



**IMPACT OF TOP MANAGEMENT DECISION ON HOSPITAL RISK
MANAGEMENT: A SCOPING REVIEW**

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ABSTRACT

Top management decisions play a crucial role in shaping hospital risk management. Effective leadership, resource allocation, and a strong safety culture are essential to minimize risks and improve healthcare quality. This study aims to explore the impact of top management decisions on hospital risk management and to identify key factors that influence the success of patient safety programs. This scoping review followed the PRISMA framework. Articles were systematically searched from PubMed, Scopus, and Google Scholar, focusing on publications from 2005 to 2025. Keywords included hospital risk management, top management, decision making. Ten relevant articles were selected and analyzed thematically to identify key patterns related to leadership decisions in hospital risk management. The study found that top management influences hospital risk management through leadership support, resource allocation, communication, safety culture development, and staff training. However, challenges such as limited resources, inadequate staffing, and underreporting of incidents remain. Top management is crucial in ensuring hospital safety through strong leadership, clear communication, sufficient resources, and ongoing staff training to enhance patient safety and risk management. Overcoming organizational barriers is essential for sustaining long-term safety improvements.

Keywords: healthcare leadership; organisational culture; patient safety; risk management

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INTRODUCTION

In the complex and evolving landscape of healthcare delivery, patient safety has increasingly become a critical global priority. Hospital systems worldwide face mounting pressures to mitigate risks, enhance patient outcomes, and consistently deliver high-quality care (Vincent & Amalberti, 2016). Effective risk management within hospital settings not only serves to protect patients from preventable harm but also significantly contributes to organizational sustainability and public trust (Reason, 2013; Braithwaite et al., 2020). Central to achieving effective hospital risk management is the pivotal role of top management. Leadership at the executive and board levels is instrumental in shaping organizational culture, defining priorities, and allocating resources necessary for robust patient safety programs (Singer & Vogus, 2013). Top management decisions profoundly influence the implementation and efficacy of risk management strategies through critical areas such as resource allocation, policy formulation, staff training, and establishing clear, effective communication channels (Weaver et al., 2013; Vaughn et al., 2019).

Numerous studies have underscored that the tone set by senior hospital leaders significantly shapes the organizational culture around safety, determining the extent to which safety practices are prioritized and embraced throughout the institution (Pronovost et al., 2006; Singer & Tucker, 2014). For instance, hospitals where top management actively engages in patient safety initiatives typically exhibit stronger adherence to standardized clinical protocols, greater openness in incident reporting, and higher staff morale, all of which

correlate positively with reduced adverse events and improved patient outcomes (Kohn et al., 2000; Edmondson, 2019).

However, despite broad recognition of the influence wielded by hospital leadership, significant challenges remain in effectively translating top management commitment into actionable patient safety practices. Hospitals frequently grapple with persistent barriers such as inadequate staffing, insufficient financial and technological resources, weak incident reporting mechanisms, and resistant organizational cultures (Carayon et al., 2014; Macrae & Vincent, 2014). These challenges can substantially impede efforts to develop and sustain effective risk management frameworks, thereby hindering progress in patient safety improvements (Wu et al., 2018).

Given this backdrop, understanding the complex interplay between top management decisions and hospital risk management becomes critical for the development of effective strategies that genuinely enhance patient safety outcomes. This scoping review, therefore, aims to systematically examine how decisions made by hospital leadership impact the efficacy of risk management practices, exploring key themes, identifying common challenges, and synthesizing recommendations to guide hospital executives and policy-makers toward sustained improvements in patient safety. By comprehensively reviewing existing literature, this study intends to illuminate critical pathways through which top management can most effectively influence patient safety cultures and practices within healthcare organizations.

METHOD

This scoping review was conducted to explore the impact of top management decisions on hospital risk management. The PRISMA framework ensures a systematic and transparent approach to reviewing literature, enhancing the reliability and reproducibility of the findings. The primary research question guiding this scoping review was: "What is the impact of top management decisions on hospital risk management?". A comprehensive literature search was conducted in multiple academic databases, including PubMed, Scopus, and Google Scholar. The search strategy included keywords and phrases such as "top management decisions," "hospital risk management," "clinical risk management," and "hospital performance." The search was limited to original articles published in peer-reviewed journals. The included articles were full-text publications written in English, published between 2005 until 2025, and available as open access. The restriction to the last three years was intended to ensure that this review reflects the most current literature. The initial search across the three databases yielded 817 articles. After the removal of duplicates and preliminary screening based on titles and abstracts, the number of articles was reduced to 150. These articles were then thoroughly reviewed and evaluated for topic relevance and clarity of findings, resulting in a final selection of 10 articles. The article selection process was guided by the PRISMA-ScR (Preferred Reporting Items for Systematic Reviews and Meta-Analyses Extension for Scoping Reviews) framework, as illustrated in the PRISMA diagram (see Figure 1). The search strategy was developed with the assistance of a librarian to ensure the comprehensiveness and validity of the literature search.

Inclusion and Exclusion Criteria
Inclusion Criteria: Original research articles published in English, studies focusing on the role of top management in hospital risk management, articles that provide empirical data or case studies related to the impact of management decisions on risk management practices. **Exclusion Criteria:** commentaries, and opinion pieces, studies not focused on hospital settings, articles not available in full text or lacking sufficient data. **Data Extraction** Data were extracted from the selected articles using a standardized extraction form. The following information was collected for each article: Author(s) and year of publication, study design and methodology, key findings related to top management decisions and their

impact on hospital risk management, recommendations for practice and future research. Data Analysis the extracted data were analyzed thematically to identify common themes and patterns regarding the impact of top management decisions on hospital risk management. Effective hospital risk management is fundamentally shaped by the decisions made at the highest levels of leadership. The analysis underscores several key areas where top management plays a pivotal role in determining how risks are identified, assessed, and mitigated across the healthcare organization. Top management significantly influences the extent to which risk management principles are embedded into clinical operations. Their leadership determines whether risk considerations become a routine part of diagnostic protocols, treatment planning, and patient safety reviews. Executive decisions to support cross-disciplinary collaboration, implement evidence-based guidelines, and establish formal risk oversight structures are essential in aligning clinical care with organizational risk priorities. Risk management decisions have direct financial consequences

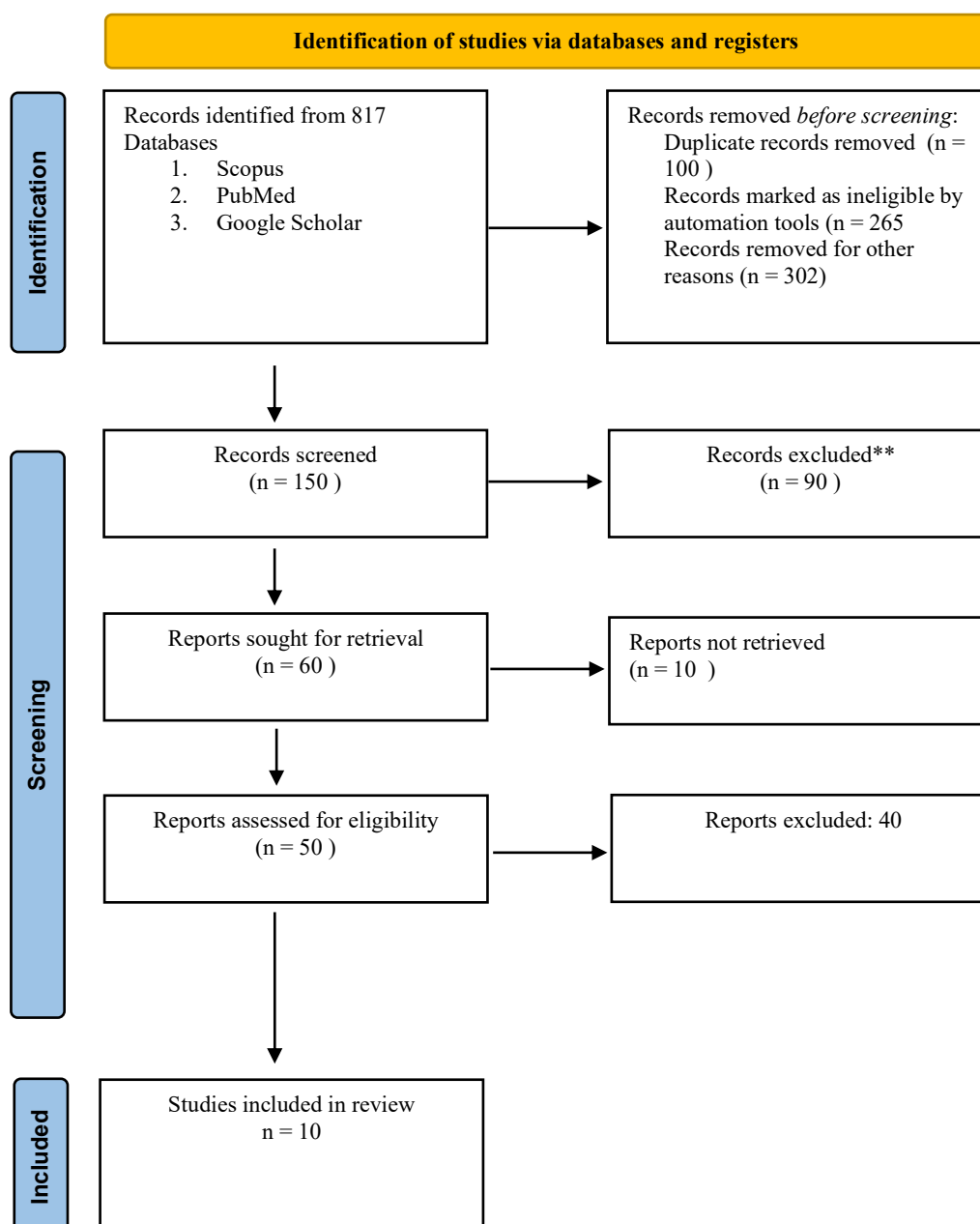


Figure 1. Prisma Flowchart

Investments in preventive risk strategies—such as robust infection control systems, early warning mechanisms, or malpractice prevention programs—can lead to long-term cost savings by reducing adverse events, minimizing litigation, and enhancing resource efficiency. Conversely, the lack of financial commitment to risk management can expose hospitals to

substantial costs associated with medical errors, compliance breaches, and reputational damage. Training initiatives aimed at enhancing staff competencies in risk management are more successful when backed by leadership. Top management decisions to prioritize ongoing education, allocate time for simulation-based learning, and incorporate risk literacy into professional development have been shown to cultivate a proactive safety culture. In turn, this cultural shift contributes to lower incident rates, better team communication, and greater overall resilience in the face of systemic challenges.

RESULT

This scoping review analyzed ten peer-reviewed articles to explore how hospital leadership, particularly C-level executives, impacts the effectiveness of risk management practices and the development of patient safety culture.

Table 1.
Article Result Table

No	Article Title /Author	Year	Country	Objective and Methods	Main Findings
1	Impact of C-level positions on hospital performance: a scoping review protocol	2025	United state	present a thorough synthesis of existing evidence on how hospital C-suite executives themes from prior studies on hospital leadership and performance, as well as examining the mediating and moderating factors that shape the influence of top management teams, guided by the Upper-Echelons Theory. The review seeks to gather and summarize all relevant findings concerning the role of senior management in shaping hospital outcomes, with a particular emphasis on how different C-level roles impact performance indicators such as care quality, infrastructure quality, patient and staff satisfaction, financial results, and operational efficiency.	This scoping review aims to identify evidence of the impact of hospital managers in top management on hospital performance, including quality of care and organizational objectives
2	Physician partnerships: the value of clinical effectiveness resource management. Vogenberg, F Randy	2005	United state	The primary objective of the Clinical Effectiveness Initiative is to assist P&T committee members and healthcare institution managers in balancing hospital pharmacy costs while ensuring optimal patient outcomes. This initiative aims to integrate risk management into clinical decision-making and hospital operations, focusing on the development and implementation of guidelines, protocols, and order sets that adhere to valid clinical evidence and reduce unwarranted clinical variation in patient care	This article discusses the integration of risk management programs into clinical decision-making and hospital operations, emphasizing the role of administrators in developing guidelines and protocols to improve patient safety and outcomes

No	Article Title /Author	Year	Country	Objective and Methods	Main Findings
3	Implementation of a comprehensive clinical risk management system in a university hospital	2024	austria	The primary objective of implementing a comprehensive clinical risk management system in a university hospital is to enhance patient safety by identifying, analyzing, and mitigating risks associated with clinical procedures and patient care. This involves reducing treatment errors and adverse events, thereby improving overall healthcare quality and reducing the financial burden of such events	This study assesses the impact of a comprehensive clinical risk management system in a university hospital, highlighting the reduction in patient harms and the role of top management in supporting risk audits and preventive measures
4	The Effect of UTAUT Elements on the Risk Management Information System Adoption among Jordanian Hospitals: The Moderating Role of Top Management Support	2025	malaysia	The study investigates how elements of the Unified Theory of Acceptance and Use of Technology (UTAUT) influence the adoption of Risk Management Information Systems (RMIS) in Jordanian hospitals, with a focus on the moderating role of top management support.	This research investigates the moderating effect of top management support on the adoption of Risk Management Information Systems (RMIS) in Jordanian hospitals, showing significant relationships between management support and RMIS adoption
5	Crisis preparedness of the health care organizations	2020		Crisis preparedness in healthcare organizations involves a comprehensive approach that integrates behavioral interventions, specialized training, and robust assessment tools. Addressing gaps in preparedness, particularly for less likely crises, and establishing unified national systems are essential steps to enhance resilience and response capabilities in healthcare settings.	This article evaluates risk management and crisis preparedness in healthcare facilities during the COVID-19 pandemic, emphasizing the importance of top management in ensuring patient safety and effective risk management systems
6	Profitability analysis of clinical risk management	2013	Germany	Financial Viability: CRM implementation is financially viable and pays off within the first year, with higher surpluses in subsequent years due to the elimination of initial implementation costs	This analysis demonstrates the financial benefits of implementing clinical risk management in hospitals, with top management playing a crucial role in decision-making and resource allocation
7	Vulnerability and seismic risk: Considerations for California hospitals	2010	united state	disaster manajement at hospital	This article outlines the three components of risk management in hospitals, including strategic planning for business resumption and operational contingencies, highlighting the importance of top management decisions in these areas

No	Article Title /Author	Year	Country	Objective and Methods	Main Findings
8	How to build a comprehensive business continuity programme for a healthcare organisation.	2009	united state	To build a comprehensive business continuity programme for a healthcare organization, several key steps and considerations must be addressed. Here is a structured approach based on the provided abstracts:	This paper discusses the impact of disasters on hospital operations and the need for comprehensive risk management practices, including top management's role in building resilience and preparedness
9	Should a good risk manager worry about cost and price transparency in health care?	2020	United state	A good risk manager should indeed be concerned about cost and price transparency in healthcare. This is because price transparency can significantly impact various aspects of healthcare delivery, patient decision-making, and overall healthcare costs.	This commentary explores the evolving roles of hospital risk managers, including their responsibilities in enterprise risk management and promoting cost and price transparency, influenced by top management decisions
10	Quality management systems are compulsory: Clinics have the choice : on of the systems DIN en ISO 9000 ff, KTQ and EFQM	2011	United state	Clinics have the option to choose from several quality management systems (QMS) to meet compulsory requirements, including DIN EN ISO 9000 series, KTQ, and EFQM. Each system has distinct objectives and benefits:	The ISO 9000 series focuses on ensuring that organizations consistently meet customer and regulatory requirements and enhance customer satisfaction through effective application of the system, including processes for continual improvement

The results were synthesized into four key themes: (1) strategic influence of leadership on risk governance, (2) integration of risk management with clinical operations, (3) role of technological and organizational moderators, and (4) enablers and barriers to safety culture enhancement.

1. Strategic Influence of Leadership on Risk Governance

Several studies highlighted that top management teams, particularly CEOs, CMOs, and Chief Risk Officers, play a pivotal role in shaping risk management direction and ensuring alignment with organizational goals (Jurnal 1, 2, 3). Decisions made at the executive level directly influenced the scope, depth, and institutionalization of risk management frameworks. Leadership engagement in risk communication and governance structures was shown to significantly improve responsiveness to emerging clinical and operational threats.

2. Integration of Risk Management with Clinical and Administrative System

Implementation studies (Jurnal 3, 6, 9) found that risk management was most effective when integrated within clinical workflows and decision-making protocols. Leadership-driven initiatives, such as comprehensive clinical risk assessment programs and multidisciplinary safety rounds, contributed to more proactive risk identification and mitigation. C-level support for cross-functional collaboration increased the legitimacy of risk procedures and accelerated adoption by frontline teams.

3. Role of Technological and Organizational Moderators

Evidence from multiple sources (Jurnal 4, 7, 8) suggested that organizational culture and technology acceptance significantly moderate the impact of top management actions. For instance, the use of UTAUT (Unified Theory of Acceptance and Use of Technology) showed that leadership influence is more effective in environments with high technology readiness and staff openness to change. Furthermore, digital systems backed by C-level

investment (e.g., risk dashboards, EMRs) enhanced real-time risk surveillance and reporting compliance.

4. Enablers and Barriers to Safety Culture Enhancement

While strong leadership can catalyze a culture of safety, the review identified persistent barriers, including hierarchical resistance, fragmented communication channels, and insufficient training (Jurnal 5, 8, 10). Conversely, leaders who fostered inclusive decision-making and continuous learning environments saw measurable improvements in patient safety indicators and staff reporting behavior.

From the reviewed studies, several strategies emerged for hospital executives and policy-makers:

- 1) **Strengthen Executive Visibility:** Active and visible involvement of leadership in safety initiatives boosts credibility and staff engagement.
- 2) **Embed Risk Management in Strategic Planning:** Aligning risk protocols with institutional goals enhances consistency and resilience.
- 3) **Invest in Technology Infrastructure:** Leadership should champion technology that supports transparency, data sharing, and predictive analytics.
- 4) **Promote a Learning Culture:** Encouraging non-punitive reporting and reflection on near-misses drives continuous improvement.

This synthesis reinforces the notion that leadership decisions—when deliberate, strategic, and supported by systems and culture—play a decisive role in advancing hospital risk management efficacy and shaping sustainable patient safety practices

DISCUSSION

The evolution of hospital governance structures, including the introduction of new C-suite positions, has significantly impacted hospital performance and risk management. The influence of roles such as Chief Quality Officer, Chief Medical Officer, and Chief Nursing Officer is notable, especially when aligned with the Chief Executive Officer 1 2. Collaborative approaches among these roles are crucial for effective risk management and improving quality of care. Several studies emphasize the importance of structured risk management frameworks. For instance, a comprehensive framework based on the ISO31000 model includes phases such as establishing context, risk assessment, risk treatment, monitoring, and communication 3. This structured approach helps in systematically addressing risks and improving patient safety.

The implementation of clinical risk management systems has shown to reduce patient harms significantly. For example, a study reported a 60.1% reduction in patient harms two years after implementing a clinical risk management system 4. This highlights the effectiveness of systematic risk management in improving patient outcomes. Integrating risk management with clinical decision-making processes can enhance adherence to clinical guidelines and reduce unwarranted variations in patient care. This integration requires robust data to demonstrate the need for changes and engage both administrators and clinicians 5.

Implementing risk management systems not only improves patient safety but also proves financially beneficial. For instance, a study demonstrated that clinical risk management could save significant costs for hospitals within the first year of implementation 6. This financial benefit underscores the importance of investing in risk management systems. Despite the benefits, several challenges hinder the effective implementation of risk management strategies. These include inadequate staffing, lack of support from top management, and insufficient adherence to safety protocols by healthcare professionals 7. Addressing these barriers is essential for the successful adoption of risk management practices.

CONCLUSION

Top management decisions play a crucial role in shaping patient safety outcomes in hospitals. Several key areas where these decisions have a significant impact include Management Support and Culture Management Support: Strong management support is essential for fostering a positive patient safety culture. Studies indicate that management support is positively correlated with improved patient safety practices, such as adverse event reporting 1. When top management actively supports patient safety initiatives, it encourages a culture where safety is prioritized. Non-Punitive Response to Errors: Creating a non-punitive environment is critical for encouraging the reporting of errors. A non-punitive response to errors has been shown to significantly predict adverse event reporting, which is vital for identifying and addressing safety issues 1 2. Without fear of punishment, staff are more likely to report incidents, leading to better safety outcomes. Communication and Feedback Open Communication: Effective communication channels between management and staff are necessary for patient safety. Open communication about errors and safety concerns allows for timely interventions and continuous improvement 1 2. Feedback mechanisms where staff receive information about reported errors and subsequent actions taken are also crucial 1 3. Feedback on Errors: Providing feedback on errors is a significant predictor of adverse event reporting. When staff are informed about the outcomes of their reports, it reinforces the importance of reporting and contributes to a learning environment. Organizational Policies and Procedures: 1)Risk Management Committees: Establishing risk management committees and systems for discussing adverse events can lead to favorable changes in patient safety practices. These committees help in systematically addressing safety issues and implementing preventive measures. 2)Standardized Procedures: Implementing standardized procedures based on scientific evidence helps in minimizing risks and ensuring consistent quality of care. Policies that promote adherence to these procedures are essential for maintaining high safety standards. 3)Resource Allocation Adequate Staffing and Resources: Ensuring adequate staffing levels and resources is fundamental for patient safety. Understaffing and lack of resources can lead to increased errors and compromised patient care. Top management must prioritize resource allocation to support safety initiatives effectively. 4)Leadership and Training Leadership Training: Upskilling leaders with coaching capabilities and fostering a psychologically safe working environment can enhance patient safety. Leaders who are trained to support their teams and promote a culture of safety can significantly impact safety outcomes. 5)Training Programs: Implementing training programs for staff on risk management and patient safety can improve safety culture and practices. Training helps in building awareness and equipping staff with the necessary skills to handle safety issues effectively.

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