



# Governance of Hospitals on HRH

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From strategy to implementation

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Hospital care is a significant portion of total health expenditures

Human resources (HR) account for much of the costs

Why is Hospital Governance Important?

Good governance is vital for improving the efficiency of inpatient care

Good governance includes good HR policy, esp. staff posting and transfer (P&T)



Universal Health Coverage

**Definition:** “Hospital governance” guides administrative & proprietary relationships and performance objectives that are external to a hospital’s internal organizational and management structure

Governance addresses such common HRH problems as:

- Waste & Inefficiency
- Inequity/Failure to serve the poor
- Low motivation/Substandard quality
- Low productivity/High costs
- Low retention/Brain drain
- Public dissatisfaction







# Wide-ranging policy changes in Asia–Pacific region that impacted health labor markets:

- Increased autonomy: delegation of decision-making and control over resources (HRH, finances)
- Commercialization & privatization ('marketization')
- Decentralization, devolution, regionalization



Mixed impact on performance & costs led to an iterative process of adjustments





## Good governance practices

- Ensure inclusive representation and participation of stakeholders in hospital governing body
- Have a “whole of system” service delivery approach bringing together hospitals and communities
- Encourage adaptive responses and new forms of integration to respond to the needs of a rapidly ageing population and a growing NCD burden
- Address HRH comprehensively: hiring, retention, mobility (P&T), motivation (intrinsic & extrinsic), incentives
- Are based on solid evidence from effective information systems, patient satisfaction polls, and rigorous research





# Lessons Learned

- **Indonesia**
  - Operational autonomy incl. HR of large public hospitals & Minimum Service Standard
  - Led to improved quality and satisfaction
  
- **Thailand**
  - Universal Coverage Scheme made hospital governance more responsive
  - Outpatient capitation budgets significantly improved district health governance
  
- **Vietnam**
  - Financial management and recruitment autonomy and no need for referrals
  - Increased total health expenditure, less funding for district hospitals, difficulty attracting staff, poor quality of services
  
- **Philippines**
  - Devolution led to disruption of referral system & fragmentation of financing
  - Overcrowded provincial and Department of Health hospitals
  - Under-utilized health centers and district hospitals
  - Highly decentralized, therefore difficult to implement national norms incl. HR
  - Supply- and demand-side interventions & massive increase in national health budget



# Collective well-being and social harmony

*A tenant for driving health systems governance?*