

# HCAD 5390

## ***Strategic Management of Health Care Organizations***

**Instructor:** Jeffrey E. McGee

**Office Hours:** M & W 4:00pm – 5:00p.m.

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

**Class Time:** M & W 6:00 – 9:20p.m.

**Office:** COBA 229

**Office Phone:** (817) 272-3866

**E-mail:** [jmcgee@uta.edu](mailto:jmcgee@uta.edu)

**Class Room:** P208

**Text:** *The Strategic Management of Health Care Organizations*, 7<sup>th</sup> Edition. ISBN: 978-1-118-46646-9. By Ginter, Duncan and Swayne (The 5<sup>th</sup> or 6<sup>th</sup> editions of the textbook can also be used.)

### **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 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. 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 multiple-choice exams.** These exams will contain approximately 30-35 questions covering basic text, lecture and discussion material presented in class. 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. Complete two case-based exams.** These exams will require you to respond to several questions related to a case about certain strategic facing a healthcare organization.

### Grading

The five 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. Examination I Case-Based	30%
3. Examination I M/C	15%
4. Examination II Case-Based	30%
5. Examination II M/C	15%
TOTAL	100%

Date	Topics Covered
8/21 (M)	Course Introduction
8/23 (W)	Chapter 1 - The Nature of Strategic Management
8/28 (M)	Chapter 2 - Understanding and Analyzing the General Environment and the Health Care Environment Video Case – <i>Medical Tourism</i> Video Case – <i>Healthcare and Central Michigan Community Hospital</i>
8/30 (W)	Chapter 3 – Service Area Competitor Analysis Case 2 – Methodist Healthcare: Managing for the Future
9/4 (M)	<i>Labor Day</i>
9/6 (W)	Chapter 4 – Internal Environmental Analysis and Competitive Advantage Appendix B – Health Care Organization Accounting, Finance and Performance Analysis
9/11 (M)	Chapter 5 – Directional Strategies Case 16 – C.W. Williams Health Center: A Community Asset



9/13 (W)	Chapter 6 – Developing Strategic Alternatives Case 5 – Can This Relationship Be Saved? The Midwestern Medical Group’s Integration Journey
9/18 (M)	<i>First Multiple-Choice Examination</i> <i>First Case-Based Exam Due</i>
9/20 (W)	Chapter 7 – Evaluation of Alternatives and Strategic Choice Case 17 – Pacific Cataract and Laser Institute: Competing in the LASIK Eye Surgery Market
9/25 (M)	Chapter 8 – Value-Adding Service Delivery Strategies Chapter 9 – Value-Adding Support Strategies
9/26 (W)	Case 15 – “So, Doctor, Can You Fix This?” A Case Involving a Medical Spa
10/2 (M)	Chapter 10 – Communicating the Strategy and Developing Action Plans Case 4 – OR Solutions Reaches a Crossroad
10/4 (W)	<i>Second Multiple-Choice Examination</i> <i>Second Case-Based Exam Due</i>

### About the Instructor

Jeffrey E. McGee is an Associate Professor of Management at the University of Texas at Arlington. He holds a Ph.D. in management from the University of Georgia and teaches courses in strategic management and entrepreneurship for the UT Arlington MBA program. Dr. McGee also regularly teaches similar courses for the Executive MBA program in China, Venezuela, and Taiwan.

Dr. McGee’s primary research interests focus on entrepreneurship. His work has been published in over 30 refereed journals including *Management Science*, *Journal of Business Venturing*, *Strategic Management Journal*, and *Journal of Applied Business Research*. He has presented over 60 papers at some of the most prestigious academic conferences including the Academy of Management. Dr. McGee has also been cited in the *New York Times*, *Fort Worth Star Telegram*, *Dallas Morning News*, and other news publications.

Dr. McGee served as the Chair for the Department of Management at UT Arlington from 2001 through 2010. He regularly consults with entrepreneurial ventures in the Dallas-Fort Worth Metroplex on a variety of management-related issues.

### Course Policies

**Classroom Participation Policy:** College level behavior, courteousness, and attentiveness are expected from each student. **Please turn off all cell phones, pagers, and other electronic equipment.** Students that neglect to turn off their phones will be asked to leave class for the remainder of the class period and will be assessed absence deductions accordingly. Put away newspapers, magazines and assignments from other classes before the beginning of class. Each student is expected to keep up with course assignments, readings, and to attend class. An attitude of cooperation, a willingness to contribute ideas and experiences, and openness to new concepts and theories will enhance your collegiate experience.

Disruptions and/or distractions to the learning environment are not acceptable. Students who interfere with learning will be asked to leave class immediately and to schedule an instructor conference to discuss re-admission to class. Students with behavior or attitudes deemed inappropriate to the university setting will be referred to the Office of Student Conduct.

**Drop Policy:** Students may drop or swap (adding and dropping a class concurrently) classes through self-service in MyMav from the beginning of the registration period through the late registration period. After the late registration period, students must see their academic advisor to drop a class or withdraw. Undeclared students must see an advisor in the University Advising Center. Drops can continue through a point two-thirds of the way through the term or session. It is the student's responsibility to officially withdraw if they do not plan to attend after registering. **Students will not be automatically dropped for non-attendance.** Repayment of certain types of financial aid administered through the University may be required as the result of dropping classes or withdrawing. For more information, contact the Office of Financial Aid and Scholarships (<http://wweb.uta.edu/aao/fao/>).

**Disability Accommodations:** UT Arlington is on record as being committed to both the spirit and letter of all federal equal opportunity legislation, including The Americans with Disabilities Act (ADA), The Americans with Disabilities Amendments Act (ADAAA), and Section 504 of the Rehabilitation Act. All instructors at UT Arlington are required by law to provide “reasonable accommodations” to students with disabilities, so as not to discriminate on the basis of disability. Students are responsible for providing the instructor with official notification in the form of a letter certified by the Office for Students with Disabilities (OSD). Only those students who have officially documented a need for an accommodation will have their request honored. Students experiencing a range of conditions (Physical, Learning, Chronic Health, Mental Health, and Sensory) that may cause diminished academic performance or other barriers to learning may seek services and/or accommodations by contacting: The Office for Students with Disabilities, (OSD) [www.uta.edu/disability](http://www.uta.edu/disability) or calling 817-272-3364. Information regarding diagnostic criteria and policies for obtaining disability-based academic accommodations can be found at [www.uta.edu/disability](http://www.uta.edu/disability). Counseling and Psychological Services, (CAPS) [www.uta.edu/caps/](http://www.uta.edu/caps/) or calling 817-272-3671 is also available to all students to help increase their understanding of personal issues, address mental and behavioral health problems and make positive changes in their lives.

**Non-Discrimination Policy:** *The University of Texas at Arlington does not discriminate on the basis of race, color, national origin, religion, age, gender, sexual orientation, disabilities, genetic information, and/or veteran status in its educational programs or activities it operates. For more information, visit [uta.edu/eos](http://uta.edu/eos).*

**Title IX:** The University of Texas at Arlington (“University”) is committed to maintaining a learning and working environment that is free from discrimination based on sex in accordance with Title IX of the Higher Education Amendments of 1972 (Title IX), which prohibits discrimination on the basis of sex in educational programs or activities; Title VII of the Civil Rights Act of 1964 (Title VII), which prohibits sex discrimination in employment; and the Campus Sexual Violence Elimination Act (SaVE Act). Sexual misconduct is a form of sex discrimination and will not be tolerated. For information regarding Title IX, visit [www.uta.edu/titleIX](http://www.uta.edu/titleIX) or contact Ms. Jean Hood, Vice President and Title IX Coordinator at (817) 272-7091 or [jmhood@uta.edu](mailto:jmhood@uta.edu).

**Student Support Services:** UT Arlington provides a variety of resources and programs designed to help students develop academic skills, deal with personal situations, and better understand concepts and information related to their courses. Resources include [tutoring](#), [major-based learning centers](#), developmental education, [advising and mentoring](#), personal counseling, and [federally funded programs](#). For individualized referrals, students may visit the reception desk at University College (Ransom Hall), call the Maverick Resource Hotline at 817-272-6107, send a message to [resources@uta.edu](mailto:resources@uta.edu), or view the information at <http://www.uta.edu/universitycollege/resources/index.php>.

**University Tutorial & Supplemental Instruction (Ransom Hall 205):** UTSI offers a variety of academic support services for undergraduate students, including: 60 minute one-on-one [tutoring](#) sessions, [Start Strong](#) Freshman tutoring program, and [Supplemental Instruction](#). Office hours are Monday-Friday 8:00am-5:00pm. For more information visit [www.uta.edu/utsi](http://www.uta.edu/utsi) or call 817-272-2617.

**The IDEAS Center (2<sup>nd</sup> Floor of Central Library)** offers **FREE** tutoring to all students with a focus on transfer students, sophomores, veterans and others undergoing a transition to UT Arlington. Students can drop in, or check the schedule of available peer tutors at [www.uta.edu/IDEAS](http://www.uta.edu/IDEAS), or call (817) 272-6593.

**The English Writing Center (411LIBR):** [Optional.] The Writing Center offers **FREE** tutoring in 15-, 30-, 45-, and 60-minute face-to-face and online sessions to all UTA students on any phase of their UTA coursework. Register and make appointments online at <https://uta.mywconline.com>. Classroom visits, workshops, and specialized services for graduate students and faculty are also available. Please see [www.uta.edu/owl](http://www.uta.edu/owl) for detailed information on all our programs and services.

The Library’s 2<sup>nd</sup> floor Academic Plaza offers students a central hub of support services, including IDEAS Center, University Advising Services, Transfer UTA and various college/school advising hours. Services are available during the library’s hours of operation. <http://library.uta.edu/academic-plaza>

**Academic Integrity :** Students enrolled all UT Arlington courses are expected to adhere to the UT Arlington Honor Code:



*I pledge, on my honor, to uphold UT Arlington's tradition of academic integrity, a tradition that values hard work and honest effort in the pursuit of academic excellence.*

*I promise that I will submit only work that I personally create or contribute to group collaborations, and I will appropriately reference any work from other sources. I will follow the highest standards of integrity and uphold the spirit of the Honor Code.*

UT Arlington faculty members may employ the Honor Code in their courses by having students acknowledge the honor code as part of an examination or requiring students to incorporate the honor code into any work submitted. Per UT System *Regents' Rule* 50101, §2.2, suspected violations of university's standards for academic integrity (including the Honor Code) will be referred to the Office of Student Conduct. Violators will be disciplined in accordance with University policy, which may result in the student's suspension or expulsion from the University. Additional information is available at <https://www.uta.edu/conduct/>.

**Electronic Communication:** UT Arlington has adopted MavMail as its official means to communicate with students about important deadlines and events, as well as to transact university-related business regarding financial aid, tuition, grades, graduation, etc. All students are assigned a MavMail account and are responsible for checking the inbox regularly. There is no additional charge to students for using this account, which remains active even after graduation. Information about activating and using MavMail is available at <http://www.uta.edu/oit/cs/email/mavmail.php>.

**Campus Carry:** Effective August 1, 2016, the Campus Carry law (Senate Bill 11) allows those licensed individuals to carry a concealed handgun in buildings on public university campuses, except in locations the University establishes as prohibited. Under the new law, openly carrying handguns is not allowed on college campuses. For more information, visit <http://www.uta.edu/news/info/campus-carry/>

**Student Feedback Survey:** At the end of each term, students enrolled in face-to-face and online classes categorized as "lecture," "seminar," or "laboratory" are directed to complete an online Student Feedback Survey (SFS). Instructions on how to access the SFS for this course will be sent directly to each student through MavMail approximately 10 days before the end of the term. Each student's feedback via the SFS database is aggregated with that of other students enrolled in the course. Students' anonymity will be protected to the extent that the law allows. UT Arlington's effort to solicit, gather, tabulate, and publish student feedback is required by state law and aggregate results are posted online. Data from SFS is also used for faculty and program evaluations. For more information, visit <http://www.uta.edu/sfs>.

**Final Review Week:** for semester-long courses, a period of five class days prior to the first day of final examinations in the long sessions shall be designated as Final Review Week. The purpose of this week is to allow students sufficient time to prepare for final examinations. During this week, there shall be no scheduled activities such as required field trips or performances; and no instructor shall assign any themes, research problems or exercises of similar scope that have a completion date during or following this week *unless specified in the class syllabus*. During Final Review Week, an instructor shall not give any examinations constituting 10% or more of the final grade, except makeup tests and laboratory examinations. In addition, no instructor shall give any portion of the final examination during Final Review Week. During this week, classes are held as scheduled. In addition, instructors are not required to limit content to topics that have been previously covered; they may introduce new concepts as appropriate.

**Emergency Exit Procedures:** Should we experience an emergency event that requires us to vacate the building, students should exit the room and move toward the nearest exit. When exiting the building during an emergency, one should never take an elevator but should use the stairwells. Faculty members and instructional staff will assist students in selecting the safest route for evacuation and will make arrangements to assist individuals with disabilities.

**Student Support Services:** UT Arlington provides a variety of resources and programs designed to help students develop academic skills, deal with personal situations, and better understand concepts and information related to their courses. Resources include [tutoring](#), [major-based learning centers](#), developmental education, [advising and mentoring](#), personal counseling, and [federally funded programs](#). For individualized referrals, students may visit the reception desk at University College (Ransom Hall), call the Maverick Resource Hotline at 817-272-6107, send a message to [resources@uta.edu](mailto:resources@uta.edu), or view the information at <http://www.uta.edu/universitycollege/resources/index.php>.