

Leadership Approaches to Address Performance Management & Appraisal Issues in Malaysia

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Abstract- Safety and quality are essential issues in the healthcare industry and it is on this basis, that health professionalism is formed. In healthcare, be it from primary care to tertiary care and right up to public health, various performance indicators have been developed to measure and control the efficiency of health services provided [1]. In the last few years, in pace with International practices, Malaysian policy makers and patients have exerted increasing pressure on health organizations to improve quality and efficiency. As such, performance management and appraisal have become key tools to measurement on how well healthcare objectives are accomplished. Performance management and appraisal, when executed well, will in no doubt increase quality healthcare and patient safety. Results obtained from it are more about taking action rather than merely creating awareness. It is crucial to understand that performance management and appraisal involves the whole healthcare system and cannot be individualized or departmentalized and it is indeed the key to achieve fundamental long-term quality improvements.

Index Terms- performance appraisal, distributed leadership, transformational leadership, healthcare industry

I. INTRODUCTION

Strategic performance management not only empowers healthcare organizations to analyze data and identify trends which can be subsequently used as predictive data for real time performance management, but it also creates problem-solving avenues for health providers to generate high quality treatment alternatives [2]. Performance appraisal, particularly when conducted the right way, can transform data obtained into useful information, thereby achieving new efficiencies and improving quality of healthcare while optimizing available resources [3]. Apart from improving healthcare's operational efficiency and patient outcome, well tailored Key Performance Indicators (KPIs) will look beyond financial performance and will help key stakeholders, namely hospital management staff, leading physicians and nursing administrators in performing patient centered decision making. Nonetheless, despite the obvious

stated benefits of performance management, performance measurement and reporting are often used inappropriately. This due to the lack of guides and protocols for their effective implementation. The lack of knowledge and awareness on how to conduct efficient performance appraisal has resulted in such measurements being primarily seen to make judgments, which in fact has led to collapse of other quality enhancing activities. This has also created fear among healthcare workers, as they see performance appraisals as a punitive tool and not as something creative to enhance outcomes and performances. Constraints in human resource has also led to healthcare workers not receiving appropriate and timely feedback on their performance, which in turn prevents them from using such findings to improve their delivery of healthcare in a more effective and optimal manner.

Apart from these human factors, is it known that data collection and analysis is complex and costly. This is especially true for a developing nation, like Malaysia where only 4.5% of GDP is spent on healthcare. Nonetheless, the Nation has made significant strides in reducing infant mortality rates and increasing life expectancy. As the national healthcare system transforms into an information technology (IT) based system allowing for real time and up-to-date data warehousing, it will transform information obtained into actionable insights. At present the Ministry of Health Malaysia captures this data in returns sent from the state and national level. This results in time lag before the data obtained can be used to implement effective changes. At times due to lack of access to evidence based practice guidelines, selected indicators when measured are at times rendered ineffective. On the other hand, they often can become effective in unintended ways even though they went through lengthy selection criteria debate [4].

II. LITERATURE REVIEW

Based on literature review, many previous studies explored leadership models in relation to healthcare performance management. In this research, a framework [Figure 1] which would impact performance management and appraisal in Malaysia was developed.

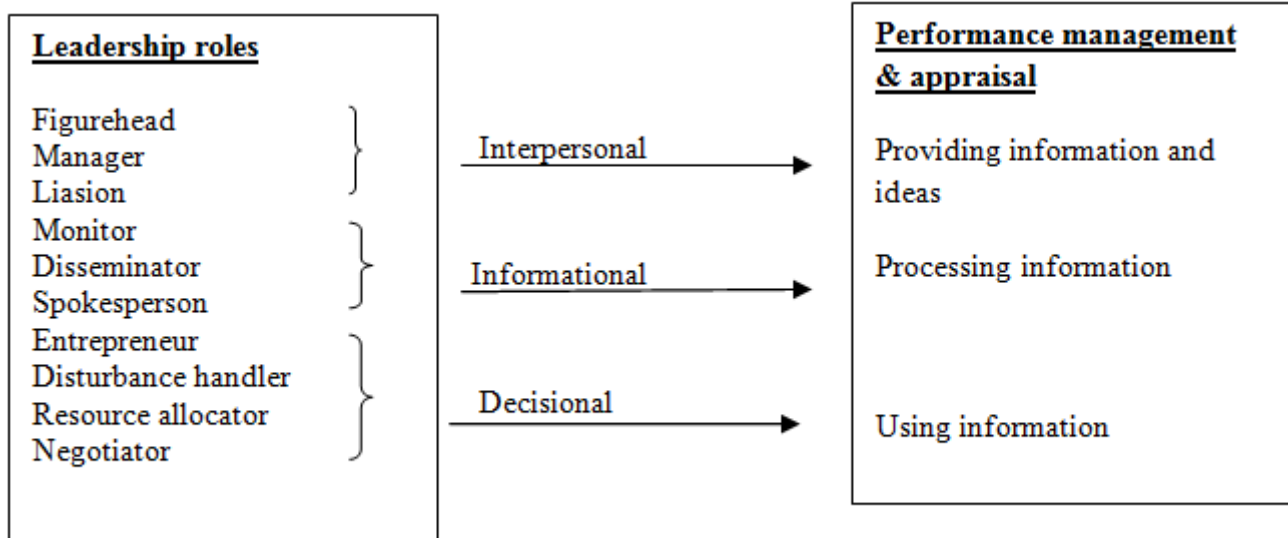


Figure 1: Research Model

III. FINDINGS

Distributed Leadership

Distributed Leadership (DL) is one of the leadership models which can be used to address the issues in performance management and appraisal in healthcare. There is no clear definition of distributed leadership, however, according to Gronn, distributed leadership results from 'spontaneous collaboration, intuitive working relations, and institutionalized practices' [5] while Spillane et al. describes it as an emergent process which has been 'dynamically constructed and shaped over time through interaction of leaders, followers and the situation' [6]. The distributed leadership model can aid in capacity building of individuals. It is a form of group activity, which consists of participation from various levels of healthcare workers, where individuals will work together to achieve a set goal. Leaders should be mobilized at all levels of the organization, it is upon these premise that many leaders interact and interrelate with one another. Nonetheless, DL does not mean that everyone will lead. Rather, it is a product of shared discussion, partnership, dialogue and/or activity and not merely delegation of task to various individuals [7]. DL involves having good communication system and implementation of various processes which can help healthcare organizations learn and develop, thereby achieving higher stands of quality improvement and patient safety.

Apart from the many issues arising from performance management and appraisal which were stated earlier, there are also technical weaknesses in the performance management agenda and various task uncertainties which have lead to inaccurate interpretation of data [8]. In order to address these issues, it would be ideal to integrate DL theories, in coordinating various services and healthcare providers to improve the quality of healthcare. Policy makers need to recognize the strength of the middle management's leadership capacity. In order for this change of operation to be successful, an agent should be appointed to manage this process; it is not feasible to ask a busy physician to take on this change as there might a dilution of

focus. Healthcare workers of all levels should work together and collaborate to complement each other's skills and resources, so as to track uncertainties which can influence the type of performance indicator measured. Credibility and trust should be built across stakeholders, which can be achieved by investing time to find a common ground among them. The vision and mission needs to be set and a clear goal should be drawn out. The development of Key Performance Indicators for performance management and appraisal needs to focus on different stake holders. It should be set up to meet the healthcare needs and the needs of all stakeholders [9]. In order to provide seamless healthcare service to the community, cooperation between various departments in the healthcare system has to be supported by senior managers, for example, the senior managers should not penalize those who have spent too much time working on projects which some may see as not doing his/her core function or is not within his/her job description. They must take the view that these activities are for the betterment of the delivery of healthcare.

The implementation of DL in the health context is not a bed of roses and it faces many challenges which are related to the profession, hence, the approach used and those chosen to be involved in this change play a very important role in making it an acceptable activity. For example, it is easier for one physician to encourage the application of DL on another physician as they often have a good tradition of 'unity' [10]. Due to the presence of power disparities in the health domain [11], distribution of leadership has been limited, where many struggled to influence physicians in order to gain respect. To curb this problem, forums should be conducted periodically for stakeholders to bring in their different perspectives and to dilute the traditional power relationships among doctors and high level managers. Thus, in this professionalized context, service improvement can be achieved by application of DL theories in performance management and appraisal by focusing on sending consistent messages on the importance of DL and strategic priorities, leading to the development of good working relationships between managerial and professional groups.

Transformational Leadership

On the other hand, the application of transformational leadership (TL) theories to the healthcare context is also a good approach to address issues arising from performance management and appraisal. Currently healthcare providers tend to make decision at the silo or department level, which is not the ideal way of measuring KPIs. Hence, in order to address these challenges faced in performance management, the healthcare industry needs to transform their operations and look at themselves as interconnected bodies. Avolio and Bass describes TL as a key tool to raise the follower's motivation, which in turn will result in followers to perform beyond their expected needs [12]. TL has the capability to achieve movements beyond patient centered healthcare to patient directed health outcomes. TL would result in followers engaging in extra roles or take on new task which are beyond their expectations [13]. A transformational leader would take into account the overall wellbeing of their followers and would encourage career aspirations; they would emulate values in a very meaningful and exciting way and can clearly articulation the vision of the future. This approach of leadership increases good performance outcome as it lowers work-related stress [14] and burnout [15], this is absolutely crucial while appraising performance(s) which often frustrates staff due to its lack of existing guidelines.

Everyone requires healthcare proper and to deliver it in an optimal manner, performance management should be everyone's concern. From the politicians, the bureaucrats, clinic managers and up to and including patients. In order to address issues arising from performance management, healthcare organizations should pursue perfection and should settle for nothing less. Decision making should be brought as close as possible to the bedside and leaders should create a culture which is non-blaming but looking for optimization of activities which should also be safe. All of this can be brought about by implementation of transformational leadership theories which are tailored to help staff to meet not only the needs of the organization but the needs of each individual. TL looks for ways to bring out the best in the staff, help them grow and develop new opportunities that they want to participate in. Healthcare professionals that are led by transformational leaders would be more satisfied and happier in such working environments and that would nurture the development of quality care and safe clinical practices. A transformational leader facilitates this change and moves the process through the organization, taking the organization to a higher level, which will ultimately meet the overall purpose of increased health quality while maintaining an increase of financial viability.

Performance management and appraisal is a very tedious and time consuming task, which requires a lot of effort and mental power. TL would, in a team-based context, increase the greater sense of self-efficacy, enhance employee role orientations and elevate the trust in management [16] TL is also motivational [17] and this would lead to increased goal commitment [18] enabling staff to put findings into actions or interventions for the improvement of healthcare. While focusing on performance management and appraisal, a transformational leader would demonstrate openness to listen to staff's inputs and ideas, providing them with clear directions on how to attain organizational goals while dealing in a transparent and a

professional manner with dissatisfactions .Good performance outcomes should be encouraged and sustained by incorporating ceremonies, rituals and other cultural symbolism into the system. Transformational leaders will have an indirect and positive effect on performance management through its influence on organizational culture and on goal clarity. These leaders lead by setting a good example and challenge staff to think about old problems in a new perspective or dimension. Nonetheless, one has to be cautious while exerting TL upon the organization as the energy that is needed to get people going at times may sap them so much that it can cause them to give up. Transformational leaders often have enormous amount of enthusiasm which if not managed effectively, can wear out the followers. This is because at times they often look at the big picture and not the details, often the devil is in the details and frustrations may creep in if the whole process is not well thought off. Also, if not done right, the followers will not see the need to transform. They will view this form of leadership as pushy and arrogant and the transformation will not succeed.

IV. RESEARCH HYPOTHESIS

The leadership framework developed in this study proposes that Distributed Leadership and Transformational Leadership models have direct impact on performance management and appraisal. Therefore, based on literature review and research framework, the following hypotheses of the study have been developed:

H1: There is positive and direct significant relationship between Distributed Leadership and Transformational Leadership models on performance management and appraisal in Malaysian healthcare industry.

V. CONCLUSION

In conclusion, distributed leadership and transformational leadership are both approaches which can be suitably used to address issues of performance management and appraisal in healthcare. Distributed leadership generates the capacity for the organization to deliver service improvement objectives, while transformational leadership build capacities by role modeling core values which encourage followers to achieve goals beyond that of the organization.

Which is better is a matter of debate, but in reality to get the best outcomes there may be a need to pick one of these leadership models which will best suit the desired outcomes. At times within the same organization different issues or challenges may need to be approached by using one or the other form of leadership. The final conclusion is that there is no one better form of leadership, each has its own advantages' and disadvantages. A smart leader will choose the most appropriate way to match the desired outcome and be receptive of the healthcare professionals that have to deliver the system.

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