Enfermería Global
ISSN 1695-6141
Nº1
Noviembre 2002
www.um.es/eglobal/

ADMINISTRACIÓN – GESTIÓN - CALIDAD

# VIEWS ON MANAGEMENT AND LEADERSHIP IN NURSING

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## INTRODUCTION

**Health care systems and organisations are facing remarkable changes in the whole Western world. Regardless of country or culture the same facts demand examining and renewing the entire system. Both new medical and surgical procedures as well as new technology, which enables dissemination of research and information to reach more and more people, cause greater demands while costs are increasing. Many countries are currently spending a record amount of money on health care. Meanwhile no amount seems to be enough. There are an increasing number of people falling outside the system as well as people who despite all effort do not receive the right treatment at the right time.**

**The integrated health care system is unable to produce the services people need in this time of a variety of problems. The trend is to move from addiction and strict guidance towards exercising people's right to choose freely. Health care services are produced according to individual, local, regional and national needs. The hospital-centered approach is disappearing while focus is now put on comprehensive well-being and oreventing illnesses and problems. The objective is to keep people in their own homes and their own environment while keeping the hospital beds empty instead of full.**

**Restructuring means changing the entire organisational structure, recreating the administrative structure and tearing down old hierarchies, meanwhile creating a new way of communicating and networking. Borders between the organisation and its environment are opened and real, factual service chains are created.**

**Redesigning in health care means that while strict hierarchies between professions are torn down, specific professionalism and specialisation is called for. Work content and duties are no longer defined by titles and instead the employees' skills and renewing their competence is harmonised according to required tasks. Employees are required to have a variety of competence, there is no need for copies. Capabilities, the**

**intellectual capital of the organisation, must be adequate and in effective use. This is something that managers must pay more and more attention to. The present and the future are walking hand in hand. Each intervention must also include the perspective of increasing competence. This is the only way to create a future and preconditions for success within an organisation in health care which is based on efficacy and competetion, while keeping in mind the well-being and objectives of the clients.**

**Reengineering is examining the content of the service process. The essential perspective and target of research is how the job is done, not what is being done. Reengineering focuses on interaction within the process as well as carrying out the process between the participating people. (Telaranta 1999., Sullivan & Decker 2001.)**

**In health care, where everything is done with people and between people, a successful customer relationship is always based on good interaction and collaboration. The well-being and safety of staff members is a key factor in successful interation. Those in leadership position must through their own actions create an organisational culture where change poses no threat but offers a possibility for the growth and development of personnel, for an increase in the intellectual capital of the organisation and for securing the organisation's future.**

## EFFECTS OF CHANGE IN NURSING AND LEADERSHIP IN NURSING

**Nursing is an essential part of health care services as a whole. When the services change, the various parts do as well. Nursing has previously been viewed as an independent sector of health care and the nursing process has been perceived as an individual product. We must now relinquish this train of thought and examine the process as a joint operation of various professionals which focuses on the client. Teamwork and interaction with various professionals requires new kind of learning and transparency. Communication and cooperation are no longer restricted to one's own profession but extends to various fields of science and also assisting staff and partly untrained personnel. Patients' families and cultural background must be taken into account more carefully when selecting correct services and treatment.**

**The effects of nursing must be pointed out and its role in accumulating costs must be brought forth for open examination. The relationships between costs and benefits must be analysed and shown through evidence. This requires knowhow in financial administration and skills in research work. These traits must be emphasised more in education in order for us to maintain our status as a major influence and to meet our professional objectives even in changed circumstances. Due to the economic crisis in the United States in the 1990's health care services are provided more and more with the help of untrained personnel and staff members whose cultural background differs from that of the majority of the population. Health care services can also not meet the current cost-related needs without the help and mental support of volunteer organisations. This is a growing trend also in Europe. Therefore those in management positions within nursing must be able to lead a multicultural work community and communicate with staff members with insufficient language skills.**

**In their basic work nurses are forced to assume more and more management responsibilities. It could be argued that each nurse is also part manager. Therefore nurses need more theoretical knowledge on leadership and management as well as skills to lead a team, a shift or a unit. As management activities these call for skills in delegation, guidance, counselling, evaluation, motivating and communication in cooperation with colleagues, professionals from other fields of science and also**

**assisting staff and partly untrained personnel. In nursing education this means emphasising and increasing the leadership and management content in basic education as well as profiling post-graduate leadership and management education to correspond with similar education in other fields. This process has now begun in various countries and it ties to both their education system and health care culture. Within the European Union framework nursing professionals need to add discourse and cooperation in the context of organising leadership and management training along with building its content.**

**Nursing education in Finland, provided by polytechnic institutions, includes 7.5 - 15 ECTS credits of leadership and management studies. The exact amount varies between polytechnic institutions due to integrated study modules. There is also no common standard regulating the content of leadership and management. In many curricula it has been connected with study modules in developing the nursing profession. Furthermore, the clinical placements within leadership and management studies are not visible in credits in any similar fashion. In the master's degree in nursing science in Finland there are several areas of specialisation, of which leadership and management is only one. There has been a long debate in Finland concerning the professional qualifications of a charge nurse. In actuality to gain the position of head nurse in a university hospital in Finland one must have a master's degree in nursing science. With the arrival of the polytechnic institutions, there has been the option of acquiring post-graduate specialisation studies in leadership and management (30 - 90 ECTS credits). This provides professional continuing education after a polytechnic bachelor's degree and required working experience. Pirkanmaa Polytechnic has offered specialisation studies of 30 ECTS credits from the year 2000 onwards. It comprises the following modules:**

- **Organisational theory and culture, history and research in leadership and management**
- **Leading work units and processes**
- **Personnel management and renewing personnel**
- **Managing clientele**
- **Financial management and product development**
- **Development task**

**The curriculum is built on the strategic guidance methods of Kaplan and Norton (1996, 2000) and on the Balanced Scorecard context. Basing the curriculum of specialisation studies on the Balanced Scorecard stems from the fact that it is beneficial for the student to learn how to build the conceptual surroundings of leadership and management in the environment where it actually takes place. Learning leadership and management and the activity itself strengthen each other. Since the Balanced Scorecard method has already spread widely throughout Europe it is vital to learn it thoroughly already during the years of education.**

**The National Project on Safeguarding the Future of Health Care Services (Finnish Ministry of Social Services and Health, Working Group Memorandum 2002) has just ended in the spring of 2002. One of its main objectives was to strengthen leadership and management in health care. It proposes that all health care professionals whose duties include leadership and personnel management in the unit level need education**

**which multiprofessional, post-graduate and independent from basic higher education. In the same connection it proposes that leadership is a profession in its own right and it requires a structured education, it is absolutely not basic care work and it is not built on the same foundation. The duties of a unit leader or manager include leading the unit as a whole and bearing responsibilities for finance, adequacy of resources, correct allocation and relieving personnel to carry out the tasks they have been trained for.**

## MANAGING AND LEADING

**Theoretically leadership and management are easy to examine as separate concepts but in the reality of working life they are integrated and interlocked. Also in the Balanced Scorecard method of strategic leadership of an organisation the two concepts have been spearated utilising viewpoints which are, however, in close interaction with one another. The manager is a person who is responsible for seeing to it that the organisation meets the objectives which have been set for it in collaboration. The manager also answers to the owners of the organisation regarding the adequacy of resources and reaching economic goals. The manager's duties are focused on coordinating and integrating resources. A majority of the activities comprise planning, organising counselling, manning, evaluating negotiating and representing (Sullivan & Decker 2001).**

**Peter Decker (1989) views the manager's role as a vital ingredient within the organisation. Much relies on the manager. The manager is its most significant element, its beating heart. Without the manager's actions resources do not lead to results. In leadership and management timeless basic facts have not changed, however, the means by which things are done have. The manager is still the manager of activities and personnel in health care organisation of the 21st century.**

**According to Mintzberg (1973) managerial roles can be perceived through three main headlines: The manager's position requires being a figurehead. The manager represents the organisation both externally and internally. The manager is responsible for the organisational environment and the work done by the personnel. The manager ties connections outside the organisation and therefore keeps it up to pace in the societal development.**

**Informational roles include gathering information from within the organisation as well as shaping, refining and distributing it in a suitable fashion within the organisation. The manager also acts as a spokesman to the outside world and therefore harmonises distributed information in relation to the requirements of the organisation's surroundings. However, first and foremost the manager is a decision-maker. The manager follows the information flow from within the organisation utilising it in the decision-making process. The more substantiated information and evidence of nursing practices in the organisation are available to the manager, the firmer ground decision-making relies upon. The manager must also face problems arising within the organisation, and act upon them actively and promptly to seek solutions. This is achieved through maintaining an active interaction with the personnel. Very often problems culminate on inter-personal relationships in the workplace and availability, listening and hearing are vital means in dealing with these situations. The role activities also include allocating resources. In the practical level this includes time management. Work distribution and selecting distribution methods which may be applicable in any given situation as well as monitoring and evaluting the effects are all important managerial tasks in nursing. The manager is a negotiator and an active**

**participant in multiprofessional negotiations even outside the organisation. The manager's duty is to represent nursing in a posivite manner, to be visible and presentable in all situations.**

**Leadership is formal when the leader is a legal representative of the organisation and chosen for the position based on certain qualifications. Informal leadership presents itself when the leader is not in a formal position but has a significance in the functions of the organisation and in the behaviour of the personnel. The leader's activities are focused in personnel management and creating preconditions for professional growth and renewal. It is vital in this work that the personnel perceives their atmosphere as a secure one and they feel the principles of a learning organisation are met. Leader in nursing is responsible for creating a united staff with the ability, willingness and strive to constantly learn new things and produce new information to support and develop nursing practice.**

**The career model of a nurse is no longer only vertical but horizontal as well. The trademark feature of horizontal career development is continuous increase of versatility and span as well as good interaction between groups of various professionals. Managers must at all times stay on top of the situation where the skills and knowhow level of staff members are concerned. They must also insure that the increase of skills and knowhow among staff members bring them both personal satisfaction and material gain. Managers and leaders in nursing specifically are responsible for creating career development models for the health care personnel. A career is defined as a storage or an accumulation of knowledge gained through experience and a development process in knowhow. The word itself derives from the Latin phrase carraria via which corresponds to race course or carriage road (carrus = carriage). The essential thing is that skills and knowledge accumulate, expertise grows and networks become more versatile and also grow in depth. The concept of a work career is constantly expanding and is no longer viewed as merely progress within one organisation but as a process which expands over boundaries between organisations. In nursing, where a vast majority of personnel is female, the life cycle of women shape and enrich career development. It is vital for a manager in nursing to recognise the living environment of women and take the different stages of their lives into consideration while planning and further defining their career plans. The career planning of women is influenced by not only by their own families but also the ageing of their parents and their spouse's parents, their children's growth and detachment from the home and them starting families as well as being grandparents. By leading the lives and outside networks of their nuclear families women develop further and acquire versatile pratical experiences in leadership and networking. This is exactly what working life also demands (Peters 1997.)**

**Managers must accept and embrace as richnesses the plateau and still phases, pauses and detours which nurses experience due to their femininity and many roles. In nursing, where both leaders and staff members are mostly women, the utilisation of these female qualities as enriching and diversifying factors in working life should be researched and innovated upon. We could be pioneers and set and example as developers of the female career model.**

## FEMENINE LEADERSHIP AND THE DIFFERENT WAYS WOMEN AND MEN OPERATE AS LEADERS AND MANAGERS

**In the 1960's, 70's and 80's focus was placed on equality between men and women and on minimising the natural differences between the sexes. Androgyny was the**

**prevalent trend in especially in the feminist movement as it was seen as the way to get women into leadership positions beside men, also in health care organisations. Regardless of trends women have been well represented in leadership positions in health care organisations in Finland due the the majority of women in the chief executive level. Less than 8% of nurses in Finland are male. At the turn of the millenium nearly 10% of nursing students were men. However, it is still typical that male nurses proceed towards leadership positions faster than female nurses. Where doctors are concerned, the percentage of women is 50%, but leadership positions are dominated by men. In medicine as much as in nursing men and women wind up in either "soft" or "hard" areas of speciality. Only a fragment of orthopaedists are women and men in nursing end up in acute or aggressive treatment units, such as intensive care units and primary care departments. (Telaranta 1999).**

**Women have a different approach to leadership and they emphasise different things. They also use different means to reach their goals and proceed differently in negotiation situations. (Peters 1997). Female leadership and its uniqueness can also be viewed in relation to men's way of existing and their way of perceiving women as either equal partners or as the fragile sex which needs protection. The equality of women and men and its changes have been ruled by patriarchalism which can still be seen in our organisations today. The strength of men in relation to the weakness of women is deeply rooted in our culture, more so in some countries than others. In any case it exists in the deep thought processes of women and men and among black and white races as well as poor and rich people - on all continents, in all cultures and in all layers within society. This applies to organisations as well. We must, however, see to it that the development is headed in the right direction.**

**According to Donna Costello-Nickitas (1999) the feminine approach to leadership and management and their uniqueness as leaders reflect the start of a new era in manegement, in reseach of management and also in its practices. The whole paradigma turns from the traditional, masculine, hierarchy-based demand-control relationship towards an innovative, network-active, flexible feminine leadership where power and responsibilities are shared. Managers in nursing must take the lead in this process of change because the vast amount of women in power in this field enables visibility and research in female management. It is customary to female management that power and information is distributed equally within the organisation. It is typical for female managers to adopt a coaching role in relation to staff members and they also see the empowerment of personnel as a road leading to their own strength and to the success of the organisation. Women have a clearer vision of the smaller paths and a variety of possibilities. An organisation with female management is more open to question and versatile solution-seeking. It is also typical for female managers to reflect upon the effects that decisions have on the family and environment more than men. Women have a longer timeframe in their thinking than men. Women are more capable of creating and maintaining a variety of networks.**

**Women have been researched and observed as users of power throughout female management studies. According to Costello-Nickitas (1997) women do not use power for power's sake but always tie it to context. When the time, place and connection is right, women will use power. Female managers view phenomena openly and see the versatility behind them. They are more free of obstacles and boudaries than men. They perceive entities as being important and will not use power until the entities have been defined and facts have been looked upon from various perspectives. As power users women strive towards not dividing and ruling but towards uniting and ruling. The objective in using power is to make a difference and make changes occurr. It is very**

**important for women that all actions have a purpose and a meaning. Therefore the effects of using power are being observed and the consequences are being analysed. Women strive towards achieving as positive an effect as possible and towards reaching sought after results. In meeting objectives women value especially the networks and interactive relationships as a part of the process.**

**Women as managers differ from men also in negotiation styles. It is typical for men to view the negotiation situation as a competition as women in turn consciously avoid this point of view. Men seek to reach their goals more directly and with more detirmination, as women instead wish to reflect and seek creative and innovative solutions. Women want to know the effects that the decision will have on families and the environment more than men do.**

**In communication situations men concentrate more on individual performances and talk longer and more effectively. Men focus on content and bring issues forth more boldly than women. Men disagree more openly and present more conflicting opinions. Women instead paint mental pictures, use figures of speach and according to reseach even more adjectives than men. Women observe communication and communicators in a versatile manner and want to hear and see the background in more detail than men. Women are perceived as being stronger and more versatile in their communication skills than men but men back up their opinions with more facts and they can explain themselves more clearly. Because men master the analytical style in communication their message is more easily understood and it is easier for the audience to trust what they are hearing and seeing. Female managers are being trained to pay more attention to their analytical communication and in the context of presenting a point.**

**On the other hand women have a typical softer manner of presenting things which should not be covered because once a woman starts to present her case in an accentuated male fashion she will get criticised immediately. Research shows (Blanchard & Sargent 1986., Jurma & Powell (1994) that the best way is a certain kind of androgyny. In other words, it is beneficial to communicate in a manner which brings out the best qualities in both the female and male communication styles. A Finnish female manager has once stated that although she did not make an effort in hiding her femininity within the masculine negotiation environment, she found it easier when she acted more masculine and not "too female". On the other hand, the more we place women in executive positions the more they will be comfortable in coming out with their own value system and theis strengths, without hiding their femininity. According to Tom Peters (1997) the starting point in all leadership situations should be the differences between women and men. This will enrich the life within organisations and open doors to versatile addressing of issues.**

## LEADERSHIP IN THE 21ST CENTURY

**In the previous chapters I have described both the leadership model of Peter Drucker and Henry Mintzberg which emphasises the leaders' role, and the analytical and emphasising perception by Tom Peters and Donna Costello-Nickitas, where female managers are seen as renewers and creators of new more versatile organisational cultures. The new millenium introduces a new component to the core of organisational life, the client. Tom Peters (1997) states that clients are the leaders of organisations.**

### Client perspective

**In analysing health care clients and their role within organisations, two central principles can be recognised.**

**Firstly, clients in health care must be treated in a manner which is most suitable and comfortable to them. This places the clients at the very heart of the organisational life. Health care services must be planned as client-centered service processes and paths, where tea client proceeds at a pace suitable for his or her personal objectives. In the United States there is a new model of case management which combines the expert network around the client and the diagnosis-based care path (Cohen & Cesta 1997., Grohar-Murrey & DiCrose 1997). Its objective is satisfying the demand for being treated in due time, in addition to the client-centered approach. One principle is that the clients are the best experts in viewing their own life and therefore their opinions should have an effect already in all the decisions made in the planning stages. Very good and clear evidence is present in the seemless service chains for joint replacement patients where experts have drafted a detailed guideline and procedure chart for their treatment. Each patients will be designed a tailor-made treatment plan based on the basic structure and the case manager is responsible for its application. The case manager will plan the reasonable use of each expert at each stage of treatment and will draw up a detailed timetable which will help both the patients and their families in everyday life. In order for nurses to be able to lead a multiprofessional team and to manage the reasonable financial utilisation of various experts they need leadership and management training which includes financial administration, cost accounting, budgeting and budget follow-up.**

**The second principle in defining the clients' role as the heart of organisations' activities is related legislation which in the European Union is very coherent. Patients have the right to receive information regarding their illness and treatment as well as a right of self-determination. (Finnish law regarding the status and rights of patients 785/1992). Based on these rights the patients and family members appointed by patients can take part in making all decisions during treatment. Patients do not need to be experts in their illness and they do not have to make these decisions alone as they have the expertise of health care professionals at their use and increasingly also the possibility of getting so called second opinions.**

**Health care must be continuingly more open in regard to the effectiveness of treatment and validity of selected methods. Patients have the right to receive reseach information and evidence on an area they choose, both in medicine and nursing. Managers in nursing must be continuingly more careful in directing personnel to research and in enabling necessary education and allocation of resources. It could be argued that mangers in nursing must look after the fact that research is being done on their specific operational unit and its activities and also that nursing personnel is also involved in multiprofessional research projects. Without emphasis on reasearh patients' rights are endangered. It is specifically important that representatives of nursing staff are present in the decision-making process which allocates funding for research and that they take research into accound in definind prices for service products. The clients' important role in organisations' activities and the client perspective of the Balanced Scorecard demand a lot of attention from nursing managers. The client not only has an important role in planning and implementing their own treatment but have a visible role in evaluating care. Their opinion of given treatment is to be gathered at all stages of the treatment path and naturally after it has been completed as well as in further follow-up of the effectivity of treatment. Nursing managers must lead this client study, follow feedback in real time and modify activities if problems arise.**

**The client feedback system is two-fold. There are also basic criteria which are similar in all organisation. They measure client satisfaction as well as the market share and client profitability of services. Answers to the questions of what services and what kind of services should be offered for clients can be sought with performance drivers. This guarantees client satisfaction and their retuning for further services repeatedly. Questions outline service features, the relationship between costs and quality, the clients' experiences, organisational image and reputation. Process perspective criteria also gathers information on the clients' opinions and experiences. For an example, when patients are asked after surgery whether they are coping at home, important information is gathered about the level of guidance given when dismissing the patients.**

**Here the desicion-making skills and abilities of reacting at the right time in nursing managers are emphasised. Decisions are mostly uncomfortable when criticism and negative feedback has to do with nursing professionals.**

**Good feedback is easy to give and to receive and true leadership skills are tested specifically with negative feedback. It is also not enough that the problems are removed but managers must analyse the feedback and draw the right conclusions on staff members' suitability for client work, on renewing professional skills and on further education and training. This way also the different viewpoints of the Balanced Scorecard interact with one another. Research and measuring from the client prespective produce information for the personnel perspective and create a foundation for choosing the direction for personnel renewal.**

## Personnel perspective

**Nursing managers of the new millenium face a vast amount of challenges regarding personnel. The previously described chasm between economic possibilities and needs requires everyday processing in relation to the size, quality, availability and knowhow of staff. Bennis and Nanus (1997) talk about a totally new context of leadership. The Balanced Scorecard developed by Bennis and Nanus (1997) lifts up personnel and its renewal as one of the four viewpoints of the strategic guidance method. According to Bennis and Nanus the corner stone of leadership is removing the chasm of non-alignment. They present a variety of studies to support their theory, where despite the staff working harder than ever they have not committed their soul fully to their job, only partly. They are not committed to their work for simply the sake of their duties, but are directed partly by other underlying issues. On the other hand there are a lot of staff members in the working communities who are working at the very limits of their capabilities, therefore causing the amount of sick days and sick leaves to increase also in health care.**

**These results present an enormous challenge to the everyday work of managers in relation to their staff. They must constantly analyse the coping capacity of their staff as well as the comparability of work and resources. Commitment is effected by a variety of factors and individual differences can be remarkable. In any case work should be organised so that the workplace has a positive atmosphere and personnel can safely focus on their duties and even enjoy it. Managers must see to it that research in workload and manageability is carried out systematically and that results are taken into account in resources and the correct and fair allocation of resources. It should also be insured that work is challenging, it gives realistic feedback and it is individually valued.**

**How do managers cope with leading their personnel? One of the essential means is being present. Leaders must be present where activities take place. Evaluate, give feedback and discuss with their staff. In order for the managers to be present and, if necessary, guide and teach by example and be a good role model in nursing, they must make sure that their clinical skills are up to date and credible. Although statistics have shown that the meaning and use of clinical skills in leadership positions is 20% it does not mean that managers can stop updating their professional skills. Quite the contrary. Managers must be aware of the latest research findings and must be able to make qualified comparisons between their work units and practices and other corresponding units and practices as well as reflect upon the personnels' potential in the context of new information. If the professional knowhow of their unit is outdated, it is not the staff members' fault but the leaders' who have not looked after maintaining and growing the units' intellectual capital. Naturally this poses demands on recruitment of personnel, evaluation of knowhow, career planning and rewarding achievements. Managers may not necessarily be able to be experts in all areas involved in personnel administration but they must be able to utilise experts in a reasonable manner, supporting their own decisions in the right places. Howeverm responsibility can not be delegated.**

**Expert subject areas have been developed in organisations in personnel training, renewal and empowerment to support managers' work. Tutors - for one - are experts in learning and are responsible for the staff members' learning , supporting and guiding them in for example method questions and recognising one's own style of learning. Another "new" support group is mentors, coaches, who are experts in career planning and staff development. In addition to these two groups managers also have the support on occupational health care where service knowhow and cooperation networks help in personnels' health promotion and treatment of illnesses.**

## Process perspective

**The definition, manning, evaluation and development of units' work processes are among the responsibilities of managers. Keen (1997) has drawn up a value matrix of work processes which helps in recognising processes and profiling operations within organisations. Each organisation must have one process which is vital to its identity, th core and purpose of existing for the organisation. The salience defines the organisation to itself, to its clients and its owners. It defines the boundaries of the organisation and sets it aside from other corresponding organisations. The organisation's success is in close connection with the success of its salience. The internal priorities of the organisation must also be defined as well as molded to work and interact with other processes. Internal processes guarantee the operation of an organisation as a whole. They are invisible to the clients but if there are errors or deviations, they come to the attention of the clients and become visible as a failure of the entire process. Examples could be the lack of equipment or their defects.**

**Background processes, including for example documentation and other adminitrative activities, support the daily activities of the organisation and create order. These are closely connected with mandated processes which have a special standing in health care. They include legislative and professional demands, environmental and security issues as well as the existence of equality and justice. Organisations also have informal processes or folklore processes which must be upheld to maintain a sense of togetherness and culture.**

**In leadership positions process work requires daily activity. The criteria of the process perspective also reflect the level and quality of operations and the information gathered through criteria of the client and personnel perspectives supplement the follow-up.**

**Defining processes in health care is quite difficult. Quality management systems have taught to define care paths and processes but their utilisation in comprehensive leadership and creating strategies is still not complete. Also, interaction between the Balanced Scorecard and other views is only developing. The process value matrix presented by Keen is one model for process work and helps to get started on this difficult path. Managers must analyse their organisation's personnel's ability to reform and evaluate their work, receive feedback and their ability to change, in order to be able to lead them and get them to commit to continuous development and analysis of their work, which is required from process work. Education and development of interaction skills are essential in reaching this goal. Nursing professionals have good skills in interaction with patients and colleagues which derives from their education, but multiprofessional teamwork requires finding a new plane and new learning in interaction to succeed in process work.**

## Economic perspective

**Nursing professionals are experts in the comprehensiveness of treatment and have learned in their daily work to encounter patients as unique comprehensive individuals who are in close interaction with their families and their environment. Organisations and work communities should be seen in the same manner and in the same width. All the small factors have an effect in making the entity a success. As the introductory chapter stated, health care is facing immense problems in all countries due to elevated costs. Therefore each nursing professional must also consider the economic consequences of their actions. In the work unit level is means knowing the economic realities of operations as well as active participation in budget planning and follow-up. Each decision has economic consequences as well. In order for nurses to act as comprehensive professionals as a part of their work unit, they must have the basic economic management skills. This is also required in multiprofessional teamwork.**

**The economic perspective has two roles. The other one mesures the success of strategies from the economic viewpoint and the other defines the economic objectives which are strived towards in the framework of other perspectives.**

**The economic perspective also describes who we must seem in front of owners and those who pay. We must be able to present the economic progress, balance and products of economic resources to society's policy-makers. The economic perspective is therefore in close connection with the process perspective. Each process has a price and a purpose in the context of operational economics.**

**Economic knowhow requires education in that specific field. Those who are drafting nursing education curricula must take into account the fact that nurses must be able to work as experts of treatment, even from the economic perspective. Financial administration has an essential role in leadership and management training. At Pirkanmaa Polytechnic the specialisation studies in leadership and management 7.5 ECTS credits of financial administration have been included in the 30 ECTS credits course. Th essential content is: basics in financial administration, budgeting and health care service product development as a part of process management.**

## CONCLUSIONS

**Leadership and management in nursing is facing great challenges. Earlier the main focus was on managing personnel and leaders could concentrate on their own work unit and also take part in clinical work as a part of their duties. Managers became managers based largely on their clinical knowhow and the prestige it brings. It was thought that a good nurse must be a good manager. Now it is simply not enough. Management in nursing is a profession which leans on the knowledge base of leadership and management and which requires training. Management in nursing is a career choice for nursing professionals; an area in which people should be able to get an education, be able to develop and be able to proceed towards even more challenging positions.**

**The strategic guidance method Balanced Scorecard offers one option for the structure of post-graduate leadership and management curriculum for nurses. Pirkanmaa Polytechnic has launched its specialisation studies in leadership and management in aututm 2002 based on the Balanced Scorecard as perviously stated. Both representatives of nursing professionals from working life and students have been actively involved in developing the curriculum. As the specialisation studies have only just begun, it will require both monitoring the process of reaching objectives as well as evaluating efficacy and functionality.**

**In addition to leadership skills management in nursing requires a strong knowledge base in nursing science. Bachelor level nursing education in polytechnic institutions provides nurses with this preparedness. The objective is to have nurses working in the field for a sufficient number of years before deciding to pursue management training and leadership positions to insure that they have acquired a comprehensive perspective and an adequate level of expertise.**

**Despite all the threats to nursing and its future, the field and its management level is prepared for upcoming changes with the help of education. We are ready for more challenging leadership positions and as a mostly female group of managers see the future and its potential.**

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ISSN 1695-6141