Chapter 61

Information Systems for Management Decision Support in Portuguese Public Hospital: The Urgency of a Supra-Financial Perspective

Francisco Madeira Esteves
Polytechnic Institute of Setúbal, Portugal

Luís Manuel de Macedo Gomes Lagartinho
Centro Hospitalar de Setúbal, Portugal

Pedro Fernandes da Anunciação
Polytechnic Institute of Setúbal, Portugal

ABSTRACT

The information systems have assumed a central role in the health sector. Particularly in the public domain, health institutions have traditionally been marked by management practices based on contextual contingencies without much concern of the accurate results and their assessment. The traditional concern about the low efficiency and effectiveness in managing public resources has been replaced by the emerging and urgent need for rational management instruments and methods. This need presents the opportunity for a new management paradigm that should not be restricted to the financial aspects of health institutions, but it should include all dimensions of core and non-core activities. The budget slippages and ruptures cannot continue being used as the excuse for the need of systematic and permanent increase of financial resources spent on provision of public health services, often justified by an increasing of the population or the average life expectancy. The budget problems and difficulties of the Portuguese State, particularly the urgent need of the expenditure growth control, show the need of a new management paradigm. This demand has caused, on the one hand, a heavy investment in information technologies
to support management decisions, and on the other hand, it has shown other problems, such as the
difficulty experienced in the architectural integration of information and technologies as well as problems
of a significant complexity and high resource consumption. This chapter discusses the current informa-
tion systems for management decision support in Portuguese public hospitals based on the analysis of
a district hospital in Portugal.

INTRODUCTION

Cultural and political reasons inherent of the state model adopted in Portugal in the twentieth
century led to a management model of public administration which size reflected a monolithic,
bureaucratic, strongly hierarchical organizational system, with centralized management, purely
administrative, with decision-making process very bureaucratic, complex and slow and by poor
development of individual valorization. According Carapero and Fatima (2005), the state model
shows predominantly a divisional structure of pyramidal organization and strong Tayloristics
features, where a few workers and responsible employees think for everyone and where the
individual overlaps to team.

The State, “patron” of the resolution of social problems and welfare of citizens which guarantees
economic and social development, has assumed a bureaucratic organization with a vertical work and
authority structure, highly regulated and prescriptive, guided by the lack of rigor, management
practices and responsibilities of those who have assumed this responsibility in hospital organizations.
The organizational dimension has been shown to society in the Ministry level, which mission
focuses primarily on ensuring the implementation of policies emanating from the
Government and the management, evaluation and control of the whole system and its resources
(human, financial and informational) related to the field of their competence and responsibility.

The economic crises of the late 70th and 90th of the twentieth century in Western countries led
to an awareness of reality that led to the inability to control this “building” of directors and their spend-
ing, threatening the principles of welfare states, leading to demand for new forms of governance
with new models of expenditure management and more stringent resources, with a spirit for
reform-oriented solutions more efficient to what is called the New Public Management. Especially
with the increase of economic life level and the adhesion to Information and Knowledge Society,
the management of the “public cause” begins to demand new attitudes and organizational dynamics
according to the technological opportunities, and society demands.

According to Silvestre (2010), these reforms reach Portugal in the mid-80th through the acces-
sion to European Economic Community, introduc-
ing methodologies implemented in the UK in the
late 70s that allowed the adoption of methods and
management techniques of the private to public
sector, gradually reorienting their services towards
the citizen and quality. This reform sense of the
organization and functioning of Public Adminis-
tration in Portugal, has its continuity through the
XVII Constitutional Government applied across
different areas of action, such as Simplification
of Administrative Procedures (SIMPLEX), the
Programme for Administration Reform Central
Administration (PRACE) or the Integrated Man-
agement System and Performance Assessment
Evaluation in Public Administration (SIADAP),
that in 2002 reflected in the subsector of Health
through the Law 27/2002 (November 8) known
as the Law of Hospital Management, introducing
changes in the nature and type of management of
public hospitals that acquire the status of corporate
hospitals.