DETERMINING STANDARD
FUNCTIONAL STRUCTURES FOR
HOSPITAL MANAGEMENT BOARDS IN
CENTRAL HOSPITALS: EVIDENCE OF
A DEVELOPING ECONOMY

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Abstract

Zimbabwe’s health service delivery has attracted media attention for three successive decades due to failure by public hospitals to deliver effective service with the blame leveled against the hospital management boards (HMB). Responding to the criticism, the Ministry of Health introduced reforms on public hospital governance practices towards ensuring an effective health delivery system. This was done by improving the structural capacity of hospitals to deal with the increasing demand for health services (Moyo, 2016; Sikipa, Osifo-Dawodu, Kokwaro, & Rice, 2019). Thus, the study sought to determine the standard functional structures within HMBs of Zimbabwe’s 6 central hospitals. To achieve this, the study used a mixed research design in which 66 board members responded to the questionnaire while 9 purposively selected board members were interviewed, respectively. The study revealed that public hospitals require standard functional structures in order to be effective. These include a functional board that has sub-committees, a policy to evaluate the performance of CEOs, and the board itself. Frequency of board meetings, setting of agendas, succession planning, and alignment of goals with interests of various stakeholders. Implementing such functional structures enhances would standard functional structures for hospital management boards in central hospitals.

Keywords: Zimbabwe, Public Hospital, Board of Directors, Performance, Governance, Health Management Board

1. INTRODUCTION

On the foot of attaining political independence in 1980, Zimbabwe focused on improving the provision of primary health care services across all provinces to close the gap created by the colonial government. Barely 10 years after independence in 1990, public hospitals across the country started to exhibit signs of constraining marred by poor and deteriorating health care across the country. In response, the government decided to establish hospital management boards (HMB) to oversee the leadership and management of public hospitals including the 6 large hospitals referred to as central hospitals in Zimbabwe. As if this was not enough, public hospitals continue to experience service delivery challenges at an alarming scale with the board of directors criticized for failing to put in place
standard functional structures to improve hospital performance and functionality (Mazikana, 2019). Many countries around the world have introduced effective strategies and techniques to ensure that public hospitals are better prepared or equipped to match the growing demand as the population increases. This is seemingly not the case for Zimbabwe’s public hospitals as the HMB has decimally failed to strategically focus on the future demands and preparedness of public hospitals. It is critical to note that when the population of a country grows, so is the demand for social services such as health. To this end, HMB argue that they do not have the autonomy to lead hospitals citing ministerial interference by line ministries on every aspect that requires decisions to be made (Mazikana, 2019). For instance, the Ministry of Health has oversight on who should be appointed as a board chair, while the Ministry of Construction has oversight on who should be awarded a tender to construct critical projects within the hospital. This goes on and on for every item that requires decision-making. Arising from the lack of autonomy, HMB for central hospitals have been reduced to mere administrators, a potential reason why they have become weaker (Võ & Löfgren, 2019). Thus, most hospital boards lack the edge and enthusiasm to devise and implement effective structures that trigger organizational performance. Devising and implementing standard functional structures is no easy task as it requires substantial funding that most hospitals do struggle to generate the needed revenue. In addition to lack of autonomy, and inability to fund raise, HMB suffer from policy inconsistency (De Geyndt, 2017).

HMBs, through the board chair, play a centrifugal role in providing oversight on hospital governance especially on matters of leadership and management (Ngongo, Ochola, Ndegwa, & Katuse, 2019). Cristian and Monica (2017) argue that governance in health delivery structures is rooted in stakeholder consultation to enhance the decision-making process. Thus, every hospital be it public or private has key stakeholders, and such stakeholders must be consulted before making a decision.

From a global perspective, stakeholder consultation has been embraced by many organizations including private and public organizations. The involvement is viewed as a significant governance practice towards board resolutions and accountability. For example, the decision-making in most of the Belgium hospitals differs as the stakeholders differ. It is important to note that the more active the stakeholder committee, the more effective the board of directors is in terms of operational performance within the respective hospitals. Stakeholder involvement is thus the backbone of hospital governance (Malfait, Van Hecke, Hellings, De Bodt, & Eecklo, 2017).

In Romania, hospitals have been classified according to the areas or regions they serve, while introducing a modern reimbursement mechanism to ensure adequate funding (Duran, Chanturiere, Gheorghe, & Moreno, 2019). However, in ensuring effective governance structures, Romania’s hospitals face challenges in the decision-making process, policy uncertainty and inconsistencies, and lack of autonomy. The Romania example reveals that most of the challenges are a result of internal conflict, limited resources, lack of operational guidance, and strategic focus, similar to the public hospitals in Zimbabwe. Globally, the decisive moment in hospital service delivery is anchored in policy reforms to promote operational, and financial efficiency while inculcating transparency throughout. In all endeavors to improve hospital governance, policy certainty is key and must remain as the guiding torch (Braithwaite et al., 2017).

Other studies on health leadership within Africa were on leadership practices by public hospitals (Gilson & Agyepong, 2018). The studies revealed that prevailing leadership practices in most African countries do affect staff motivation as well as patient treatment. In other words, the leadership of a hospital has an influence on the performance of hospital staff, and the kind of service given to patients as a motivated workforce has the potential to deliver effective service (Fusheini, Eyles, & Goudge, 2016). Leadership goes beyond just mere provision of training but also providing staff development so that employees are better prepared to meet the growing changes within the health delivery system. A leader who focuses on staff development has a strategic focus (Braithwaite et al., 2017).

The South African scenario is similar to the global front in that several countries have reformed their public health delivery system to improve performance. A study conducted across several countries within the Southern Africa region focused on governance practices as a key factor in influencing hospital performance (Fusheini, Eyles, & Goudge, 2016). The study revealed good governance in terms of service provision and stakeholder assessment. The study noted that in reality, hospitals need leadership, political will, and clear effective hospital structures that will ensure smooth processes that will allow smooth flow of work. For instance, Botswana embarked on public health reforms with a focus on hospital governance. Thus, decentralization was adopted in Botswana with the government retaining overall oversight of authority and administration. One of the main features in Botswana’s reforms is the heavy dependency on bureaucratic tendencies believed to be a hindrance to governance (Janke, Propper, & Sadun, 2019). In reality, public hospitals in Botswana are obligated to report to the line Ministry of Health head office, a situation that erodes the autonomous function of the board if available (Mooketsane, Bodilenyane, & Motshekga, 2017).

A decade after the attainment of political independence, Zimbabwe, began the process of reforming the health delivery by appointing boards to be in charge of hospitals in respective classes of hospitals. It is important to note that Zimbabwe has rural health hospitals, district hospitals, provincial hospitals, and central hospitals which require a different approach to management and oversight. Thus, the reform meant gave birth to the establishment of specific boards that would have oversight on the respective hospital in terms of the hospital classification (Health Service Act, Chapter 15:16). It is critical to note that according to the United Charter on Health Delivery, good governance principles are emphasized and failure to do so, the management boards should be held accountable (Sikipa et al., 2019).
Specifically, Zimbabwe has customized operational guidelines in line with the respective class to address issues of budgets, procurement, planning, and selection of boards (Shonhe, 2017). The respective board has a mandatory obligation of oversight. Aligned to central hospitals, CEOs provide leadership functions that include providing strategic leadership and direction to the hospital. Besides, the CEO performs the monitoring and evaluation of projects and programmes continuously. Zimbabwe’s hospitals, particularly central hospitals, are guided by the line ministry — meaning CEOs are expected to implement government policy in line with the set targets (Janke et al., 2019). In this light, the CEO carries the responsibility of ensuring that hospitals meet their mandatory obligations. In addition, the CEO as an ex officio member must ensure that clinical, medical, and administrative functions are compliant with Ministry of Health and Child Care (MOHCC) policy guidelines. The government expects the CEO to participate in board meetings articulating critical issues that require board attention in keeping with the vision and mission of the respective hospital (Friedman & Rabin, 2018). In closing, it is important to note that HMB and CEOs have the overall responsibility to implement and enforce board’s resolutions.

The structure of this paper is as follows. Section 2 reviews the relevant literature. Section 3 presents the methodology used to collect and analyse data, detailing research approaches, study population, study sample, and data collection tools. Section 4 provides the study results while Section 5 entails a discussion and interpretation of the study findings. Section 6 provides the conclusion of the study focusing on implications, limitations of the study as well as perspectives for future research. The study winds off with recommendations for the study.

2. LITERATURE REVIEW

2.1. Standard functional structures of hospital management boards

The hospital management boards are crucial in supporting hospital management through financial monitoring, resource mobilization, stakeholder relationships, and strategic decision-making (Thiel, Winter, & Büchner, 2018). The mission of an organization is fulfilled through the implementation of good governance (Hideto Dato, Hudon, & Mersland, 2020). In this regard, it is very important to analyse the corporate and non-profit making boards in terms of a number of directors, structure, and functioning. The functional structure of a not-for-profit organization should be in accordance with its own expectations and stakeholder requirements (Labie & Mersland, 2011). The hospital management boards in Zimbabwe fall under the not-for-profit organization category.

The board is considered to be the link between the shareholders and monitor management. The board wields several responsibilities which include controlling, strategic decision-making, advisory, and resource mobilization (Madhani, 2017). According to Chen and Wu (2016), the role of the board of directors is widely described as monitoring and evaluation. The general assumption by policymakers is that decentralized health systems enhance service delivery through improvement in authority, autonomy, accountability, and community participation (Tolera, Gebre-Egziabher, & Kloos, 2019). In the next three sub-sections, the aspects of the appointment of the hospital management boards are discussed. Hideto Dato et al. (2020) suggested that the hospital board structure of the not-for-profit organizations should be assessed based on board size, female director representation or ratio, and the number of board meetings.

The composition of the hospital management board and clarity of the functions of the CEO and the chairperson of the board have a great impact on the performance of the entity (Abor, 2016). There is overwhelming evidence that the inclusion of medical doctors in hospital boards is associated with higher quality services, hence in many countries, medical leaders occupy prominent positions to foster both quality of governance and safety within healthcare (Jones & Fulop, 2021). In practice, the public sector reforms of management have engaged the services of business specialists to take a lead in the governance of public sector organizations, but the outcome of this arrangement is not well articulated (Kirkpatrick, Vallascas, & Veronesi, 2017). The involvement of both internal and external board members on corporate boards, board size, and frequency of board meetings improve financial performance (Puni & Anlesinya, 2019).

2.2. Components of good healthcare governance

The high degree of complexity and absorption of huge budgetary resources are variables that are both associated with hospital entities. Highly competent management is vital for hospitals and their stakeholders (Budimir, Lutlisky, & Dragija, 2017). Greer, Wismar, and Figueras (2016) argue that transparency, accountability, participation, integrity, and capacity (TAPIC) are the building blocks of governance. The TAPIC framework adds value to the development and implementation of robust governance instruments that can be practically applied in both private and state-owned health enterprises. Transparency mechanisms might include board committees, inspectorates, regular reporting, and performance reports. Accountability comprises clarification and authorization (Weale, 2011, p. 64). It is about updating and clarifying, thus giving an account of one’s actions. Accountability mechanisms include but are not limited to the following: contracts, competition in bidding, separation of duties, conflict of interest policies, regulation, standards, codes of conduct, and laws that specify objectives and reporting.

Involvement or participation denotes the inclusion of interested parties in decision-making and power so that they acquire a significant stake in the work of the institution (Stewart & van den Honert, 2013). Participation mechanisms might comprise stakeholder meetings, conferences, voting, appointed representatives, advisory committees, surveys, and joint budgets. Integrity is based on the assumption that processes of representation, decision-making, and enforcement should be clearly specified. All stakeholders should be in a position to understand and predict the processes by which an institution will take
decisions and apply them. However, integrity can be used interchangeably with various terms like predictability, anti-corruption, and ethics (Larmour, 2012). Policy capacity is based on the notion that every organization should be able to advance policies that are associated with the available resources in pursuit of goals or set targets (Forest, Denis, Brown, & Helms, 2015). Mechanisms that can improve policy capacity include intelligence on performance, intelligence on process, staff training, hiring procedures, procedures to incorporate specialist capacity in making decisions, research or analysis.

2.3. Healthcare strategic management

Strategic management is vital in any organization in that the volatility in the health operating environment can be extinguished through counter-strategies and leadership acumen (Duncan, Ginter, & Swayne, 2018). Due to the ever-changing operating environment, newly established hospitals need to be more sustainable, and existing ones must improve their standards. In recent decades, this need has been tackled by adopting policies and initiatives that have attempted to divert development towards more sustainable paths (Buffoli, Gola, Rostagno, Capolongo, & Nachiero, 2014). The changes in health trends globally, for example, in terms of the surge in disease burden, increasing clients’ expectations, and cost limitations pose a challenge for health systems in trying to maximize benefits. The reforms to be adopted might include affordable healthcare provision, responsive health protocols, and staff-related planning strategies (Abdelaleem, 2018). The current operating environment necessitated the need to discover models of governance and present such frameworks in solving governance challenges that arise due to the volatile operating environment in the health sector (Dikut, 2017).

2.4. Governing structures and delegation

The Institute of Directors in South Africa’s (2016) King IV Report posits that the governing body should serve as the focal point and custodian of corporate governance in the organization. The boards of directors should have board committees that enable accountability through the assignment of specific tasks and responsibilities (Harrison, 1987). The board committees have benefits like knowledge specialization, task division efficiency, accountability, and information segregation. Furthermore, board committees play a monitoring role in executive management (Chen & Wu, 2016).

Despite the limited resources, non-profit organizations adapt managerial styles and processes from the private sector to become more efficient and effective (Anderson & Lannon, 2018). Boards are responsible for setting executive compensation, identification of potential board members, and overseeing financial controls (Kolev, Wangrow, Barker, & Schepker, 2019). Performance indicators should be anchored on transparency, accountability, relevant leadership style, effectiveness, staff assets, and the mode of operation or metrics (Friedman & Rabkin, 2018). Traditionally, most non-profit organizations used external auditors to evaluate their performance. The determination of board evaluation is hinged on the type and independence of external facilitators and the timing of adoption of external board evaluation (Sobhan & Adegbite, 2021).

2.5. Governance systems in Zimbabwe

Central hospitals in Zimbabwe have a structure that was designed to meet good governance principles. In China, the hospital administrators, local leadership, and hospital commissions concurred that power over the management of public hospitals should be given to administrators (Nong & Yao, 2019). It comprises the hospital’s independent board members, the CEO, and three executive directors who include the clinical director, operations director, and finance director. The hospital board has the overall function of policymaking and oversight role of the hospital operations. The hospital governance concept adopted different models in European countries. The micro-level hospital governance is most ideal for the routine operational management of staff and services, whilst the meso-level involves policymaking where decisions are made at the institutional level free from government interference (Rechel, Duran, & Saltman, 2018).

Nevertheless, the hospital management boards are not answerable for the daily functions of the health institutions.

3. RESEARCH METHODOLOGY

3.1. Research design

Noting the strengths and weaknesses that flow from quantitative and qualitative bias in research, researchers sometimes adopt a mixed approach that draws on both positivism and phenomenology paradigms of research (Burns & Grove, 2009). The use of mixed research methods enables the researcher to increase the reliability and validity of the findings (Sekaran & Bougie, 2013). This study, therefore, used a mixed-method approach with the quantitative method gathering data from 66 participants using the questionnaire of a Likert-type scale. Contrary, the qualitative method gathered data by interviewing 9 participants. The Cronbach’s alpha test was performed on the reliability of the questionnaire to determine its appropriateness (Rahman, 2017).

Table 1. The Cronbach’s alpha test

<table>
<thead>
<tr>
<th>Reliability statistics</th>
<th>Cronbach’s alpha</th>
<th>No. of items</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>0.716</td>
<td>33</td>
</tr>
</tbody>
</table>

Table 1 reflects the Cronbach’s alpha of 0.716, indicating a high level of internal consistency of items in the research instruments. With a value of 0.716, the questionnaire was regarded as reliable and acceptable, implying that it was considered sufficient and appropriate to be used as a data collection tool for the study (De Souza & Dick, 2009). In addition, a pilot study was conducted on selected participants who would not take part in the main study, to test the readiness of the questionnaire. Flowing from the pilot study, adjustments were made to the questionnaire to refine it prior to the main study (Sekaran & Bougie, 2013).
3.2. Study population and data source

The study population includes 6 central hospital management boards with each consisting of 42 and 24 non-executives and executive board members totaling 66 individuals. All the participants are responsible for ensuring good governance practice within the respective central hospitals. The commonality is critically important in selecting the population for every study (Blumberg, Cooper, & Schindler, 2014).

3.3. Sampling technique and sample size

The quantitative study used the census approach, meaning all the members of the population participated in the study (Sekaran & Bougie, 2013). Thus, 66 board members were drawn from the 6 central hospitals which include the Parirenyatwa group of hospitals, Harare and Chitungwiza central hospitals, United Bulawayo hospitals, Mpilo and Inguthsensi central hospitals formed the quantitative sample size. On the other hand, 9 purposively selected board members took part in the qualitative study. In purposive sampling, the researchers select participants subjectively and deliberately based on a pre-defined set of characteristics. For this study, 9 executives were selected based on a minimum of a 5-year board experience as the inclusion and exclusion criteria (Creswell, 2014; Sekaran & Bougie, 2013).

3.4. Data collection technique

The researchers physically distributed the questionnaire to the boards’ secretaries for onward distribution to the respective members during board meetings. The questionnaire was completed and returned on the same day. Thereafter, data capturing was done and processed using the SPSS Statistics Version 25 for quantitative data. On the other hand, interviews were conducted physically, via zoom, or telephonically with the results recorded using the voice recorder. Thereafter, data was transcribed using transcribing software and then captured in the NVivo software for analysis.

4. RESULTS

The data from the field was analyzed through the use of SPSS Statistics software Version 25, thus coming up with univariate, bivariate, and multivariate analysis tables for example the descriptive and inferential statistics. Furthermore, the use of analysis software resulted in the formulation of several statistical tables that assisted in the analysis and interpretation of the data collected for instance the frequency tables, correlation matrices, and principal component analysis. The NVivo software Version 12 was used to analyze data collected from the interviews conducted. Data were coded and entered in a bid to come up with themes that assist in the analysis and interpretation.

4.1. Standard functional structures of hospital management boards in central hospitals of Zimbabwe

The effectiveness of hospital management boards is anchored on the functional structures and various performance indicators. In terms of the stakeholder perspective, the effectiveness of boards is more likely to address the interest of both the shareholders and the rest of the organization’s stakeholders (Garcia-Toreca, Fernandez-Fejoo, & de la Cuesta, 2016). The functional structures of hospital management boards have to be responsive to the desire for good corporate governance practices.

4.2. Number of board members

The study found 10 (83.33%) respondents representing 6 central hospitals. Out of the 10, it emerged that 8 (80%) respondents, representing 4 (66.67%) central hospitals, expressed that their boards had seven members including the CEO. Furthermore, the 2 (20%) respondents from the 2 (33.33%) central hospitals without functional hospital management boards have proffered that a board should have seven members including the CEO in compliance with the Health Service Act (Chapter 15:16). This entails that the non-executive board members are supposed to be six since the CEO is part of the hospital executive management. The other three executive directors who comprise the finance director, operations director, and clinical director are ex officio and only co-opted as and when they are required to provide technical information and/or advice.

4.3. Board committees and composition

The creation of board sub-committees has been strongly suggested as an appropriate tool for improving corporate governance. As discussed in the literature, this can be achieved through the delegation of specific duties of the main board to a smaller group to allow for the gathering of contributions from non-executive directors (Spira & Bender, 2004).

<table>
<thead>
<tr>
<th>Number of governance committees in an organization</th>
<th>Number of interview participants who mentioned the same</th>
</tr>
</thead>
<tbody>
<tr>
<td>Five</td>
<td>1</td>
</tr>
<tr>
<td>Four</td>
<td>3</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Attributes</th>
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</thead>
<tbody>
<tr>
<td>Central hospital</td>
</tr>
<tr>
<td>Region</td>
</tr>
<tr>
<td>Number of years as a board member</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>How many governance committees are there in your organization?</th>
<th>Attributes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of governance committees in an organization</td>
<td>Number of interview participants who mentioned the same</td>
</tr>
<tr>
<td>Central hospital</td>
<td>Region</td>
</tr>
<tr>
<td>BBH</td>
<td>MP</td>
</tr>
<tr>
<td>✔</td>
<td>✔</td>
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</table>

Source: Field data (2019).
Table 2 above depicts that out of the four central hospitals with hospital management boards, three have four board committees (Mpilo, Harare, and Parirenyatwa) whilst Ingutsheni has five board committees. The hospital management sub-committees are established to foster the governance and implementation of the broad strategic plans of the respective institutions. The major five attributes of corporate governance are the board size, board composition, duality of the CEO and chairperson, institutional ownership, and managerial ownership (Nazir & Javaid, 2018). The board composition is essential to ensure representation of the views and interests of various stakeholders (Garcia-Meca, Uribe-Bohórquez, & Cuadrado-Ballesteros, 2018). Hence, board composition is an important variable in determining the effectiveness and performance of hospital management boards.

Ten (10) respondents have indicated the existence of various sub-committees in their respective institutions as proffered in Table 3 below. CEO 2 proffered that, “The committee members are assigned to committees based on their expertise, experience and competencies”. The sub-committees and their composition differ according to the needs and expectations of the hospital and its stakeholders. According to Board Chair 1, “Each committee is chaired by a board member and then you find that one of the executive staff members may be one of the directors within the hospital who become a member of a sub-committee. So you would find a board member chairing within while another board member sitting in that committee and then an executive member of the hospital”. From this quotation, it can be seen that the executive directors are included in sub-committees to offer technical advice. The inclusion of executive management in board sub-committees was echoed by CEO 4 who said that “The committees include the executive and the non-executive members. So in this case while my directors are not board members they are then incorporated into those committees for example the clinical director is involved in the clinical committee, the operations director is also included in the operations committee, the finance director is also included in the finance committee, but the audit committee has no one in the executive but what they do is they then invite the internal auditor to come and make presentations”.

Table 3. Names of board committees by the institution

<table>
<thead>
<tr>
<th>Name of committees and composition</th>
<th>No. of interviewees who mentioned the same</th>
<th>Central hospital</th>
<th>Region</th>
<th>Number of years as a board member</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operations and human resource</td>
<td>5</td>
<td>UBH MP HRE PARI CHT INGU N S 1-5 More than 5</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Financial and audit</td>
<td>4</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Clinical audit</td>
<td>5</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Risk management</td>
<td>3</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Housing and amenities</td>
<td>1</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Source: Field data (2019).</td>
<td></td>
<td></td>
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<td></td>
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</tbody>
</table>

Table 3 above denotes that UBH and Ingutsheni have operations and human resources, clinical audit as well as financial audit committees. Mpilo has got operations and human resources, clinical, risk management, and financial and audit committees. Harare has operations and human resources, clinical audit, risk management, housing and amenities as well as the finance and audit committees. Parirenyatwa has got the operations and human resources, clinical audit, risk management as well as the financial and audit committees.

Table 4. Rating of board committees mentioned by respondents

<table>
<thead>
<tr>
<th>Word</th>
<th>Count</th>
<th>Weighted percentage (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Clinical audit</td>
<td>22</td>
<td>4.93</td>
</tr>
<tr>
<td>Internal audit</td>
<td>20</td>
<td>4.48</td>
</tr>
<tr>
<td>Finance</td>
<td>20</td>
<td>4.48</td>
</tr>
<tr>
<td>Operations</td>
<td>8</td>
<td>1.79</td>
</tr>
<tr>
<td>Human resources</td>
<td>7</td>
<td>1.57</td>
</tr>
<tr>
<td>Technical</td>
<td>7</td>
<td>1.57</td>
</tr>
<tr>
<td>Fundraising</td>
<td>5</td>
<td>1.35</td>
</tr>
<tr>
<td>Social amenities</td>
<td>3</td>
<td>0.67</td>
</tr>
<tr>
<td>Housing</td>
<td>3</td>
<td>0.67</td>
</tr>
<tr>
<td>Risk management</td>
<td>3</td>
<td>0.67</td>
</tr>
<tr>
<td>Source: Field data (2019).</td>
<td></td>
<td></td>
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</tbody>
</table>

The analysis in Table 4 highlighted 10 sub-committees that exist in different health institutions. Board committees were ranked in accordance with the responses obtained on each committee, hence their importance in hospital management. The membership of board committees is decided by the HMBs in respective institutions. The committees that exist in different hospitals are the clinical audit, internal audit, finance, operations, human resources, technical, fundraising, social amenities, housing, and risk management. They were ranked according to the number of responses obtained under each committee. The committee that was mentioned most frequently is the clinical audit committee (4.93%) whilst the least are the social amenities (0.67%), housing (0.67%), and risk management (0.67%).
4.4. Number of years as a board member

The term of office can be defined as the duration or length of time the person occupies an office as a leader in an organization (Fujianti, 2018). The hospital management board’s terms of office vary according to institutions. Some board members and CEOs have served in hospital boards for longer terms of up to 17 years, whilst others have been with respective institutions for shorter periods of at least one year. It is possible that long tenure can help the CEO to develop a high reputation, thus leading to greater commitment to the company (Fujianti, 2018). However, the term limits onboard service are crucial in keeping boards fresh and effective (Shalev & Prodan, 2018).

Table 5. Duration as a board member and board’s term of office

<table>
<thead>
<tr>
<th>Respondent</th>
<th>Duration as a board member</th>
<th>Board member’s term of office</th>
</tr>
</thead>
<tbody>
<tr>
<td>Board Chair 1</td>
<td>3 years</td>
<td>3 years and renewable</td>
</tr>
<tr>
<td>Board Chair 2</td>
<td>4 years</td>
<td>2 years and renewable</td>
</tr>
<tr>
<td>Board Chair 3</td>
<td>Since July 2018</td>
<td>3 years and renewable</td>
</tr>
<tr>
<td>Board Chair 4</td>
<td>Since 2015</td>
<td>3 years and renewable</td>
</tr>
<tr>
<td>CEO 1</td>
<td>1 year and 6 months</td>
<td>2 years and renewable</td>
</tr>
<tr>
<td>CEO 2</td>
<td>12 years</td>
<td>3 years and renewable</td>
</tr>
<tr>
<td>CEO 3</td>
<td>17 years</td>
<td>3 years and renewable</td>
</tr>
<tr>
<td>CEO 4</td>
<td>3 years</td>
<td>3 years and renewable</td>
</tr>
<tr>
<td>CEO 5</td>
<td>1 year</td>
<td>3 years and renewable</td>
</tr>
<tr>
<td>CEO 6</td>
<td>5 years</td>
<td>No response</td>
</tr>
</tbody>
</table>

Source: Field data (2019).

The analysis in Table 5 above entails that the highest number of years served as a board member is 17 years whilst the least number of years is 10 months (since July 2018). The highest number of responses out of 10 was 6 (60%) who proffered that the board’s term of office is 3 years and renewable, whilst 2 (20%) mentioned 2 years and renewable and only 1 (10%) mentioned the board’s term to be 5 years and renewable. CEO 6, thus 1 (10%) did not respond.

The analysis above indicates in terms of experience, out of the 9 boards members who responded, 7 (77.78%) served in hospital boards for less than 5 years whilst 2 (22.22%) had served in hospital boards for more than 10 years. The board members’ experience as a CEO or a general manager, industry-specific experience, international experience of running similar organizations, and the level of academic achievement have a positive moderating effect on the performance of an organization (Sivakumar, Sahasranamam, & Rose, 2017).

4.5. Alignment of organizational goals with those of its stakeholders

The stakeholders of an organization include all those who are in and affected by the organization and operation of the project group (Levitt, Scott, & Garvin, 2019). The internal stakeholders include financial agents, stockholders, managers, employees, and contractual partners, whilst external stakeholders include all those groups and individuals that can affect or are affected by the accomplishment of the firm’s organizational purpose. The affected groups include project or program partners, government regulators, consumers, affected communities, and interested associations (Freeman, 1984).

Table 6. Alignment of organizational goals with stakeholder expectations by an institution

<table>
<thead>
<tr>
<th>Explain how the board of directors has aligned the goals of the organization with those of its stakeholders, which are namely the government, employees, patients, or clients, donors and partners and suppliers of goods and services and the public</th>
<th>Attributes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Themes emerged on the alignment of organization's goals with those of stakeholders</td>
<td>Central hospital</td>
</tr>
<tr>
<td>No. of interviewees who mentioned the same</td>
<td>UBH</td>
</tr>
<tr>
<td>By carrying out monitoring and evaluation</td>
<td>1</td>
</tr>
<tr>
<td>By having a strategic plan</td>
<td>1</td>
</tr>
<tr>
<td>Aligned with respect to the National Health Strategic plan</td>
<td>1</td>
</tr>
</tbody>
</table>

Source: Field data (2019).

Table 6 above indicates that hospital management boards align their goals in line with the National Health Strategic plan and institutional strategic plans, as highlighted by UBH and Parirenyatwa, respectively. In a bid to meet the expectations of various stakeholders, hospital boards carry out monitoring and evaluation in their respective institutions as highlighted by Ingutsheni central hospital.
5. DISCUSSION

5.1. Determination of the standard functional structure of hospital management boards in central hospitals of Zimbabwe

From the findings presented, it is evident that 11 dimensions emerged with regard to standard functional structures of hospital management boards in central hospitals. These are as follows: 1) Functional hospital management board; 2) Number of board members in hospital management boards; 3) Board committees; 4) Board’s term of office and duration as a board member; 5) Policy to evaluate the performance of the CEO; 6) Frequency of board meetings and setting of agendas; 7) Policy to evaluate the performance of the hospital management board; 8) Board remuneration; 9) Succession planning; 10) Involvement of external or independent non-executive directors; 11) Existence of an internal audit department. Each one of these is discussed in the next subsections, respectively.

5.2. Functional hospital management board

The study results revealed that out of the 6 hospital management boards only 4 have functional hospital management boards. The accountability assessment framework stipulates that accountability is achieved through the existence of such arms as watchdog agencies, hospital boards, civil society organizations, and others. Hospitals with functional boards are Parirenyatwa Group of Hospitals, Harare central hospital, Ingutsheni central hospital, and Mpilo central hospital. UBH and Chitungwiza central hospitals do not have functional hospital management boards since their terms of office expired in October 2017 and July 2018, respectively. The board function as a coach, sensor, diplomat, shock absorber, and conscience, hence the importance of having a functional board to steer the ship towards the achievement of the desired goals of the hospital (Chambers et al., 2020). As can be seen, the absence of a functional board for such a long period of time is undoubtedly an indication of weak governance practice. Hospital management boards are there to offer strategic advice on hospital operations, but without a functional board for such a long time, this reduces the chance for failure to achieve the objectives of both the hospital and the nation. In practice, the hospital boards support management in terms of financial management, monitoring, resource mobilization, stakeholder interfacing, and strategic decision-making (Thiel et al., 2018). The relevant authorities, thus the Ministry of Health and Child Care and Health Service Board should come up with a clear policy on the hospital management board’s functions and term of office.

5.3. Number of board members in hospital management boards

The Health Service Act (Chapter 15:16) provides that a hospital management board should have not more than seven members, that is, including the superintendent or CEO. In terms of good corporate governance, the CEO or any member of the executive should not be a board member but should rather be accountable to the board. The CEO duality is considered highly undesirable since the firm performance is significantly affected by such an arrangement. However, the impact of duality can be moderated by ensuring board independence (Duru, Iyengar, & Zampelli, 2016). The managerialism theory supports the inclusion of executive management in the HMBs, due to the fact that they render technical or expert advice to board members. The finding in this study revealed that the CEOs are also board members suggests that the Act needs to be re-aligned to the good corporate governance practices as highlighted in the Zimbabwe Code on Corporate Governance (2014). If the Act is amended, it means that the seven-hospital board members should comprise independent non-executive professionals in order to foster the independence of the hospital management board in its functions. The presence of internal directors, external chairs, independent board members and ownership concentration has a positive effect on firm performance. CEO duality is not highly recommended since it was discovered to have a negative effect on firm performance (Shahrier, Ho, & Gaur, 2020).

5.4. Board committees

A functional hospital board should have relevant sub-committees accountable to the main board. The board committees make important decisions (Kesner, 1988). The resource dependence theory proffers that relevant skills, knowledge, and expertise enhance organizational capacity to achieve desired goals and objectives. The harnessing of contributions by non-executive directors can be achieved through the delegation of tasks from the main board to sub-committees, hence their establishment is highly recommended to improve corporate governance (Vig & Datta, 2020). The study results revealed that the sub-committees vary according to the vision of each institution. The common sub-committees that are found across most institutions are the clinical audit, finance, fundraising, human resources, internal audit, and risk management. Other sub-committees like social amenities, housing, technical, and operations are formed in line with the institutional vision and targets of each institution. The fusion of external board members and internal directors is quite commendable considering that external directors in sub-committees handle agency issues like compensation and audit, whilst insiders use their acumen on such matters as investment and financial management (Chen & Wu, 2016).

5.5. Board’s term of office and duration as a board member

The study results revealed that there is no clear policy to regulate the operations of hospital management boards, hence the boards’ terms of office vary across the institutions studied. The principal-agent theory stipulates that agents, in this case, board members or management, should be given contracts and performance agreements or targets by the government. The government, which is the principal, relies on the agents to make informed decisions. The term of office ranged from
three to five years and was renewable subject to the Minister’s discretion who can renew for one more term. The results have also revealed that the CEOs have terms of office which are indefinite, for example, CEO 2 and CEO 3 have been in office for 12 and 17 years, respectively. This is in contradiction with the Public Entities Corporate Governance Act (Chapter 10:31) which stipulates that the CEO can only be in office for 10 years, thus 2 terms of 5 years each. Specifying the term of office for board members and senior managers in state-funded health institutions results in the improvement of the organization’s performance (Shalev & Prodan, 2016). This finding also means that there is a need to align the Health Service Act (Chapter 15:16) to some provisions of the Public Entities Corporate Governance Act (Chapter 10:31), which is very comprehensive and in tandem with the good corporate governance best practices. The CEO’s long term of office has a negative impact on the discretionary accruals level, hence the shorter the term of office, the better the results derived from management practices (Dal Magro, Klann, & Mondini, 2018).

5.6. Policy to evaluate the performance of the CEO

The policy to evaluate the performance of a CEO is an important tool to allow for the achievement of the goals of an organization. The stewardship theory states that staff motivation, safeguarding of organizational resources, and achievement of both bold and specific objectives are fundamental to the success of the entity. The effectiveness of the board to monitor the top management including the CEO is decreased in the event that the chairperson of the board of directors is also the CEO (Firth, Fung, & Rui, 2007). Financial performance is the baseline for the overall CEO’s evaluation, thus poor financial performance increases the likelihood of CEO dismissal and reduces the likelihood when financial performance is good (Hubbard, Christensen, & Graffin, 2017). As already understood, the board members are necessary to set long-term strategic plans for an organization whilst the executive management including the CEO streamlines the long-term plans into medium and short-term plans. The Zimbabwe Code on Corporate Governance of 2014, Section 131 (e) propounds that the CEO has the mandate of monitoring and reporting to the board on the performance of the company and its conformance and compliance imperatives to laws, policies, and other regulatory frameworks.

The study results revealed that there is a policy to evaluate the performance of the CEO. The entity’s board has the prerogative to evaluate the CEO, however the stakeholders like investors, society and employees are central to the evaluation process. Generally, it is the board’s prerogative to either hire or fire the CEO (Wiersema & Weber, 2017). The results of the 35 respondents indicated that 25 (71.4%) confirmed the existence of a policy to evaluate the performance of the CEOs, whilst 10 (28.6%) did not know the policy existed. The study findings also indicated that the performance evaluation of the CEOs was done quarterly and annually through board meetings, reports, and performance appraisals conducted by the HSB and Permanent Secretary. From the findings, it appears that the boards are not quite committed to evaluating themselves. This aspect is emphasized by Board Chair 4 who highlighted that “There is no tangible effort for assessing the performance of the CEO and it’s left to the permanent secretary. The bottom line is that there is no tangible process for assessing the CEO and thus a problem”. The CEO performance evaluation is considered an indicator of good corporate governance practice and it actually shows board commitment and effectiveness in carrying out their mandate. However, since the CEO is considered an active board member, this limits the independence and objectivity of the evaluation by the board. The greater the board independence, the higher the quality of accounting information (Abdoli & Royae, 2012). This resonates with the earlier assertion that in a bid to guarantee independence and impartiality in the hospital governance, the CEO should be an ex officio member of the board.

5.7. Frequency of board meetings and setting of agendas

The results have revealed that all the 35 (100%) respondents confirmed that board meetings are conducted on a quarterly basis and the proceedings are guided by prepared agendas. This is quite a positive aspect in that the board should be well acquainted with progress in the institution. The firm should hold at least four board meetings per year in a bid to comply with good governance (Eluyela et al., 2018). The study finding also showed that even though board committees regularly report to the main board on their performance progress is in line with the broader vision of the entity. The higher the percentage of board meetings, the greater the board’s awareness of the organizational activities and monitoring the implementation of strategies (Kamardin & Haron, 2011). The agendas were confirmed to be set by the board chairperson and, in some instances, after consultation with other board members. This practice is in compliance with the Zimbabwe Code on Corporate Governance of 2014, Section 119 (g).

5.8. Policy to evaluate the performance of the hospital management board

The results from the study revealed discordance on the existence of a policy to evaluate the performance of the board. Performance accountability is for health provider and hospital board performance in accordance with the agreed performance indicators. The performance agreements and targets should be aligned to financial allocations, hence the close relationship between financial and performance accountability. Strengths and weaknesses in the performance of the board are scrutinized through board evaluations (Rebeiz, 2016). The 18 (51.4%) expressed that they did not know if a policy to evaluate the performance of the hospital management board existed, whilst 17 (48.6%) confirmed its existence and use. Of the 35, only 2 respondents revealed that the evaluation is done by the HSB and only 1 expressed that it is done by the Ministry of Health and Child Care. The results from 17 respondents who confirmed the existence of
a policy to evaluate the performance of hospital management went further to state that self-evaluations are conducted during regular board quarterly meetings. The board evaluation might be conducted by the board itself being facilitated by external evaluators, internally or externally (Osborne, 2008). The individual director evaluations should be conducted to expose better and immediate performance results, with respect to the BOD competencies (Humphries, 2014). Self-evaluation of the board can be considered an ineffective approach because of its nature of self-reporting. Therefore, it can be concluded that the policy on board evaluation in place requires strengthening and consistent enforcement to bring about objective evaluation results of the board performance. This aspect was stressed by Board Chair 4 who proposed that “There is a great need to develop an operational manual for hospital management boards”. This shows that the reportedly existing policy has limitations and, without a clear policy to evaluate board performance, its effectiveness in carrying out its roles and responsibilities in line with good corporate governance is clearly compromised.

5.9. Board remuneration

From the study findings, it is apparent that different remuneration modalities are applied across the six central hospitals studied. It furthermore emerged from all the 35 (100%) respondents that board members are paid allowances for attending board meetings. The remuneration of state-owned enterprises ought to be reviewed in line with financial performance, hence benefits should be based on the pay-for-performance system (Marimuthu & Kwenda, 2019). The principal-agent theory is of the view that the remuneration of board members should be administered transparently and information should be disclosed pertaining to decision-making. In a bid to buttress the performance-based remuneration for board members, a study was conducted in Malaysia on 118 state-owned enterprises and the results revealed that there is a positive relationship between directors’ remuneration and firm performance, hence directors’ remuneration is considered as an incentive to perform their monitoring task effectively (Marzuki & Shukri, 2020). The allowances are paid per meeting actually attended and to verify such, everyone in attendance is required to sign in the register. The allowance includes the stipulated amount for meeting attendance and reimbursement of travel allowances and fuel. Seven (7) of the respondents indicated that payment is administered as per the institutional set annual fee for board members. This, therefore, translates to a static fee being paid whatever the number of meetings attended. Other respondents indicated the existence of more than one reimbursement modality, that is, a possibility of one getting both per meeting fees or sitting allowances plus travel and other reimbursements like fuel or similar out-of-pocket expenses. This finding reveals a need for the hospitals to develop standard manuals on the operation of hospital management boards which would spell out and standardize the board remuneration.

5.10. Succession planning

Board succession planning is pivotal in ensuring board effectiveness. Civil service reforms are earmarked to achieve the professionalization of government ministries or agencies, hence the importance of succession planning. In other words, succession planning prepares the board to maintain the knowledge and skills it requires even when the term of a board member expires or a board member dies or terminates service. In terms of succession planning, correct people should occupy key positions, hence succession plans ought to guarantee knowledge retention. Generally, when long-serving employees retire, they take along years of experience and institutional knowledge with them (Avalos, 2020). The Zimbabwe Code on Corporate Governance of 2014, Section 56 (b) provides for the establishment of an institutional proper succession plan for its board members. The study results revealed that out of the 35 respondents 22 (62.9%) expressed that they did not know if a policy on succession planning existed in their organizations. The term of office for hospital management boards for UBH and Chitungwiza central hospitals expired in October 2017 and July 2018, respectively, but remain unconstituted. Obviously, this affects the smooth running of institutions due to the vacuum in hospital governance. Furthermore, the CEO for Chitungwiza central hospital was appointed by the President of the Republic of Zimbabwe as the Minister of Health and Child Care in September 2018 but the post remain unfilled for eight months. This means that Chitungwiza central hospital was run without both a substantive CEO and hospital management board during that period. Organizational growth and business sustainability take place in the public sector are based on proper succession planning. However, few organizations have attempted to introduce the concept and practice. In the case of the United Arab Emirates, succession planning strategy, organizational culture, and leadership development opportunities were linked to succession planning in the public sector (Al-Suwaidi, Jabeen, Stachowicz-Stamusch, & Webb, 2020). The finding clearly shows that effective policy on succession planning should be in place and effectively enforced to avoid intermittent governance void in organizations. The void in governance structures has a negative impact on the achievement of a good corporate governance mandate.

5.11. Involvement of external or independent non-executive directors

The external or independent non-executive directors are critical to serving in board and board committees so that effective good corporate governance is achieved and sustained. The principal-agency theory postulates that agents should be endowed with vast information as compared to the principals who rely more on the agents for decision-making. Furthermore, the stakeholder theory posits that the HMBs should involve the interests of different stakeholders in order to integrate and balance various stakeholder interests in relation to the goals and expectations of the organization. The Zimbabwe Code on Corporate Governance of 2014, states that independent non-executive directors are appointed to serve the board and board committees, balance
corporate power, and protect the interest of the organization, minority shareholders, and other stakeholders. The study results revealed that external directors are highly involved in the affairs of their respective health institutions, as reflected by the 33 (94.3%) respondents and 11 (31.4%) who indicated that their involvement is moderate to high. Only 2 (5.7%) respondents revealed some involvement. The independent non-executive directors have been incorporated as an antidote to corruption and poor governance in non-profit organizations, hence increasing the quality of governance and provision of assurance to stakeholders (Nelson, 2017). It is likely that the involvement of external and non-executive directors brings in a good corporate image, expertise, resources because of their possible networking with the external stakeholders. The non-executive directors are custodians of governance processes achieved through bringing independent judgment and reduction in conflict of interest between shareholders and management. They monitor the executive activities and bring independence to the board (Imade, 2019). Thus, external directors enhance the effectiveness of good corporate governance practices.

5.12. Existence of an internal audit department

The internal audit function is an internal control tool aimed at creating robust systems to manage the organization's resources. Financial accountability is concerned with internal control systems, which include budget controls, cash flow management, record keeping, and other systems that ensure transparency in financial management. The internal audit function is designed to ensure compliance with internal control systems. In the public sector, robust internal checks should be instituted in a bid to provide assurance that government funds are utilized for the intended purpose, hence the existence of an internal audit function (Udeh & Nwadiolor, 2016). The study results confirmed the existence of an internal audit department in every institution studied as evidenced by the 32 (91.4%) respondents. The results further indicate the importance of the internal audit function as perceived by the hospital management boards. The sentiments to support the importance of the audit function were echoed by CEO 4 who said, "...but the audit committee has no one in the executive but what they do is that they then invite the internal auditor to come and make presentations". During the conducting of their duties, internal auditors in the public sector lack proper independence, therefore not a very effective tool of the governance system as was revealed in study findings in Accra, Ghana (Ofori & Lu, 2018).

In addition, the results on the existence of sub-committees of the board revealed the existence of a board committee on internal audit. The internal audit committee analyses and makes recommendations on findings from the internal audit. However, the audit function does not prevent fraud, rather it is established to evaluate existing processes and identify any weaknesses that might lead to undetected fraud (Sorunke, 2016). From these findings, it can be argued that one of the main functions of a hospital management board is to manage the organization's resources in an efficient, effective, and responsible manner.

6. CONCLUSION

The standard functional structures for hospital management boards can be identified through various indicators like a functional board, the existence of board sub-committees, policy to evaluate the performance of CEO and the board itself, frequency of board meetings and setting of agendas, succession planning, and alignment of goals with interests of various stakeholders. The study results have revealed that Parirenyatwa Group of Hospitals, Harare central hospital, Mpilo central hospital, and Ingutsheni central hospital have functional hospital management boards. However, UBH and Chitungwiza central hospitals do not have functional boards and the terms of office expired in October 2017 and July 2018, respectively. Furthermore, Chitungwiza central hospital did not have a substantive CEO for eight months. This scenario of having some non-functional boards and no substantive chief executive officer for such a long time clearly indicates limited good corporate governance practice.

All central hospitals studied do not have the policy to evaluate the performance of either the CEO or the board itself. Without policy on monitoring and evaluation of the top management of public hospitals, it is difficult to enforce performance management in the central hospitals. The study results revealed that most central hospitals are having self-evaluations quarterly.

In terms of strategic planning, hospital management boards strive to attain the set vision and goals through the alignment of goals to the interests of stakeholders. Furthermore, the business and corporate strategies are formulated and implemented based on the national goals like the “Zimbabwe is open for business mantra and Vision 2030”. All strategic plans are set towards achieving the national goals as demonstrated by Parirenyatwa Group of Hospitals and Mpilo central hospital who developed the 2018–2020 and 2019–2023 plans, respectively. The crafting of strategic plans by hospital management boards indicates board commitment and determination for the success of their respective institutions.

The study was targeted at both executive and non-executive board members, hence certain limitations were encountered during the process. Financial resources were required for transport and accommodation, time constraints due to the board members' tight schedules. The study results have implications on the healthcare governance policy and practice, for instance, the ultimate influence on the development of a standard hospital board operational manual and amendments to the relevant statutes. Furthermore, this paper acts as a springboard for future research in that the highlighted standard functional structures have to be independently explored further, in a bid to determine the effectiveness of good governance and healthcare service provision.

The evaluation of the CEO performance, in the context of healthcare governance in public hospitals in developing countries is further recommended for future research.

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Recommendations for the study:
- The HSB should develop an operational manual to formalize the performance indicators for all hospital management boards in Zimbabwe.
- Standard monitoring and evaluation policy for all hospital management boards should be developed.
- Succession planning policy should be developed and implemented in respect of both hospital management board members and the CEOs.
- The CEO should be an ex officio board member and this will mean all the seven board members become non-executive.
- The CEO’s contract and performance agreement should be approved and be accountable to the hospital management board.

REFERENCES


