**BLOCK FOUR (4) LEADERSHIP AND MANAGEMENT-2**

**MANAGING CHANGE IN HEALTH CARE DELIVERY SETTINGS.**

Change is a shift or alteration in the present environment/ situation.

The shift or change maybe in the way we perceive things or in how items are organized, processed, created or maintained.

**Types of change**.

1. **Reactive change**: it is a change which occurs in response to external circumstances
2. **Proactive change**: is the change undertaken because the individual or institution has decided to change.

**Reactive change**: it is the change which occurs in response to external circumstances.

**Proactive change**: this is the change undertaken because the individual or organization has decided to change.

Constant interaction with environment through input and output of material, energy and information requires changes.

**Changes** refer to altering structures, behaviors and technology in any organization. Management is charged with responsibility for maintaining equilibrium by diagnosing and designing change that is most appropriate for coping with current conditions or situations.

**Sources of organizational change**

Organizational change may originate from inside or (internal or external) outside the organization.

**External sources of change :( Reactive change)**

1. **Technology factor**: this implies new technology for example new machines or equipment
2. **Competition factor**: includes new prices, new products or take over by more powerful enterprise
3. **Government actions**: e.g changes in trade terms for example currency exchange rates types, etc.
4. **Environmental factors**: the prevailing economic conditions such as recession, inflation and interest rates are sources of change, legal and political atmosphere are also sources of change.

**Internal sources of change:**

They are assumed to be more predictable indicators of change e.g

1. Changes in organizational strategy: mission, goals, policies, systems and procedures.
2. Introduction to cultural changes: efforts to introduce organizational cultures changes like management style, collaborative working etc. can trigger changes in the organization.
3. Changes in employment factors: e.g changes in knowledge and skills requirement by the organization may lead to changes within the organization.
4. Changes in jobs, roles or culture in organization.

Other internal factors include:

* Technology applied by organization
* Changes in organization structure
* Changes in decision for communication channel
* Changes in products or business process etc

**Strategies for managing changes.**

1. Trust
2. Organizational learning
3. Adaptivenes

TRUST

ORGANIZATIONAL

LEARNING

ADAPTIVENESS

Managers should have:

1. Communication skills
2. Systems
3. Interpersonal skills

Factors needed to be considered in determining the nature of change management strategy to adapt include:

1. Degree of resistance
2. Target population
3. The strategies to be employed
4. The time frame
5. Expertise
6. Dependency

**Resistance to organizational change**

Some of reasons for resistance include:

1. **Desire for security**: changes scare people and individuals tends to find security in the way things have been done in the past
2. **Threatened status**: introduction of new technology, new systems, new procedures and new managers can threaten person’s status in security and thus causing resistance.
3. **Selective perception**: this refers to bias interpretation of the intended change which is released to the system.
4. Awareness of weakness of the proposed change
5. Dislikes of the imposed change can lead to resistance
6. Personal inconveniences can lead to resistance in change
7. Lack of conviction for the need of change
8. Group norms: (like rules, policies) both formal and informal can lead to resistance in change
9. Balance of power—any change that threatens the autonomy of management will automatically lead to resistance to change.

**Overcoming resistance to change**.

* Advance planning
* Explain and discuss the change before it is implemented
* Provide valid information about the proposed changes
* Implement change gradually
* Avoid cohesive actions, because this will increase tension and resistance, employees like to be convince about the change and not being coerced
* Minimize social changes: social relationships are important to individual and should not be disrupted by the change.

**Resistance to Change**

Employees may fear change because of its potential for the disruption of the existing status quo in the organization. The following are some of the reasons why people resist change:

* Insecurity, fear of unforeseen consequences and threats to individual status.
* Skills and experience acquired may have no further value.
* Possible collapse of work groups and interpersonal relationships.

To reduce or avoid resistance to change, we can help the employees go through a change process.

Kurt Lewin suggested three steps to overcome resistance :( 1940)

* **Unfreeze**: that is, getting rid of existing practices and ideas that stand in the way of change. This requires a high level of communication with employees to convince them that change   
  is necessary.
* **Change:** teaching employees to think and perform differently.
* **Refreeze:** establishing new norms and standard practices.

To implement the change process the following approaches will be necessary

**Education and Communication**

This is to make employees fully aware of all aspects of the situation and convince them that change is essential.

**Participation and Involvement**

The employees should actively participate and get involved from the beginning so as to stimulate commitment.

**Patience and Tolerance**

Management should give support and assistance needed.

A nurse manager has an important role in initiating and managing change. They should recognize the obstacles to change and assist employees to go through the change process

**MANAGERIAL CONFLICTS AND ITS RESOLUTIONS.**

**Conflict**: is a clash between hostile or opposing parties. Frustrations of basic needs create hostility.

**Causes of conflicts:**

Human interactions that are likely to provoke conflicts and characterized by competition, domination and provocation. Generally organization of conflicts arises from the following:

1. Differences in information, values and interests
2. Competition for scarcity of resources e.g money and skilled manpower.
3. Intergroup rivalry for rewards
4. Skilled differences
5. Pressure to avoid failures
6. Roué ambiguity
7. Unworkable organization structure
8. Shift in organizational power base.

**Types of conflicts**

* Interpersonal conflicts
* Organizational conflicts
* International conflicts
* National conflicts
* Tribal conflicts

**Effects of conflicts.**

**Advantages and positive effects of conflicts**

1. It decreases likelihood of group thinking e.g strike
2. It prevents intellectual stagnation
3. It stimulates employees curiosity( Intellectual stimulation)
4. Facilitates employees personal change and maturation
5. It enhance problem solving skills

**Disadvantages and negatives effects of conflicts**

1. The contention spreads from original to peripheral issues( nurses strike because of low salaries)
2. Disputes pull others into the conflicts
3. Undissolved conflicts causes violence
4. It leads to destruction of properties
5. It can create an enmity(animosity)
6. Conflicts disorientates work in any organization

**Conflicts resolution**

1. To intervene helpfully in conflict resolution the manager must be able to analyze and diagnose conflict accurately.

2. Conflict situation has 3 participants:

* **Aggressor;** enjoys attacking others
* **Victim**; collects indignities and boost the brunt of suffering
* **Instigator**; enjoys provoking and observing others conflict.

3. A manager should determine which party in a dispute is playing what role because intervention strategies require that the power of the aggressor and victim be equalized and control technique require elimination of trigger actions by the instigator.

4. The manager also must be able to differentiate major issues from symptomatic issues

**Modes of conflict resolutions:**

1. **Confrontation**: this is through negotiations
2. **Bargaining**: Each side gives something and receive something in return
3. **Smoothing**: Each party minimizes differences and emphasizes areas of common interest and agreements.
4. **Avoiding**: This is a mode whereby you completely a void the conflict.
5. **Forcing**: this implies forcing the solution of a problem(a person or manager uses power to get optimum solution for one party)
6. **Unilateral action**: an individual makes a decision and take action without considering views of adding inputs from others.

As a mediator the nurse manager has to follow the steps of conflicts resolution but before following the steps you must put to consideration the following factors:

1. Determine each individual motivation for conflicts and for negotiation
2. Choose a meeting place, time and reinforce discussion
3. Synchronize disputers positives and negative moods and movers
4. Clarity for each party the adverse claims of arguments

When dealing with conflicts in an organization the nurse manager or administrator can use the problem solving approach to resolve the conflicts by following the steps given below:

1. Define the problem
2. Gathering information
3. Generating alternative solutions
4. Finding a negotiated solution.

**CORRUPTION**

**Corruption:** It encompasses undue influence over public policies, institutions, laws and regulations by vested private interest at the expense of the public interest.

Corruption is wrong hence needs to be diagnosed correctly for it to be cured.

Corruption has been equated to cancer and cancer cannot be cured unless you know what type of cancer it is.

Types of corruption

1. **Systemic corruption**: is when corruption is an integrated and essential aspect of the economy, social and political system and is embedded in a wider situation. It is a situation in which the major institutions and processes of state are routinely dominated and used by corrupt individuals and groups and in which most people have no alternatives to dealing with corrupt officials.
2. **Sporadic or individual corruption:** it occurs irregularly and therefore does not threaten the mechanisms of control of the economic as such, but it can seriously undermine morale and the economy resources.
3. **Political corruption** (public or private) it is any transaction between private and public sector, actors through which collective goods are illegitimately converted into private regarding pay offs.
4. **Grand corruption**: it takes place at the policy formulation and of politics; it is the top levels of public spheres where polities and rules are formulated in the first place.
5. **Petty corruption**: is also called small scale or bureaucratic corruption: is the everyday corruption that takes place at the implementation end of politics where the public officials meet the public.

It is the pubic bribery in connection with the implementations of existing laws, rules and regulation, it can term as **low level corruption.**

**Causes of corruption**.

1. Weak government institutions
2. Poor pay and incentive
3. Lack of openness and transparency in public service
4. Absence of key anticorruption tools
5. Ineffective political processes
6. Culture and acceptance of corruption by the population.
7. Absence of effective political financing poverty.
8. Ethnic and religious difference in resources scramble

Effects of corruption.

1. Has corrosive impact on growth and business operations
2. It affects inequality and income distribution.
3. Affects overall governance and business environment.
4. It discourages donors
5. It causes retardation in the economy in terms of growth.

Tools for fighting corruption.

* Efficient management through open or E. procurement
* Open tender
* Increasing transparency
* Prevention of corruption before it occurs

**Six strategies to fight corruption.**

* Paying civil servants well
* Creating transparency and openness in government spending
* Cutting the red tape.e.g licenses, the most obvious approach is simply to eliminate laws and programmes that breed corruption.
* Replacing, regressive and distorting subsidies with targeted cash transfers.
* Establishing international conventions
* Deploying smart technology e.g use of internet.

**Whistle blowing mechanism.**

This can be employees, suppliers, contractors, clients, or any individual who somehow becomes aware of some irregularities (corruption)

Role of nurse manager in prevention of corruption.

* Ensure that staffs are well compensated
* Ensure that staffs get all their needs
* Handle the concern of the staffs immediately
* Ensure that staffs are well motivated
* Ensure that staffs are satisfied with their work

Question: as the nursing officer in charge of maternity unit you have been informed that the nursing staffs in the antenatal and labour ward were engage in a bitter argument over the management of an antenatal mother.

1. Define conflict(1mk)
2. State 3 types of conflict(3mks)
3. List 6 factor contributing to a conflict(6mks)
4. Describe how you will resolve this situation(10mks)

**DISASTER MANAGEMENT.**

Disaster is an occurrence which is either natural or manmade that cause’s human suffering and creates human needs that victims cannot alleviate without assistance.

Disaster is any occurrence that causes damage, ecological disruption, loss of human life or deterioration of health and health services on a scale sufficient to warrant an extraordinary response from outside the affected community or area (WHO 1995)

Classification of disaster.

1. According to the speed of occurrence i.e. sudden or slow
2. According to the cause i.e. natural or manmade
3. According to the scale i.e major or minor

Types of disasters:

1. **Natural disaster**: examples droughts, earthquakes, tsunamis, forest fires, landslides and mudslides, blizzards, hurricanes, tornadoes, floods and volcanic disruptions
2. **Man-made disaster-hazardous substances** e.g accidents example chemicals ingestions or toxic gases, dam failures, electrical explosions, terrorism bombing.

**Phases of a disaster/ cycle.**

1. **Disaster phase**: this is a phase where events of a disaster takes place and is characterized by profound damage and loss of human life, property or the environment. N.B That is accident has occured
2. **Response phase**: this is characterized by emergency operations including arrival of medical personnel, removal and transportation of injured and provision of first aid and life support.
3. **Recovery and rehabilitation phase**: this is a phase where the victims are housed in camps and psychological support is provided to them to facilitate recovery from the trauma.
4. **Mitigation / risk reduction phase**: at this stage the population returns to predisaster standards of living but recognize the needs for certain measures e.g building strong houses and conflict resolution mechanism.
5. **Disaster preparedness phase**: this include public education government training on disaster management team.

**Effects of disaster**.

1. Displacement
2. Disease outbreaks
3. Fear and increased mistrust among communities.
4. Death
5. Properties destructions
6. Conflicts

**HUMAN RESOURCE MANAMENT FOR HEALTH:**

Human resources management.

The term human resources reflects the position that people are the resources that needs to be managed strategically in support of organization’s mission

The effective functioning of an organization depends upon various resources.

Human resource or manpower is one of the most vital resources in labour intensive health institution. Human resource management is an integral part of the role of any person who is responsible for the work of other.

Today human factor is consider to be the most important resource because the effective utilization of the resources depend upon the management of personnel in an organization.

**Objectives of human resources management.**

* It enhance effective utilization of human resources to enable the achievements of organizational goal
* Establishment and maintenance of an adequate organizational structure and desirable working relationship among staffs.
* Securing integration of the individual and informal groups with the organization and thereby ensuring their commitment, involvement and loyalty.
* Recognition and satisfaction of individual needs and groups goals.
* Provision of maximum opportunities for individual development and advancement.
* Maintenance of higher morals in organization.

**Aspects of human resource management.**

It includes:

Focusing future manpower requirements: this involve estimating the institution demand for labour and merging this with what is a available.

Formulating and proposing policies: this is done by the human resources management department and agreed by the top management. The key areas of personnel policy includes;

* Recruitments and selection
* Terms and condition of employment
* Training and development as well as labour union issues e.g lay down procedures on how to handle strikes and disputes. This personnel policies are guidelines for behavior and they state how the organization will respond to employee affairs

Summary.

* Recruitment; advertisement, short listing, induction, selection
* Employment and placement
* Induction- training and development
* Compensation
* Evaluation

**Characteristic and nature of personnel management**

1. **People centered**: each individual has to be treated and motivated differently so as to make him / her contributes his / her utmost to the organizational effort.
2. **Recognition as total human beings**: employment of a whole person will require an adequate understanding of his/ her social cultural and economic background which largely determines his/ her temperamental and emotional make up. Personnel or human resources management is not only concerned with making individual a better employee but also seeks to develop him / her as a better person such that she/ he become useful to the society from which he/ she are a part.
3. **Human dignity**: human beings cannot be adequate with other factors of production since they represent the first creation of natures and hence expect and deserve to be treated with respect and dignity.

Modern personnel management is concern with satisfying not only physiological needs of individuals but also their sociopsychological needs so as to assures them due satisfaction because of their higher order in the universe.

1. **Multidisciplinary**: human beings are rather unpredictable in their behavior in organization hence there can be no simple formula to understand human behavior and no easy solution with problems arising from it. Human resource management seeks achieve this by adopting a multidisciplinary approach drawing heavily on the theory and practice of economics, sociology, psychology, anthropology, political science etc.
2. **Extended scope**: human resource management is concern with the people employed in an organization but not confined. It views an individual as a total person and not merely in terms of his/ her skills talent or knowledge. It seeks to make him or her better person besides a better employee so that he / she is able to contribute usefully to the society of which he/ she is a part.
3. **Continuous excise**: to be productive of desired results personnel management has to be practiced on a continuous basis to quote (George torry) it cannot be turned on and off like water from a faucet. “if cannot be practiced only 1 hour each day or one a week, human resource management requires a constant alertness and awareness of human relation and their importance in everyday operation’
4. **Personal management should be viewed as a profession**: profession may be defined as an occupation based upon specialized intellectual study and training, the purpose of which is to supply skilled service or to advice others for a definite fee or salary. It is a service occupation and therefore useful to the society

**FUNCTIONS OF HUMAN RESOURCE MANAGEMENT (STAFFING)**

It performs 2 types of functions

1. Managerial functions
2. Operative functions

**Managerial functions:**

Managerial functions are concern with planning, organizing, directing, staffing and controlling

1. **Planning**: it involves the determination of objectives and the ways of achieving it. The personnel manager lays down personnel policies and programmes for the enterprises, these policies and programmes are designed to ensure efficiency and uniformity in the procurement, development, compensation and maintenance of the required personnel.
2. **Organizing**: it is the process of creating a structure or framework of authority, responsibility and relationship among various jobs and personnel in order to achieve specified objectives. The personnel manager has to build up an organizational structure so that the various operative functions of personnel department may be carried out effectively.
3. **Directing**: it implies the initiation and maintenance of organized action in order to direct the efforts of the people in his or her department the personnel manager exercises leadership and communication.
4. **Controlling**: controlling seeks to ensure that events conform to plans as closely as possible for the personnel manager controlling implies evaluation and regulation of performance of personnel department.
5. **Staffing:**

**Operative functions:**

These are functions which are concerned with employment, training, compensation integration and maintenance of personnel.

1. **Procurement or employment**: it a function concern with having the right number and the type of people required for the objectives of organization it consist of manpower planning, recruitment, selection and placement of personnel.
2. **Development**: after placing the selected people on specific jobs they are given induction and other type of training to make them efficient employees.
3. **Compensation**: it involves determination of fair and equitable remuneration of employees for their contribution towards achievement of organizational objectives. It involves the use of job evaluation, performance appraisal and such other techniques of wage and salaries administration.
4. **Integration:** it refers to the reconciliation of interest of employees with the organizational goals. It involves creation of sound industrial relations by establishing an efficient system of 2 way communication between managements and workers.
5. **Maintenance:** it involves the creation of proper working conditions so that personnel may work with dedication and efficient sound working conditions which help to ensure the health, safety, welfare, motivation and morale for employees, maintenance involvement the welfare measures, children’s education, recreation sports to ensure physical and social wellbeing of employees.
6. **Records and research**: systematic and up to date records of absenteeism, employee turnover, industrial accidence, industrial disputes, wage payment, grievances, promotions etc are necessary to help the top management in the formulation of appropriate personnel policies and procedures.

Personnel research involves the collection and dissemination of data to identify the causes of various personnel problems like absenteeism, labour turn over, accidents, industrial disputes etc.

**How to prevent employee turnover:**

1. Maintain incentives
2. Job security
3. Educational financial advancement or sponsorship
4. Improve the working condition
5. Pay salaries on time or according to the market rate
6. Provide good managerial skills

Questions

1. Describe the characteristics or nature of personnel management(14mks)
2. Define staffing and states its objectives and functions(10mks)
3. “Good manager can make even inefficient health institution or organization effective and therefore staffing is the most important management function” discuss(12mks)

**MOTIVATION:**

It is derived from the word “motive” which may be defined as drive or impulse within an individual. It implies something within a person which prompts him/ her into action.

Motivation is the process of satisfying the needs and motives of an individual in order to inspire him or her to work efficiently for desired ends. It is the complex of forces inspiring a person at work to willingly use his/ her capacity for the accomplishment of certain objectives.

It is an inspirational process. **Performance = ability\*effort\*opportunity.**

**Significance of motivation.**

1. It enhances high efficiency and hence goal accomplishment.
2. It provides a better image for an organization. An organization that provides opportunities for financial and personal advancement has a better image in the employment market.
3. It facilitates change. Effective motivation helps to overcome resistance to change and negative attitude on the part of employees like restriction of output.
4. It enhances human relations. Effective motivation creates jobs satisfaction which results in cordial relations between employer and employee.

**Features of a sound motivational system (essentials)**

1. Productive: it should be productive in such a way that it should satisfy the needs of employees and serve the interest of organization.
2. Should be simple: in that, it should be understood by employees and easy to apply
3. Competitive: there should be adequate attraction of employee to remain in an organization.
4. Comprehensive: it should be comprehensive in that it should meet all the needs of the staffs and employee plus organizational goals and objectives.
5. Flexible: a sound motivational system should not be rigid but should be capable of being adjusted easily and quickly to changes in the needs of employees.
6. Regulars: a sound motivational system should be a permanent feature of the organization.

NB. In the ultimate analysis a sound motivational system should be guided by the old saying “Do unto others as you want them to do to you”

**Factors affecting staff morale.**

1. Clarity and worthiness of common goals should be clear
2. Types of supervision; usually strict supervision lowers moral.
3. Composition of group
4. Authority responsibility relations
5. The amount and form of remuneration.
6. Nature of work
7. Working conditions
8. Opportunities for advancement and learning.

NB. Highly morale leads to high productivity, low morale leads to the following consequences.

Consequences of low morale.

* High rate of absenteeism
* High rate of labour turnover
* Excessive complains and grievances
* Frustration and friction among employees
* Antagonism towards organization and its management
* Resistance to change
* Poor performance

**Question**:

1. Define motivation and explains its importance to modern organization
2. Motivation is the core of management discuss
3. State the features of a sound motivational system
4. Outline factors that affect the morale of employees
5. Give consequences of low morale of staffs in a healthy institution.

**MANAGING FINANCES FOR THE PROVISION OF HEALTH CARE.**

Managing finances (money) is the one of most important roles of a nurse manager. Arguments have been put forward that this function should be left to accountants who are specialized in the area. However, if nurses do not have the basic skills to enable them to manage finances, they will not go far in providing the nursing services. Most of the resources you be managing are purchased with money.

Planning pertaining to finance requires the manager to determine objectives, policies and procedures. The budget is one of the main tools of financial management.

Sources:

**Source of health care financing:**

1. Donations
2. Government grants
3. Out of pocket payments; fees charged from patients
4. Government allocations on certain programs
5. Private insurance

**Imprest**: it is an advance of cash given for a particular purpose and replenished as necessary. An imprest is replenished only against original receipts for money spent this prevents misuse of funds.

**Voucher**: is a ticket or pieces of paper that can be used instead of money to pay something.

**Per diem**: is an amount of money that someone is given to cover their daily expenses while they are working.

**Facility improvement fund (FIF):** it is the money allocated by the government to a health institution for its improvement.

**Salary and allowances**: refers to compensation of workers for the work done

**Budget**: refers to a financial plan. It’s a device for controlling and it forms a major part of the planning process in any organization.

It can also be defined as a means of checking the progress made in keeping the expenses and costs in compliance with an organization’s financial plans. Therefore Budgeting is the process of planning and controlling future operations by comparing actual results with planned budgetary expectations.

**TYPES OF MONEY:**

1. **Invisible money or budgetary allocation**: this is a paper credit given as an allowance, allocation or warrant of funds e.g. the government may give a health facility an allocation of 500,000 to draw drugs from government medical stores. The health Centre accounts for the drugs drawn from the store with a paper called an order or requisitions which will be charged against the allocation.
2. **Visible money or cash**: this is money which is seen and handle. It is advanced to the health worker to spend for the work of the health service; however it is not safe to have a large amount of cash in health Centre as it may be stolen for this reason visible money is usually small amount and is called **petty cash.**

**Purposes of budgeting.**

1. It provides detailed plan to reduce uncertainties
2. It controls expenses by efficient and economic manner
3. It coordinates the efforts among organizational departments
4. It establishes a frames of reference for management decisions
5. It provides a criteria for evaluating managerial performances
6. It allows for feedback concerning the events to which actual spending confirm the budgetary spending.
7. It offers a useful format for communication
8. It aids in planning and controlling
9. It provides guidance for action and future needs
10. It serves as an instrument for economic and social policies
11. It conserves the resources by regulation.

In order to draw up a meaningful budget, the hospital should have a clearly defined organizational structures with responsibilities defined and assigned. All responsible personnel at all levels of management should participate in budget development. The personnel involved should have an understanding of the ideas and financial goals of the hospital.

There must be an adequate system, which provides reliable financial and statistical information to the responsible person. The budget should allow enough freedom to accomplish departmental objectives and must be flexible enough to allow for unpredictable expenditures.

There are two main types of budgets, which the nurse may be involved in preparing.

**Operational Budget (Annual Budget)**

This is the organization’s statements of expected revenues (income) and expenses for the coming year. It coincides with the **fiscal year**. The fiscal year is a specified 12-month period during which the operational and financial performance of the organization is measured. It usually coincides with the calendar year (running from January to December) or may follow another time frame, for example, the government calendar, which runs from July to June.

The operational budget includes the accumulated estimates of operating revenues and expenses. In nursing management, the revenue comes from money the patients pay for services. Actual payment is generated by a given service or procedures. The expenses consist of salary and non-salary items, for example, personnel emoluments and education, including in-service training, on-job training, educational leaves and travel scholarships. They may also include uniforms for personnel, books, periodicals and subscriptions, laundry, medical equipment and maintenance, drugs and pharmaceuticals, non-pharmaceutical supplies, legal and professional fees and stationery.

**Capital Budget.**

This is the second type of budget. It outlines the need for major equipment or physical changes in the organization requiring large sums of money, for example, physical renovations, new constructions and new or replacement equipment.

Organizations defined capital items based on certain criteria, for instance, the item must have an expected performance of a minimum of 1 year or more and exceed a certain shillings value, for example, 50,000/=. The criteria vary from one hospital to another.

Requests for capital items are usually made on a special form or letter, accompanied by a written justification for item. If there are a larger number of items requested, a priority list should be set. Where possible, the period within which items are needed should be specified. Capital costs should consider long terms goals and must complement the organization objectives.

All nurse managers (in-charges) are involved in the budgeting process. Preparation begins several months before the end of the fiscal year to allow time for careful preparation. In a decentralized system budget preparation has several steps:

* Review of policies, standards and objectives;
* Top level management projections for the future and preparation of guidelines
* Middle level nurse managers prepare the annual budget
* The administrator of nursing services and the finance Director/ Manager review the budget
* Budget is accepted or modified
* Budget is implemented and regularly evaluated.

The following figure illustrated a budget for a unit in a hospital for one month.

|  |  |
| --- | --- |
| Income for May 2005 | Kshs. |
| Particulars | Amount |
| Expected income(patients Fees) | 300,000 |
| Other sources | 100,000 |
| **Total income** | **400,000** |

|  |  |
| --- | --- |
| Expenditure for May 2005 | Kshs. |
| particulars | Amount |
| recurrent |  |
| Food | 100.000 |
| Drugs | 100,000 |
| Linen | 20,000 |
| Surgical Materials | 60,000 |
| Miscellaneous | 20,000 |
| **Total** | **300,000** |

B2 capital Expenditure:

Purchase of suction Machine------------------------------------ 100,000

Total expenditure--------------------------------------------------**400,000.**

NB. Budget for a unit in a hospital for one month.

Summary:

The income and expenditure parts of the budget have the same totals that balance. A budget that has a higher income than expenditure is said to show a surplus while the one with a higher expenditure shows a deficit. If there is deficit in the budget, it means you have spent more money than you have. This may require you to borrow money or be indebted to your supplier.

**QUIZ:**

1. **Def**ine imprest, voucher, per diem, facilility improvement fund, budget, salary and allowance.
2. Outline the purposes of budget
3. Give source of income in a health institution.
4. List and explain the types of money.

**UTILIZATION HEALTH MANAGEMENT INFORMATION SYSTEM (HMIS) IN THE PROVISION OF HEALTH SERVICES.(chirchir)**

Sources of health information.

1. **Census**: this is the total process of collecting, combining and publishing demographic economic and social data of all person in a country.
2. **Registration of vital events** e.g legal registration of births and deaths
3. **Hospital records**: this provides information about age, sex, diagnosis, and the time interval between occurrence of diseases
4. **Notification of disease e.g** deathly and infectious diseases are notified and enable government to identify which area is more.
5. **Disease register**: government can know what type of disease occurs in a particular year then avail resources.
6. **Epidemiological surveillance** this system is used to report the occurrence of new cases and efforts to control the disease.
7. **Manpower statistic-** statistics which shows how many medics are in the country then national government can plan for the budget.
8. Environmental health data.

Types of medical data

Objectives, subjective, numerical, secondary, primary.

Role of a nurse in (HMIS)

1. Collection of information
2. Application of nursing process steps to analysis data
3. Creating health awareness through mass health education based on obtained data
4. Presenting the obtained data through maps, tables, diagrams etc
5. Updating the correct data and information applied into nurse practices
6. Conducting and organizing nursing research of community level based on existing statistical issues

**Data collecting methods.**

Census, sample survey, observations, experiments, interviews, questionnaires

Importance of (HMIS)

1. Helps in facility management
2. It aids the government for making policies for health
3. It is used in government and regulation for health system
4. It acts as a basis of research in health
5. It aids in the human resource management
6. It helps to identify needs for health education among the concern parties e.g staffs and general population
7. It helps in analyzing the trends in disease and which aspects of the disease process
8. It helps in global reporting of health services activities in different countries
9. It helps to provide clear situation of health status in country
10. It aids in planning and financing health activities
11. It aids in identification of needs
12. It aids in monitoring quality of care provided by the people

**APPLY CONTINUOUS QUALITY IMPROVEMENT IN THE HEALTH SERVICE DELIVERY (TOTAL QUALITY MANAGEMENT)**

CQI is the ongoing process (total quality management) of monitoring structure, process and outcome indicators in order to identify signal events, significant friends and opportunities for change that will guide health care professionals in preventing patient care problems and improving satisfactory patient service.

Total quality management of CQI is therefore used to improve the productivity in any organization.

**Quality assurance**: refers to evaluation of level of care provided in a health care agency but it may be limited to the evaluation of performance of one nurse or more. Proudly involve the evaluation of quality care in an agency or even a country.

**Principles for total quality management or CQI (1986)**

1. It creates a constancy of purpose for the improvement of products and services.
2. It adapt a philosophy of continual improvement
3. It focus on improving process and not inspection of products
4. It improves constantly in every process of planning products and service
5. It institute job training and retraining
6. It develops the leadership in the organization
7. It drives out fear by encouraging employees to participate actively in the process.
8. It factors interdepartmental cooperation and break down barriers between departments
9. It focus on quality and not just quality
10. It promotes team work rather than individual accomplishment
11. They educate and train employees to maximize personal developments
12. It charges all employees carrying out total quality management package.

AUDIT CYCLE.

Set standards

I

Compare with standards

Observe practice

Implement change

**Audit** means to examine or

Benefits of total quality management (CQI)

1. It increase capacity and ability for customers satisfaction
2. It improves on customers relations and attract new customers
3. It reduces customer complaints by providing right quality
4. It analyzes the establishment or definition of customer requirement leading to the customer satisfaction.
5. It leads to establishment of effective goals and objectives
6. It leads to determination of industry best practices,
7. promotes interpersonal relations among employees,
8. Improves communication between managers and subordinates and improves chances of better salaries for employees.
9. It contributes to the development of time measures of productivity.

**MANAGING SUPPLIERS FOR HEALTH CARE DELIVERY EFFECTIVELY.**

**Purchasing**: it is the process of acquiring materials and services from outside suppliers.

**Procurement process**: include purchasing, receiving stock keeping, stock control etc

**Store management:** it deals with planning, coordinating and control of various activities pertaining to effective, efficient and economic storage and store keeping.

Supplier’s management deals with:

* Material cost
* Material supply
* Material utilization.

**ORDERING EQUIPMENT**

Only senior staffs are authorized to order equipments and it requires the following skills:

1. Listing requirements from a knowledge of past use and estimates of present use.
2. Balancing requirements with available resources and making cost estimate.
3. Use of catalogue (it is a book that contains list of articles available for purchase from certain place)
4. Completion of order forms or requisition forms.

NB. Priorities must be established among the need (you must balance the needs and resources available)

**Estimating drug requirement (ordering and storing drugs)**

The following helps in ordering and stocking drugs:

1. Use of stock ledger
2. Use of stock-card system.

This enable the health worker to:

* Notice when stock needs reordering
* To check drug use against patient treatment
* To become rapidly aware of discrepancies in the drug treatment
* To check changes in the drug use in different section of health unit.

The scope of supplies management entails:

* Supply planning and programming
* Purchasing and inventorying control
* Receiving ware housing and store keeping
* Transportation and materials handling
* Disposal of scrapes and supply including utilization of byproducts.

Maximum production level

Effective suppliers and

Management process minimal production and distribution cost

Maximum profit margin

**ENTREPRENEURSHIP.**

It refers to the process of identifying viable business idea in assemble resources and setting the business. Entrepreneurs tend to identify markets opportunity and exploit it by organizing their resources effectively to accomplish an outcome.

Entrepreneurs take risk and calculate risk margins.

Characteristics of entrepreneurship

* They are good with people
* They are hardworking
* They are confident
* They are risk takers
* They are self-sufficient
* They are imaginative
* They are well organized
* Concentrate on external market
* Have good communication skills
* They have good human relation.

How to become an entrepreneur

* Get to know success independent business people and make sure they know you.
* Take every opportunity you can to practice the widest possible range of business skill preferably spending at least some time working on small entrepreneurial form
* Constantly scan your environment thus seeing as much information as you can, from as many different sources as possible.
* Learn to seek advice from wide range of sources but act on own judgment
* Learn to deal with failures
* Find an idea that obsess you but be prepared to modify constantly
* Build a good tract for financial management both at work and in personal life.
* Learn to have good plans in both long and short terms concentrating on the things that matters without succumbing to paralysis of analysis.

Role of entrepreneurs in business

* Provides healthy competition thus encouraging higher quality products
* It leads to development of new markets
* It leads to availability of more goods and services
* It encourages the processing of local materials into finished goods for domestic consumption as well as for export.

**The role entrepreneurship plays in the economic development in any economy.**

1. It promotes capital formation by mobilizing the ideals savings of public
2. It provides immediate large scale employment thus reducing unemployment in country which is the root of all socioeconomic problems.
3. It promotes balanced regional development
4. It helps reduce concentration of economic power.
5. It stimulates equitable redistribution of wealth income and political power in the interest of the country.
6. It encourages effective resources mobilization of capital and skills which might otherwise remain un utilized and idle
7. It also induces backward and forward linkage which stimulates the process of economic development in the country.
8. It promotes countries export trade which is an important ingredient to economic development.