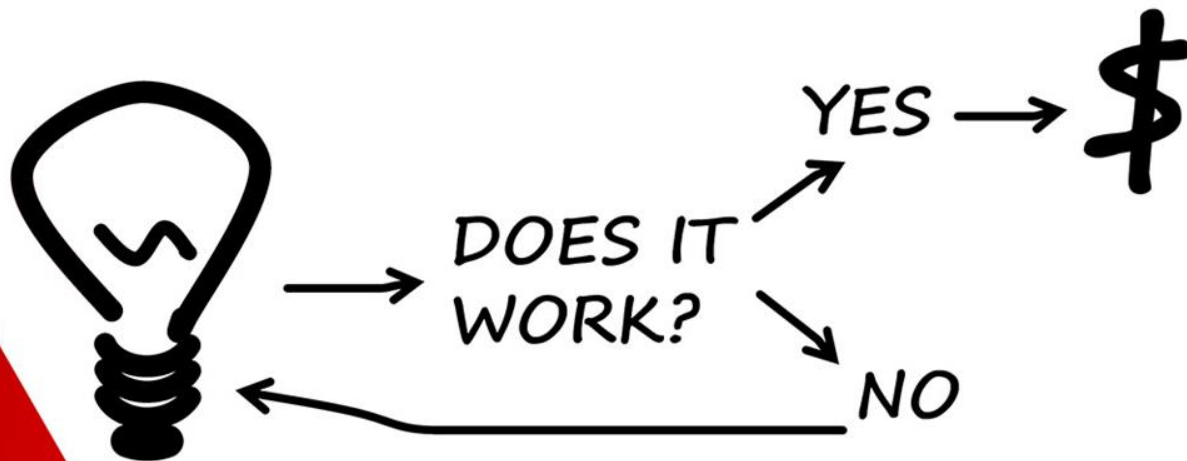




# USAGE OF PERFORMANCE INDICATORS IN CROATIAN PUBLIC HOSPITALS

Verica Budimir, Ph.D., College Professor  
Ivana Dražić Lutilsky, Ph.D., Associate Professor  
Maja Letica, Ph.D., Assistant professor

Business Plan



# *Business Plan*



## Content of presentation

- Public hospitals
- Objectives and research process
- Results of empirical research in Croatia
- Conclusion

## Public hospitals

- Significant share in the allocation of budgetary resources
- Complex structure (services, employees, patients, technological changes)
- Successful management requires a good information background (cost tracking, quality of service, user satisfaction, efficiency)

# Business Plan

## Objectives and research process

- The primary objective - to determine the **level of use of performance indicators** when making managerial decisions for hospitals managers in Croatia
- to examine the way of defining business goals and presenting results within and outside the institution, the way of measuring success, defining performance indicators and using it in business processes
- to explore the managers' opinion on the importance of tracking performance through indicators in business processes such as planning, decision-making, information and control

# *Business Plan*

## Objectives and research process



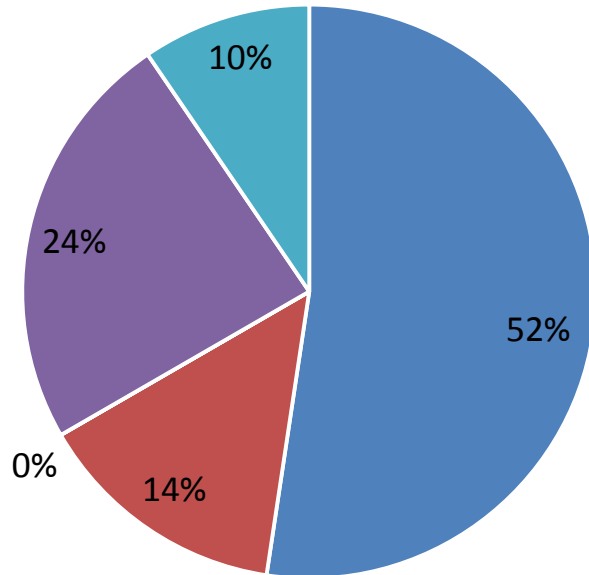
- survey questionnaire sent to all public hospitals in Croatia
- Ministry of Health (2018) - 59 public hospitals in Croatia
- The hospitals operate as clinical hospital centers (5), clinical hospitals (3), clinics (4), general hospitals (20), specialized hospitals (24) and sanatoriums (3).
- The questionnaire answered 21 or 36% of the hospitals, all sizes

# Business Plan

## Results of empirical research



**The institution has defined strategic goals:**



■ Financial and non-financial

■ Only non-financial

■ Only financial

■ Goals exist but they are not aligned with the strategy

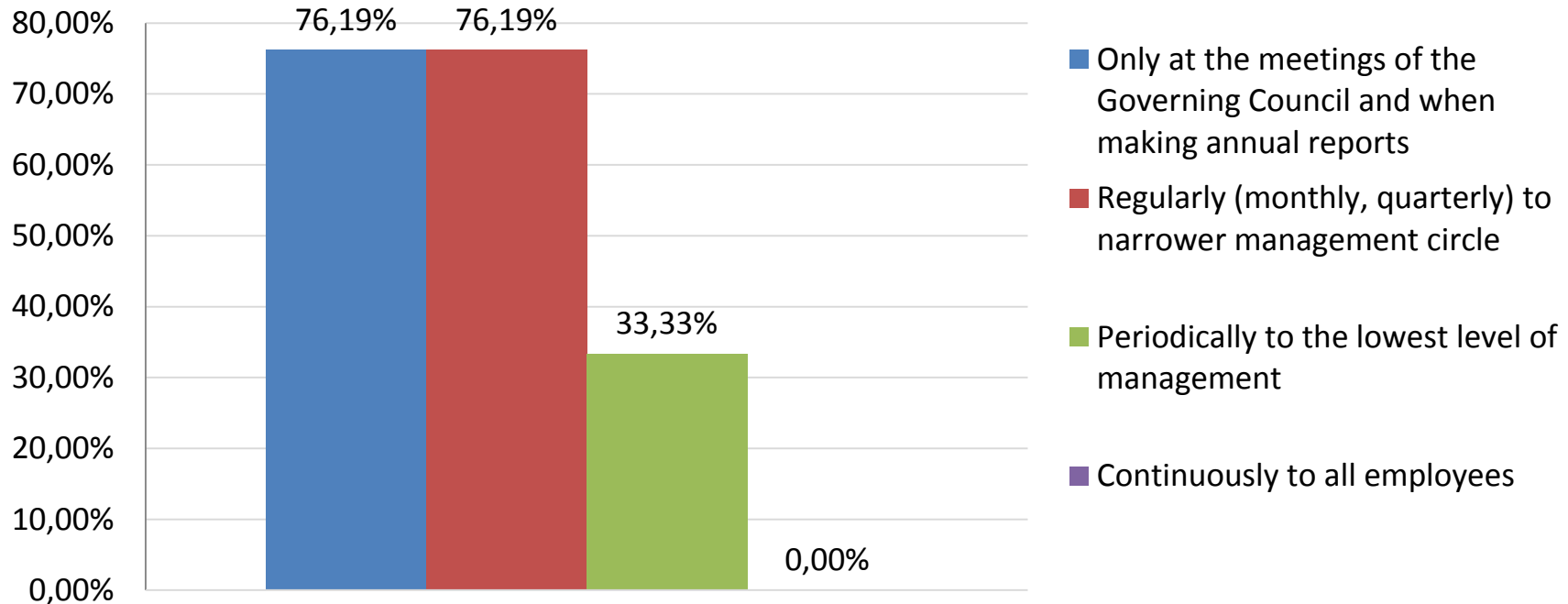
■ The goals are not defined

# Business Plan

## Results of empirical research



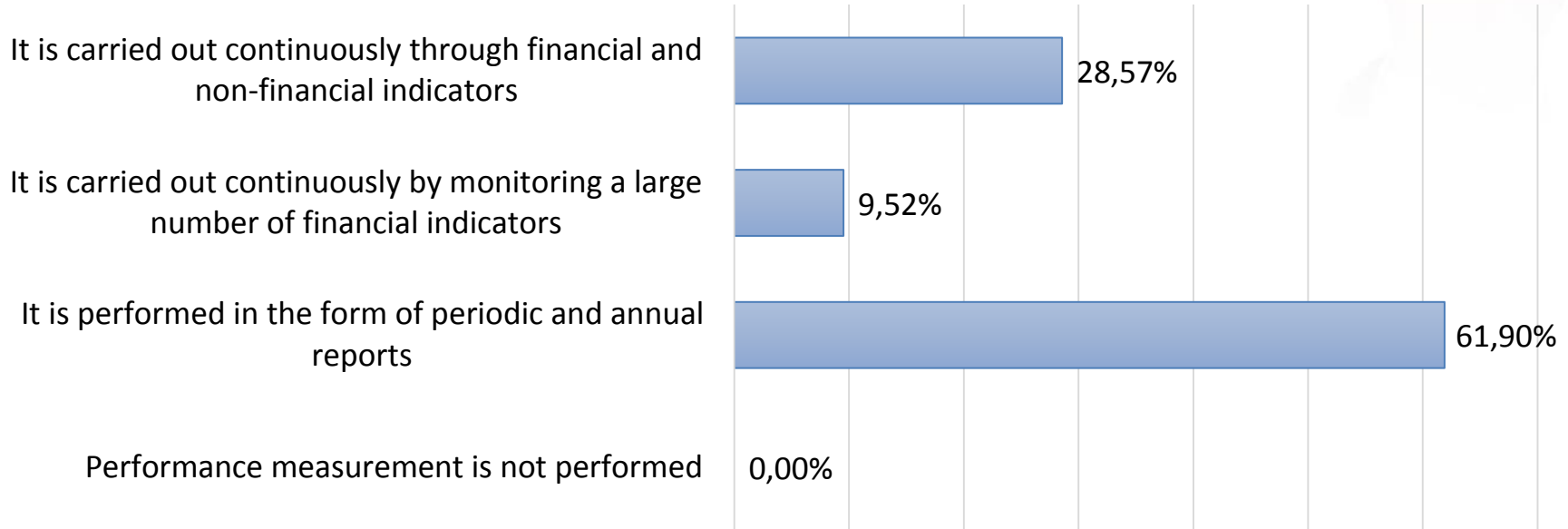
**Business results within the institution are presented:**



# Business Plan

## Results of empirical research

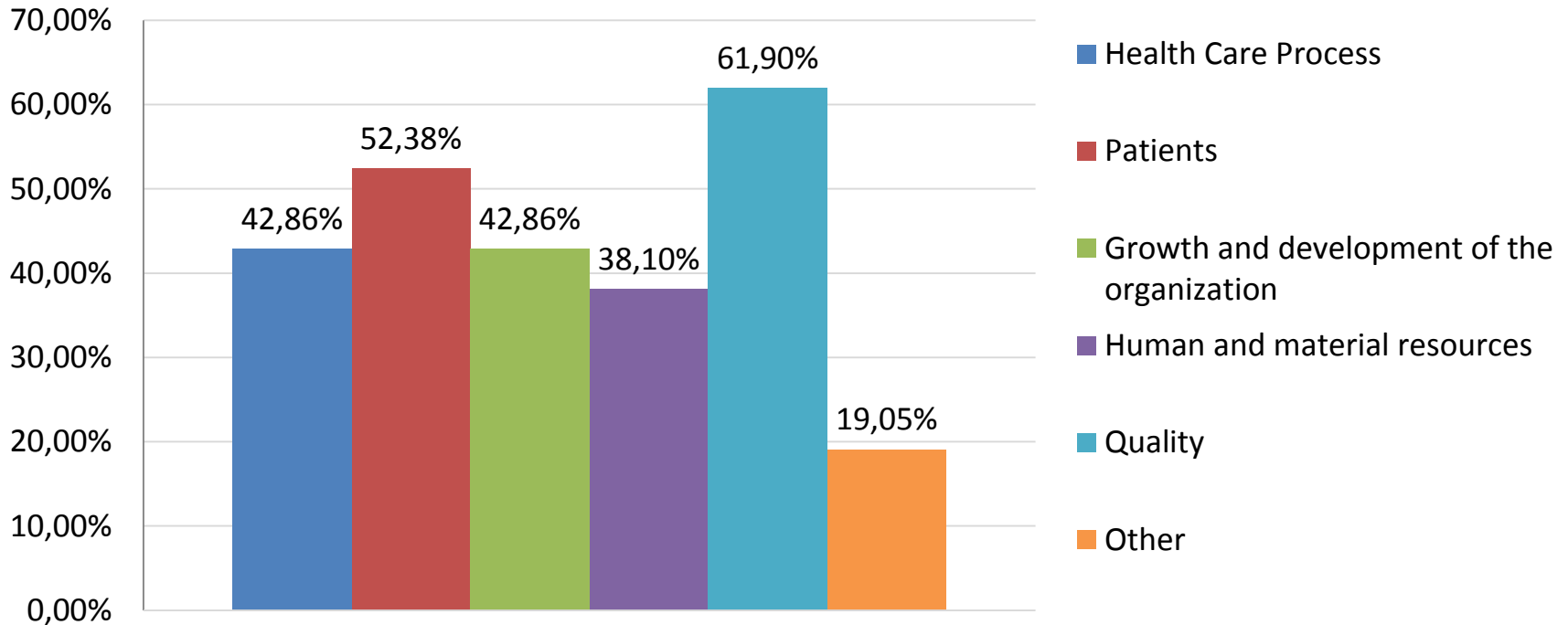
**Performance measurement of an institution's operations is done in one of these ways:**



# Business Plan

## Results of empirical research

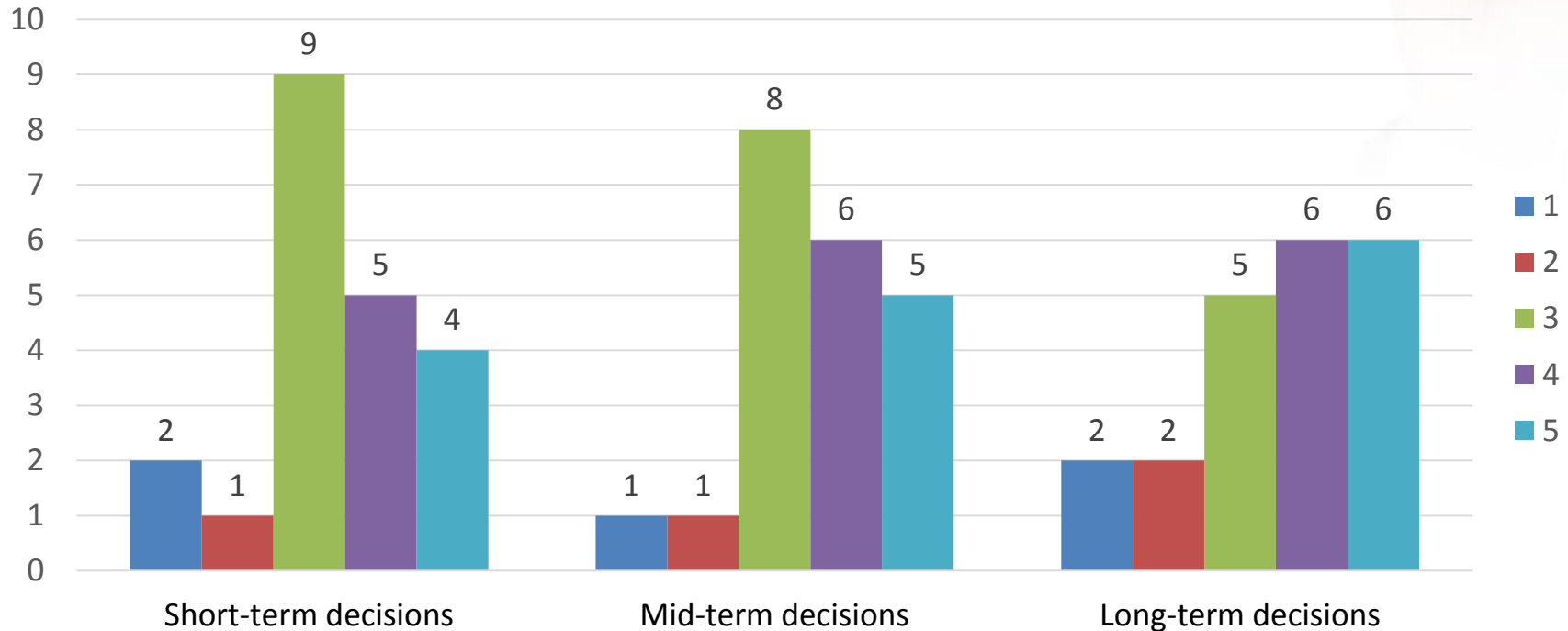
The performance indicators you have defined refer to:



# Business Plan

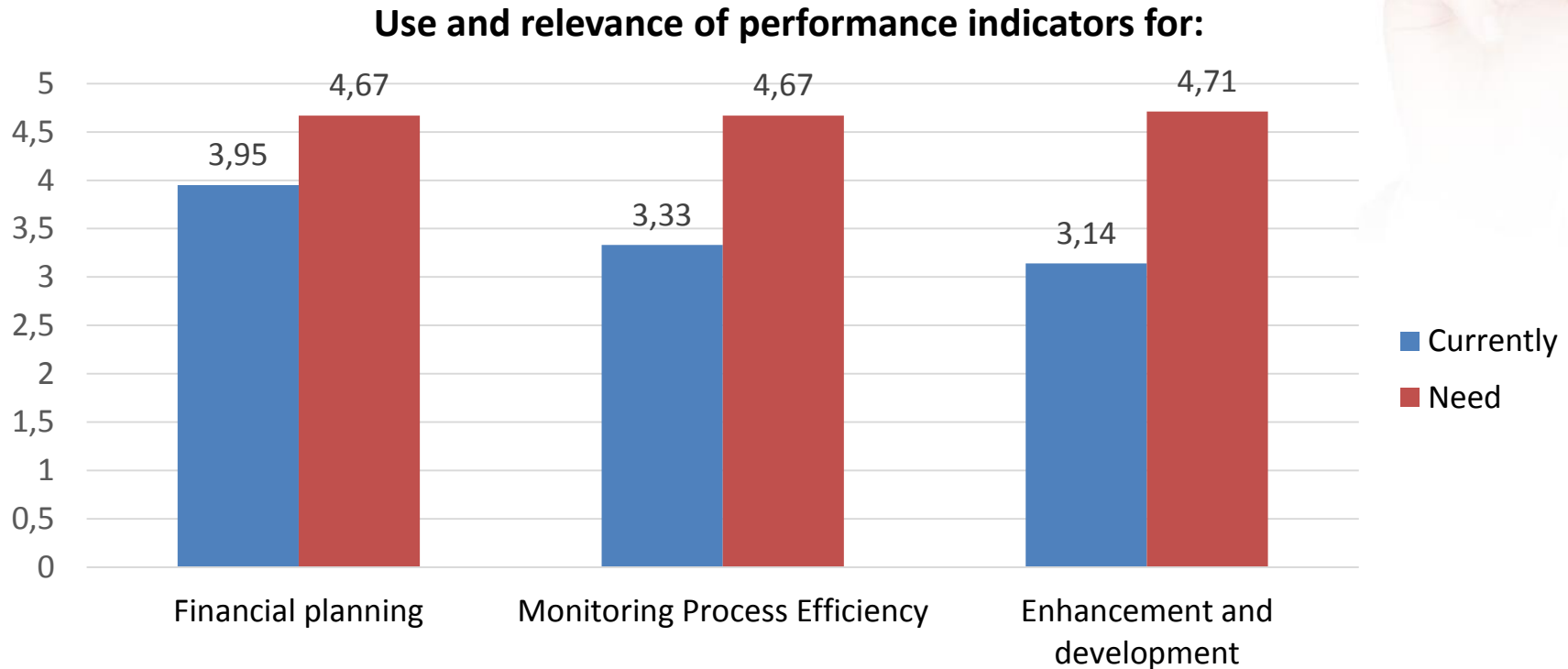
## Results of empirical research

Performance measurement results are the basis for:



# Business Plan

## Results of empirical research

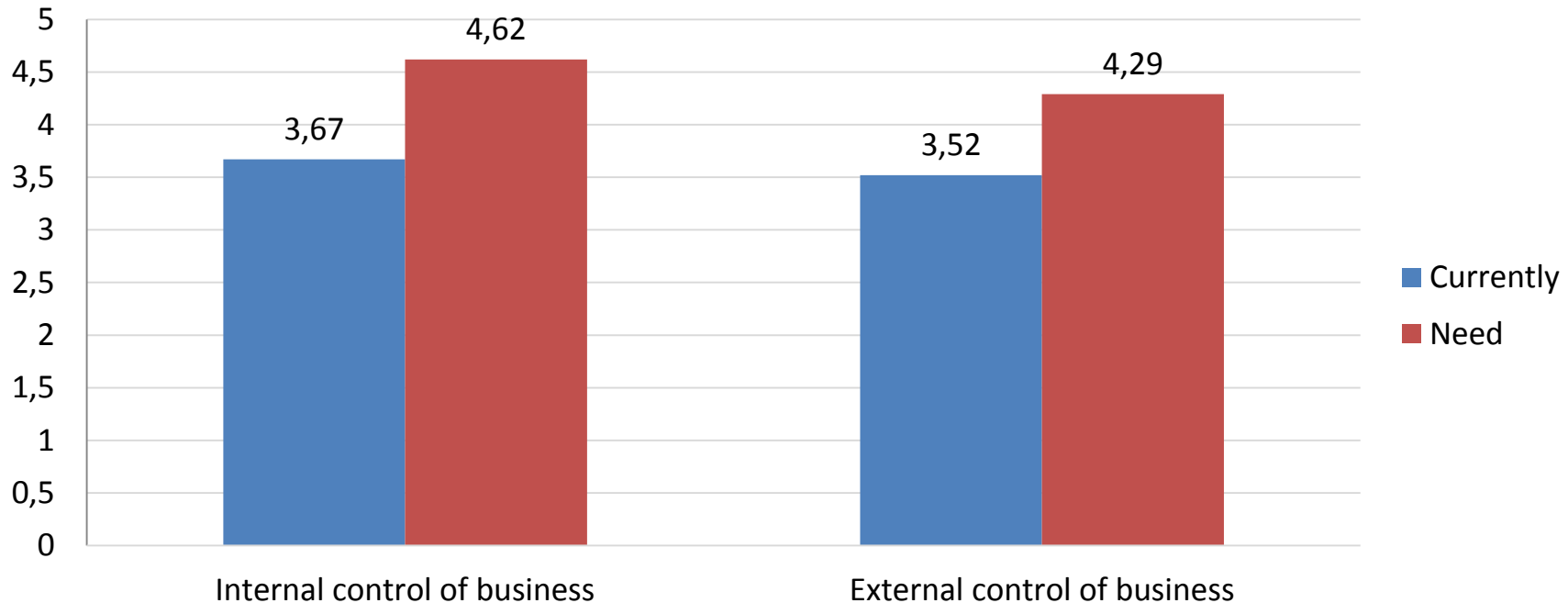


# Business Plan

## Results of empirical research

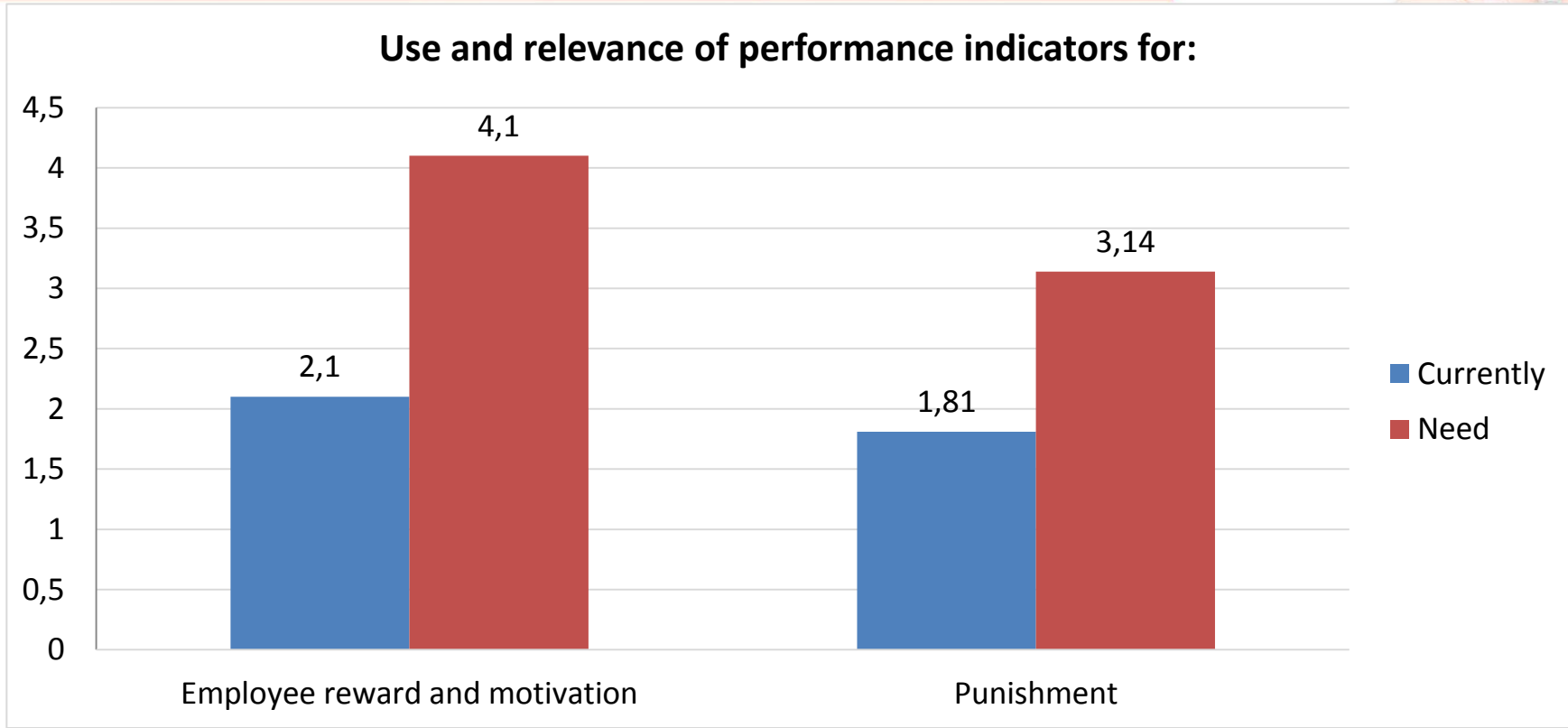


Use and relevance of performance indicators for:



# Business Plan

## Results of empirical research

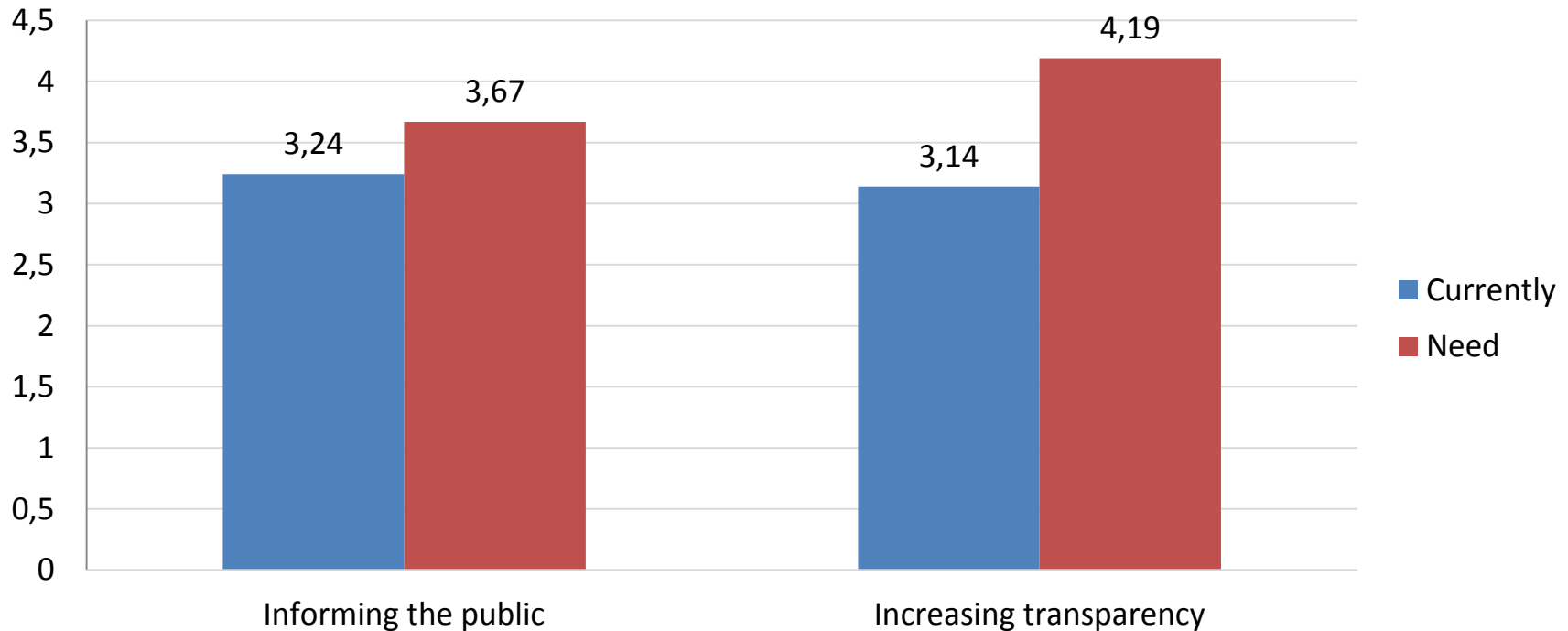


# Business Plan

## Results of empirical research

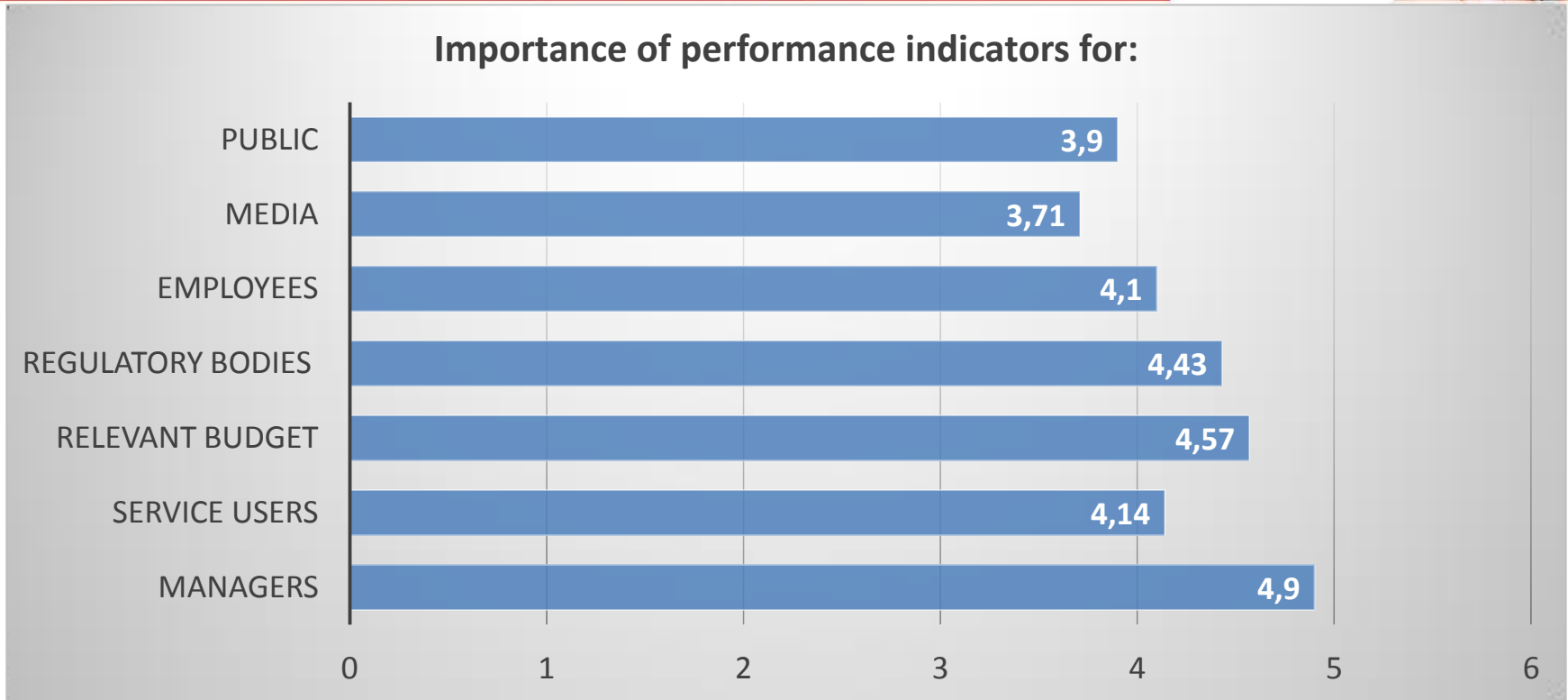


Use and relevance of performance indicators for:



# Business Plan

## Results of empirical research



## Conclusion

- **Poor development of strategic planning and reporting** of achieved results within and outside the institution (reporting is limited to a narrower management circle)
- The information needs of the managers are **not developed** and are reduced to annual financial statements
- **Measurement of performance** is based on monitoring of periodic and annual financial statements
- Defined performance indicators are mostly in relation with the needs of the relevant budget, and the most important aspects are quality and patients

## Conclusion

- Croatian hospitals performance indicators **partially use** for planning, monitoring and quality assurance of services through the adoption of long-term (strategic) decisions
- Performance indicators are **rarely used** for punishment or reward, internationalization, self-evaluation and benchmarking
- **Public hospitals managers are aware** of considerably larger opportunities for applying indicators, especially in planning, decision making and control processes
- **Performance measurement through financial and non-financial indicators has not been developed at Croatian public hospitals**