

## **A Note on an Inexpensive Way to Improve Hospital Administration**

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FOR an approach to be considered by any hospital authority, it has to be inexpensive. Proverbially, hospitals are short of funds. This happens despite the fact that the hospital staff are not the best paid people in the country.

Traditionally, hospital administration has been technical administration. If it becomes more and more of socio-economic administration and general management, the pronounced objectives of the hospitals would include capitalising on the tangible and intangible resources available in the community.

Traditionally, again, the hospitals are headed by medical men. These men are highly qualified and experienced as doctors or surgeons. They, however, do not have exposure to organised knowledge on management. The result is that 'resources' management does not get the needed attention. Hospital management in India has not kept pace with the developments in the rest of the world, though it should be said that the authorities are doing their best under the circumstances.

The demands made on the hospitals are constantly increasing. The facilities are not increasing. Hospitals are sorely short of funds.

There are several ways of raising the economic resources of a hospital without going to the government for funds. They are not discussed in this note, partly because it is beyond the scope of the note and partly because these can be spelt out only in terms of a single hospital. In one setting, raising cash resources may be possible; in another it may be raising resources in kind; in a third, neither may be possible because of some obsolete laws or procedures.

#### PUBLIC SATISFACTION

In this note we are considering only one approach that seems universally applicable to all the hospitals in India. This approach is not expected to

save money for the hospital; this is very likely to increase the satisfaction for the concerned public.

Those who go to hospitals are the sick people or the relatives of these people who are concerned about the sickness of their relatives.

When we visit a hospital, we find that a number of people keep on wondering and asking: Where do I go, and to whom, for this help? This question is asked as much by the literate people as by the illiterate. It is true they get the information and they somehow get the job done. It is, however, done at a tremendous human cost, a cost that seems avoidable.

A hospital may be able to take one or more of several steps which will meet this situation satisfactorily.

#### HOSPITAL HANDBOOK

One step is to produce a hospital handbook. A local citizen or local organisation may be willing to publish it for the local hospital. This handbook may be sold for a nominal price. This handbook cannot merely talk about the current information on the hospital but also about the historical, statistical and other aspects of the hospital. The handbook can have a special section wherein the often asked questions are listed and answered.

A second step is to spell out the answers to the commonly asked questions by using the blank space on the walls of the hospitals. Either they can be painted or they can be written with coloured chalks. In view of the fact that the information may keep changing, large blackboards may be found more flexible and inexpensive than painting.

One can argue that this will not be useful to the many illiterate people who visit the hospital. Often enough, some literate people accompany them and they will find this functional information helpful. A related idea would be to use not merely words but symbols so that even the illiterate can make out the directions.

#### THE INFORMATION DESK

A third step is to strengthen an agency that most hospitals have. This agency is the information desk. In many hospitals the information desk is one of the weakest spots. Care is not taken to appoint a competent and cordial person there. Even where it is done, the person is not equipped to be a communication centre. Perhaps following the general hush hush approach,

the information counter men and women are kept out of the relevant information. The result is that both the receptionists and the public feel dissatisfied.

#### GENERAL APPLICABILITY

The approach commended here for hospitals may be extended to many of the government organisations. I have chosen the hospital as an example because that is where the pay off can be the highest. In the absence of the steps outlined above, some avoidable pain is added to the already sick.

There are several other approaches that can be taken to improve the quality of hospital administration at a low or no cost. What is outlined here is indicative of what is feasible. The direction and the beginning are crucial; the direction should be progressive improvement and the beginning should be under existing constraints.



The relationship of trust implies a deep obligation to the client. But an organised profession rightly regards itself as a body placed in charge of an art of science and responsible for directing its use in the interests of society. These two obligations can be reconciled without difficulty if the true interests of society and of the individual are harmonious. A profession proceeds on the assumption that they are. When they seem to be in conflict it is usually because the individual does not know what is good for him....

—T.H. MARSHALL, "The Recent History of Professionals in Relation to Social Structure and Social Policy", *The Canadian Journal of Economics and Political Science*, 1939.

## OFFICE MANAGEMENT IN GOVERNMENT AND PRIVATE INDUSTRY\*

*(With this issue we are commencing this new feature entitled "Comments". We propose to publish under this feature selected comments on the articles published in the previous issue of the Journal. We would request our readers to confine their remarks to the views/findings contained in the original article.—Ed.)*

The most important problem in management is the question of quick despatch. I have found that the absence of quick despatch is mostly due to lack of co-ordination between different sections and/or departments. The result is that the letters that are received do not go quickly from one section to another. Sometimes it takes three, four or even more days before a letter reaches the officer concerned. There is also a lot of delay in registering inward and outward letters. There seems to be a sort of habit on the part of clerks immediately concerned to keep the letters pending for a day or two just for the pleasure of doing so. This has become a confirmed habit and unless this habit is broken, especially in Government departments, I am afraid this problem cannot be solved. To some extent this applies to private industry also.

Another reason for the delay is lack of proper supervision. The system of weekly or fortnightly work schedules has been introduced; but it is not strictly implemented. The heads of the sections concerned are afraid of insisting on submission of work schedules by the clerks under them for fear of courting unpopularity and thus there is no check up from above. The system has become so clogged that in the absence of the clerk concerned with a particular file, no further action can be taken as nobody else in the section or department would be able to find out the file. As a matter of fact the usual reply given is that so and so is absent and till he returns nothing can be done. In Government offices there is one more handicap and that is the absence of any deterrence. The superintendent of a section or the head of the department cannot take any action, much less effective action, against the clerks or officers under him for laxity or even for not carrying out the instructions issued because he can merely report to his immediate superior. The only thing that he can do is to warn him orally or in writing and put an adverse remark in the confidential report at the end of the year. Particularly when a person is confirmed in the service, there seems to be no possibility of improving his efficiency. He is or becomes lax because no action can be taken against him. He will have to be charge-sheeted and the procedure is so long that no head of the department would like to bother about it. Again, I have found that nobody wants to condemn persons in the confidential reports as far as possible. The result is that even though the person is really inefficient and the head grumbles about him, so far as the confidential reports are concerned, they

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are always good. The result is that there is no remedy against inefficiency of such a person. In other words, unlike in the private sector, where there is always the fear of demotion or dismissal—even this has now become less and less possible in view of the trade union organizations in the private sector. So the whole question boils down to the question of integrity and sense of responsibility on the part of the individual concerned.

Another thing I have noted is the absence of any follow-up of the orders or instructions issued and this is many a time *the* cause of delay. There is always a hierarchy through which the order or the instruction is to pass and one believes that as soon as he has passed on the order to his immediate subordinate officer or person concerned, his duty is over. Only when a complaint is received or an enquiry is made about the orders, then a search begins. Thus, I believe that one of the important ways to expedite the implementation of orders is the need for the follow-up action and the head should try to see that the orders are actually executed or implemented.

Another important point to my mind is the fear of taking decisions. Nobody wants to undertake the responsibility even within the limits of the delegated powers. The result is that the matter is pushed up to the immediate superior and unnecessary delay is caused. I find that even in very simple matters this happens. No wonder that there is a lot of red-tapism.

I have found that even in the private sector, particularly in big organizations, there is no co-ordination between different sections and departments, and there is not much to choose between the Government and the private sector in this matter.

In Government offices, there is no incentive for improving one's efficiency as the promotions are purely on seniority. The result is that if a person is promoted to a higher rank even though inefficient, he will not be interested in the efficient work done by persons under him. As a matter of fact, he is more likely to encourage further inefficiency so that by contrast he can be called more efficient. Thus, some system of recognition and award of merit is very necessary to improve efficiency.

One more factor in Government offices is the lack of personal touch between the head of the department or section and the persons working under him. Of course, it is not possible for the head perhaps to know every one but he should at least be in personal contact with his immediate subordinates. The efficiency can improve quite a lot if the superintendent or the head of the department introduces this element of personal touch.

One might sum up by saying that to improve efficiency in management, there is need for proper communication between individuals as well as between different sections or departments, presence of the element of personal touch and most important, the right atmosphere which breeds a sense of responsibility.

—K. T. MERCHANT

## II

The aim of office management is obviously to help an organization (a) to take decisions and (b) to implement these decisions. In this respect the

aim in Government or in private organization will be the same. The essential difference is not in the aims but in the scope. In public administration the scope for decision making and execution is so vastly wide as compared with that in the private organization that, in consequence, the office management differs not only in quantity, but also assumes altogether a different shape.

By and large, a private organization is interested in rendering a service and thereby earning profits. Whatever is not related to this activity will, of course, be of no interest to that organization. Thus the process of work is always guided by the simple question : "Does this matter concern the profits of the organization and if so, in what way ?" Usually, to answer this question is a simple matter, and it can be expressed in terms of rupees and paise. A fairly intelligent officer can, therefore, straightaway formulate the broad line of action. The work in a private organization is suitable for being handled by an officer straightaway; it is possible to take quick decisions. The question of recording is also simple. Nothing that does not concern the finances of the organization is relevant and need be preserved. The aims of public administration are far more complex than those of a private organization. Public administration is concerned with the following types of activities.

- (1) regulatory matters (*i.e.*, matters relating to the relations between any two citizens or between a citizen and the community);
- (2) welfare activities;
- (3) promotional activities (like developing industrial estates, extending co-operation, etc.).

The manner of handling work relating to each of the above types is likely to be different to some extent. But, in all events, the processing of a case so as to make it ripe for a decision is an elaborate process. In regulatory matters the central question is usually a question of law. There is no simple test for disposal of such cases as in the case of private administration. The decision cannot be taken unless the matter is fully thrashed out, evidence is recorded, the law is argued and so on. This observation applies not only to law of Courts, it also applies to several executive authorities who have to administer laws.

In respect of welfare activities, again, no financial tests can be applied for disposal of a case, as the objective is not to earn profits but to render public service. The relevant considerations are: What steps are necessary in the interest of welfare? How welfare should be organized? and whether the existing welfare organizations are sufficiently effective?

The promotional activities are also, in some respects, similar to the welfare activities. Money is to be spent to day so that economic benefits may accrue to the community later.

It need not be mentioned that in respect of regulatory activities, justice and equity must be aimed at. It, however, needs to be pointed out that even in respect of welfare and promotional activities, justice and equity are very important considerations. This necessitates preservation of records and

references to precedents. Public administration is often criticized for its habit of hunting out precedents. But, if all citizens have a right to equal treatment, precedents cannot be brushed aside.

Since law, rules, precedents have to be considered, the process of public administration has necessarily to be slower. However, another extremely important principle in public administration, with which the private administration is unconcerned, is the principle of public consent. No schemes of welfare or promotional activities can be undertaken if they do not have the consent of the people. The process of obtaining the public consent is not just as easy as obtaining a vote in the legislature. People have to be consulted at different levels in different ways according to the nature of the particular scheme. This process of obtaining public consent often takes time. It also necessitates setting up of consultative committees, the objective of which is to frame programmes in such a manner as to obtain maximum public acceptance.

Another very important consideration is the public accountability. Private administration is accountable to its owners or the share-holders, but, by and large, this accountability is financial. So long as reasonable profits are shown, everybody is happy. In the public administration the considerations are not measurable in terms of money. The accountability, therefore, is to be discharged in several ways. Unlike in private administration, there is no end-product (*i.e.* the dividends) which can say that the administration is "efficient". Therefore, the whole process of administration has to be examined to see that the administration is run on the proper lines. To make this possible, recording reasons and preserving them for scrutiny becomes essential.

I have mentioned above that it is necessary in public administration to scrutinize the various steps in the process of administration to ensure that it is running on "proper" lines. This needs a little explaining. The propriety expected in public administration is not only financial. It is much wider. Actions in public administration have to be in consonance with the policies of the Government in all fields. For instance, the policy of abolition of untouchability may require certain action in other fields like recruitment to public services, etc. Thus the "propriety" expected of public administration is very much wider, and it necessitates creation and preservation of record to satisfy any citizen that the administration is, in fact, run on proper lines.

What can private industry learn from Government office management and what can Government learn from private industry office management? I think Government can use improved methods of inter-communications, duplicating, recording, etc. In other words, Government can adopt gadgets developed by private industries. However, so far as the method is concerned, I think the scope for adopting the methods is limited. I have already observed above that public administration is vastly more complex than private administration. The system of office management in public administration must be able to cope up with this complexity. It seems to me that the simple office management in private administration cannot discharge this function.

It is easy to suggest several measures that should be taken to revitalize office management in public administration. The difficulty lies in getting



them adopted in actual practice, as public administration is a huge and complex machine running with its own inertia for such a long time. I, therefore, enumerate below only a few important steps:

(1) Wide-scale delegation of powers to lower levels. Everyone talks about this but, when it actually comes to actual delegation, everyone hesitates. Wider delegation can increase speed of disposal.

(2) Public administration has to work on the basis of rules and orders of competent authorities. But systematic indexing and compiling of these rules and instructions is not attended to. Special attention to this aspect will make it possible for everyone (including a citizen) to know where he stands. Half the delay in public administration is because no one knows what exactly is required to be done.

(3) Many of the rules and procedures in Government are so designed as to make them fool-proof. They are, therefore, extremely complicated. In consequence, errors are avoided, but nothing gets done. The rules and procedures must be simplified even at the risk of a few errors. The officers on the spot must be depended upon to rectify the errors.

—S. B. KULKARNI

### III

Office Management in Government aims at: (i) Efficient disposal and prompt despatch of public business as well as speedy redressal of public grievances; (ii) statistical recording as well as assessment and development of the extent and quality of the service in the department; and finally (iii) effective personnel administration. In private industry, be it the most modern and actuated by the very best ideals, the public business aspect is limited in nature and clientele and is adequately dealt with if the particular goods produced are considered as satisfying the existing need while being appropriate for the price, the service being reasonable. Therefore, the grievances are few and do not raise the many different and difficult public relations problems of the Government offices. The other difference would be that personnel administration in Government tends to be much more impersonal with the attendant consequences, good and bad.

To produce the best results in the conduct and disposal of public business, there are too many obstacles in Government service in the shape of checks and balances as regards finance, relating mainly to availability of funds, sanctions and audit. This brings in a general tendency on the part of most Government executives to play safe instead of taking experimental risks with initiative. In organization also there are too many levels of supervision in Government, which is not the case in private industry. As regards tools used, it is not always the tool that gives the best results, that is purchased for governmental use by the cheapest and easiest to get at under the circumstances. The same would apply to staff selections and placement; these normally being outside the province of the immediate manager, who has to manage many square pegs in round holes. In private industry it is the overall result that counts and all the rest are investments towards that end. The persons in charge are the most suitable for the job and so long as they deliver the goods their discretion is not unnecessarily fettered. On the contrary

in Government, the person in charge works with a lot of handicaps and if someone is to use his initiative, his style is straight away cramped by post-mortem of a gruelling nature of transaction taken singly and not as a step towards ultimate success.

In some respects these differences are built-in, but the fact remains that in most cases these difficulties could really be got over, being obsolete and meaningless. For instance, it is always trotted out that the personal element and profit incentive count for a lot of the initiative and effort put in by managerial personnel in private industry, while in Government, except those imbued with a missionary spirit or those who seek a spiritual satisfaction in achievement, may just do the minimum work to keep going without trouble. This should not really be so but in a large number of cases this is inevitable. But it is high time that the procedures at least are so altered as to repose more trust in the chosen men and to ensure greater encouragement of initiative and enterprise directed towards a sincere pride in achievement.

Private industry can learn a broad and tolerant attitude to men and things from Government service but Government has much more to learn from private industry in streamlining procedures for achieving results.

To revitalize office management in Government there should be greater trust in the good faith of the selected men unless they prove themselves unworthy. Similarly there should be relaxation of the hide-bound regulations in a manner calculated to encourage initiative with more decentralization, viz., delegation with effective control and financial flexibility without losing hold of the main strings of financial control likewise superfluous supervisory cadres should be eliminated and decisions should be taken in planned discussions with effective follow up. In many countries administrative re-organization on these lines has helped streamline and gear up the administrative machinery to greater productivity.

—S. M. DIAZ

#### IV

I don't think there is any difference in the limited purpose or aim of office management between Government and Business. In both, the function of the office management is to help the Officer or the Manager to arrive at the decisions that have to be taken in the daily course of work. In Industry decisions are taken at the managerial level. In Government, the decision taking is distributed at various levels to the Officers in charge of specific offices, the bulk of whom are gazetted cadres, commissioned by law or Government Orders to be responsible for a particular function. The office staff in both cases are intended only for helping these decision makers to arrive at their conclusions. There are certainly differences in the orientation of the persons in authority in these two cases and also in the method or manner in which he takes the decision. But that has no bearing on the aim or the purpose of office management in the two cases, which is essentially domestic and house keeping.

Due to the differences in the orientation and methods of work in the two cases, changes in office management and procedures of doing business will certainly vary in the two cases. In industry, the profit of the undertaking,

the fulfilment of the service which the industry performs to Society, the maintenance of the qualitative and quantitative standards of performance etc., are the basic aims. In Government, the fulfilment of statutory obligations, the maintenance of the rule of law, equality for all, and finally, service to the community, are the basic aims. Due to this fundamental difference in aims, the procedure followed in office management differs. In industry we want to arrive at quick, clear, simple decisions to further the objectives of the unit. This is completely in harmony with the orientation of the Manager. In Government, on the other hand, the decisions that emerge should satisfy many other criteria. Objectives like statutory obligation, rule of law, equality of opportunity, etc., are difficult to satisfy. Therefore, procedures and precedents are more vital to arrive at a correct and satisfactory decision in Government. Records of past transactions, present transactions, the decision taken by various persons at different levels of authority, the thought processes that contributed to these decisions, etc., have to be preserved and referred to for future action. The private office needs few records. Whatever are there, they are clear and simple. The Government Office needs voluminous records. They may or may not be useful or adequate for the purposes in view. The set-up in Government is a chain of command in which territorial and departmental considerations prevail. The set-up in industry is based on the units of operation and the conditions of production.

In industry, office procedure hardly matters, except where it affects the productivity of the plant. In Government procedure is all important. A good decision arrived at through wrong procedure is likely to be set aside. That being so, the Government's tools are mainly the law and multiplicity of records, while the industry's tools are job analysis and cost control.

These differences are found to exist so long as the scope of Government and the scope of business in a Society are different. The world of business and industry, is the production of goods and services for the community. The area of Government is the administration of the community's welfare. These two functions normally never clash or come together. But recently the growth of economic activity, socialistic ideas and the latent anti-social element in business and industry have brought the two spheres together, where they overlap considerably. Apparently the motto of the business community that profit is the only criterion of good business is not enough. Again obviously the Government is not the preserver of law and order and the political rights of individuals only. Therefore, concepts like the Welfare State, Post Office socialism, public utilities under public control, public sector enterprises in business and industry, etc., have come to be accepted. The growth of socialistic concepts is a clear evidence of the inability of private enterprise to meet the changing needs of the times, the changing concepts of what is right and what is wrong and the ever widening demand of an increasing population of the world. The current concepts of social justice determine the periphery of the functions of the State. There is no such idea governing the private sector of business and industry. Perhaps this concept of social justice needs to be classified and much ideological deadwood has to be removed. The old out of date ideas of profit and freedom of enterprise have also to be dusted, cleaned and modernized.

Both can learn from each others history and mistakes. But Government cannot model itself completely on business. Nor can it be the other

way round. Since the divergence in their scope is fundamental, within limits they may be able to exchange ideas and implement mutual self-improvement programmes. In the matter of the concern for the citizen, the adherence to social justice and other concepts, the industry would do well to change their business ethics in line with that of Government. In office and field management, many tools and procedures from private enterprise can be adopted for use in Government.

I agree with the observation that dynamic administration is good office management. To make office administration dynamic, we need better men at all levels, better tools and procedures, ground recruitment policies, on the job and theoretical training, strict operation of efficiency bars, etc., will improve the content of the Civil Service. The improvement in the general educational system of the country will benefit both public and private enterprise. Procedures could be studied with the idea of eliminating those which are not necessary from the legal or social justice point of view. Simple procedures could be devised for many purposes in view, consistent with the general objectives of Government. Management studies and job analysis may reveal many possibilities within Government for reform and re-organization. The use of modern office equipment like the telephones, teleprinters, tape records, dictaphones, typewriters, copying machines, calculating machines, adrema machines, index systems, accounting machines, computers, etc., could increase the output and speed of Government Offices and render them more useful to Government. More than anything else, it would broaden the vision of the public servant and make him think of public service as different from the safety within the four walls of the law, procedures and red-tape, thus leading to a welcome and pleasant change.

—K. C. SHANKARANARAYANAN

The comments on our article are refreshing reading. Before I react to a point or two raised by the readers, let me try to sum up the observations on two aspects of Office Management—the respective purpose and limitations.

The PURPOSE of Office Management in government and private industry is basically the same, namely, to facilitate performance, to smoothen out the process of resources utilization and creation of new wealth, to meet the ends of justice and fairplay. And towards that end, in both places, office management should be characterized by prompt and efficient despatch of public business, speedy and just redressal of public grievances, collection, interpretation and timely use of statistical data and effective personnel administration. In the current context, the ADDED PURPOSE for both sectors is to make time our friend, to do things with accelerated speed, and to take calculated risk. Things should be geared to that end. In particular, the ORGANIZATION should be people-oriented, not procedure-oriented, should be functional and decentralized. This aspect is more catered to today in private industry than in government.

The LIMITATIONS peculiar to Government and private industry are about the same as the ones between a smaller and a larger unit in private industry. The limitations arise mainly because of the size and complexity and tradition and less commonly because of the nature of the product or the service they produce. The very size in Government calls for many levels of

supervision, a fair degree of checks and balances and an impersonal approach to men and things which, when overdone, affects the quality of office management. It has been pointed out that the Government should keep in mind social justice, the overall welfare of the country and the future of the nation. The implication probably is that private industry can do without these. *The fact is it cannot.* The modern private industry has realized that it pays to subscribe to these ethics of social living. Perhaps private industry's pre-occupation with cost gives the public a wrong impression. The situational necessity is that private industry has to provide a satisfactory service and keep up a cost which is lower than what it charges the public or run the risk of folding up. This necessity is not compelling on Government units or so it looks.

The additional and intangible demands on Government, one certainly concedes. What disturbs is the avoidable limitations one finds in Government. One is the set of tools (men and material) that is provided. The tools provided are traditional, inadequate and have little relation to modern developments. The other is the prevailing attitude and atmosphere. One hears and so often that "it is government—you have to take things as they are". Also, the political atmosphere in the country is such that administrative changes are looked at in an unpredictable fashion with the result the *status quo* is voted for. One can play too safe to be unsafe: this realization is not quite evident. This is not to say that all is well with the private industry. The sheltered economy on the one hand and the absence of competent competition on the other have not encouraged upgrading efforts. Even the winds of change elsewhere in the world are making only a halting and superficial impact. We do, however, come across pockets of efficiency both in Government and private industry. What we need strive for is to have more of them.

Stepping up the state of office management alike in Government and private industry calls for a multi-pronged attack. The practitioners should be encouraged to think in purpose-oriented terms. They should be given the facilities to acquire the know-how. They should be given the internal and external assistance (including organizational structural changes) in a big way, not in a token fashion as is done now. Raising the level of office management in a private industry unit means raising the level of overall management in that unit. Same way, raising the level of office management in Government could mean raising the level of overall performance of the country. In particular, there is great need and scope for raising the level of office management in public sector industrial units. Delay is a killer in any place and certainly so in an industrial unit. Present office management practices in public sector units do not seem to have adequate respect for time and time punishes those who do not respect and measure up to it.

—N. H. ATTREYA