

CUSTOMER CASE:



The Mental Hospital in Hronovce, Slovakia is a medium sized, specialized institution, which is well known for its comprehensive psychiatric patient care and dedicated focus on rehabilitation and resocialization.

In the beginning of 2004, the hospital management decided to implement a restructuring project with the aim of using modern management approaches to increase overall performance of the hospital.

Implementation of Integrated Management System in Hronovce Mental Hospital Using QPR solutions



“Nowadays the whole hospital performance, from a process point-of-view, is within the touch of my computer screen. Thanks to QPR ScoreCard, every supervisor or head physician has access to periodically updated information about his or her ward performance and can take a detailed look at the expenses. This allows for overall improvement”
*MUDr. Karol Holly,
Managing Director
Hronovce Hospital*

Original Goals

The Management of the Hronovce Hospital has been facing similar issues that trouble all the health-care providers in Slovakia everyday:

Low revenues from health-care treatment create constant pressure towards internal efficiency and have not allowed for the building up of sufficient capital.

Moreover, entry to the European Union and changes in the health care environment on the other hand, has raised quality and performance requirements.

Legislative uncertainties resulting in organizational changes and other factors demanding increased organization dynamics have had an impact on the health care sector.

There were no ample motivational mechanisms running in hospitals that could commit personnel to improvement.

It is now imperative to set the focus on the customer. On the medical process level, focus has been on the illness not on the patient.

Also, secondary processes lacked a reciprocal service approach and a supplier-customer relationship approach.

Diagnosics – The Beginning of major changes

The above reasons led the hospital management to seek assistance from QPR's local Partner EMARK, a renowned consultancy firm that provides comprehensive solutions to the health-care sector.

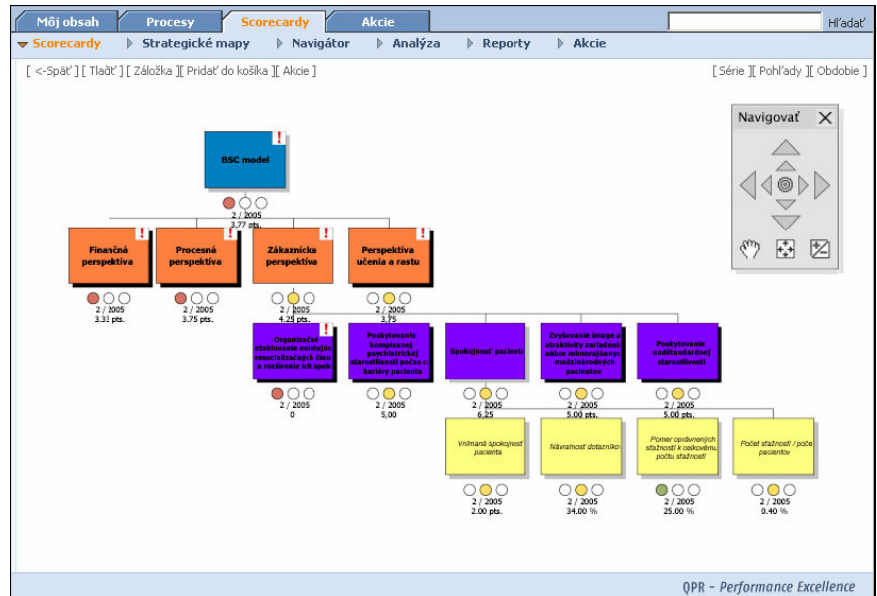
Following contract specifications, the hospital underwent management diagnostics focused on: management systems, process efficiency and quality and performance assessment.

Based on the results from the diagnostics, the management commended in the summer of 2005, a project that aimed at achieving the following goals:

- Implement a process management in the hospital, thus decentralizing and freeing the Management from micro-managing the hospital.
- Implement a motivational system to increase the organizational dynamics and to enhance organizational culture and to commit employees to hospital goals.
- Implement a Quality Management System in line with ISO 9001:2000 standards, focused on real quality enhancement and to acquire the certificate.
- Create a Management Information System that could effectively feed facts required in decision-making at all levels, improving the controlling system.
- Strengthen the public image of the hospital by increasing efforts marketing and human resources management.

Advanced management software tools were applied to support the project:

- QPR ScoreCard for strategic and process controlling, which enables comprehensive performance management of the hospital at all levels. Scorecard creates a base for integrated motivation system.
- QPR ProcessGuide for process management, process optimization and ISO 9001:2000 quality management system support.



- QPR ProcessGuide meets the requirements and needs of a process management and quality management system, including document management.

ling based on Activity Based Costing methods and quality management systems according to ISO 9001:2000 standards. (Certification was completed in September 2005).

Developing the project

Because of the complexity of the project, Hospital Management delegated competencies to the consulting company – PhDr. Ondrej Javorka from EMARK was responsible for coordinating the efforts of the various project teams.

Changes were driven by defining the strategy based on Balanced Scorecard. This approach allowed the strategy to cover all crucial areas of the operation of the hospital.

After defining the strategy, processes were mapped and flowcharted and then in the next phase, optimized. Included in the changes was broadening the scope of responsibilities of the supervising staff, so that they could not only oversee, but also control the process, defining responsibilities and competencies, ensuring that decisions are made close to the customer and defining the objectives of the process.

When the structure of the processes was created, it provided a base for the strategic controlling system, using the strategy as defined at the very beginning, process controlling, cost control-

“From the very beginning of my tenure, I have strived to implement positive changes in management. We succeeded to implement many of our projects, but there has always been a lack of overall coordination between individual elements.”

Consultants from EMARK have successfully aligned changes in line with the concept that arises from modern methods – process approach to management, strategic management, Balanced Scorecard concept, Activity Based Costing and underlying techniques.”

MUDr. Karol Holly, Managing Director of the Hospital speaks about the diagnostics.

Achieved benefits

Thanks to the developed systems, executives now have better overview of the overall hospital performance, process performance and economic performance.

It is now clear where the cash flows and what the effects are from expended costs. It is no longer required for supervisors and head physicians to know accounting rules in order to evaluate costs development and to devise modifications. Strategic controlling enables easy access of information from any area of performance and from any perspective.

„The implementation of process approach itself is a major change. For it to be successful, it is vital to involve all employees of the hospital. Therefore, the most important of all was communicating, coordinating and winning support for positive changes“ says Karol Holly.

One of the results was the activation of supervising employees on the lower managerial levels – their awareness lead to increased efficiency, performance and quality as well as customer and goal orientation.

Focus on customer and patient satisfaction strengthened. Employees perceive that customer satisfaction evaluation is now necessary and are actively committed to ensure that the patient will return and will not seek treatment elsewhere.

Customer satisfaction has become a part of the motivation system together with other quality, cost and revenue indicators.

Using QPR ScoreCard has made the motivation system easy-to-use and equal across the processes.

The process point of view is able to establish clear “Rules of Engagement” for employees to follow. Quality systems can invigorate the process of continuous improvement. Before, solutions were only sought after the trouble emerged.

Now, as processes are being evaluated and discrepancies are being spotting, problems are being addressed right away. Process owners now have adequate qualification and competence to make decisions, thus increasing effectiveness in fixing deficiencies. Process Maps enable changes to be understood and put into practice without excessive paper work.

By engaging in customer satisfaction evaluations, relationships between primary and support processes are improved and operating effectiveness increased.

Most of the changes in the project are long-term changes. Like any other organization, the Hospital is first of all about its staff. People are very resistant to change.

The modern approaches that were applied in Hronovce Mental Hospital are focused on change management so that the necessary changes could come about as fast as possible, so that desirable effects could arrive as early as possible and the hospital could flexibly address external changes in the healthcare sector.