Are Your Nurse Managers Ready for Healthcare Reform?

Consider the 8 “E’s”

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Have you noticed how many people seem confused about healthcare reform, but talk about it anyway? It really is a big deal (without the VP expletive)! On April 22, 2010 the Commonwealth Fund reported on a new poll by the Kaiser Family Foundation that showed the most common feeling among U.S. voters about the massive health care legislation is "confused" (Adams, 2010). This poll surveyed 1,208 adults two weeks after President Obama signed the new healthcare legislation in late March. When asked how they felt about the law, 55 percent of the respondents said they were confused, 45 percent were pleased, and 30 percent were angry. Despite the confusion, lots of people are speculating about what healthcare reform will mean to them.

As I write this article, I am visiting my home state of Michigan where unemployment and economic hardship remains at an all time high with little relief in sight. There are many in this state looking forward to resuming healthcare coverage, or getting it for the first time ever. My ailing mother, who is on far too many medications but fearful to refuse any of them, is very excited she is going to get significantly more money from Medicare to help pay for those questionable drugs. A friend who owns a small business is also excited about the possibility of getting a break on the healthcare coverage he provides his employees.

Although the public might be confused and/or anticipating great things, healthcare “opinion leaders” are pretty confident that access to affordable insurance will go up, but less confident that healthcare costs will go down. In the latest Commonwealth Fund/Modern Healthcare Opinion Leaders Survey
commissioned by Harris Interactive, nearly nine of 10 leaders in health care and health care policy believe the comprehensive health reform legislation will successfully expand access to affordable health insurance coverage (Stremikis, et al., 2010). However, respondents were less likely to believe the legislation will improve the affordability of health insurance for those Americans who already have coverage (38%) and begin to control rising health care costs and not add to the federal budget deficit (35%).

The 201 individuals who took part in the Commonwealth Fund/Modern Healthcare survey “represent the fields of academia and research; health care delivery; business, insurance, and other health industries; and government, labor, and advocacy groups. Respondents were surveyed between February 16, 2010, and March 15, 2010, while legislation was still pending in Congress. Virtually all of the key features of the health reform law—including income-related subsidies, new insurance market rules, and innovative payment methods—are supported by an overwhelming majority of opinion leaders. Looking toward implementation, respondents identified the nation’s supply of primary care providers, states’ capacity to implement reform, and enforcement of the individual mandate as areas of potential concern (Stremikis, et al., 2010).”

While there is no shortage of “opinion leaders” and “stakeholders” when it comes to healthcare reform, most are not real “stakeholders” at all. In his article, The Five Dirty Words of Healthcare Reform, published September 4, 2009 in Roll Call, Cody Wasner, MD, aptly says “most so-called stakeholders are pseudo-stakeholders. Megalithic hospital conglomerates, auto manufacturers, the government, or, God help us, health insurance companies are not stakeholders. There are only two real stakeholders in health reform: the patient and the caregiver. All health care funnels through them. They are the most important part of and the final common pathway for all health care delivery (Cody, 2009).”
If you are like me and you agree with Dr. Wasner’s assessment of the real stakeholders in health reform, you must agree that nurses are among those at the top of the list. To take it a step further, I would argue that front-line nurse managers are way up there with patients and families. Excellent nursing leadership is vital to effectively managing complex healthcare environments, and ours is about to get even more complex as access and demand go up and resources go down. Of all the positions in the hospital, the front-line nurse manager is most crucial in managing day-to-day patient care activities. They are closest to the patient and family, the direct care staff, physicians, and all the other services that go into providing care. They are pivotal to linking the organizations vision and strategic plan with clinical practice at the unit level (Sherman et al., 2007). And, they will become increasingly important as we are forced to find new ways of delivering high quality care efficiently and with fewer resources.

So, if front line nurse managers are key stakeholders and will undoubtedly play a major role in healthcare reform, are they ready? Are they adequately prepared for the changes that will be foist upon them? I don’t think so. In setting down to think about how to get them ready, I came up with 8 “E’s” to be considered. I believe we must evaluate, educate, embrace, enable, empower, espouse, engage, and excite front line nurse managers in order to expand healthcare services efficiently and effectively.

**The Eight “E’s”**

1. **Evaluate them.** Let’s face it; we all know some people are just not cut out for management.

   Now, more than ever, we need to make sure we have the right people, on the right bus, in the right seats. An excellent nurse manager assessment tool is the one developed collaboratively by AORN, AACN, and AONE - the *Nurse Manager Skills Inventory* (2004). This examines financial management, human resource management, performance improvement, foundational thinking skills, technology, strategic management, and appropriate clinical practice knowledge. It includes a personal and professional accountability self-assessment tool that is completed by
the nurse manager and their supervisor to determine where and why perceptions might differ. A plan for improvement and professional development is then developed to assist in guiding future developmental activities. There are also tools out there to evaluate emotional intelligence and both need to be put to use. Many management skills can be learned, but the ability to work effectively with others and instill team work is paramount, particularly in challenging times. If you have managers who don’t have the requisite skills and emotional intelligence, move on, there is no time to waste.

2. **Educate them.** It never ceases to amaze me how many nurse managers still lack the management education and skills required for success. A case in point is financial management skills. Twenty five years ago, in 1985, my late husband and I published two articles in *Nursing Economics* – one on developing and one on implementing variable budgets (Kirby & Wiczai, 1985). I still use the same publications to teach nurse managers fundamental financial management skills. Granted, they could use some updating, but the principals remain the same, as does the lack of budgeting skills among managers. If we expect nurse managers to manage some of the largest budgets and greatest number of staff we owe it to them and our patients to make sure they have the necessary education and tools.

3. **Embrace them.** Formal education isn’t enough. Equally, if not more, important is coaching and mentoring. Despite the importance of front line managers, research confirms a profound lack of daily guidance, direction, feedback, and support for nurses from their immediate supervisors (Tulgan, 2007). Our new, and some of the seasoned, nurse managers need to be embraced and supported in putting formal classroom education to use. As Tulgan puts it, “The best leaders are those that learn proven techniques, practice those techniques until they become skills, and continuing practicing them until they become habits.”
A study conducted by Multicare Health System demonstrated an excellent return on investment (ROI) through partnering an internal and an external coach (McNally & Lukens, 2006). This partnership provided individual and group coaching to 64 clinical leaders. External coaches are more objective and unbiased, and have broader experience but they can be hard to find and take time to learn the nuances of the organization. Internal coaches know the organization but they can lack commitment because coaching takes time away from other duties. A combination of external and internal coaches works best. At Multicare, internal and external coaching met or exceeded expectations with 100 percent of nurse managers stating they were more competent and confident and over 50 percent saying they were more likely to stay in their positions.

Another hospital that has successfully tackled this issue is Bryn Mawr Hospital, a Main Line Health System Magnet designated hospital in suburban Philadelphia. Bryn Mawr engaged an experienced nurse executive to coach new nurse managers for four months on site. While participants agree face-to-face coaching is the most important component of this program, they also say having a seasoned coach gives them the confidence to ask questions they would not have felt comfortable exploring otherwise (DeCampli, Kirby & Baldwin, 2010).

4. Enable them. We must give our nurse managers the resources to be successful. They need both clinical and administrative support. Many nursing units are larger than other hospital departments and operate 24 hours a day yet the managers lack clerical support for staffing and scheduling, payroll reconciliation, quality and budget monitoring, and multiple other management task. Many also have limited assistance in developing, supervising, and evaluating hundreds of employees. Their scope of responsibility is exceptionally broad but there support systems are typically narrow. We need to start looking critically at the return on investment that could be gained from properly resourcing these key leaders.
5. **Empower them.** Many new nurse managers experience what Tulgan (2007) calls the number one management myth in today's workplace - "the myth of empowerment." This is the myth that the way to empower people (particularly professionals) is to leave them alone and let them manage themselves. Another myth is that the business of healthcare is patient care and there is no time to manage. The reality is, since time is limited, you don't have time to deal with things that go wrong when you don't spend enough time up front managing people. In this changing healthcare environment nurse managers don’t need myths, they need real empowerment. They need to be supported in trying out new ways to deliver care efficiently and effectively. There are plenty of studies out there that show how little time nurses actually spend with patients, one of the most notable being the 2008 Kaiser study (Hendrick et al., 2008). We know the situation, now we need to empower and support our front line managers in finding solutions to doing more with less.

6. **Espouse them.** We must do more to support and champion our front line managers. The fact is fewer and fewer nurses are seeking out management roles, and for good reason. Front line nurse managers typically work far more hours, have far more “headaches,” and get far less pay than their staff nurse counterparts. If we don’t do something to get them the pay they deserve, reasonable work hours, and other resources they require we may be forced to look at other options for managing patient care, and that would be costly from both a financial and quality perspective. Many of us still remember the days when non-clinical unit managers were introduced and recall how expensive that exercise was. Let’s not make that mistake again. Let’s develop, support and espouse the importance of nurses managing nursing work. Budgets, for an example, are merely a translation of activities into dollars and who knows the patient care activities better than nurses. And while we are at it, why not give these nurse leaders titles
more appropriate to their role. We appropriately require them to hold a masters degree and give them huge budgets and staff numbers to manage, so why not consider what some hospitals are already doing and give the Director title. Where there is already a Director role, savvy organizations are going to the Executive Director or Associate Chief Nurse title. It enhances self esteem and recruitment at the same time – two benefits for less than the price of one.

7. **Engage them.** If we are to get the full benefit of skilled front line nurse managers we must engage them in decision making and finding new ways to deliver care. There are so many challenges that nurse leaders will face in the future with healthcare reform, we need the best and brightest to help identify the best options for improving quality with fewer resources. The recession has stopped the nursing shortage for the time being, but that will change. As millions of additional Americans gain access to healthcare while millions more continue to age, the demand for healthcare will skyrocket. This will be coupled with a record number of nurses’ finally retiring and escalating pressure to keep costs down. Many new nurses will be needed for primary care as Nurse Practitioners and other advanced practice roles. This is good for nursing, but there will still be increased need for bedside nurses.

Despite the most recent research by Aiken et al. (2010) showing decreases in patient mortality associated with higher staffing ratios in California as compared to Pennsylvania and New Jersey, how much will the public be willing to pay? There is truth to the adage, “no margin, no mission.” We might also ask whether we are making the right comparisons in looking at California vs. states without mandated staffing ratios. Maybe we do need to look at Canada where healthcare costs have been contained to 10.1% of the GDP compared to the US system at 16%, while Canadians live longer and have lower infant mortality (Gardner, 2010). As Buerhaus so aptly points out, there are multiple costs to imposing mandatory hospital nurse staffing, not
the least of which are opportunity costs (Buerhaus, 2010). We are going to have to be creative and find ways to reduce the cost per case and we need nurse managers to be engaged in the process.

8. **Excite them.** And finally, to engage these nurse leaders, we are going to need to excite them about the prospects for change. We need to get them to step outside the box and think about how teamwork can be enhanced, how to identify that 20 percent of the work that makes 80 percent of the difference in patient outcomes, and how to attract more of the best and brightest into this challenging but exciting profession.

**CONCLUSION**

The most significant investment that a nursing executive can make in an organization and to the delivery of quality patient care is the development of current and future front-line nurse managers. We are on the brink of massive changes in access and the delivery of healthcare. The front-line manager is in a critical position to make it all work and deliver what the public wants – better access, improved quality, and less cost. It isn’t too late, but there isn’t a lot of time to waste in making significant changes in the way we deliver care. The public might be confused about what healthcare reform means but it isn’t going to dampen their expectations for change. We can also be sure the government isn’t going to hasten in doing whatever is necessary to meet those expectations without bankrupting the country.

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