CHAPTER IV

RESEARCH FINDINGS AND DISCUSSION

1. <u>The</u> <u>Critical</u> <u>Strategic</u> <u>Issues</u> <u>for</u> <u>Strengthening</u>
<u>Coordination</u> <u>between</u> <u>the</u> <u>Public</u> <u>and</u> <u>the</u> <u>Private</u> <u>Sector</u>
<u>towards</u> <u>Policy</u> <u>Orientation</u> <u>for</u> <u>Health</u> <u>Development</u>

The findings of this study indicated that an
acceptable level of health development cannot be achieved
by the health sector alone. In fact, it can only be
attained through an intra and intersectoral approach both
from the public and the private sector. It was also
found that without the national health policy which
express the goals established for improving and
sustaining health situation; the priorities among these
goals; and the main directions for attaining them, the
health providers either in the public or the private
sectors cannot perform their activities towards the goal
of efficiency and equity. For all of the national health
development plans, the statement of intention to
coordinate with the private sector is quiet clear since
the fifth national plan and also in the present plan: the
sixth national plan by the following statement:

1) ... the government will support the basic

health service activities for the people with seriousness and continuity, whether implemented by the public or the private sector. With respect to the responsibility of the government sector the provision of services to the elderly, the children and the poor will be emphasized.

2) ... the government will accelerate the production and the development of health manpower relevant to the health infrastructure distribution of the country including the local level by cooperating with the institutes and health facilities of the public and the private sectors.

3) ... the government will emphasized the efficiency of coordination between the public and the private sectors by development of an effective plan.

4) ... the government will promote the public and the private sector with respect to the research and development especially in health technology.

5) ... the government will develop the health system of the country for coordination with the private sector

However, during the study it was the preparation phase of the seventh national economic and social development plan, there were some proposals about the development of strategies related to health development which emphasized the participation of the private sector in health manpower development, health system management

including the chances to integrate basic health services and deregulation.

In conclusion, the important findings of this study about the critical strategic issues for strengthening the coordination between the public and the private sector can be interpreted, assembled and classified into 9 issues. These issues were not ranked according to their priorities or the frequency of the answer from the interviewees. Rather, they were placed according to the logical sequence of possible interpretation. These issues are:

1) Awareness of common interest: In designing coordination structures and procedures, it is important to create an awareness of common interest. However, it should not be assumed that a consensus on goals of coordination is necessarily identical to the goals of the organization it represents. For example, health specific agencies should not assume that the achievement of health for all is necessarily a goal common to all health related agencies. It is unlikely that the goal of health for all will influence the daily activities of every organization. Instead, organizations should identify specific areas for coordination, where greatest potential exists. These are likely to be in areas where organizations need each other's resources and skills;

where the services of linking organizations are complementary; and where common interests exist. Such circumstances provide a basis for negotiation, concession and compromise as long as each organization holds something of value to the other organization, and is capable of resisting its demands. In other words, while striving to achieve the common goals spelt out by the coordination effort, the balance of power between the organizations must be appropriate.

2) Perspective or attitude of each other roles: The coordinating committee should understand that each participating organization has its own attitude and perceived roles to fulfil. Members of the coordinating have to acknowledge the similarities and differences of these attitudes and roles. Also, they have to believe that all members can contribute to policy orientation in health development despite the differences. Given the strength of the vested interests of professionals in any sector, the potential for coordination should be greatest where professional perspectives are not over dominant, and where the like hood of rivalries and disagreements between professionals is minimized.

3) Establishment and/or strengthening coordination mechanism: The establishment of a coordination mechanism requires the identification of an

effective prime-mover or groups of prime-movers. These people will then help sensitize relevant stakeholders with respect to the need to coordinate, though dialogue organized in the form of forum, joint committee, seminars or consultative workshops. The prime-movers and the stakeholders can participate to create examples of success stories of coordination in policy orientation towards health development. These examples will help strengthen the coordination mechanism to point that it may eventually be institutionalized. It may be dangerous if an organization has a sufficient dominant position and try to lay down the nature of the linkages to be established by subordinate agencies using authoritarian approach. It is likely that, such an authoritarian strategy will not be productive. In such a case, coordination may be best promoted if the local agencies have some discretion and freedom of manoeuvre to establish coordinations where locally appropriate. Such a process may be assisted where political support for coordination can be mobilized in the community or nationally.

4) Information based: All decision options should be based on validated or critically appraised information. However, according to Buddhist philosophy, information is only the first level of wisdom. The information needs to go through a process of reasoning

and eventually reflection (the second and third level of wisdom) to be most useful for effective decisions. The development of management information system is a crucial first step towards information based decision making.

5) Continuing dialogue or informal meeting: Sincere continuing dialogue among important stakeholders for policy orientation towards health development is important to the understanding of changing contexts of factors influencing sustainable health development. Dialogue is an effective means for solving problems. When old problems are solved, new problems emerge. As long as there is human being, there will never be a time when the world will be free from perceived problems. Therefore, a channel for continuing dialogue is indispensable. In initiating a dialogue, negotiations in the coordination effort are likely to be easier developed and concluded over operational issues which have a more immediate significance than over strategic planning issues. Moreover, any agreements reached over strategic issues run the danger of distinguishing basic differences of approach which become apparent only at the implementation stages, and require the issue to be renegotiated.

6) Development of joint programme: Dialogue without action is similar to plans

unimplemented. Cooperative proogrammes help members of the coordinating committee understand the respect one another. It is important that programme should not only deal with current problems in a reactive manner but should be proactive in preparing effective strategies to accelerate policy orientation towards health development. Although not the most important, the use of financial incentives to encourage appropriate coordination can be of great assistance; conversely, those coordination may be made more difficult to promote when resources (financial and other) are scarce, or when any agency threatens the resource of another, for example by diverting funds or human resources away from it.

7) Establish joint evaluation system: The evaluation of any programme depends heavily on its objective. Since each of the participating organizations has a certain vested interest in the overall objective of the coordination committee, it is important that all members participate in joint evaluation. As already mentioned, there is likely to be areas where organizations need each other's resources and skills; where the services of linking organizations are complementary; and where common interests exist. Such circumstances provide a basis for joint evaluation which may be developed as a common evaluative research.

8) Image: The private sector is particularly concerned with its image in the eyes of the government and the public. Every effort should be made to promote the image that all members can contribute to policy orientation in health development despite the differences in objectives of individual organization. Given the possibility of contribution in health development in any sector, the potential for coordination should be greatest when there is an element of mutual trust and belief in the sincerity of all members in the coordinating committee.

9) Mutual benefit: The most important difference between a cooperation and a participation lies in the possibility of reaping the fruit of the coordination programme. In a cooperation, one agency reap most, if not all, benefit and fame resulting from the activities. The most impressive examples come the development of primary health care activities. In successful villages, people participate in identifying issues, developing possible alternatives, selecting intervention options, evaluating the programme and finally involving in the successes and failure of interventions. When successes were demonstrated in example villages, the government tried to generalize the model to other villages in the country. Some of the villages did not have a chance to

go through all steps of problem identification and solving. The model was 'imposed' on them whether intentionally or unintentionally. Eventually, some villagers considered themselves as being used by the government officials who reaped the benefit of the programme and activities imposed upon them. They considered that they were being used by the government officials to implement the programme they had the right to claim from the authorities.

If the nine strategic issues are critically scrutinized, it is apparent that they are intimately interrelated. The first issue represents of the participating organization to think together to define common objectives, an important prerequisite for setting goals for future action. The second issues emphasize the importance of compromising individual objectives in the light of common objectives. The third issue highlights the need to establish a common language in the coordinating effort. The forth issue displays the importance of information and wisdom in decision making to benefit all the stakeholders. The fifth issues deals with the need for the sustainability of dialogue in the light of the dynamicity of health problems. The sixth issue stresses that only words without deeds cannot lead to a desirable impact. The seventh issue reveals the desire of the participating institution to be assured

that the objectives of their organization as well as the common objectives are adequately evaluated. The eight issue brings out the element of mutual trust. Finally, the ninth issue signifies the importance of enjoying the benefit of the programme together. All these elements suggest that the sample in our study want to 'participate' and not merely 'cooperate' in the coordinating committee. Participating requires not only working together but also planning, implementing, evaluating and receiving benefit from the programme together. The finding clearly demand a major reorientation of thinking on the part of the coordinating committee if it wants to be successful.

In addition to the above concept, policy makers should stint no effort in identifying those areas which have the greatest potential for setting up coordination. They should use the above principle to identify prime-movers capable of capturing the internal and external constraints that might damage such coordination; and look for effective collaborative strategies, including the introduction of incentives. Both formal and informal processes of coordination will be necessary. Structural arrangements may not guarantee coordination, but they do provide forums for discussion. However, informal processes, organized by other stakeholders may prove to

be the most fruitful way of securing effective coordination.

2. The Basis for Coordination

One of the objectives of this study is to find the basis upon which the public and the private sectors coordinate. Generally, the objectives of coordination in any development programme can be identified to ensure a uniform basis for determining the sequence of development efforts, and to avoid the overlap of major development activities. Since the public and the private sectors are different in major societal functions such as goal attainment, socialization, allocation of power and influence, social integration, and social change, therefore the need to develop objectives to arrive at a mutual reinforcement towards health development for policy orientation is crucial. It was found that all respondents did agree with needs to coordinate at the policy level, more so for the public sector. The more important issues were the reasons or the basis for coordination. The most important common reason for coordination is the need to reduce insufficient opportunities for participation in decision making; ie both sectors had common interest for policy orientation towards health development. According to the private sector, an important reason for coordination was to reduce excessive and/or harmful government regulations,

while the public or the government sector wanted to foster equitable system in health development. Therefore, eventhough each sector had its own objectives to coordinate at the policy level, there were still needs to preserve self or uncommon interest. The 'uncommon' interests should serve as a stimulus or challenge to strengthen mutual understanding and effort to promote common objectives and should not be viewed in the negative sense.

In addition to the basis of coordination identified above, the respondents also highlighted common areas or themes of mutual interests: health manpower development particularly common use of health personnel, health financing management particularly in areas of financial support system, and management of health facilities. These areas might serve as basis to pool resources from both sectors towards common efforts.

3. The Factors which may foster or constrain Coordination between the Public and the Private Sector

The factors which may foster or constrain coordination between the public and the private sector in this study were identified from the assessment of the strategic issues facing the Joint Public and Private Health Consultative Committee. This identification involved strategic planning process. Strategic planning

is the organized activities through which an organization prepares for its future. It involves basic and important choices such as an organization's mission, objectives, strategies, policies, programs, goals, and strategic resource allocation. Such an approach can be considered as a coordinated approach to deciding what is really important for the organization. So, for any effective strategic planning, its process comprised of eight steps. These are:

1) Getting agreement to, and commitment of, effort and resources to process.

2) Identification and clarification of mandates.

3) Development and clarification of mission and values.

4) External environment assessment.

5) Internal environment assessment.

6) Strategic issues identification where the mandate, missions and values, environmental assessment set the context for decisions on product and service level and mix, clients, users, cost, financing, management and organizational design.

7) Formulating strategies to manage the issues. Strategy development to deal with the issues, comprising a pattern of purposes, policies, programme, actions, decisions and/or resources allocation. For this step, an effective strategy might be: technically workable,

politically acceptable to key stakeholders, according with organization philosophy and core values, and be ethical, moral and legal.

8) Establishing an effective organizational vision for the future. Description of the organization in the future - the "vision of success" - this also necessitates decisions regarding performance criteria and review to measure the effectiveness of the strategies.

So, factors which may foster or constrain coordination were identified from the first five steps of strategic planning process. It was apparent that most of the factors were identified from step of environment assessment. Assessing the internal environment means to identify internal strengths and weaknesses from the three main categories: input (resources), process (present strategy), and output (performance). Assessing the external environment means to explore the environment outside the organization to identify the opportunities and threats the organization faces. Opportunities and threats can be discovered by monitoring a variety of political, economic, social, and technological forces and trends (PEST- analysis). Besides monitoring PESTs, it is necessary to monitor various stakeholder groups, including clients, customers, payers, competitors, or collaborators. However, in assessing the internal and external environments, by exploring factors such as those

listed, more involvement in evaluation is required. The scope for sharing and interpreting information from internal and external environments must be gathered to inform strategic decision making. Without adequate knowledge, realistic planning is impossible. The following are the factors which may foster or constrain coordination identified by the frame of strategic planning process:

STEP 1: Initiating and agreeing on a strategic planning process: The factor required in this step of strategic planning is the agreement on clarification of JPPHC future direction. However, there was no agreement with key policy stakeholders or opinion leaders about the overall strategic planning efforts and the key planning steps for the JPPHC organizational development for the future. Therefore, the situation clearly constrain the direction and activities of JPPHC.

STEP 2: Identifying organizational mandates: The factor required in this step is the legal existence of mandates. It is clear from the analysis that the organization mandates for the JPPHC is non-existent either formally or informally. Therefore, the situation clearly constrain the organizational performance.

STEP 3: Clarifying organizational mission and values: The factor relevant for this step is the existence of organizational mission and values. The

study revealed that there was no clearly stated mission
and value.   So, this was one of the constraints facing
the JPPHC because the choice of an organizational mission
- the business that the organization is to be in - is its
most basic and most important strategic choices.

STEP 4 : Assessing the External Environment:

The factors and findings of this step is summarized below:

EXTERNAL ENVIRONMENTS ASSESSMENT

FACTORS	FINDINGS	
	OPPORTUNITIES	THREATS
	(fostered factors)	(constrained factors)
1. POLITICAL	- A promotion of national health policy involved the private sector	- too short term ism of the Minister of Health to commit policy
	-	- lack of public - private health policy
2. ECONOMIC	- always gain financial support from private sector agencies	- lack of budget
3. SOCIAL	-	- difference in development concept
		- bureaucratic system of the public sector
4. TECHNOLOGY	-	
5. STAKES	-	
6. COMPETITION	-	
7. COLLABORATION	-	

With respect to the factors associated with technology need, potential clients, competitors and collaborators, it is difficult to define the opportunity and threats without a clear mandate and mission of the JPPHC.

FACTOR 5: **Assessing of the internal:** The factors and findings associated with this step of strategic planning are summarized below:

INTERNAL ENVIRONMENT ASSESSMENT
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                          FINDINGS
              -------------------------------------------
FACTORS           STRENGTHS              WEAKNESSES

              (fostered factor)     (constrained factors)

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1.RESOURCES (INPUTS)
   - STAFF/MEMBERS

     -                            - negative attitude
                                  - insincerity


   - INFORMATION
                                  - lack of public-
                                    private policy/plan
                                  - inadequate 'MIS'
                                    imposed from center


   - COMPETENCY

                                  - difference  in
                                    development concept
                                  -  attach    to
                                    bureaucrat system

2.PRESENT STRATEGIES
  (PROCESS)

   - OVERALL                       - no development
                                   strategy

3. PERFORMANCES
   (OUTPUT)                       - lack of meaningful
                                    measures of outcomes
                                  - lack of effective
                                    outcomes
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In conclusion, without a clear mandate, objectives and missions of JPPHC, it is very difficult to clearly define the strength and weaknesses of internal environment and the opportunity and threat of external environment. Policy makers and stakeholders need to think strategically in clarification of future direction, making today's decision in the light of future consequences, and dealing effectively with the rapidly changing environment.

4.   Present Status, Roles, and Future Perspective of the JPPHC

This last finding was to fulfil the objective that aimed to make an understanding about the present status, roles, and future consequences of present decisions of the JPPHC. The results were important because in an age of accountability and limited health resources, the JPPHC should know what kinds of services they will have to provide in the next decade. These results also can be implied for use in planning, forecasting, and decision making of any other coordinating organizations that may want to know "what can be" rather than "what will be or should be".

From the review of the literatures and in-depth interview, it was shown that the JPPHC have played

important roles as a legal public-private consultative committee since its establishment in 1987. Generally, any joint committees should play roles in the promotion of mutual understanding or common interest. But for the JPPHC, in practice, its members either from the public or the private sector are interested in serving their own interest most of the time. Moreover, each sector has its own expectations of the benefit from coordination. This is reflected in the present finding that most of the members of the committee, both from the public and the private sector, still have very different understandings about the concept of public and private cooperation. Many members of committee in the JPPHC found themselves that they are in the wrong channel or in the structure which, to say at least did not facilitate the conduct of the jobs. these might be because of the misunderstanding in the concept of the JPPHC: the private sector expected the JPPHC to solve the problems while the government officials especially those in the MoPH perceived that the JPPHC is a committee to serve their tasks and roles in health development. the important reason was the lack of clear objectives, targets and ways to achieve the target. The only available statements about the JPPHC were very broad and could only serve as statements of good intention by the government. It is possible that members of the JPPHC could have different interpretation of the

statements, leading to the obvious misunderstanding of JPPHC's concepts. The following statements appeared in minutes of a meeting of JPPHC members regarding the "objectives" of the JPPHC:

1. to promote and facilitate private sectors to carry out their task securely and efficiently,

2. to promote and facilitate privates sectors to participate in health and medical development,

3. to consider and tackle existing problems and obstacles jointly,

4. to lay out a system to coordinate activities between public and private sectors.

From the "objectives", it was unclear whether JPPHC acted as a consultative or implementing agency. The appropriate goal and frame of the JPPHC in fulfilling the "objectives" have to be further elaborated. Four groups in the private sectors were first identified as the main targets to fulfil the above "objectives": the service groups, the production groups, the marketing groups, and the health manpower production groups. The selection of the private organization as members of the committee was based upon these targets.

The Composition of the JPPHC:

Originally, the composition of the JPPHC

included:

1. The Main Joint Consultative Committee

The total number of the member in this committee was twenty five. Fifteen from the public sector, the rest were from the private sector. This committee acted as a Joint Committee by which the president was appointed by his position: the Minister of the Minister of Public Health.

2. The Subcommittee for Screening Issues related to Collaboration:

This subcommittee composed of eleven members: six were from the public, and five from the private sectors. The president was appointed from one of the Deputy Permanent Secretary, the MOPH. The functions of this subcommittee were to consider and screen the issues related to collaboration to relevant agencies or departments in the Ministry of Public Health. If the issues in question were too complicated, the Screening Subcommittee will refer them to the Main Joint Consultative Committee for clarification and further action.

3. The Joint Secretariat: The office of the Joint Secretariat of JPPHC was at the division of Medical Registration. The working staffs were from both public and private sectors. The Joint Secretariat serve the

main Joint Consultative Committee, the Screening Subcommittee, as well as relevant agencies who had the responsibilities to consider and fulfil the recommendation proposed by the Joint Consultative Committee and the Screening Subcommittee. It is the prime-movers in identification and allocation of issues associated with public private cooperation to various relevant agencies.

Recently, the structure of the JPPHC were modified as will be discussed later.

The Working Method:

The methods of work adopted by the JPPHC were classified to three categories:

1. The Public-Hearing: This method emphasized sharing of the opinions, problems, concern and information between the public sector and the private sector. The public sector initiated most of the meetings. As a result, the public and private sectors became familiarized with one another leading to a frank expressions of issues related to public private cooperation.

2. The Problem Solving: This involved the establishment of specific the subcommittees, working groups or task forces to consider ways to deal with specific issues. These sub committes arranged for

collection of existing information or gathered new information for the decision making.

3. The Cooperative development: This involved the promotion of cooperation of public and private sectors in development activities, which could be classified into three patterns:

3.1 The government sector give support to the private sector's initiation similar to the support given by the Board of Investment

3.2 The public-private sectors cooperate as a share-holder in the development activities.

3.3 The public sectors highlighted investment opportunities and invited the private sectors to join in the development projects most of which take the benefit of the people into consideration.

About two years after the inception of JPPHC, it was found the original structure was not appropriate to perform the work assigned. Many more subcommittees were established. The functions and roles of JPPHC and each of the subcommittee were given, as follows:

1) Functions and roles of the Joint Committee

1.1 To consider the problems and constraints facing the implementation of the public and the private sector, as well as to set the system of coordination

1.2 To promote and support the private sector

to be efficient and stability so that they can take part in development process

      1.3 To monitor and supervise relevant organization

      1.4 To appoint the sub committee and working groups

      1.5 Others

      2) Functions and roles of the Law and Regulation Sub- committee:

      2.1 To consider the problems and constraints associated with law, regulations

      2.2 To study and analyse the appropriateness of Laws and Regulation pertaining to public health and medical care.

      2.3 To appoint the working groups to tackle specific problems.

      2.4 Others ...

      3) Functions and roles of the Public Health and Medical Care Coordination subcommittee

      3.1 To consider the problems and constraints about the operational procedures as well as to propose the way for problem solving

      3.2 To study and analyse the appropriateness of measure to solve or improve the operational procedure

      3.3 To appoint the working group to tackle

specific problems.

    3.4 Others

    4) Functions and roles of the Public Health and Medical Care Cooperative development

    4.1 To consider health plans and projects related to the public and the private sector, and to arrange an appropriate coordinating system.

    4.2 To recommend health policy and plans for the development of public-private cooperation

    4.3 To appoint...

    4.4 Others

    5) Functions and roles of the JPPHC-Screening sub-committee

    5.1 To consider and screen....

    5.2 To coordinate the public and the private sector before propose to the Joint Committee

    5.3 To prepare document

    5.4 Others

However, despite the change in structures and function, most of the interviewees still believed that the JPPHC has not been able to fulfil its expected functions and roles. The reasons cited were:

    1) The "objectives" of the establishment of JPPHC were too vague and only represented the "statement of good intention". The basis of cooperation were

already identified which should include the following key elements: i] promotion of opportunities for participation in decision making between both sectors, ii] reduction of excessive and harmful government regulations, iii] promotion of a more equitable system in health development, iv] preservation of self or uncommon interests and iv] using 'uncommon' interest as a stimulus to strengthen mutual understanding between the two sectors.

2) The main methods for coordination practised thus far were initiated by the public sector seeking "cooperation" from the private agencies. The critical strategic issues for strengthening coordination between public and private sectors towards policy orientation for health development were already identified. Thus, there is a need for reorientation of thinking on the part of the coordinating committee so that all stakeholders involved can truly "participate" and not merely "coordinate".

3) The mandate, objectives and missions of JPPHC, were not sufficiently clear to allow identification of strength and weaknesses of internal environment and the opportunity and threat of external environment. Without a clear mandate, objectives and missions, it was very difficult to think strategically, clarify future

direction, make today's decision in the light of future consequences, and deal effectively with the rapidly changing situation of public-private coordination.