

School of Government

MAPP 559

**HEALTH SECTOR STRATEGY AND DECISION-MAKING:
LINKING THEORY TO PRACTICE
(15 Points)**

Trimester Two 2007

COURSE OUTLINE

Contact Details

Course Coordinator: **Dr Jackie Cumming**
Director, Health Services Research Centre
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Other Lecturers: **Judith Smith**
Visiting Senior Research Fellow, Health Services Research
Centre, and Senior Lecturer, University of Birmingham, UK
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Various guest speakers

Administrator: **Darren Morgan**
Room RH 802, Level 8, Rutherford House, Pipitea Campus
Telephone: (04) 463 5458
Fax: (04) 463 5454
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Module Dates, Times and Locations

Module Four:	Wednesday 22 August 2007	8.30am – 6.00pm
Module Five:	Wednesday 17 October 2007	8.30am – 6.00pm
Module Six:	Wednesday 21 November 2007	8.30am – 6.00pm

Location: Classes will normally be held on the Pipitea Campus of Victoria University and you will be advised of your classroom one week prior to each module by email.

Course Objectives

This course draws on international experience to examine strategic decision-making in health. It focuses on: approaches to strategic management and decision making; theories and tools for setting priorities; and evaluation of strategic plans and progress.

The course aims to help participants to:

- Understand the meaning of strategy and strategic management within health systems.
- Make a theoretically-informed evaluation of practical experience of strategic decision-making within healthcare organisations.
- Be aware of what is distinctive about making and implementing strategic decisions within health care organisations.
- Understand conceptual and policy issues surrounding the setting of strategic funding priorities within health care.
- Evaluate the application of priority setting tools and techniques within health systems.
- Develop a capacity to evaluate strategic plans and progress within healthcare organisations.

This course will have a specific focus on the experience of strategic management and decision making within New Zealand and the United Kingdom, drawing on the extensive health services research and policy analysis experience of the two course convenors.

Course Content

There are seven broad topics covered in the course:

- 1. Introduction to strategy and strategic management**
 - Defining strategy
 - The nature of strategic management
 - Theoretical approaches to strategic management and strategy formulation
- 2. Making a critique of strategic decision making in health care**
 - Examining practical experience of strategy development and decision making in health care organisations
 - Comparison of this experience with the theory of strategic decision making
 - Assessment of what this analysis offers in respect of how to approach strategy development and decision making in the real world
- 3. Making and implementing strategic decisions within healthcare organisations**
 - The distinctive nature of the public sector and public value, and how this relates to health care organisations
 - What this distinctiveness implies for approaches to strategic decision-making in health care
 - The nature of strategic choices within health care

- 4. Setting strategic funding priorities in health care**
 - The issues associated with setting funding priorities within health care
 - International debate about the management of scarcity and of health care rationing
 - The relationship between priority setting and health services planning and management
- 5. Tools and techniques for setting priorities in health care**
 - Tools and techniques that have been proposed for setting priorities
 - Evaluation of such tools and techniques
 - Examination of international experience of using such tools and techniques
- 6. Practical case study of priority setting**
 - Extended syndicate exercise of setting priorities within health care
 - Exploration of how this exercise compares with the theory of priority setting
 - Analysis of what this means for health care priority setting in practice
- 7. Evaluating strategic plans and progress**
 - Techniques for evaluating the implementation and progress of strategic decisions
 - Applying these techniques to practical experience of the implementation of strategic decisions in health care organisations
 - Bringing it all together: what does this all mean for health sector strategic management and decision making in the future?

The course draws on health policy and management experiences in New Zealand and the United Kingdom, and with reference to Australia, the United States, and Canada.

Outline of Sessions

Module 4

Sessions 1-2	Introduction to course Introduction to strategy and strategic management
Sessions 3-4	Making a critique of strategic decision making in health care – case study work Making and implementing strategic decisions within health care organisations The nature of the public sector and of public value

Module 5

Sessions 5	Setting strategic funding priorities in health care
Session 6	Tools and techniques for setting priorities in health care
Session 7-8	Practical case study of priority setting

Module 6

Sessions 9-10	Evaluating strategic plans and progress Student presentations and peer critique of draft essays
Sessions 11-12	Individual feedback on student presentations and draft essays Bringing it all together: implications for strategy and decision making in health care

Learning Commitment

The learning objectives set for each course are demanding and, to achieve them, candidates must make a significant commitment in time and effort to reading, studying, thinking, and completion of assessment items outside of contact time. Courses vary in design but all require preparation and learning before the first module. Regular learning is necessary between modules (students who leave everything to the last moment rarely achieve at a high level). Expressed in input terms, the time commitment required usually translates to 65-95 hours (excluding class contact time) per course.

Readings

Recommended books

Reference is made to:

Coulter A and Ham C (2000) *Global Challenge of Health Care Rationing*, Buckingham, Open University Press;

Gauld R (2003) *Continuity Amid Chaos: Health Care Management and Delivery in New Zealand*, Dunedin, University of Otago Press.

Johnson G, Scholes K and Whittington R (2005) *Exploring Corporate Strategy: text and cases*, Harlow: Prentice Hall.

Walshe KMJ and Smith JA [eds] (2006) *Healthcare Management*, Maidenhead, Open University Press;

Whittington R (2000) *What is strategy and does it matter?* Thomson Learning.

A reading list is attached. Participants are provided with a course book which includes the essential readings for the course. Some material is also available on the World Wide Web; these are listed with the web site addresses. Additional reading for the assessment requirements and for interest is also set out on the reading list.

Assessment Requirements

Two pieces of work are required: An initial essay of 2500 words (30%), followed by a 4000 word essay that applies theory to a real world issue (60%). A further 10% is allocated to assessment of a student's class contribution.

Essay topics will be distributed at the first module.

Essay 1 – Analysis of the theory of strategic management or priority setting in health care

2500 words

30%

Due: 5.00pm, Monday 3 September 2007

Essay 2 – Analysis of the application of the theory of strategic management or priority setting to a real life organisational issue

4000 words

60%

Due: 5.00pm, Wednesday 28 November 2007

Note: A full draft of Essay 2 is to be submitted to the course coordinator a week prior to module 6 (by 5.00pm, Wednesday 14 November 2007), along with a draft presentation (e.g. on PowerPoint). The Essay findings are then presented by the student and peer reviewed during module 6. Final submission of Essay 2 is due a week after module 6 (by 5.00pm, Wednesday 28 November 2007).

Please submit ALL assignments IN HARD COPY to:

Francine McGee,
School of Government,
Victoria University of Wellington,
Level 8 Reception,
Rutherford House,
23 Lambton Quay,
P.O. Box 600,
Wellington.

Students should keep a copy of all submitted work.

ANZSOG candidates taking this course as an elective should note that they take it for 24 points, and not 15 points. Accordingly, the learning outcomes to be achieved by ANZSOG candidates are wider and deeper than those expected for non-ANZSOG candidates. The content of those learning outcomes, and the means whereby they will be assessed, will be negotiated and confirmed with the Course Coordinator at the start of the course.

Penalties

The ability to plan for and meet deadlines is a core competency of both advanced study and public management. Failure to meet deadlines disrupts course planning and is unfair on students who do submit their work on time. It is expected therefore that you will complete and hand in assignments by the due date. Marks may be deducted where assignments are submitted after the due date. For out of town students, two calendar days' grace is given to allow for time in the post.

If ill-health, family bereavement or other personal emergencies prevent you from meeting the deadline for submitting a piece of written work or from attending class to make a presentation, you can apply for and may be granted an extension to the due date. Note that this applies only to extreme unforeseen circumstances and is not necessarily awarded. You should let your Course Coordinator know as soon as possible in advance of the deadline if you are seeking an extension.

Mandatory Course Requirements

To fulfil the mandatory course requirements for this course, you are required to:

1. Submit all assignments by the due date;
2. Attend all contact sessions of the course.

Communication of Additional Information

Additional information may be provided in class, by post, by email or via Blackboard.

Withdrawal Dates

Students giving notice of withdrawal from the course after 4 September 2007 will not receive a refund of tuition fees.

Students giving notice of withdrawal from the course after 23 October 2007 are regarded as having failed the course, unless the Associate Dean subsequently gives approval to withdraw.

Faculty of Commerce and Administration Offices

Railway West Wing (RWW) - FCA Student and Academic Services Office

The Faculty's Student and Academic Services Office is located on the ground and first floors of the Railway West Wing. The ground floor counter is the first point of contact for general enquiries and FCA forms. Student Administration Advisers are available to discuss course status and give further advice about FCA qualifications. To check for opening hours, call the Student and Academic Services Office on (04) 463 5376.

Easterfield (EA) - FCA/Education/Law Kelburn Office

The Kelburn Campus Office for the Faculties of Commerce and Administration, Education and Law is situated in the Easterfield Building - it includes the ground floor reception desk (EA 005) and offices 125a to 131 (Level 1). The office is available for the following:

- Duty tutors for student contact and advice.
- Information concerning administrative and academic matters.
- Forms for FCA Student and Academic Services (e.g. application for academic transcripts, requests for degree audit, COP requests).
- Examinations-related information during the examination period.

To check for opening hours, call the Student and Academic Services Office on (04) 463 5376.

Notice of Turnitin Use

Student work provided for assessment in this course **may be** checked for academic integrity by the electronic search engine www.turnitin.com. Turnitin is an online plagiarism prevention tool which identifies material that may have been copied from other sources including the Internet, books, journals, periodicals or the work of other students. Turnitin is used to assist academic staff in detecting misreferencing, misquotation, and the inclusion of unattributed material, which may be forms of cheating or plagiarism. **At the discretion of the School, handwritten work may be copy typed by the School and subject to checking by Turnitin.** You are strongly advised to check with your tutor or the course coordinator if you are uncertain about how to use and cite material from other sources. Turnitin will retain a copy of submitted materials on behalf of the University for detection of future plagiarism, but access to the full text of submissions will not be made available to any other party.

Academic Integrity and Plagiarism

Academic integrity is about honesty – put simply it means *no cheating*. All members of the University community are responsible for upholding academic integrity, which means staff and students are expected to behave honestly, fairly and with respect for others at all times.

Plagiarism is a form of cheating which undermines academic integrity. The University defines plagiarism as follows:

The presentation of the work of another person or other persons as if it were one's own, whether intended or not. This includes published or unpublished work, material on the Internet and the work of other students or staff.

It is still plagiarism even if you re-structure the material or present it in your own style or words.

Note: It is however, perfectly acceptable to include the work of others as long as that is acknowledged by appropriate referencing.

Plagiarism is prohibited at Victoria and is not worth the risk. Any enrolled student found guilty of plagiarism will be subject to disciplinary procedures under the Statute on Student Conduct and may be penalized severely. Consequences of being found guilty of plagiarism can include:

- an oral or written warning
- cancellation of your mark for an assessment or a fail grade for the course
- suspension from the course or the University.

Find out more about plagiarism, and how to avoid it, on the University's website at www.vuw.ac.nz/home/studying/plagiarism.html

General University Policies and Statutes

Students should familiarise themselves with the University's policies and statutes, particularly the Assessment Statute, the Personal Courses of Study Statute, the Statute on Student Conduct and any statutes relating to the particular qualifications being studied. See the Victoria University Calendar available in hardcopy or under "About Victoria" on the VUW homepage at www.vuw.ac.nz/home/about_victoria/calendar_intro.html

Information on the following topics is available electronically at www.vuw.ac.nz/home/studying/downloads/course_outlines_general_information.pdf

- Academic Grievances
- Student and Staff Conduct
- Meeting the Needs of Students with Impairments
- Student Support

Manaaki Pihipihinga Programme

Manaaki Pihipihinga is an academic mentoring programme for undergraduate Māori and Pacific students in the Faculties of Commerce and Administration, and Humanities and Social Sciences. Sessions are held at the Kelburn and Pipitea Campuses in the Mentoring Rooms, 14 Kelburn Parade (back courtyard), Room 109D, and Room 210, Level 2, Railway West Wing. There is also a Pacific Support Coordinator who assists Pacific students by linking them to the services and support they need while studying at Victoria. Another feature of the programme is a support network for Postgraduate students with links to Postgraduate workshops and activities around Campus.

For further information, or to register with the programme, email manaaki-pihipihinga-programme@vuw.ac.nz or phone (04) 463 5233 ext. 8977. To contact the Pacific Support Coordinator, email pacific-support-coord@vuw.ac.nz or phone (04) 463 5842.

Reading List for 2007

Numbered readings are in the course book.

Recommended books:

Reference is made to:

- Coulter A and Ham C (2000) *Global Challenge of Health Care Rationing*, Buckingham, Open University Press;
- Gauld R (2003) *Continuity Amid Chaos: Health Care Management and Delivery in New Zealand*, Dunedin, University of Otago Press.
- Johnson G, Scholes K and Whittington R (2005) *Exploring Corporate Strategy: text and cases*, Harlow: Prentice Hall;
- Walshe KMJ and Smith JA [eds] (2006) *Healthcare Management*, Maidenhead, Open University Press;
- Whittington R (2000) *What is strategy and does it matter?* Thomson Learning.

Topic 1 Introduction to Strategy and Strategic Management

Readings provided in course book:

1. Porter ME (1979) 'How competitive forces shape strategy', Harvard Business Review, Mar/Apr 1979, vol 57, issue 2, pp 137-145
2. McLellan R and Kelly G (1989) 'Business Policy Formulation', in Readings in Strategic Management [eds Asch D and Bowman C], (Basingstoke: Macmillan) pp 102-112
3. Mintzberg H (2000), 'Planning and strategy', in The Rise and Fall of Strategic Planning (New Jersey: Prentice Hall), Chapter 1 pp 5-34
4. Chapter 2 in Exploring Public Sector Strategy, by Johnson G and Scholes K [eds], 2001, (Harlow: Prentice Hall). Collier N, Fishwick F and Johnson G (2001) 'The processes of strategy development in the public sector', pp 17-37

Reading in recommended books:

Chapter 1, 'Introducing Strategy' in Johnson G, Scholes K and Whittington R (2005) Exploring Corporate Strategy: text and cases (Harlow: Prentice Hall), pp 5-36

Chapter 11, 'Understanding strategy development', in Johnson G, Scholes K and Whittington R (2005) Exploring Corporate Strategy: text and cases (Harlow: Prentice Hall), pp 564-598

Chapter 2, 'Theories of Strategy', in Whittington R (2001) What is Strategy – And Does it Matter? (London: Thomson), pp. 9-40

Available on World Wide Web:

Department of Health (2000) The NHS Plan. A plan for investment. A plan for reform. London, The Stationery Office. Available at www.dh.gov.uk/en/policyandguidance

King, A. (2001) The New Zealand Health Strategy. Wellington, Ministry of Health. Available at www.moh.govt.nz/publications

King, A. (2001). The Primary Health Care Strategy. Wellington, Ministry of Health. Available at www.moh.govt.nz/publications

Scottish Executive (2003) Partnership for Care: Scotland's Health White Paper. Available at www.scotland.gov.uk/Resource/Doc/47032/0013897.pdf

Welsh Assembly Government (2005) Designed for Life: creating world class health and social care for Wales in the 21st century. Available at www.wales.nhs.uk/documents/designed-for-life-e.pdf

Topic 2 Making a critique of strategic decision making in health care

Readings provided in course book:

5. Chapter 11 'Healthcare system strategy and planning' in Healthcare Management, by Walshe KMJ and Smith JA [eds] (2006) (Maidenhead: Open University Press), Goodwin N (2006), pp 183-200
6. Chapter 4.5 'The cultural context' in Exploring Corporate Strategy: texts and cases, by Johnson G, Scholes K and Whittington R (2005), (Harlow: Prentice Hall), pp 195-207

Topic 3 Making and implementing strategic decisions within healthcare organisations

Readings provided in course book:

7. Chapter 1 in Exploring Public Sector Strategy, by Johnson G and Scholes K [eds], 2001, (Harlow: Prentice Hall). 'The implications of 'publicness' for strategic management theory', pp 1-16
8. Chapter 9 in Exploring Public Sector Strategy, by Johnson G and Scholes K [eds], 2001, (Harlow: Prentice Hall). Scholes K (2001) 'Stakeholder mapping: a practical tool for public sector managers', pp 165-184

9. Moore M (2000) 'Managing for value: organisational strategy in for-profit, nonprofit and governmental organisations', Nonprofit and Voluntary Sector Quarterly, 29, pp 183-204
10. North, N. 1998, "Implementing Strategy: the politics of healthcare commissioning", Policy and Politics, vol. 26, no. 1, pp. 5-14.

Readings provided in recommended books:

Chapter 15 in Healthcare Management by Walshe KMJ and Smith JA [eds] (2006) (Maidenhead: Open University Press), Brooks C (2006) 'Working with healthcare professionals', pp 253-268

Chapter 20 in Healthcare Management by Walshe KMJ and Smith JA [eds] (2006) (Maidenhead: Open University Press), Davidson D and Peck E (2006) 'Organisational development and organisational design', pp 342-380

Chapter 22 in Healthcare Management by Walshe KMJ and Smith JA [eds] (2006) (Maidenhead: Open University Press), Shacklady-Smith A (2006) 'Appreciating the challenge of change', pp 381-398

Available on the World Wide Web:

NHS Institute for Innovation and Improvement: www.institute.nhs.uk

Institute for Healthcare Improvement: www.ihl.org/ihl

Topic 4 Setting strategic funding priorities in health care

Readings provided in course book:

11. Mooney, G (1994). "Priority setting in health care". Chapter 3 from Key Issues in Health Economics. Hemel Hempstead, Harvester Wheatsheaf.
12. Ham, C. and Coulter, A. (2000). "International experience of rationing (or priority setting). Chapter 1 from Coulter, A. and Ham, C. The Global Challenge of Health Care Rationing. Buckingham, Open University Press.

Readings provided in recommended books:

Chapter 2 in Continuity amid Chaos by Gauld R. 'Service planning and prioritisation in a District Health Board', Hefford M and de Boer M (2003).

Chapter 6 in Continuity amid Chaos by Gauld R. 'Managing waiting lists', Roake J (2003)

Woodin, J. (2006) 'Health care commissioning and contracting' in Walshe K and Smith J [eds], Healthcare Management, pp 201-223. Maidenhead, Open University Press

Topics 5 & 6 Tools and techniques for setting priorities in health care

Readings provided in course book:

13. Ashton, T., J. Cumming, & Devlin, N. (2000). "Priority-setting in New Zealand: translating principles into practice." Journal of Health Services Research and Policy 5(3): 170-175.

Available on the World Wide Web:

Joint DHB and Ministry of Health Working Group on Prioritisation (2005) The Best Use of Available Resources: An approach to prioritisation. Wellington, Ministry of Health.

Available from:

[www.moh.govt.nz/moh.nsf/0/68AA2F8C455F19BECC2571310007E137/\\$File/best-use-of-available-resources.doc](http://www.moh.govt.nz/moh.nsf/0/68AA2F8C455F19BECC2571310007E137/$File/best-use-of-available-resources.doc)

Managing Scarcity in the National Health Service ESRC seminar series reports:

www.ncl.ac.uk/ih/news/item/?esrc-seminar-series-on

Topic 8 Evaluating strategic plans and progress

Readings provided in course book:

14. Waters, H. R., Morlock, L. L., & Hatt, L. 2004, "Quality-based purchasing in health care", International Journal of Health Planning and Management, vol. 19, pp. 365-381.
15. Chapter 7.4 'Success criteria' in Exploring Corporate Strategy: texts and cases, by Johnson G, Scholes K and Whittington R (2005), (Harlow: Prentice Hall), pp 357-378

Readings in recommended book:

Freeman, T., (2006). Performance measurement and improvement. In Walshe, K. and Smith, J. (2006). Healthcare Management. Maidenhead, Open University Press, pp. 300-320.

Additional Readings

Websites worth watching, include:

British Medical Journal site, with updates on United Kingdom health care and international policy: www.bmj.com

Canadian Health Services Research Foundation website for health policy research and analysis from Canada: www.chsrf.ca

European Observatory website, where a large number of country studies are reported and PDF copies of EU Observatory books are available: www.euro.who.int/observatory

Health Affairs site, with articles on developments in the USA: <http://healthaffairs.org>

Kings Fund website for health policy updates and analysis from London and the UK: www.kingsfund.org.uk

Ministry of Health in New Zealand: www.moh.govt.nz

NHS website: www.dh.gov.uk

OECD website for analysis of international health policy and reform: www.oecd.org

Journal articles, book chapters, books etc

Ambrosini V, with Johnson G and Scholes K [eds] (1998) Exploring techniques of analysis and evaluation in strategic management. Prentice Hall