

their wealthy patients as little as could be desired by anyone.

What is the solution of the hospitals' problems? I am not prepared to say. I believe that the private accommodations should be graded down from expensive rooms to rooms sufficiently low so that the people of moderate means can be cared for in a dignified and comfortable way, that the extra charges should be graded in proportion to the expense of the accommodations selected and that the receipts from all private services should be only sufficient to meet the cost. No profit, or very little profit, should be made. I believe that the physicians and surgeons on the staff should be reimbursed, in some measure at least, for the many hours of each week that they spend in the wards and dispensaries of the hospital, and for their lectures to the nurses' training school. Men who, in any other walk of life, have attained a reputation and income that would permit them to take things a little easy, leave their beds night after night at the call of the poor and needy to remain at the hospital part of the night, or if necessary all night, for a difficult maternity case, an emergency operation or a medical consultation. These men cannot be paid in dollars for such services, but is it fair of the community to accept from both the older and younger men in the medical profession, without remuneration, not only such services but daily attendance in the wards and dispensaries? From what source this money, in addition to the huge deficits incurred by the hospitals in the ward and dispensary care of the poor, will come I do not know. Large endowments is one answer; generous gifts each year from the public, through a community chest or otherwise, is another; taxes is a third. I was greatly interested last summer to note that the Province of Quebec has a "hospital tax" imposed on hotel and restaurant meals costing more than \$1.00. I do not know how well it works or how much it nets the hospitals there.

My paper thus far should perhaps be called "How Hospital Management Is *Unlike* a Business Undertaking." Fortunately there are many ways in which business methods are being employed and business principles being worked out. A few years ago hospitals were largely managed by committees of the Board. There was a committee which bought the food, another which bought the medical supplies, another which took care of repairs to the buildings; another was responsible to the Board for the medical services, another for the nursing services, and so on, *ad lib.*

In almost every hospital I know, where progress has been made and where today's demands are being met, there is now a modern business organization. This recognizes the need of, and provides for, retaining the interest of the community, through its Board of Trustees, its Women's Committees, etc., but it permits no undue influence in the letting of contracts, the purchase of supplies or the admission of patients. It functions along the lines of a modern business set-up.

I have been in hospital work for only six years, and in that time I have seen definite principles established, strengthened and finally recognized generally. Briefly, these are as follows: The Board of Trustees is responsible to the public for everything that is done in the hospital—not alone for the spending of the public's money. They employ a superintendent, administrator, director—call him what you like—who is their representative on the spot, responsible to them for everything that is done in the hospital. He occupies a position similar to a company general manager responsible to the Board of Directors. He is no longer limited to the work of a messenger boy who carries out the detailed instructions (sometimes conflicting) of various committees. He goes to his Board for definitions of policy and for instructions on major problems, and he should be so familiar with the many and varied angles of the hospital's work that he can give honest and fearless advice. He is the head of the hospital organization and all orders to the hospital personnel are given by him. The medical and surgical staff transmits all recommendations to him. These are either acted on by him independently or taken to the Board for decision. He is the liaison officer between the Board, the staff, the nursing department, the social service and all other departments. The control and discipline of the interns are in his hands. They are responsible to the doctor on the case for their professional work, but to the executive of the hospital for their manners, morals and contacts with the public and other departments in the hospital.

Those of you who do not know what the situation in hospitals was ten or fifteen years ago will wonder why I give you these facts. They will seem to you to be self-evident, but a few years ago the ordinary business set-up, bringing the responsibility through the various department heads to one executive who was solely responsible to his Board, was almost unheard of. In a very few hospitals it had been developed largely because of the length of time in office and the personality of the executive, rather than because it was recognized as

sound policy. I know of a leading hospital where a few years ago the social service department (which, by the way, is a mighty important branch of hospital work) was administered by a separate committee, and had no responsibility to the executive of the hospital or to any other department. This arrangement worked out to as pretty a cat-and-dog fight as you ever saw. In another large hospital, the sole control of the interns still remains in the hands of a committee of the staff. Complaints of interns' manners, contacts with the patients or their friends, failures to be on duty, etc., naturally are made to the executive. He, however, has no control over the interns; the committee of the staff invariably feel that the interns are being unjustly criticized, and we see a "house divided against itself," to the serious impairment of the hospital's good name. A further result is that it can no longer secure sufficient interns because of its unpopularity with these young men. Fortunately such cases are rare and we find a steadily increasing number of hospitals where the complete control is, under the Board, in the hands of an executive who works in harmony with the public, the women's committees, his Board, and the medical and surgical staff.

In best hospital practice, the same principle of non-interference by the Board in the management of the hospital is carried out in the relationships of department heads to the executive. If the executive is a doctor he knows medical matters (although he probably does not know as much about each of the specialties as do the men who are at the head of medicine, surgery, obstetrics, otolaryngology, etc.) and he certainly does not know much about nursing, dietetics, social service, bookkeeping and so on. If the executive is a layman, he does not assume that he knows as much about medicine or nursing, or special therapy, or dietetics, and all the rest of the highly specialized work of his hospital, as do the people in whose charge these various activities are placed. There is always a directress of nurses who, under the administrator, is in supreme control of the nursing activities of the hospital, including the training school for nurses, and all special nurses who are working in the hospital as employees of private patients. She consults daily with the executive and, of course, the final decision is his, if there is a difference of opinion. There usually is little interference, however, in the administration of her department. The same may be said of the chief dietitian's department, and of the social service department. These are made, so far as I know, under the

control of a woman, known as "director." The occupational-therapy department, anesthesia and physiotherapy are three other departments whose heads are directly responsible to the executive. The X-ray department and pathological laboratory are always headed by physicians, in the employ of the hospital, either on a salary basis, or commission, or both. The employes of these departments are secured by the physicians in charge, as is the case in all other departments, with the consent and approval of the executive. The amount of salaries and wages is fixed by him. All of the departments thus far mentioned are professional or semi-professional in nature. They are administered as are the various departments in a large business, except that there is, I believe, less interference by the executive, because of their specialized work. The remaining departments are that of the housekeeper, plant engineer, the laundry. The housekeeper is responsible for the cleanliness of the entire plant, except the spaces actually occupied by patients, where the nursing department is responsible, and the kitchen and auxiliary rooms, where the chef, under the direction of the chief dietitian, is responsible. The housekeeping department does the thorough cleaning in all these spaces and is often asked to help out at other times than general housecleaning. The laundry in some hospitals comes under the housekeeper, and in others, the head laundry man, or woman, is directly responsible to the administrator. Much can be said for and against both arrangements. The plant engineer is in command of the power house, where steam must be kept up every hour of the day, every day of the year, for the sterilizing and other special equipments. He also has charge of the painters, carpenters, electricians and repairmen, and is called upon day or night by everyone in the hospital to do anything and everything that no one else will do.

I have left the accounting department to the last. It, too, has its peculiar difficulties which are not present in just the same way in ordinary business, for the charges which come to it from all over the hospital originate with the professional workers. It is difficult to persuade the operating-room head nurse, who has finished perhaps a ten-hour day supervising three or four or six operating rooms running continuously, with more or less temperamental surgeons to be pleased, and life and death always in the balance, of the great importance of sending the office an accurate account of the operations performed and the room or section from which the patients came, and what kind of