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# The Nurse Leader's Guide to Business Skills

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Strategies for  
Optimizing Financial  
Performance

PAMELA HUNT, BS, MSN, RN  
DEBORAH LAUGHON, RN, BSN, MS, DBA, CCRN

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Pamela Hunt, BS, MSN, RN, Author

Shane Katz, Cover Designer

Deborah Laughon, RN, BSN, MS, DBA, CCRN, Author

Matthew Randolph-Merchant, Senior Graphic Artist

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Shane Katz, Art Director

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HCPro, Inc.

75 Sylvan Street, Suite A-101

Danvers, MA 01923

Telephone: 800/650-6787 or 781/639-1872

Fax: 800/639-8511

E-mail: [customerservice@hcpro.com](mailto:customerservice@hcpro.com)

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# About the Authors

**Pamela Hunt, BS, MSN, RN**, is vice president of patient services and chief nursing executive at The Indiana Heart Hospital in Indianapolis. She has lectured nationally and internationally regarding the challenges of nursing leadership. Her articles regarding healthcare leadership have been published in nationally recognized journals, including *Nursing Management*, *Dimensions of Critical Care Nursing*, *OR Nursing*, and *AORN Journal*. She authored the learning module, “The Nurse Manager and Business Plan Development with Cost-Benefit Analysis,” for Sigma Theta Tau.

**Deborah Laughon, RN, BSN, MS, DBA, CCRN**, is the American Nurses Credentialing Center (ANCC) Magnet Recognition Program® manager at Florida Hospital. She has a unique background combining cardiac, acute, and emergency care clinical expertise with broad analytical and financial management in a large community institution. She coordinates publications and research to support evidence-based practice and extends the science of nursing to achieve ANCC Magnet Recognition Program® designation. She serves as faculty for the University of Phoenix, Central Florida, and College of Natural Science and Nursing. She has been published in national healthcare and nursing journals and has presented to healthcare organizations nationwide and for national professional associations.

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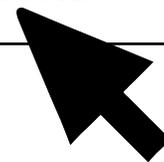
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# HCPPro



# Today's Nurse Leader

### LEARNING OBJECTIVES

After reading this chapter, the participant will be able to:

- Identify key skills of nursing leaders that impact the financial standing of the organization

In this book, we aim to share a broad overview of goal planning, followed by a specific focus on the processes and skills needed to efficiently and accurately forecast what is needed for a successful nursing department. The following chapters are sprinkled with hypothetical examples and stories of application to help ensure full understanding of the information in a healthcare setting so that you can apply these strategies easily and in the right context.

Within each chapter are strategies and tools to help you. You can also go online for these tools, including our bonus toolkit that includes a staffing and productivity formula worksheet. See Chapter 3 for more information. The link to these materials can also be found directly before this chapter.

The world of healthcare continues to change, forced in part by clinical advances and in part by finite resources, people, time, and money. Few professions have seen the level of change or the escalating demands that nurse leaders are facing today. Success will be linked to doing things differently through innovation and using technology in a manner that wasn't possible in the past, and doing so without losing the compassion that is essential to our profession.

### **Key Skills**

Nurse leaders must be able to anticipate the resources it will take to ensure clinical excellence and patient satisfaction as defined by the government, as well as meet the required standards of excellence in order to be reimbursed. The dynamics of many patient populations, due to advancing technology and new treatments, in addition to our aging society and complex medical conditions, require the use of trending and constant monitoring of performance to ensure effective and efficient use of resources. Forecasting is more than just looking ahead; it is anticipating the impact of the changes in care and practice while trying not only to contain but reduce expense.

#### ***Regulation and industry trends***

Effective forecasting includes calculating the impact of improvements or changes in practice in the financial arena, (e.g., reduction in length of stay due to less invasive procedures). Regulations continue to evolve in the interest of patient advocacy, patient safety, and cost control. The environment of regulation affects the nurse leader's realm of responsibility as the leader of quality and cost control. The successful leader will develop access to resources to keep abreast of the latest regulation changes.

Many larger organizations have a unique government regulation department to help ensure distribution and understanding of these complex governmental regulations. Skills needed in this area include identification of information sources and an understanding of complex information about clinical advances and regulation, as well as budgeting skills for monitoring, trending, and forecasting.

#### ***Communication***

Nurse leaders must also have critical communication skills. These include verbal skills, listening skills, and written or presentation skills. These skills will be essential to collect input from key stakeholders including staff, physicians, patients, and families. Once collected, the knowledge gained will lead to critical bidirectional communication.

The ability to be articulate with both the executive team and the direct care staff is challenging, but it is essential to ensure the optimal outcomes of understanding and allocation of resources. This communication will include articulating key barriers to the executive team in a manner that is succinct and specific about the resource request, barrier identification, and improvement proposals. It will also lead to communication with direct care staff, where you lead from within the ranks; the best answers and solutions often come from the

direct care nurses and staff closest to the problems. Communication is integrated into the skills of teamwork, facilitation, and collaboration, which build trust and empowerment.

This resource will discuss these challenges in more detail in the discussion of staffing (Chapters 3 and 6), as well as a chapter about bidirectional communication (Chapter 8).

### ***Quality assurance***

Quality has become an absolute requirement in today's competitive healthcare market. The definition of quality is set by very knowledgeable consumers and by the government, driven by a need to control cost. With specific measures mandated by the government, the nurse leader has to overcome the challenges of his or her own environment to ensure consistent processes, supervision of critical procedures to ensure accuracy, and excellence the first time and every time for every patient.

Historically, we have had limited data and many steps in data collection, which has delayed the turnaround time to see the results. Today there is almost real-time data retrieval, which eliminates the opportunity for clean-up. This real-time data retrieval, as well as the public reporting of many quality measures, has changed the process for quality measurement and performance improvement. Today's nurse leader needs to identify problems on a daily basis and have corrective actions in place by the end of the day. This need requires significant actual presence in the clinical arena and active observation strategies with rapid cycle improvement plans in order to be successful. A positive attribute of this world of real-time data access: it also gives us real-time access to best practice and solutions that work. Nurse leaders have generally been great at networking; now they will be able to do it in real time in a virtual world that knows no boundaries.

### ***Patient safety***

Patient safety has also become a critical area of focus, often driving processes and staffing. The era of the consumer advocate has become a part of every aspect of healthcare. With the Institute of Medicine's 1999 report that details the prevalence of medical errors, *To Err is Human*, all eyes have become focused on ensuring a safe environment and process. These changes come with an expense, but one that cannot be avoided.

Some examples regarding safety over the last few years have been the improved equipment for medication dispensing and patient identification, rapid response teams, and even the process concerning sitters for our confused patients. Organizations complete comprehensive safety assessments to determine the priorities regarding safety. The nurse leader is the bridge between the executive team and the staff and must ensure

## Chapter 1

a safe work environment for the staff and the patients. He or she ensures that standards and processes are appropriate to meet the needs of both staff and patients. He or she also has to prioritize the capital expenditures for safety against the many other things needed to ensure state-of-the-art care. It is a choice he or she may not be able to overlook, no matter the cost.

The discussion of staffing and capital equipment will help address the dilemmas facing the nurse leader under the umbrella of safety. There will be new initiatives to support safety, some of which we haven't even heard of at the time of writing this book; however, the decision process for making the best choice at the time will remain a valid resource for today's nurse leader.

This book will address these challenges, providing practical advice and technical strategies to help build skills and broaden your understanding of the healthcare arena beyond basic budget and financial management, framed within the context of a dynamic and rapidly changing environment with limited resources.