

Work Wise

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PRACTICE MANAGEMENT RELIEF

DR Rob Hosking, principal at The Elms Family Medical Centre in Victoria's Bacchus Marsh, says the practice's trust in practice manager Mandy Harrington means she is given significant authority.

"We have a great deal of loyalty and long-term understanding and so, for that reason, I suppose we do give her a fair amount of autonomy."

Mrs Harrington has been manager at the seven-doctor practice for three years, but has worked for the practice for 15 years, first as a receptionist and later assistant practice manager.

She has no formal management qualifications but has learnt the intricacies of the practice on the job. She has responsibility for managing wages and accounts, signing cheques, managing IT, and dealing with most staffing issues.

The practice also takes advantage of Mrs Harrington's nurse training by giving her responsibility for the practice's chronic disease program.

Practice partners Dr Hosking and Dr Woodrow 'Woody' Wu hold an hour-long meeting with Mrs Harrington at lunchtime every Monday to discuss issues such as staffing, accounts and MBS concerns. Also, the management team hold quarterly meetings with the accountant to review financial arrangements.

Dr Hosking says he and Dr Woodrow review Mrs Harrington's position annually, but so far surrendering some management control to a practice manager has been a relief.

"It works well. We still make the big decisions ultimately, but we get Mandy to do all the legwork first," he says.

Autonomy rules

THE role of the practice manager has grown rapidly in recent years, mainly to relieve GPs of the demands of more red tape, increasingly complex patient care plans and the increasing size of practices.

Today a practice manager is not just responsible for stationery supplies and doing the banking. They have ever-increasing autonomy and responsibilities that can go as far as the commissioning and project management of a practice's expansion, including new buildings, new staff and new technology.

Their role is to ensure the non-clinical requirements of the practice run smoothly so GPs can do what they do best in the consulting room. Potentially this encompasses everything from financial responsibility to planning, marketing and human resources.

Today's practice manager is likely to come with impressive management qualifications, with some having postgraduate degrees in business administration or the University of New England's diploma of practice management.

But how much control should a practice manager have, and what can happen when the relationship breaks down?

"Running a small business is complex, so sometimes it is better to delegate that sort of task to somebody who has experience and skills in that sort of area," says Victorian GP Dr Neville Steer, who became a practice management consultant in the process of building a 14-GP practice in Gippsland.

He says a practice with six full-time equivalent doctors has significant income and costs, so it is vital to ensure that income and expenses

are well handled.

"Management is often a continuous process ... and doctors can't be interrupted throughout the day to focus on management issues," Dr Steer says. "Having a practice manager provides a different set of eyes to look at things from a different perspective in the practice."

To do the job properly, a good practice manager requires significant delegated authority, Dr Steer says. As with any small business, as the scale of the operation grows the owners tend to lose control of management decisions.

In 2000 in SA's Clare Valley, the partners at the Clare Medical Centre decided to make some changes to the practice. To work out where to start they brought in Danny Haydon to act as development consultant.

Seven years and a new multimillion dollar medical centre later, Mr

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GPs are delegating more control to practice managers, but how do practices make it work?

BY ANNABEL MCGILVRAY



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Haydon became the practice's executive officer, overseeing day-to-day human resources management and over the longer term, business strategy. He also works as a practice management consultant.

At the Clare Medical Centre he has substantial delegated authority to manage budgets and personnel, and liaises regularly with the management associate, a practice partner who is Mr Haydon's first port of call when there are issues that need to be discussed outside the monthly practice management meetings or the quarterly meeting of the partners.

"It's a matter of having a good understanding of the structures in place and how it's designed to work so ... if [the partners] have any issue, they know who they should be directing that issue to," Mr Haydon says.

Setting out the hierarchy of decision-making is important to avoid what he calls "role-creep".

"Practice managers in many practices are taking on more and more responsibility, but I'm not sure many practices actually sit down and specifically determine and document what the delegated authority of their practice manager is."

The first step to ensure everybody understands what authority the practice manager has is to have a detailed job description. The delegated responsibilities of the position — for example financial management and human resources — should be set out, as should the limits on that responsibility and where and how consultation takes place.

Both the Australian Association of Practice Managers (AAPM) and the RACGP suggest all practices have such job descriptions.

"It's a good idea for the doctors to come up with a general guideline for what they want the practice manager to do, and then let the practice manager get on with implementation," Dr Steer says.

GPs should resist the temptation to micromanage. Objectives should be set and the manager then given the opportunity to achieve that objective in the way they feel is most appropriate.

"The danger is for the doctors to try and tell the manager everything that he or she ought to be doing, rather than recruiting a practice manager with good management skills, where you can say 'This is what we want to happen' and then the manager works out how to achieve it," Dr Steer says.

But it's also important to have regular reviews to ensure the management of the practice is going to plan. Weekly or monthly management meetings provide a good forum for any issues to be raised.



'To do the job properly, a good practice manager requires significant delegated authority.'

— Dr Neville Steer
GP and practice management consultant

AAPM national president Brett McPherson says these meetings need not be long but should provide an opportunity for what he calls "robust" discussion.

"The frequency depends on the maturity of that relationship and the trust. It need only be for an hour to two hours, but in that clearly defined time you can determine and discuss a number of issues. If you've met and discussed and you've agreed on particular issues then that means that the manager can continue to operate," he says.

Without that formal consultation there is the risk of

what Mr McPherson calls "corridor management", in which doctors mention an issue to follow up while passing in the corridor.

"That undermines the strength of the management team and especially it can be quite disruptive for the practice manager," he says.

However, the role for GPs who are not part of the management group — usually contractors or employees — is a much greyer area.

Dr Michael Nugent has been an associate at the Clare Medical Practice for a decade. He has no direct role

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References: 1. Hay A et al. *BMJ* 2008; 337: a1302. 2. Pelen F et al. *Ann Pédiatr* 1998; 45(10): 719-28. 3. Autret-Leca E et al. *Curr Med Res Opin* 2007; 23(9): 2205-11. © NUROFEN is a registered trademark of Reckitt Benckiser Australia. 44 Wharf Road, West Ryde, NSW 2114. REC83333/ADR 05/10

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in determining Mr Haydon's responsibilities or day-to-day job.

Dr Nugent is not concerned by that because of the trust he has in the practice manager's abilities and the way he exerts his control.

"We're lucky because he's so good at what he does, I've never felt I've needed to say anything about his role. I can see how that could be different at other practices.

"Danny obviously sees how things should be run, but he's always conscious of putting forward suggestions and leaving it up to the partners to make that decision. He does it very well and without seemingly taking over or overstepping his boundaries."

However, not all employee doctors feel comfortable with a practice manager. *Australian Doctor* was told of cases where employee GPs had become frustrated when a practice manager's work was not adequate and, apart from a quiet word to the partners, there was no avenue to influence change.

Good practice management often comes down to good communication. Among the practices *Australian Doctor* spoke to where disputes over control occurred between GPs and practice managers, it was often a case of poor communication or a clash of personalities.

Mr McPherson says sometimes disputes occur because of an excess of feedback in the form of corridor management.

And sometimes a manager simply puts themselves out of a job, for example, when the manager is brought in to oversee a particular project such as an expansion or a move.

Terry McMaster, a medical financial adviser and a regular *Australian Doctor* columnist, is a strong advocate of every practice having a practice manager so that doctors can focus on what they have been trained to do (see *Australian Doctor*, 16 April).

However, he says not all managers are good at all aspects of management. "Sometimes managers are good for project management, but get bored afterwards.

"It's a common thing in management that in a particular phase of an enterprise development you need a certain type of personality, and when that phase is completed, that personality may no longer be needed."

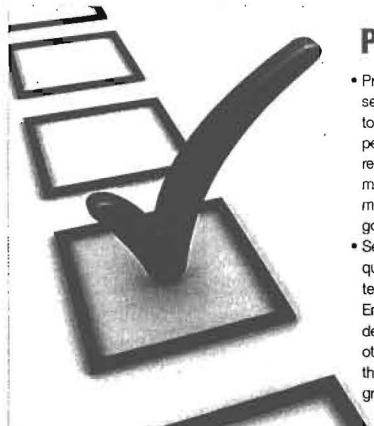
In his experience, practices that take advantage of having a practice manager can generate the best financial returns.

"As a general proposition, the more autonomous or independent is the practice manager, and the more they're given free reign to do

the value-adding things outside the traditional role of administrator, the greater the profit-value that is generated by the practice manager."

While giving up control is rarely easy, Mr McPherson says employing a practice manager is an important first step.

"By actually appointing a practice manager, they've already come to the decision that they need somebody there to manage it. They've already got across the first barrier of delegating or leaving some of those issues surrounding the management to the manager." ●



PRACTICE MANAGER CHECKLIST

- Prepare a detailed job description setting out responsibilities and limits to authority, including several key performance indicators. Areas of responsibility may include financial management, human resources, IT, marketing, risk management, governance, and clinic operations.
- Seek candidates with appropriate qualifications, which may include tertiary or postgraduate degrees. Enable ongoing professional development and networking with other practice managers either through the local division or national groups such as Australian Association of Practice Managers or RACGP.
- Schedule regular weekly or monthly reviews to monitor the practice manager's actions and whether they are meeting expectations. Ensure the practice manager regularly meets with all other practice staff.
- Conduct an annual review of the practice manager's performance (including an evaluation of key performance indicators).
- Avoid corridor management.
- Delegate one partner to be responsible for liaising with the practice manager to ensure clear communication.

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