values
- Personality
- Chance

Self-Development Methods

- Observation
- Reflection
- Guided readings
- Visits / attachments

Self-Development Methods

- Seeking feedback
- Seeking challenges
 - Presentations
 - Chairing meetings
- Prepared packages

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Part 3 – Strategic Planning

Strategic Planning

“Strategic planning must complement strategic thinking and acting.”

Strategic Planning – SWOT Analysis

- Strengths
- Weaknesses
- Opportunities
- Threats

Strategic Planning

- Where are we going?
 - Mission
- How do we get there?
 - Strategy

Strategic Planning

- What is our blueprint for action?
 - Budgets
- How do we know if we are on track?
 - Control

Strategic Planning

- Mission statement
- Mandates statement
- S-W-O-T
- Strategic issues (goals – ideal future)
- Strategies
- Vision of success

Strategic Planning

- Strategies
 - Practical alternatives
 - Dreams, Visions
 - Barriers
 - Major proposals
 - Major activities
 - Specific steps

Strategic Planning

- Strategies
 - Staffing plans
 - Financial plans
 - Timelines / responsible persons

Vision of Success

- Mission
- Basic philosophy and core values
- Goals, if established
- Basic strategies

Vision of Success

- Performance criteria
- Important decision rules
- Ethical standards expected of all employees

Environment

- Stability
- Complexity
- Market diversity
- Hostility
- Competition

Planning Should Lead to Programming

“Real strategists get their hands dirty digging for ideas, and real strategies are built from the occasional nuggets they uncover.”

Involve Others Throughout the Organization

- The cascade of information should not just flow downward
- Important that it not be a top down only process

Involve Others Throughout the Organization

- Arm all workers with strategic information allowing to do their job better
- Provide universal ownership for problems and opportunities

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Part 4 – Project Management

Failure of Organizations in Developing Projects

- Lack of focus and attention
- Inability to cope with different project characteristics
- Feelings of being used/exploited
- Lack of project experience

Failure of Organizations in Projects

- Inability to cope with different project characteristics
 - New relations with other departments
 - Tighter time and budget pressure
 - Use of different methods and tools
 - Different reporting structure to management

Modern Project Management Process

- Develop ideas and proposals for projects
- Project approval
- Project kick-off and start
- Project monitoring, reporting, and management
- Project end or termination

Project Management 10 Commandments

- Concentrate on interfacing
- Organize the project team
- Plan strategically and technically
- Remember Murphy's Law
- Identify project stakeholders

Project Management 10 Commandments

- Be prepared to manage conflict
- Expect the unexpected
- Listen to intuition
- Apply behavioral skills
- Follow up to take corrective action

Developing a Project Management Body of Knowledge

- Basic project management functions:
 - Scope management
 - Quality management
 - Time management
 - Cost management

Developing a Project Management Body of Knowledge

- Integrative project management functions
 - Risk management
 - Human resources management
 - Contract / procurement management
 - Communications management

Four Principles of Quality Management

- Customer satisfaction
- The P-D-C-A cycle
 - Plan
 - Do
 - Check
 - Act

Four Principles of Quality Management

- Management by fact
- Respect for people

Project Implementation

- Identify project and non-project work
- Checklist of issues
- Project meetings
- Standardize reporting on the project

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Part 5 – Problem Solving Techniques

Problem Solving

- Risk assessment and management
 - Human resources - shortages
 - Equipment - failure
 - Material supply
 - Wars/riots

Problem Solving

- Risk assessment and management
 - Government policy - new requirements
 - Finance - cost of borrowing changes
 - Client customer relations - bankruptcy
 - Climate - weather

Six Step Model for Problem Solving

- Define the problem
- Identify the criteria
- Weight the criteria (vary in importance)
- Generate alternatives
- Rate each alternative on each criterion
- Compute the optimal decision

Decision Steps for Problem Analysis

- Classifying the problem
- Defining the problem
- Specifying the answer to the problem
- Deciding what is “right” rather than what is acceptable

Decision Steps for Problem Analysis

- Building into the decision the action to carry it out
- Testing the validity and effectiveness of the decision against the actual course of events

The Creative Cycle

- Germination -> creation
- Assimilation -> internalization
- Completion -> finalization, closure

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Part 6 – Continuous Quality Improvement (CQI)

Origins of TQM, CQI

- The elements of total quality management or continuous quality improvement have been attributed to W. Edwards Deming; however, Deming attributes the concept to Walter Shewart at Bell Laboratories. Deming nevertheless applied the principles to a wide range of management situations.

Elements of CQI

- Philosophical elements
- Structural elements
- Healthcare specific elements

Philosophical Elements of CQI

- Strategic focus
 - Mission, values, objectives
- Customer focus
 - Patient, provider, payer
 - Outcomes of care

Philosophical Elements of CQI

- Systems focus
- Data driven process
- Organizational learning

Structural Elements of CQI

- Process improvement teams
- “Seven tools”
- Parallel organization
- Top management commitment

Structural Elements of CQI

- Statistical analysis
- Customer satisfaction measures
- Benchmarking
- Redesign of processes from scratch

Structural Elements of CQI

- “Seven tools”
 - Flow charts
 - Cause and effect diagrams
 - Check sheets
 - Histograms
 - Pareto charts
 - Control charts
 - Correlational analysis

Health Care Specific Elements of CQI

- Epidemiological studies
- Governance processes
 - Quality assurance, pharmacy and therapeutics committees, peer review

Health Care Specific Elements of CQI

- Risk adjusted outcome measures
- Cost-effectiveness analysis
- Quality assurance data and techniques
 - Risk management data

Reasons for Implementing CQI

- Foundation for organization transformation and renewal
 - Government and patients see lack in quality, cost, and access in healthcare issues
- Helps to define quality

Reasons for Implementing CQI

- Establishes measures of customer satisfaction
- Improve upon measures
- Help for managing costs and increasing profitability

CQI Perception Shifts

- Leading vs. Managing
- Coaching vs. Control
- Quality -> Quantity
- Open to change vs. Resistance to change
- People as a resource vs. People as a commodity

CQI Perception Shifts

- Suspicion vs. Trust
- Commitment vs. Compliance
- Customer focus vs. Internal focus
- Team vs. Individual
- Prevention vs. Detection

7 Deadly Diseases Impeding American Quality Transformation

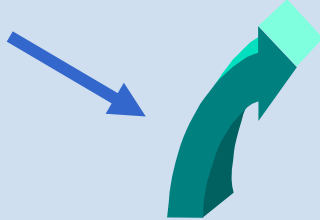
- Lack of constancy of purpose
- Emphasis on short-term profits
- Personal review system
- Mobility of management
- Running a company on visible figures alone

7 Deadly Diseases Impeding American Quality Transformation

- Excessive medical costs for employee healthcare, which increase the final cost of goods and services
- Excessive cost of warranty, fueled by lawyers who work on contingency fees

CQI Process

Feedback



Plan



Act

Do



Check



CQI and Supervision

- Training
- Remove barriers
- Create pride producing environment
- Show workers how they fit in the process
- Stress quality
- Help improve the worker

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Part 7 – Managing Change

Change and Chance of Success

75% of change products do not work!

Change Concepts

- Change is a natural phenomenon
- Change is continuous and ongoing
- Survival and growth are dependent upon adaptation to changing environment

Change Concepts

- Environment can be and is influenced and shaped by the decisions and actions of the organization
- Learning from experience is essential for adaptation and change
- Individuals and organizations change in both common and unique directions

Change Affects:

- Structures
- Chains of command
- Responsibility limits
- Incentive systems
- Company culture and values

Required Skills

- Knowledge of product, technology, and processes
- Knowledge of development models
- Knowledge of organization of development activity
- Ability to work toward long-term goals

Affecting Change

- Ability to motivate people
 - Empower
 - Non-threatening
 - Facilitative
- Obtain involvement
- Obtain commitment