The new nurse manager: Partner in managing costs and quality

Today's nurse manager is a leader in the 1990s health care delivery system. Collaborating with managers throughout the organization, the nurse manager calls upon skills and advanced education to carry out functions in the areas of clinical systems management, human resource management, environmental management, and financial management. This article describes this health care management role and presents case studies where collaboration with other disciplines was successful. Key words: *nurse manager, collaboration, health care management roles*

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TODAY'S NURSE manager is not yesterday's head nurse. Faced with maintaining quality patient care in a world of dwindling resources, today's nurse manager must call upon a cadre of skills once the purview of business managers and executives. Today these managers, who are nurses, deal with complex patient care issues as well as the operations of multiple departments with as many as 100 full-time equivalents (FTEs). Functioning as the chief operations person for his or her span of control, the nurse manager uses skills developed in clinical systems and human resource, fiscal, and environmental management. Many of these nurse managers are prepared at the master's level and have developed the knowledge and skills necessary for leadership in today's and tomorrow's health care environment. As organizations are "right-sized" and reorganization touches all areas, departmental lines are less important. Quality improvement initiatives are evolving and more interdisciplinary teamwork is occurring. As nurse managers continue to expand

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their knowledge regarding the roles of many disciplines, other disciplines are beginning to recognize the value of generalized clinical knowledge combined with business experience offered by the new nurse manager.

THE NURSING REVOLUTION

Nursing has progressed beyond the novel, television, and movie nurse stereotype. Still the caring provider, nursing now requires high-level clinical and technical competencies. Nurses are typically the coordinators of care for groups of patients and their families, frequently crossing boundaries of hospital, clinic, community, and home. Case management as a practice model is becoming an accepted standard for the 1990s and beyond.

In today's typical organization, the senior nurse is a vital member of the executive team. Holding vice-president or senior vice-president positions, these executives have advanced educational preparation, often in nursing and administration. Some nurse executives have moved into chief operating officer and chief executive officer positions. In restructuring organizations, the vice-president of patient care services frequently has responsibility not only for nursing departments but also for pharmacy, laboratory, physical therapy, and other clinical support departments. As health care delivery systems are reformed, the nurse executive role has expanded beyond the walls of the hospital. These highly regarded professionals are key players in the development of community health networks and analysis of systemwide strategies.

THE NEW NURSE MANAGER

In 1990, the American Organization of Nurse Executives (AONE), a subsidiary organization of the American Hospital Association and the national leadership organization for nurse executives and nurse managers, conducted an extensive nationwide study to examine the current (1990) and future (2000) roles and educational preparation of nurse managers.[1] Included in this study were the perspectives of nurse executives and chief executive officers of health care organizations. According to this study, advanced education will be required for nurse managers by the year 2000. A master's degree of some type in either nursing, business administration, health care administration, or combined nursing and business was predicted. The content of the degree program would include nursing content, finance and budgeting, computer applications, human resource management, organizational theory, and an internship/residency. Indeed, record numbers of nurse managers are returning to graduate programs to obtain the education needed to function efficiently in their expanded roles.

Defined as the manager with 24-hour accountability for the operations of one or more patient care areas, the nurse manager is frequently described as the pivotal point between patients, families, physicians, staff, and senior administration. In coordinating the day-to-day care delivery system, the nurse manager communicates with many disciplines and frequently acts as an advocate for the recipient of care, the patient. Specific responsibilities of the nurse manager have been expanded to ensure that this advocacy occurs in many forums. Those responsibilities include:

- Clinical systems management
- Human resource management
- Environmental management
- Financial management

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Clinical systems management responsibilities

The nurse manager is responsible for the development and implementation of the clinical care delivery model for the provision of patient care services. When a clinical system is changed, the nurse manager provides perspective of the impact on patient care. The nurse manager develops policies, procedures, and standards of care specific for patient populations. Development of unit-specific quality monitors and implementation of continuous quality improvement initiatives frequently rest with the nurse manager. Because of the multidisciplinary nature of the nurse manager's interactions, his or her perspectives are critical to success. The nurse manager frequently is the team member who takes responsibility for raising ethical concerns related to patient care in the patient population under the manager's charge.

Human resource management responsibilities

It is common for the nurse manager to have responsibility for more than one patient care area, each staffed with professional, technical, and assistive personnel. With redesign and restructuring initiatives, some patient care areas have large staffs that include a wide mix of professional disciplines. Laboratory, pharmacy, respiratory therapy, and physical therapy staff may be assigned to a specific patient care department and report to the nurse manager. Some nurse managers' departments exceed 100 FTEs. Human resource management knowledge and skills in the areas of interviewing, hiring, firing, counseling, and training are essential to the successful nurse manager. Many nurse managers are experimenting with innovative implementation of shared governance, staff self-scheduling, and various retention strategies. Nurse managers frequently lead task forces to examine systemwide application of successful unit strategies. In coordination with various organizational resources, the nurse manager has oversight for the development of training programs and performance evaluation systems including peer review.

Environmental management responsibilities

In days past, all strategic planning and evaluation activities were considered upper management's territory. Today, nurse managers are key leaders in strategic planning for their areas of responsibility and the organization as a whole. Managing major projects for the organization is common. Evaluation of the impact of technology on the patient and the care providers and implementation of strategies to improve technology often generate from the nurse manager and the manager's staff. Involvement of the staff in decision making regarding information systems, specifically those to support documentation, is essential to success. Nurse managers are also primary players in the successful completion of accreditation and regulatory requirements. Addressing medico–legal concerns and the implementation of risk reduction strategies is now routinely within the scope of the nurse manager's responsibility. Nurse managers are involved in marketing and public relations activities to promote their specialty areas and the organization as a whole. Some experienced nurse managers are being selected to man-

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age entire product or service lines. With a broad knowledge of care requirements, physician practice patterns, and financial management skills, nurse/product-line managers have proven to be very successful. As all organizations focus on customer service as a priority, the nurse manager can again lead the way. Direct daily interaction with the care providers, patients, families, physicians, and other departments places the nurse manager in a unique position to make or break customer satisfaction for the organization.

Financial management responsibilities

Today's nurse manager typically holds responsibility for annual operating budgets in the $2 million to $10 million range. Depending on the span of control, the nurse manager develops capital and operating budgets and specific program budgets. As part of budget development, break-even analysis and pro forma projections are often generated by the nurse manager. The nurse manager is responsible for the day-to-day operational management of resources and analysis of variance from the budget. Education in the basics of financial management and accounting coupled with his or her knowledge of the health care reimbursement system make the nurse manager a valuable partner in the control of costs. Nurse managers and their teams are constructive resources in product evaluation and selection, helping to make decisions that can result in significant cost savings. Involvement of the clinical staff in planning and design of facilities renovation and new construction projects can result in significant capital savings and improved efficiencies through early identification of operational issues.

CASE STUDIES IN PARTNERSHIPS

Experience has shown that collaborative planning among multiple departments and disciplines improves quality outcomes and reduces costs. Whether planning a renovation or construction project, evaluating products for cost reduction, or challenging systems and processes to improve patient care outcomes, the work of a multidisciplinary team considers multiple perspectives and produces more efficient and effective methods. Solving problems becomes proactive rather than reactive.

Facilities project

Planning and assessment

Facilities planning begins with a complete operational assessment and an outcome description. Early in 1990, the obstetrics services of Huntsville Hospital embarked on a four-year construction and renovation project encompassing four departments. Increasing capacity and the need to modernize facilities to accommodate evolving care delivery models were the primary driving forces behind the project. Care delivery could not be interrupted. Services would have to continue at existing, and possibly increased, levels during the entire project. The initial planning team was assembled and included the chief operating officer, the architect, three

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physicians (two from obstetrics and one from neonatal practices), the director of the obstetrics service, and the nurse managers whose departments were involved. As the project progressed, subgroups were formed but always included the nurse managers. Leadership of the project exchanged hands depending on the issues to be addressed. Additional department leadership was included throughout the project.

Site visits to facilities similar to the project concept were completed and consultation from a facilities planning firm specializing in design of specialty areas was obtained. The consultants provided on-site presentations on trends in the field for the medical staff department heads and staff. These presentations stimulated much discussion about who should be included in the project planning and implementation and what issues remained unanswered.

Planning sessions continued until the right conceptual fit of a construction and renovation plan was completed. Various professionals were called upon to address specific concerns. Nursing and medical professionals responded to patient care concerns. Materiel management responded to capital needs and provided options within competitive pricing. Marketing responded to consumer concerns and market analysis. Other clinical and support disciplines including laboratory, admitting, pharmacy, and respiratory were called upon to provide input into specific decisions regarding their areas of expertise and practice. Even with this level of input, items were omitted and revisions to the original plan were made throughout the project.

Project implementation

Throughout project implementation, the nurse manager over the specific area became the key coordinator. Patient care had to continue uninterrupted during the construction and adjustments on an hour-to-hour basis were sometimes required. For example, during an especially hectic day in the surgical suite, replacement of air ducts had to be rescheduled for completion during the night hours. Patient comfort and safety were always prime concerns. On days when construction was especially noisy, patients were provided with headsets for listening to music or television. Construction dust was another primary concern, and patients had to be moved from the patient care area under construction or the construction stopped periodically if the patients could not be moved. The nurse manager's role as communicator and coordinator was enacted constantly. As a facilitator, the nurse manager sought out staff opinion regarding the daily processes influenced by the activities in the areas.

Pharmacy–nursing project

There was general dissatisfaction with the delivery method of medications between the mother–baby/gynecology unit and the pharmacy. The patient turnover on the unit was significant due to the high number of births (approximately 3,800 per year), and a two-day average length of stay. It was not unusual to have 15 admissions and 15 discharges per day. When the patient arrived on the unit, the secretary would enter all routine physician orders into the computer and the nurse would verify the entry as correct. When pharmacy received the orders, they would fill a unit dose order and send it to the unit. When a new medication was ordered, it would be entered and verified in the same manner. Daily unit doses were filled in the pharmacy and delivered by a pharmacy

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technician. New and as-needed (p.r.n.) medications were delivered to the units as the order was generated.

Pharmacy was often busy and it was difficult for a member of their staff to immediately fill the order and travel between the pharmacy and the unit every time a patient was admitted. It was equally burdensome for the mother–baby/gynecology unit staff to have to leave the unit to go to the pharmacy and pick up the patient's medication each time a new patient arrived. Delays occurred. Patients waited for medications and became dissatisfied. Staff in both areas were frustrated. Efficiency was down.

Pharmacy initiated the meeting of a collaborative, interdisciplinary team consisting of the nurse manager of the mother–baby/gynecology unit, the director of the pharmacy, and the unit pharmacist to discuss medication delivery for the mother–baby/gynecology unit. The reason for the development of this team was to improve availability of medications to the patient, enhance the quality of care, optimize use of pharmacy and nursing staff, and increase customer satisfaction. A consensus was reached to initiate routine stock medications on the mother–baby/gynecology unit. This would allow the nursing staff immediate access to routine medications needed for the patients, thereby increasing quality of care and positively impacting patient satisfaction. The concept of immediate availability of routine and p.r.n. medications for the patients was unanimously embraced by the nursing staff.

The major beneficiary of the change was the patient. This system enabled the patient's needs to be met in a more timely manner. Nursing staff benefited from the improvement due to the immediate accessibility of the medications. Pharmacy benefited by eliminating the need for pharmacy staff to fill daily unit dose orders on patients who were admitted and discharged within a 48-hour time frame. There was a resultant decrease in workload.

EVALUATION

Although the collaborative projects described have been highly successful, there are many more areas of opportunity for improvement. For example, as the obstetrics services renovation project draws to a close, the question is asked: What would we do differently if we were to do it over? Identified opportunities for improvement may be grouped into three main areas: communications, sensitivity to individual concerns, and assignment of responsibility.

Communications

Communicate, communicate, communicate! No matter how much is said, who has been told, what memos have been sent, information must be repeated many times to many individuals and groups. Within the construction projects alone, over 250 individual staff members, 75 physicians, and over 60 other individuals in various departments had to be kept informed as changes progressed. Much of this work rested with

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the nurse manager. Expanded use of information systems (networks, electronic mail, facsimile) would have been helpful. The nurse manager is in a position to communicate with many individuals daily and should be considered an appropriate individual to accept this responsibility.

Communication between disciplines is also a challenge. Terminology used by one discipline is frequently misunderstood by another. Ensuring understanding by all parties is essential. For example, capital requisitions and delivery specifications must be understood by all. Turnaround times must be detailed and responsibility for follow-through needs to be set well in advance. Mistakes caused by misunderstanding can be costly and unnecessary.

Sensitivity to individual concerns

All teamwork requires that individuals seek to understands other team members' positions. When beginning major collaborative projects, taking time to explore all players' points of view and individual concerns and issues will be time well spent. Individual goals and priorities will be different; however, it is important to gain consensus on priorities from the organizational perspective without minimizing the individual concerns.

Assignment of responsibilities

Working together effectively requires that the team clearly understands its purpose and individual members understand their roles and expectations. Throughout a career in management, an individual may fill roles of leader as well as follower. In today's organization, horizontal leadership is expected. During the projects previously described, people of various disciplines took the lead on portions of the projects. One major problem encountered was that more than one person assumed responsibility for a particular portion of the project; thus, duplication of some efforts occurred. At other times, the more common problem occurred—no one took the lead and pieces of the projects were delayed or found incomplete. Essential to the success of this type of collaborative project implementation is the effective, specific assignment of accountability to reduce duplication of efforts and costs and to avoid project gaps.

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The new nurse manager is functioning in an expanded role and there is evidence that this responsibility will increase into the next century. The nurse manager brings to the table knowledge of the clinical environment, acquired from dealing with patient, physician, and staff concerns, as well as business expertise. As health care organizations evolve and departmental lines blur, disciplines will increasingly need the expertise and experience offered by a multitude of professions. Recognizing and valuing the talents each has to offer will significantly impact the quality and cost concerns of today's organizations.

REFERENCE

1. American Organization of Nurse Executives. *1990 National Nurse Manager Study*. Chicago, Ill.: AONE, 1990.

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