

Performance Management in Healthcare: From Key Performance Indicators to Balanced Scorecard

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The book 'Performance Management in Healthcare: From Key Performance Indicators to Balanced Scorecard, Second Edition' by Bryan P. Bergeron is a must-read for those in leadership roles within the healthcare sector, particularly hospital executives and IT managers. Bergeron, a medical doctor, faculty member of the Health Sciences and Technology division of Harvard Medical School and MIT, and Archetype Technologies, Inc. consultant, brings a wealth of expertise to medicine, intersection computers, and business technology. His practical experience at Massachusetts General Hospital in Boston further enhances his understanding of IT operations in healthcare organizations and medical practices. His unique blend of medical and technological expertise allows him to provide a comprehensive and insightful perspective on performance management in healthcare.

The book's title, 'Performance Management in Healthcare: From Key Performance Indicators to Balanced Scorecard,' directly hints at its comprehensive scope. It is structured with stand-alone chapters, each connected by the overarching theme of performance management, and uses real-world examples to illustrate key concepts and challenges. This structure allows readers to dig into specific topics of interest or read the book for a comprehensive understanding of performance management in healthcare. The author's writing style is stimulating, with eleven main chapters featuring subtitles, useful appendices, and real-world examples. Each chapter's brief introduction of the topic, 'Further Thinking,' and 'Sources and Further Reading' sections enhance its accessibility. These features make the book informative and engaging, encouraging readers to dive deeper into the topics discussed.

The book offers a clear and specific definition of performance management, emphasizing its association with mutually orthogonal constraints of availability, cost, and quality. The author explains Key Performance Indicators (KPIs), which must be selected, developed, benchmarked, maintained, and reported. Disruptive technology and strategies such as IT technology and Electronic Medical Recording

significantly reinforce the performance management initiatives. The author highlights that performance management is not merely software to be bought and installed but a process that involves behavior change and leadership.

This crucial point sets the tone for the rest of the book, emphasizing the importance of human factors in performance management. Furthermore, the book introduces general and healthcare-specific strategies for developing a performance management system, drawing from recognized tools such as ISO, JCI, UK's NHS, US Centers for Medicare and Medicaid Services, and AHRQ. It also provides a comprehensive review of the meaningful use of health information technology and the performance management cycle, from self-assessment, performance indicator selection, and implementation to report and analysis.

The book delves into the role of KPIs in performance management, addressing challenges in developing, defining, selecting, and using nonclinical and clinical indicators that measure solvency, quality, safety, patient satisfaction, etc. Selecting KPIs is promoted for a particular cause by a particular organization or from specific perspectives, and even those chapters provide plenty of nonclinical and clinical indicators. The book also explored internal and external benchmarks and reporting, providing decision-makers valuable insights into the organizational process and outcomes they intended to monitor.

This section is handy for hospital executives who need to understand the role of KPIs in performance management. One of the book's main contributions is a clear definition of the Balanced scorecard, which is an arranged KPIs with indicators grouped into four balanced perspectives: Financial, Customer, Innovation, and Internal Business Process.

The final section emphasizes the significance of behavior change and the crucial role of statistics in interpreting outcomes and process measures in implementing performance management initiatives. Notably, the author contends that organizations

often fall into the trap of buying, installing, and forgetting, emphasizing the need to select, develop, and maintain KPIs to implement performance management initiatives. This conclusion is a powerful reminder of the ongoing nature of performance management.

The book is a wealth of management knowledge and includes a glossary of clinical and financial terms, along with performance management strategies and key performance indicators. It serves as a practical guide, especially in the context of ongoing healthcare reforms. This additional material makes the book a valuable resource for both newcomers to the field and experienced professionals. The book is handy for decision-makers and managers who may need to become more familiar with the clinical and financial aspects of performance management. However, its insights are valuable to a broader audience, including healthcare professionals, administrators, and graduate students.

The definition of performance management is noteworthy: 'The basis of performance management is the effective use of resources, as measured by quantifying processes and outcomes using indicators that gauge the performance of an organization in particular areas.'

In conclusion

"Performance Management in Healthcare" fills a gap in understanding current performance management and Key Performance Indicators. It provides a comprehensive overview of the cultural and technical challenges associated with performance management initiatives and behavior change strategies. It is a valuable resource for hospital and IT managers, addressing fundamental and critical performance management topics. The book's comprehensive scope, practical insights, and engaging writing style make it a must-read for anyone interested in performance management in the healthcare sector.