Knowledge of the Healthcare Environment

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In our previous column, we examined the competency, business knowledge and skills. Using these skills to their fullest potential requires in-depth knowledge of the many unique and complex nuances within the healthcare context. This contextual knowledge is the focus of the competency, knowledge of the healthcare environment.

WHAT THIS COMPETENCY ENTAILS

The Healthcare Leadership Alliance (HLA) defines this competency as "the demonstrated understanding of the health care system and the environment in which health care managers and providers function." According to HLA's research, this competency involves 18 areas that are particularly important for healthcare leaders to master. These areas can be organized into four general themes or levels of analysis: customers, staff, systems, and community/environment.

Customers

Most leaders in healthcare have at least some direct experience in the patient role. This experience can provide the leader with a useful frame of reference but can also create blind spots. We often tend to overgeneralize one patient's experience to those of others and in the process miss individual differences. Developing a broader understanding of the diversity of these experiences is essential to having a realistic picture of patient needs.

Staff

The workforces of hospitals are among the most highly educated in the service sector; however, the nature of professional education makes for a very complex tapestry of interrelationships. While interpersonal trust and collaboration are crucial, the goals, organizational power, and income all vary widely by profession and position. An understanding of these interworkings takes time and effort to develop and, assuming one knows more than one does, often leads to trouble.

Systems

Health systems differ fundamentally from other types of services in that they more directly address the actual survival of their customers. This makes "getting it right the first time" far more important than for most other service-providing organizations; it is also the reason that healthcare is among the most regulated of all the industries in the world.

Understanding the systems context is particularly important to professionals coming into healthcare from other industries, allowing them to best capitalize on the similarities while gaining an appreciation for the differences. Professionals from the banking industry, for example, are typically accustomed to operating under considerable regulatory oversight; however, they may struggle to deal with the challenges of changing care-provider workflow. Similarly, professionals from the manufacturing industry can bring an invaluable skillset for improving operational efficiency, but they may have an initial blind spot about the full implications of treating the end product as a healthy patient rather than a "widget."

Community/Environment

Healthcare systems are influenced by changes and trends at multiple levels. At the community level, changes in the nature of the population, the local economy, and awareness and attitudes toward health will all affect healthcare delivery. Similar trends also operate at the national level as well as across levels (e.g., the cost-shifting effects of federal program cuts). The elaborate interplay of these forces may unfold over years, decades, or even generations, making the patterns particularly difficult for relative newcomers to interpret.

HOW TO BEST DEVELOP THIS COMPETENCY

As is the case for most competencies, the ideal first step in developing in this competency is to gauge your current proficiency level and then to prioritize areas for further development. Examples of activities that can assist in the mastery of this competency are provided in Table 1. Leaders with formal education in health administration may already have a solid foundation in many of these areas, although few, if any, of us can find no opportunities for improvement. For leaders whose education may be more general, or whose healthcare education may have been received decades ago, two very important sources of knowledge are direct experience and communities of learning.

Direct Experience

Healthcare is a relationship business, so it is no surprise that a number of these competency items relate to perspective-taking. Given the incredible time demand and pressure present in healthcare, many leaders find it very challenging to carve out sufficient time to forge and cultivate relationships outside of the immediate task demands they face. Setting annual goals to make specific contacts with other departments can be helpful in developing a greater awareness and appreciation of the organizational system.

A deeper understanding of the challenges that care providers face can be developed through the use of shadowing—following a willing provider during part of their day. The technique has been used to good effect in helping information systems professionals understand how these tools are used on the unit floor and to see first-hand the noxious consequences of workflow disruption.

TABLE 1

Example Activities Useful for Developing Knowledge of the Healthcare Environment

Competency Items	Development Activities
Customers • The patient perspective • Representation and advocacy	• Interview patient families • Participate in patient focus groups and/or community outreach events
Staff • Staff perspectives (e.g., frame of reference by discipline and role; orientation) • Workforce issues • Educational funding	• Shadow healthcare providers • Attend staff meetings from other departments/professions • Read relevant professional publications and information sources; sign up for listservs
Systems • The interrelationships among access, quality, cost, resource allocation, accountability, and community • Funding and payment mechanisms of the healthcare system • Community standards of care • Regulatory and administrative environment • Healthcare delivery models	• Develop mentoring relationships with leaders in other departments (e.g., billing/finance, community affairs, legal affairs, public health department) • Participate in community relations groups
Community/environment • Socioeconomic environment in which the organization functions • Current events/issues (e.g., an aging population, lack/rising cost of health insurance, malpractice crisis • Social issues (e.g., end of life, transplants, plastic surgery, euthanasia) • Global perspective (e.g., international travel, vaccination, WHO standards, health status versus healthcare delivery) • Technological research and advancements (e.g., biomedical, health services)	• Read the healthcare section of business and general interest periodicals (e.g., *Wall Street Journal*, *Time*) • Scan relevant scholarly and trade journals (e.g., *Healthcare Executive*, *Health Affairs*) • Attend workshops and seminars provided by special interest groups • Volunteer in community activities

Communities of Learning

A "community of learning" is any group of individuals in communication with each other for the purpose of learning. Professional associations, such as those comprising the HLA, are familiar examples; others include book and journal clubs, listservs, and alumni associations. Communities of learning can provide an invaluable forum for bringing together observations and experiences within a context of reflective thinking. They can lead participants to notice and prepare for trends long before these trends are widely acknowledged.

HOW ORGANIZATIONS CAN USE THIS COMPETENCY

This competency can be particularly useful for helping experienced managers from other industries transition into healthcare. The field of healthcare information, in particular, is often an entry point for professionals from other sectors.

The governing board is another area in which non-healthcare professionals often enlist to serve. These professionals may have management talent but may lack in-depth knowledge of the healthcare field. The competency could be used as a checklist or framing tool for board-orientation processes, particularly for new board members with limited working experience in the hospital environment.

For more information on the concepts in this column, please contact Andy Garman at andy_n_garman@rush.edu.