

LEADERSHIP AND REFORM IN TRANSITIONING HEALTH SYSTEMS: CHALLENGES AND IMPERATIVES IN AUSTRALIA, NEW ZEALAND, AND BEYOND

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In recent years, the landscape of global healthcare has been evolving at a rapid pace, driven by technological advancements, demographic shifts, and changing societal needs. Countries around the world are grappling with similar challenges and trying to navigate the complexities of providing equitable, efficient, and high-quality healthcare to their populations.

Australia's and New Zealand's health systems are some of the best in the world, providing safe and affordable health care for all.

The state of health in Australia post its Federal election is marked by significant changes and challenges. The re-appointment of Mark Butler as Federal Health Minister following the re-election of the Government, must now see the government match its election commitments to actions.

In Australia healthcare reform (mainly in the primary care space) was a central topic pre-election; it was at the recent Digital Health Festival, and many other meetings and conferences. But reform of the significant variety seems to have taken a back seat. Many reform directions are seen to be unpalatable.

There also remain significant challenges facing private hospitals in Australia with funding shortfalls and with several hospitals closing or earmarked for imminent closure.

The chronic underpayment for patient care by health insurers has led to a funding crisis with the Federal Government setting up a new national forum to address these issues. But can it bring in the changes?

In the USA private hospitals are facing significant financial headwinds, including rising costs, limited funding, and inefficiencies. The American Hospital Association (AHA) highlights the financial burden of heightened expenses, workforce shortages, and underpayments from Medicare and Medicaid.

In New Zealand major leadership and structural changes are underway along with severe budget and management constraints. Huge change is happening there.

What is clear is that everywhere there is a need for even more capable leaders and managers for navigating these stormy seas. However, what we don't need right now is a battle royale between clinicians (mostly the medical doctors) and the administrative leaders (most managers, but many who are clinician-managers).

I address this critical issue in an article which appeared in *The Australian* national press in May 2025 (see below for a full text paper).

Serious and significant reform is necessary. Yes we all get fatigued from it. But as the world changes so must we adapt and change (and that's what reform is). Are we up to the challenge? Are we ready to cooperate and collaborate to bring an even better health and social care system to wherever we may be living and working.

ACHSM is a major vehicle to equip us all of with the necessary leadership skills, education and support our health systems so desperately needed. Get on board!

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Leadership Under Pressure: Now Is the Time to Rebuild Trust in Public Health Care

By Dr Neale Fong, President, Australasian College of Health Service Management (ACHSM)

Recent media coverage, including *The Australian's* "Life Support" series, paints a confronting and sobering picture of the state of Australia's public health system. The stories of clinicians under duress, of whistleblowers silenced, and of an escalating culture of fear demand our full attention—and more importantly, our collective action.

Let's be clear: the frustrations and concerns voiced by doctors, nurses and clinical leaders are not new. Nor are they misplaced. But the depiction of public health leadership as bureaucratically indifferent, adversarial or even punitive is only half the story—and it risks deepening the very divide we all need to bridge if we are to secure the future of quality public care.

Clinicians and Managers: Not Opposing Forces, but a Fractured Team

There is no public hospital in Australia that runs without the dedication of both its clinical staff and its administrative leaders. Yes, tensions exist. The system is under unsustainable pressure from chronic underfunding, rising complexity, and workforce shortages.

But characterising this as a simple clash between "frontline truth-tellers" and "detached administrators" does a disservice to the many health executives who are themselves fighting for improved patient outcomes, better working conditions, safer staffing, and system-level reform.

We cannot afford a narrative that pits doctors against leaders. That's not just unhelpful—it's harmful. And it is way too simplistic to label healthcare managers as being opposed to high quality health care for the sake of bringing in a budget, or for doctors as the "white knights" "out there being the only ones saving the crippled hospital systems".

For years now many of us who are both doctors and managers have been attempting to say farewell to the expression that administrators and managers belong to the "dark side". As if doctors and clinicians are the only ones concerned with patient welfare and good outcomes.

Over 50% of our members are from clinical backgrounds (doctors, allied health workers and nurses), with around 300 members who are actually doctors. Many of whom are full-time in leadership roles; others who combine their ongoing clinical work with managerial roles.

Doctors and health leaders are not enemies—they are co-pilots trying to land the same storm-battered plane.

ACHSM's Commitment: A Safer, Stronger Leadership Culture

As the national peak body for health service leaders, the Australasian College of Health Service Management is actively working with our members, our partners and our clinical colleagues to:

- Champion leadership models that are collaborative, clinician-informed and values-led.
- Provide ongoing professional development that strengthens ethical decision-making, communication and organisational integrity and competency.
- Support reforms in clinical and corporate governance that prioritise patient safety and workforce wellbeing over political performance targets.
- Foster safe mechanisms for staff to speak out without fear of retribution—and for leaders to listen and act with accountability in an environment of psychological safety.

A Broken System Needs Structural Renewal, Not Personal Blame

As highlighted in the articles, the issues we face are structural, cultural and national. There are indeed instances of misused governance processes, poor communication, and retaliation against those who speak up. These are unacceptable, and ACHSM supports protections for all health workers who raise legitimate concerns.

But this is not a failing of individuals. It is a consequence of systems that have become increasingly reactive, politically constrained, and disconnected from long-term clinical outcomes. What is needed now is not more finger-pointing—but systemic reform grounded in partnership, transparency and mutual respect.

We acknowledge the pain, burnout and moral injury described in these reports. But we also know that leadership—when it is courageous, inclusive and future-focused—is a critical part of the solution.

Our Call: Rebuilding Trust, Together

This is not the moment to entrench conflict. It's the moment to rebuild trust.

That trust will not be restored by slogans or sweeping condemnations—but by real conversations, shared decision-making and a recommitment to the values that bring people into healthcare in the first place: compassion, integrity, and public service.

We at ACHSM stand ready to lead that change—alongside every clinician, patient, administrator, politician and policymaker who shares the belief that Australia's public health system is worth fighting for.