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HOSPITAL ADMINISTRATION, A NEW MEDICAL SPECIALTY

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INTRODUCTION

A queer sort of mysticism and romanticism persists in surrounding the business of running a hospital and often obscures the brass-tack reality of that business. Some clinicians consider the Hospital Administrator "A weigher of garbage and a watcher of gauze"(1). Most medical staffs are willing to put up with him as a necessary evil (2), yet there has been an impression more or less prevalent that the average Hospital Administrator, when a physician, is of mediocre ability. This is not borne out by available facts brought out by the American Medical Association in appraising their abilities(3).

Actually the hospital administrator is the manager of a hotel for sick people who is skilled in many and various ways. He must have knowledge of medical and surgical requirements, understand medical ethics and medical ways of doing things(4). He is the liaison officer between the board of trustees of the hospital and the professional and service personnel(5). He is a superman(6) who must coordinate medical aspects, business administration, and social work of the hospital. He must be on the job or readily available twenty-four hours of the day to carry out the orders and spirit of

his board of trustees and to watch over coordination of medical and surgical services for his guests who are attended by professional staff men who normally spend only a small part of their time in his hospital. Numerous questions that arise concerning the professional management of the patient must be passed on that a medically trained administrator can do easily and effectively(7). He must at the same time watch over and direct the intricacies of financing and running a hotel, and supply his institution with initiative and leadership as well as supervision(8,9,10,11,12,13,14,15).

One hundred bed hospitals can be administered by one individual with the help of subordinate non-professional personnel. The business manager is responsible to the hospital administrator, and takes care of financing, collections, book-keeping, cost accounting, purchasing; while the medical administrator or coordinator manages the admitting room, integration of medical and surgical services, consultations with various specialties, outpatient department, medical records and so forth. In larger institutions additional assistant administrators are necessary.

HISTORY

The earliest known records of hospitals date back to the Greek Temples, which were the real forerunners of the modern hospital inasmuch as they provided refuge for the sick. One of these sanctuaries is said to have existed as early as 1134 BC at Titanus. Two other ancient civilizations, India and Egypt, undoubtedly had crude hospitals at an early time. It is known that hospitals existed in Ceylon as early as 437 B.C. (16).

Hospitals of the early Christian Era were stimulated by the decree of Constantine in 335 A.D. which closed the Aesculapia, so that they reached their peak of development during the fourth and fifth centuries. Records concerning hospitals of the succeeding centuries up to the Middle Ages are scarce, though we know that the Hotel Dieu of Paris was founded by Bishop Landy in 660 A.D. and has given continuous service since its founding.

Administration of this hospital was handled by the clergy through normal ecclesiastic lines of authority. Organization of its services was somewhat similar to that of modern hospitals. Each department had a

chief, one of the brothers bought food, another was responsible for drugs, a sister was in charge of the laundry, and another made bandages. The governing body made an inspection of the entire building twice a year, and the institution was quite self-contained in that it maintained a bakery, an herb garden, and a farm. Often patients who had fully recovered remained at the hospital to work on the farm or in the garden for a few days in appreciation of the services which had been rendered them (16). It is curious how reluctant we are today to forgo some of these outside pursuits that bear little or no relation to hospital management, such as laundries, gardens, and that can be better done by existing outside agencies.

During the eighteenth century there occurred another revival in the building of hospitals, and they came to be regarded as a place to go for treatment, rather than just a haven for the ill. Very little can be uncovered as to the administration of these hospitals, suffice it to say that the simplicity of their operation has gradually evolved, along with our ever increasing knowledge of the basic sciences and the advances in medicine and surgery, into the complexity of the present day (16).

The role played by religion must not be overlooked in any consideration of the history of hospitals and their management. Hospitals in the early Christian Era and in the Middle Ages were an integral part of the church, and not until abuses crept into their administration under ecclesiastical authority in the fifteenth and sixteenth centuries were some of them taken over and managed by civil governing bodies(16).

The first evidence of a published work concerned solely with Hospital Administration was that written by W. Rendle and published in London in 1874, entitled, "An Introductory From Outside on the Lay and Professional Management of Great Hospitals". Santa De Pietra wrote a treatis which wastranslated from the French and published in London in 1881 entitled, " Hospital Administration in Paris and London", and C. A. Aikens published in Philadelphia in 1911 his "Handbook for Hospital Trustees and Superintendents". None of these books was available to me, but they do show that there was interest in the subject to the point of trying to compile in a single volume the methods and experiences of various types of administration.

GROWING NEED FOR TRAINED ADMINISTRATIVE PERSONNEL

The growing need for trained administrative personnel is almost self evident and closely parellels the growth of the modern hospital. The population of the United States has doubled since 1873 while the number of hospitals has increased forty-two times. In 1931 there were three billion dollars invested in approximately 5,800 hospitals in the United States with a total of 900,000 beds. These hospitals expended approximately one billion dollars annually for operating costs and salaries, employed slightly under 500,000 people and treated approximately 10,000,000 in-patients annually(17).

In 1943 there were 6,655 hospitals in the United States with 1,649,254 beds, treating 15,374,698 in-patients. This is equivalent to one bed for every 80 persons in the country and means that one out of every nine people in the country spent some time in the hospital during the year. These hospitals employed over 550,000 people not counting the medical staff, which is equivalent to one employee for every three beds.

Of the 6,655 executive heads of these hospitals in 1943 40% were physicians, 34% were registered nurses, and 26% were lay people(4). Thus medical care is now the

sixth largest industry in the United States(18), yet most present hospital executives were attracted to their jobs because of some trick of fate rather than because of a special yearning and special training for this type of work(19).

The general public and the medical profession are choosing to develop greater dependence on the hospital in community health(20). Hospitals and clinics represent an attempt to organize specialism together more effectively with the technical aids and the mechanical facilities which modern medical practice requires to get a job done. It would be a confusion if were not the specialists in all branches well organized and coordinated. Hospitals and clinics have increased vastly in size, number, and complexity. The demand for economy and efficiency in their management has become a commonplace, but the medical aspects of the same development have been generally neglected(21,22). There has been a lack of proper planning for administration. Trustees are business men, hence most emphasis has been put on cost figures, rather than on medical results, reminescent of early proprietary medical colleges.

There is no complete index of administrative literature. The majority of articles in current hospital

magazines concern business aspects of administration, as they did in 1931 when a comprehensive survey of the literature was made by Bay. At this time he investigated sixty-three articles. Only two articles dealt with the medical aspects of administration. Thirty-eight of the articles were written by hospital administrators, eighteen of whom were physicians, twenty-eight were written by laymen, one was written by a pathologist, two by social service workers, five by hospital consultants, one by a pharmacist, one by an architect, one by a magazine editor, two by staff members of foundations with interest in medical work. Only three articles were written by chiefs of staff or other physicians on the staff. Two were written by professors of clinical medicine, seven by physicians connected with health departments or other public agencies. Most were written on the basis of the author's personal experience, only a few grew out of comparative studies(21).

Medical journals devote still less attention to medical administration, so that this problem which is so important a phase of hospital work is taken up infrequently in hospital journals (which few clinicians read) and still more rarely in clinical journals (which they do read occasionally). Yet we know that modern research and newer developments in laboratory, radio-

logical and surgical techniques make medicine become a departmentalized, cooperative, group enterprize. Coordination of these is an administrative matter and will determine to a large extent the availability of medical service to the public(21).

Lack of proper coordination between the various clinics devoted to the medical specialties, or lack of contact with the referring physician during and after hospitalization concern the patient primarily, but should also be in itself concern to the physicians and administrative officers in the institution. Superfluous administrative duties imposed upon professionally trained personnel are economically unjustified. Much has been written on various phases of business aspects of hospital administration, but while the problems presented were generally of a highly practical and objective nature, the solutions were often merely subjective and geared to the dollar sign(21).

A major difficulty in evaluating the literature of administration, and in conducting any study of the subject lies in a lack of definition of "administration" when applied to medical affairs. To chart the activities of the administrator is just as impossible as to chart the activities of the administrative officer of

any industry. There is growing feeling among physicians and the laity that some mechanism must be instituted in large group clinics, hospitals, and outpatient departments for correlating the activities of the various clinics. Patients suffer when observed only by too-specialized eyes. We must see the patient as an individual and care for his total needs(21).

Of the hospital administrators in nineteen teaching hospitals, fourteen were physicians, three were laymen, two were nurses. This would seem to indicate that there is a definite advantage in having a medically trained man as chief administrator in the hospital, as the quality of medical administration is an important factor in the conduct of every hospital. Administration for its own sake is not of value; the care of the patient, teaching, and research should always be held uppermost(21).

The expense of medical care, except to the very poor, and the very rich, has steadily risen to the point where rare is the family that can bear the entire cost of hospitalization for one of its members. A sick bed is a common necessity and a community responsibility. It should be as available as an automobile or a telephone. Some uncritical people have asserted, " But thanks to unrealistic management, it is too expensive

for the average American pocketbook"(23).

This increase in cost of hospitalization cannot be entirely explained by increased living costs. A good part of it is due to the cost of providing better and better medicine, with its complicated diagnostic and therapeutic procedures. Rising labor costs and more liberal personnel practices have added considerable to total costs. Unwillingness of some groups to relinquish some of their practice policies, and inability or unwillingness of the administrator to coordinate departments in such a way as to avoid expenditure of extra hospital days and duplication of procedures by different departments have contributed. Increased hospital cost too often works a secondary hardship on the doctor, whose fee is paid only after the cost of hospitalization has been met, another source of contention between the administrator and his medical staff.

The modern hospital is a highly complex sort of charitable institution in which the patients are required either to accept charity or to give charity whether they want to or not. Either religious, educational, or state charity is present to some degree in every hospital. With few acceptions, the hospitals of the United States are non-profit hospitals, and as

such pay no public taxes and operate without a profit. In "M" hospital in 1946, which cost $26,000,000 to build, there were 15,401 patients during the year, at a per diem cost of $14.57 without doctor bills. This with the hospital paying no rent, no taxes, retiring no bonds, and showing no profit. The biggest share of this expense went to wages. Well to do patients paid more than this amount per day on their hospital bills, the extra amount going to make up the deficiency in charges collected from the moderate income group, and the group which could pay nothing at all for their hospitalization(23).

EDUCATION OF HOSPITAL ADMINISTRATORS

The profession of hospital administration is of recent development, and courses for the formal education of administrators are being only recently provided. As late as the first part of the twentieth century many hospitals were administered by young medical men who used that means of gaining an entry into the community for the practice of their profession. Even yet it is not sufficiently recognized that hospital administration is one of the most highly specialized of the professions; that so complex an organization as the hospital, which entails such a variety of activities and such a grave responsibility, requires at its head a person with special training and experience. Whether a formal course in such a diversified profession can be entirely successful is very doubtful, inasmuch as it will always be necessary for the administrator to secure a major portion of his education in the school of experience, that is, as assistant to an older and more experienced hospital administrator(16).

First mention of education for hospital administrators was made in Cleveland with the formation of The Association of Hospital Superintendents, in 1899. This organization was comprized of six men, and was

the forerunner of the American Hospital Association(18). The first paper on training hospital executives was read at the American Hospital Association Convention in 1910 by Doctors F. A. Washburn and J. B. Howland, director and first assistant respectively of Massachusetts General Hospital. In 1922 Dr. W. C. Rappleye at the American Hospital Association Convention reported efforts of the Committee on Training Hospital Executives. In 1924 this committee recommended that fellowships be established and in 1925 an outline of curricula was presented, but until 1931 very little had been done(24). The first degrees in Hospital Administration were conferred at Marquette University in 1924, but after a few hectic years this educational pioneer was forced to discontinue its efforts (25,26).

Fourteen courses in hospital administration were started and abandoned during the years 1922 to 1932, and in the latter year the consensus favored the preceptor method of training(27). Ten Universities are now offering degrees in Hospital Administration. The total 1947 enrollment is about one hundred students, yet we need one hundred-fifty graduates each year to fill the major and minor executive positions normally opening from the

positions now existing(28). This does not take into account administrators needed to fill positions created by the vast hospital building program of the United States Veterans Administration, or the hospital subsidy program which the government has launched in order to stimulate hospital building.

Hospital Administration has often failed to command proper recognition, because too many boards of trustees have failed to appreciate the importance of trained and experienced administrators(2). The fulfillment of the purposes of the hospital in the preservation of human life can ordinarily be measured by the efficiency and capacity of its chief executive(2). Virtually all efforts to establish acceptable courses for training of hospital administrators have failed principally because of a lack of candidates, yet the careful selection of students for hospital administrative careers in mandatory(2). One must not confuse the <u>need</u> for administrative education, which has been recognized for 25 years or more, with the <u>demand</u> for education(20). Students in this highly specialized field cannot be interested till they command respectful recognition and fair and just remuneration(2).

To encourage the proper education of hospital

administrators, either by formal teaching methods or under the apprenticeship system, and to secure for hospitals the resulting benefit, it will be necessary for national organizations to take a definite stand against the management of hospitals by persons of little or no experience and to favor those of long experience and adequate training. The American College of Surgeons has already made a move in this direction, Until some very decided action is taken, however, governing bodies of hospitals will continue to employ the inexperienced who can be secured for small salaries; politicians will persist in regarding the management of city and county hospitals as legitimate political patronage. As a result, capable men and women will not be attracted to devote years of study to learning a profession from which the returns may be so uncertain(16).

Training for hospital administration must accomplish six major goals; First, the rigid selection of students, preferably physicians. Second, the teaching of fundamental facts. Third, the teaching of fundamental principals, a habit of thinking so to speak. Fourth, the teaching of intangibles and non-communicable factors. Fifth, the furnishing of sufficient experinece. Sixth, the requiring of a reasonable period for completion of this training(20).

Up to the present time the sources, experiences, training, education, and philosophy of administrative personnel have been as varied as the hospitals they served. In 1931 approximately 46% of all top executives held the M.D. degree(17). These men were found in two widely differing types of hospital, the large city hospital, usually tax supported to some degree, and the small town hospital usually owned by the physician himself. Nurses were the administrators in 20% of the nations hospitals, usually the proprietary hospital of under one hundred beds. Sisters and members of religious orders were administrators of 8% of the hospitals, which varied in size from twenty beds to several hundred. Lay people, such as former hotel managers, engineers, accountants, lawyers, and those promoted from minor hospital positions managed the balance of the hospitals, which varied in size and service with the locality they served.

It is readily seen from this condition that nurses would favor nursing services, the accountant as hospital administrator might be overly zealous in keeping the costs of operation minimal at the expense of good medical practice. On the other hand, the physician, if untrained in administrative technique, with little

business training, would be enclined to furnish better medical care to his patients at the expense of economy of operation.

The minimal educational requirements for a candidate for training in hospital administration should be one of four: An A.B. degree, an R.N. degree, an M.D. degree, or practical experience in hotel or hospital management(29,30). Medical education is not absolutely necessary for good administration, but it is extremely helpful. Its values lie in an understanding of medical mens philosophy, medical terminology, and in understanding the patients' and the physicians' problems(31). All matters of policy eventually concern the welfare of the patient. "Is it in the interest of the patient?" can only be answered by medical men(32). Medical education also helps the administrator in his duty in picking the proper professional staff(33). It is hoped that eventually all administrators will have the M.D. degree, but the shortage of physicians at the present time precludes such a goal for many years to come.

There are serious limitations even to these basic requirements for candidates for administrative training, in that they do not furnish a broad enough exper-

ience for this highly technical and at the same time humanitarian undertaking. For example, the holder of an A.B. degree from a liberal arts college knows nothing about the art and philosophy of medicine, to say nothing of the mechanics and problems of nursing care. He may also be deficient in the business side of management. The R.N. rarely holds a college degree, and her training is apt to be too narrow to deal with the broad educational groups she is required to meet in her administrative capacity. Both the physician and the registered nurse know considerable about the art of medicine and nursing, but have they been adequately prepared from a sociological and business standpoint to contribute efficient management? The hotel or hospital executive probably has a better background from a managerial, psychological, and business point of view in dealing with employess, and would make an ideal personnel officer or custodial manager, but hardly a hospital administrator. What does he know of the art of medicine and nursing, of the highly technical side of hospital work, and how will this effect his relationship with patients, the medical and the nursing staff?

The administrative candidate, and the trained administrator, must be endowed by nature with special

qualifications which are supplemented by careful education and wide experience. These conditions will vary somewhat with the nature and size of the institution with which the administrator is connected. In general terms, therefore, his qualifications should consist of infinite tact and diplomacy, firmness tempered with consideration, ability as an organizer, qualities of leadership, possession of a keen sense of responsibility, absolute honor and sense of justice, good judgement of human nature, industry and interest in his work, administrative ability, a broad education, a neat and tidy appearance, abilities as an educator, good business ability, good buying acumen, a mechanical turn of mind, and ability to work well with others. He should also be a graduate physician(16).

Candidates for administrative training may proceed from this point in one of two ways, each of which has strong advocates and strong opposition as to which will result in the better administrator(34,35,36,37,38,39). They may undertake to serve an administrative internship and residencies for periods varying from one to three years, in which they rotate through the various departments of the hospital, learning in considerable detail the duties and functions of each department,and

actually participating in the work of these departments by preparing reports, trouble shooting, answering mail, attending staff and board meetings, etcetera. They may be given gradually increasing executive responsibilities as quickly as their capabilities become apparent(40,41).

In working out an adequate residency plan for the training of the hospital administrator by the preceptor method, the following three year program has been suggested(37,38,39).

FIRST YEAR

Rotation through the following departments:

1. Admitting Department
2. House Staff
3. Emergency and Ambulance
4. Deaths, autopsies
5. Record department and library
6. Surgery, operating room, maternity, delivery room and anesthesia
7. Nursing service
8. Social service.

SECOND YEAR

Rotation through the following departments:

1. Laboratories
2. Radiology
3. Pharmacy
4. Physio-hydro-therapy
5. B.M.R. and E.K.G.
6. Outpatient department
7. Dietary department
8. Housekeeping department and laundry
9. Engineering department and maintenance.

THIRD YEAR

Rotation through the following departments:

1. Personnel administration
2. Accounting and financing
3. Purchasing and issue
4. Medical staff organization and service
5. Board of Trustees
6. Community relationship
7. Planning and construction
8. Thesis on an original investigation.

After graduation from the three year residency program the student is theoretically ready to launch himself on his own administrative career, either as a minor executive in a large hospital, or as the hospital administrator of a smaller institution.

The second plan of training makes it possible for the student to enroll in one of the ten universities which has very recently set up courses in hospital administration. These courses vary in length from one to two and one half school years, and are folllwed by an administrative internship under supervision of the university for an additional period of one year.

The former plan has the objection that the experience of the student is limited to one institution, and teaches only one way to approach a problem. It also requires an excessive expenditure of time for added training which physicians in particular are hesitant to invest(42). The second plan is much more sound, in that the academic work is much more rounded, can be fitted to the needs of

any type of hospital, and is excellent preparation for getting the most from the administrative internship. The administrative internship which follows for a period of one year is ideally broken up into periods spent in several different types of hospitals, rather than all in one institution(43).

Ten universities now offer courses in hospital administration. All with the exception of Northwestern University are on the graduate level, and most require an administrative internship supervized by the teaching staff of the university following the completion of the academic work. Most at the present time will accept anyone for study who has a degree from a recognized college or university, who, on personal interview, shows the personality, aptitude, and desire to be of service in this work and make it a life-time career(42). Duke University specifically does not wish to train physicians for this work. It is hoped that eventually a pre-requisite for acceptance to this training will be the M.D. degree.

The ten universities now offering courses in hospital administration, and the length of time required for completion of academic work in this field, are as follows:

1.	Columbia University, New York	20 months
2.	Duke University, North Carolina	24
3.	Northwestern University, Illinois	24 to 36
4.	Iowa State University, Iowa	24
5.	St. Louis University, Missouri	unknown
6.	University of Chicago, Illinois	21
7.	University of Minnesota, Minnesota	24
8.	University of Toronto, Canada	21
9.	Washington University, Missouri	21
10.	Yale University, Connecticut	21

The courses of study at these universities vary considerably in their descriptive titles, but it can be safely assumed from reading the course-descriptions that they all cover the basic principles of hospital administration adequately. Some courses are being given for the first time this fall, others are still in the experimental stage and have been set up in such form that they can be easily and quickly changed as the need arises. All of them provide for adequate academic background in the History of hospital administration, Hospital organization and management, Departmental management, Public relations, Hospital staff relations including personnel management, Legal aspects of hospital administration, Accounting and budgetary control, Financing of general and special hospitals, Hospital planning and construction, Public health, Medical background for those non-medical graduates, and following the above, an internship of at least one year duration in hospital administration(40,44,45,46,47,48,49,50,51,52,53,54,55, 56,57,58,59).

The degree earned for this study plan in hospital administration varies with the university. Some confer the A.B. degree, some an M.A., and at least one leads to the Ph. D. in Hospital Administration. The degree itself is unimportant, but the recognition and prestige of special training and competency by hospital boards is most important. Candidates who have successfully completed this work seem to prefer even minor executive positions in large metropolitan hospitals to a chief executive position in a small hospital(60,61). However the demand for men with this training far exceeds the supply, and many of these people will gradually succeed to top positions in the hospital management field.

One of the greatest difficulties in setting up an adequate training program for administrators is the lack of basic research in the field of hospital administration. There is a notable absence in the literature of any but the most feeble attempts to get to the fundamentals of the problem. Added to this is the problem of the lack of standardization of procedures in the nations hospitals. While it is true that medical and surgical procedures are standardized, there is great variation in the managerial approach in hospitals even in the same community.

This variation is due to the fact that some hospitals are supported by taxes and managed by the state, some are completely private and operated for profit, some are managed by a religious sect, some are owner-managed. Added to this is the great variation in former training and experience of administrators, and the wide differences in methods and results which is only to be expected under the circumstances.

The small amount of research that has been done in the field is the result of interest by business colleges of universities, and by the leaders in the field of hospital administration who have done some writing of their experiences in their own institutions. The real need is for research conducted by men well qualified by education and experience in both medical and business aspects of hospital administration, whose activities along research lines are not retarded by their current problems(9). To this end the American College of Hospital Administrators, and the American Hospital Association have recently made efforts, but it is too early to have done more than barely scratch the surface of the problem, and until a good deal more time, effort, and money can be channeled into the undertaking some of

the efforts to train administrators will be inef-
ficient and lack the necessary effectiveness.

DUTIES OF THE HOSPITAL ADMINISTRATOR

At the head of the hospital, responsible for the physical plant and for every act committed therein, is the administrative officer, commonly called the superintendent, but better designated as the administrator. The title superintendent implies only supervision, whereas administrator implies initiative and leadership as well as supervision, two qualities very necessary in the administrative head of the hospital(8).

In actual practice it is only human for the administrator to give more of his time and effort to the administrative aspect of his work in which he is most interested, or in which he is most familiar from previous education and experience, be it medical, financial, or managerial. Ideally no phase can take presidence over any other, all must be well integrated and function harmoniously together not unlike a symphony orchestra, with the administrator in the role of conductor.

The relationship of the administrator to the governing body is primarily that of "master and servant", but it is not to be interpreted in the usual sense of the phrase. The hospital is a special type of organ-

ization in which the relationship is almost that of a managing partner. The administrator is, nevertheless, a servant employed by the governing body which can discharge him at any time for cause(16).

The governing body carries ultimate responsibility so must determine all policies and must be kept informed by the administrator of everything that transpires, particularly results, both financial and medical. Although responsible, the governing body cannot devote sufficient time to the hospital to personally know detail to the extent required and to determine results, nor should this be expected of it. The governing body, therefore, delegates administrative authority to the administrator and must depend on him to report results and detail that may be desired as to how these are produced.

The administrator must serve as a link between the governing board and the staff, to keep the board informed of medical needs of the hospital, of views of the medical staff, of current trends in medical practice and progress(60). This may be accomplished either by having a medical man as chief executive, or by having a medical administrator under the chief executive to fulfill these needs. At any rate it is obvious that a man with medical training is certainly to be desired in this capac-

ity over a layman, no matter what the latter's experience.

The administrator should be treated in the same manner as a skilled manager in any other business. He should have general policies stated to him, and should then be expected to manage his hospital according to these policies. The management should be left strictly to him with full administrative authority delegated to him.

It is the duty of the administrator to attend all meetings of the governing body and of its committees. He should be available for advice in shaping policies. Though he should not be a voting member of the governing body he should have the privilege of discussion in all questions that arise. He is the liaison officer between the governing body and the different departments of the hospital. Friendly relations with the board of trustees are important because here in the final analysis is the real government of the hospital, the administrator being its executor. He should submit monthly reports to the board, make recommendations, suggestions, requests, should listen with discernment to any moves the board may wish to make, act as an advisor to their wishes, then let them make the final decisions, whether they are complete-

ly to his liking or not. He must then carry out their wishes both in spirit and in action.

The administrator should report periodically in writing to the governing body, both monthly and yearly. These reports should include a financial report, a medical audit, and should be made up in terms easily understandable by persons not medically trained. He should prepare a budget for approval by the governing body, which shows expected receipts and expenditures. He should be responsible for employment, fix all salaries, and have full authority to employ and to discharge. The administrator should supervise planning and construction when alterations or additions are necessary.

Legal decisions in practically all states of the union have made the governing body of the hospital responsible for the proper care of the patient. The administrator, as the representative of the governing body, must assume this responsibility, though in most cases he cannot actually prescribe treatment, and for this purpose the medical staff is appointed.

Medical duties of the administrator must be aimed toward fitting the hospital to the patient, rather than fitting the patient to the hospital. This includes supervision of an efficient admitting room, adequate

facilities and personnel for care of the patient, a medical staff of high standard available and responsible for treatment, specialty consultations without undue delay, coordination of all professional departments to cooperate with the attending physician. In most institutions it is not advisable for the administrator to take an active part in the treatment of any patient admitted to the hospital, but he must collaborate with the medical staff in order that diagnostic and therapeutic facilities are present so that the patient may be restored to health as quickly, safely, economically, and comfortably as possible. Keeping the cost to the patient low without sacrificing quality of care and service is a major problem. Adequate medical records, and supervision of internes and student nurses also have a bearing on the medical aspect of administration.

Relations with the medical staff must necessarily be harmonious. Contact with the referring physician, when not a staff member, must be rigidly maintained. The administrator must appreciate the staff's problems, and in turn must see to it that the staff appreciates administrative problems. This latter point is one where the non-medical administrator is prone to fail. Harmony and integration of purpose will result in cooper-

ation of all concerned and ultimately in great benefit to the patient, who is after all, the primary consideration.

Admittedly the clinician and the administrator each has his problems. Each must help the other to gain the wise solution. A step in the right direction for this would be in the publication of administrative research results and problems in medical journals where the staff men would see and read them. Introducing the medical student to hospital administration in his junior and senior medical years, plus a short administrative service included in the rotating internship would not be an unreasonable requirement for a man who is going to spend the rest of his life in close association with hospitals(1).

The administrator is required to see that the privileges of the hospital are extended only to authorized physicians. He should attend all staff conferences, and if he is a physician will take part in discussions. He will engage and control the intern and resident staff. He must provide for adequate medical records and reports. He is responsible for selection of the heads of the various diagnostic and therapeutic departments, and the equipment with which they are

provided. He must cooperate to the fullest extent with organized medicine, and if he is a physician himself will be a member of medical societies.

At the present time there is a deplorable lack of articles concerning administrative problems in medical and specialty journals which the medical men read. As was previously pointed out, the articles appearing in the various hospital and administrative journals are rarely seen by medical men, are very rarely written by physicians, and only occasionally concern the problems of medical administration. There are on the other hand numberous articles written about cost-accounting, housekeeping, purchasing, personnel problmes, and allied subjects of a purely business nature which do not interest the medical man. This situation makes the effort to bring about mutual understanding and sympathy between the administrator and the medical staff almost 100% a local problem for each administrator to solve in his own way, and with varying degrees of success depending on his individual capabilities.

In the department of nursing service and nursing education which is so large and important the administration cannot be held personally responsible for detail. He must delegate authority to a subordinate di-

rector of nursing who will control all the personnel and facilities necessary to carry on this work. The administrator must furnish proper accomodations for nursing personnel, and provision should be made for their social life and amusement as well.

The administrator must select a competent dietician who will be in complete charge of the department and is directly responsible to him. He must coordinate the activities of the dietary and nursing departments. Control of waste and disposal of garbage are important functions of this department.

Under the title of business management are grouped a number of non-professional departments. They include accounting, purchase and supply, service, laundry, housekeeping, building and grounds maintenance. The administrator cannot be expected to have the special training necessary for the detailed management of these departments, so he must delegate responsibility and authority to a trained head working under him(12,14,15).

The business department is generally under the supervision of a trained accountant as business manager who has under his control such assistant accountants, cashiers, stenographers, switchboard operators, infor-

mation clerks, etcetera, as may be necessary. He should be given full authority and be held responsible to the administrator for results. The administrator fixes rates and fees which are to be charged in all departments and instructs the business office to see that such charges are made, entered in the patient's account, and collected. All expenditures are authorized by the administrator.

The department of purchase and supply should be directly controlled by the administrator although its books are kept by the accounting department. In some very large hospitals the department is placed entirely under the business manager. The administrator must know brands and market trends. In this department more than in any other are petty graft and error found which often result in serious loss.

All contacts between the public and the hospital must be pleasant. This applies to both the sick and the well. This is often an intangible in execution and accomplishment, yet it may easily spell the difference between success and failure of a given administrator.

Public relations with the patient's family and

friends begin in the admitting room. Here is the public's first contact with the hospital, and often under considerable apprehension and nervous tension. Handling these people with kindliness, tact, calm, and exhibiting competence will do much to sell the public on the hospital and its administration. Relations with the patient himself are after all, the prime requisite of hospital function. The patient must be put at mental ease as completely as possible, he must be given adequate care, extra expense caused by added days in the hospital due to poor coordination of services must be avoided, and premature discontinuance of hospital care must be prevented, as must lack of adequate follow-up care.

Relations with the general public can be kept at a healthy level by various health campaigns sponsored by the hospital, and by giving the community a civic consciousness and pride in the hospital and its contributions. The radio and the newspaper are invaluable aids in this respect. Fair dealings in releasing as much information to the press as good ethics prescribe will earn space for educational purposes and give the administrator an invaluable ally in dealing with the general public.

The duties of the administrator cannot be limited to his own hospital nor even to his own community. All hospitals are maintained ultimately by the community in order that it may have service, and this service can be secured to best advantage by cooperation. It is his duty to be a member of local and state hospital organizations and at least one national association, and to attend their meetings. This will keep him in touch with the most recent advances in the hospital field. He must participate in hospital research, which is constantly being promoted, and should give the benefit of his experience to others. He should also keep up to date by constantly reading hospital mazazines and related publications.

The administrator should be a leader in the community. Duties toward the public health organizations of the community form a part of this work. Education of the public in medical and health matters is one of the recognized ethical activities of medicine and in this the administrator has a duty.

Depending on the type of hospital involved; whether it be private, religious, governmental, state or county, or proprietary, and depending on its size, many different types of administrative structures have been set up and

found workable. Representative plans of them are briefly outlined as follows: (16,62,63,64)

Plan 1.

Governing Board
    Medical Director as Hospital Administrator
        Department heads as needed.

Plan 2.

Governing Board
    Hospital Administrator
        Medical Director
            Department heads as needed.

Plan 3.

Governing Board
    Hospital Administrator
        Medical Director
            Department Heads
        Assistant Administrator
            Department Heads
        Assistant Administrator
            Department Heads.

Plan 4.

Governing Board
    Hospital Administrator
        Medical Director
            Medical Department
        Superintendent of Nursing
            Nursing Department
        Dietetics Director
            Dietary Department
        Other Department Heads.

The above outlines are arranged to care for the administrative problems of hospitals ascending in size and complexity of operation. The following plan goes

into more detail in presenting the relationship of the administrator to the many facets of his job.

OPPORTUNITIES IN HOSPITAL ADMINISTRATION

The opportunities for the medically trained hospital administrator are good as concerns the desire to serve, the demand for medically trained men far outstripping the supply, but are rather poor as regards remuneration, as compared to the general practitioner and the specialist. The general practitioner goes directly from an internship to a comfortably paying practice. The specialist must spend at least three extra years in training before he begins to realize a satisfactory financial return on his investment in time and money, while the physician who devotes one to three extra years in administrative training can look forward to comparatively lean financial return for his efforts.

In 1929, which was a peak year, and the last one available for salary studies, the physicians starting salary in administration was $4,000 to $6,000 plus maintenance. After ten years he had risen to $7,500 to $10,000 plus maintenance. Non medical men received 10 to 25% less than this amount. It was also found that the physicians had a more stable tenure of office than any other group of administrators, in that only half of them had made any change in connections during a six year period(3). In 1931 the salaries for administrators

were found to range from $2,000 to $15,000 per year with maintenance, but few indeed were the hospitals able to pay as much as $12,000 per year(17).

The opportunities for advancement and self-improvement are also rather precarious(63). They depend not only on the efficiency and progressiveness of the individual as an administrator, but to a large extent on the institution with which he chances to make his first job contact. Probably the chances for top jobs and salaries lie in the larger city hospitals, where the executive moves slowly up the scale to greater and greater responsibility. In smaller hospitals where the administrator has few subordinates and little assistance other than a bookkeeper, he is so loaded with detail and responsibility that he has no chance to study and improve himself for better things.

Recognition by the medical staff and the board of trustees is also hard to come by. Boards are apt to hire the person who will work the least hardship on their salary budget, and medical men are apt to look down on the administrator as one who has been forced into this field through failure to succeed in the practice of clinical medicine. This becomes a serious drawback in interesting medical graduates to

the field. How can the practitioner, who knows not the duties of the administrator, who does not have the background to appreciate the magnitude and responsibilities of the job, be expected to respect those who choose to follow this profession?

Recognition of hospital administration as a medical specialty will help the situation, and is surely coming, but this is not the complete answer due to the fact that there are so many non-medical men still in the field. Licensing of administrators by the various States is also a possibility, and has been done to date by only one state, Minnesota. There is considerable dissention even among administrators as to whether or not this is a desirable procedure. Some feel that it will lift the quality of hospital administration where lifting is badly needed. The American College of Hospital Administrators and the American Hospital Association have taken steps in this direction by requiring certain standards of preparation and years of experience for membership in their organizations, but many laymen are competent members of these groups (65, 66,67,68).

The medical graduate in seeking a career too seldom thinks of hospital administration. Yet, as a med-

ical specialty, it offers opportunity for the deep satisfaction of usefulness to society and tangible rewards which fully justify its consideration. The average physician who has devoted ten years or more to preparation for the practice of medicine is likely to feel that his future is inextricably tied up to the clinical practice of his profession. He has permitted himself to take a clinical career for granted to the extent that not often enough does he undertake to survey fully the whole field of usefulness open to the well trained physician(69).

SUMMARY AND CONCLUSIONS

Every modernly educated physician who is the product of a top-grade medical college has been schooled to the highly important function which the hospital plays not only in medical education but in the successful practice of medicine. If he has been alive to current thought about the present and in particular the future development of medical practice, he cannot have failed to realize the focal position of the hospital in the whole scheme of medical care, whatever ideologies may pertain in medical practice in the future. Thus far he has seldom thought of himself as contributing to medical care through administering these medical institutions.

The hospital offers outstanding opportunity to the physician who is willing to and capable of applying his professional knowledge, through administrative avenues, to the shaping and guiding of hospital performance. Knowledge of administrative technic together with medical knowledge offer a man an unlimited chance to influence and assist his own profession toward its ultimate usefulness.

In the more distant past, persons of varying talents

have been elected to administer hospitals. Outstanding success has attended the administration of hospitals not only by physicians but by men and women of other backgrounds, therefor physicians should not take it for granted that the medical practitioner has a "corner" on the administration of the larger hospitals. But he does possess an important advantage in his medical background and if he acquires ability in the administrative field he has distinct talents over those of the man who cannot match his professional training.

Formerly engagement in hospital administrative work was, nine times in ten, the result of a drifting process whereby persons not specifically prepared for this work were induced by hospital boards or other agencies to undertake these complicated jobs. A number of hospitals committed the error of believing that because a man had a medical education he could successfully pilot the hospital, an admittedly medical institution. There were signal successes, but there were also many failures in which the administrators lacked both education and natural ability for the work.

Hospital administration is a field of real opportunity for the physician. The future development of the best in hospital administration and in organized

medical care requires the talents of more physicians who are willing to undertake the necessary supplementary preparation for engaging in this work(70). There are also rapidly growing needs in the closely related fields of group clinic administration and non-profit plans for hospital and medical insurance.

With the increasing trend to specialization of the practice of medicine, and with the increasing need of these specialists for adequate facilities in which to carry out their diagnostic and therapeutic procedures, competent administration becomes a definite necessity in the successful realization of such a movement. It therefor becomes important to recognize administration as a specialty and to accord it both the esteem and the remuneration consistent with specialty practice(26,67,70). It is unreasonable to expect the physician as hospital administrator to be equally competent as medical administrator and as a business administrator, and toward this end he should have under his jurisdiction a business manager to take care of the "hotel" and business aspects of the job, and also to manage the non-professional personnel. There is also a definite trend for hospitals to become larger in number of beds than formerly, and to maintain outpatient clinics. This further

necessitates the administrative training and judgement of a medical man who has had further special training in administration. The results of such an administration add up to efficiency of care, economy to the patient and the hospital, integration of services, and most important, aid the practice of complete and thorough medicine as available to the profession and to the public today.

The doctor who would explore the possibilities discussed herein should not lightly decide to follow this sort of work. He should have convinced himself that he will enjoy administrative work and that he will be content to apply his medicine on a broad but less personal basis than in the diagnosis, treatment and care of the illnesses of the individual. He will use his medical knowledge hourly, but he must realize that it would be suicidal to his success should he plan an administrative career in combination with the active practice of clinical medicine. He must enjoy the prospect of aiding, coordinating, and potently influencing medical practice without placing himself in clinical competition with the doctors whom he aspires to serve.

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