

HCAD 5390

Strategic Management of Health Care Organizations

Instructor: Jeffrey E. McGee

Office Hours: Tuesday 5:00pm – 7:00p.m.

Course Website: <http://management.uta.edu/jmcgee/>

Class Time: M & W 6:00 – 9:20p.m.

Text: George B. Moseley III. *Managing Health Care Business Strategy* (ISBN-13: 9780763734169 / ISBN-10: 0763734160)

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Class Room: UCD

Course Description:

This course is designed to develop a basic understanding of why some health care firms or organizations are more successful than others. Strategic management explores how firms achieve competitive advantage (which leads to long-term success) in the context of single and multi-business firms. Drawing upon key strategic management theories, students will learn the essence of strategic analyses and decision-making in a competitive and constantly changing setting.

Course Objectives:

The principle concern of business managers in a health care business is the relationship between the organization, its strategy, and the environment—at both economic and industrial levels. This relationship is both very complex and dynamic. Successful organizations find ways to adapt to and/or manipulate this relationship in order to remain successful through the development of sustainable competitive advantage. This class focuses on this basic concept by demonstrating the different aspects of strategic decision-making that facilitate competitive advantage. The objectives of this course are established to:

- 1) Develop thinking skills of practicing managers when evaluating key strategic decisions.
- 2) Provide the student with an appreciation for the strategic perspective and its complexity.
- 3) Develop recognition and understanding of:
 - Situations where strategy can be a comprehensive element of competitive advantage,
 - Strategic implications of decisions made by top managers, and
 - Tactical implications of decisions made by both top managers and mid-level managers.

Student Learning Outcome:

- 1) The student will be able to identify current trends in the health care field and describe how such trends may impact health care organizations.
- 2) The student will be able to develop specific strategies that managers of health care organizations can use to address changing environmental forces.
- 3) The student will be able to develop and present a comprehensive strategic plan for a health care organization.

Course Content:

The course is structured around class notes and discussion, text chapters and cases, journal articles, and additional supplemental materials. Students are expected to have taken basic courses in all of the major functional areas such as accounting, finance, marketing and statistics as well as other management and organizational analysis courses. Additionally, a key component of this course will involve collaboration with others as a part of a team. Approximately 30% of the course will be group based including the team strategic research project and team project presentation. The remaining points will be derived from two exams and a class participation component.

Achieving the Objectives

You will be required to complete four activities in order to achieve the identified objectives:

1. **CONTRIBUTE TO IN-CLASS DISCUSSIONS** of chapters, readings, lecture material and cases by exhibiting (a) an understanding and articulate analysis of the information presented and (b) skills in the prerequisite course areas required for registration.

Students are expected to attend each class session. Moreover, each student is expected to actively participate in class discussions. Class participation will be evaluated using the following criteria.

100% - Truly outstanding participation. Contributed to each session's discussion with well thought out ideas and comments.

95% - Excellent participation. Contributed regularly to discussions with reasonably well developed ideas and comments.

85% - Good participation. Contributed to most discussions with relevant comments.

75% - Average Participation. Attended class sessions and listened actively to discussion. Actual contributions to the discussion were infrequent.

Simply coming to class will not earn a satisfactory participation grade!

2. Complete two exams. These exams will cover basic lecture material, discussion material presented in class, and assigned readings, including both the textbook and journal/supplemental material. These two exams will essentially set up the background knowledge necessary for completion of the other required course tasks. There will be *no* opportunities for make-ups. In the event of an emergency (e.g., death in the family, severe illness), notification and arrangements must be made *prior* to the absence. Any make-up exams, which have been arranged with me, will begin with a letter grade *penalty*.

3. Participate in a group project: The group project should cover one health care organization in detail. (Teams are to be a self-selected group of 3 or 4 individuals.) Focus, of course, should be placed on the strategic problems and issues that exist within and about that key organization. This research paper must be a thorough strategic analysis and action plan of a *specific health care organization*. Organizations must be confirmed with the instructor. Details concerning format and specific content areas are available in the *Analyzing Organizations Strategically* document. In general, the length should be between 20 and 30 pages of text, double-spaced, 1" margins, and 11-12 font. Tables, graphs and figures are encouraged and do not count against you in the length limitations.

Team Presentation: The presentation should be an in-depth professional presentation over the team project. Professionalism and creativity are expected along with solid *content*. Length of the presentation should be about 25 minutes and should *not* exceed 30 minutes in overall time. (Otherwise we will never get to go home!) This timeframe should include a question and answer period. All members of the team *must* be presentation participants. You may also wish to establish each team members' individual role in the project in the executive summary of the project.

Peer Evaluations: Evaluations of you and your team members will be conducted. This evaluation is to be turned in to me on the day of your team's presentation (you may put them in a sealed envelope to ensure security). This evaluation is required from all team members and *will* be used to adjust both the project and presentation grades if necessary. Note that the class contribution total will be adjusted by these evaluations as well. It is therefore imperative that you choose your team members carefully. It is even more important that you communicate and

coordinate with each other extremely well. Find out which members have strengths in certain areas and draw upon those strengths. Exploit your strengths—eliminate your weaknesses—be strategic!

Grading

The four activities in which you will be participating will be combined to determine your final grade. Their respective weights are as follows:

1. Class Participation	10%
2. Health care organization analysis/presentation	30%
3. Examination I	30%
4. Examination II	<u>30%</u>
TOTAL	100%

Schedule

Date	Topics Covered	Assignment
8/19 (M)	Course Introduction Basic Strategy Concept Video – <i>Medical Tourism</i>	Chapter 1
8/21 (W)	Internal Audit of Strategic Assets: Resources and Competencies Video – <i>The Value Chain</i> Video – <i>Jim Alderson</i>	Chapter 2
8/26 (M)	External Environmental Assessment: Law, Economics, Demographics, Technology External Environmental Assessment: Market and Customers	Chapter 3 Chapter 4
8/28 (W)	External Environmental Assessment: Industry and Competitors Case – <i>Indian Health Service: Creating a Climate for Change</i> Video – <i>Healthcare and Central Michigan Community Hospital</i>	Chapter 5
9/4 (W)	Defining Future Directions of the Organization Case – <i>Methodist Hospital</i>	Chapter 6
9/9 (M)	Midterm Examination	In Class
9/11 (W)	Formulating Corporate-Level Strategy	Chapter 7
9/16 (M)	Formulating SBU-Level and Functional Area Strategy	Chapter 8
9/18 (W)	Implementing the Strategy	Chapter 9
9/23 (M)	Monitoring, Fine-Tuning, and Changing the Strategy Case - <i>Emanuel Medical Center: Crisis in the Health Care Industry</i>	Chapter 10
9/25 (W)	Strategic Financial Management	Chapter 11
9/30 (M)	Presentations	In Class
10/2 (W)	Final Examination	In Class

Student Support Services: The University supports a variety of student success programs to help you connect with the University and achieve academic success. They include learning assistance, developmental education, advising and mentoring, admission and transition, and federally funded programs. Students requiring assistance academically, personally, or socially should contact the Office of Student Success Programs at 817-272-6107 for more information and appropriate referrals.

Americans With Disabilities Act: The University of Texas at Arlington is on record as being committed to both the spirit and letter of federal equal opportunity legislation; reference Public Law 92-112 - The Rehabilitation Act of 1973 as amended. With the passage of federal legislation entitled *Americans with Disabilities Act (ADA)*, pursuant to section 504 of the Rehabilitation Act, there is renewed focus on providing this population with the same opportunities enjoyed by all citizens.

As a faculty member, I am required by law to provide "reasonable accommodations" to students with disabilities, so as not to discriminate on the basis of that disability. Student responsibility primarily rests with informing faculty of their need for accommodation and in providing authorized documentation through designated administrative channels. Information regarding specific diagnostic criteria and policies for obtaining academic accommodations can be found at www.uta.edu/disability. Also, you may visit the Office for Students with Disabilities in room 102 of University Hall or call them at (817) 272-3364.

Academic Integrity: It is the philosophy of The University of Texas at Arlington that academic dishonesty is a completely unacceptable mode of conduct and will not be tolerated in any form. All persons involved in academic dishonesty will be disciplined in accordance with University regulations and procedures. Discipline may include suspension or expulsion from the University.

"Scholastic dishonesty includes but is not limited to cheating, plagiarism, collusion, the submission for credit of any work or materials that are attributable in whole or in part to another person, taking an examination for another person, any act designed to give unfair advantage to a student or the attempt to commit such acts." (Regents' Rules and Regulations, Series 50101, Section 2.2).



About the Instructor

Jeffrey E. McGee (Ph.D., The University of Georgia) is an Associate Professor of Management at The University of Texas at Arlington. He teaches courses in entrepreneurship and strategic management. His primary research interests include new business development and strategic management of entrepreneurial ventures. Dr. McGee's research has been published in *Management Science*, *Journal of Business Venturing*, *Strategic Management Journal*, *Journal of Business and Entrepreneurship*, *Journal of Small Business Management*, *Journal of Small Business Strategy*, *Journal of Management*, *International Small Business Journal*, and *Entrepreneurship: Theory & Practice*.