

**Organizational Transformation
For
Hospital Support Services Provider**

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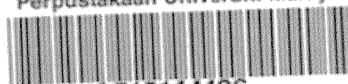
Bachelor of Science (Hons) in Mathematics

**University of Malaya
Kuala Lumpur
Malaysia
1991**

**Submitted to the faculty of Business and Accountancy,
University of Malaya, in partial fulfilment
of the requirements for the Degree of
Master of Business Administration**

August 1998

Perpustakaan Universiti Malaya



A510144426

Dimikrofiskan pada..... 19.01.02.
No. Mikrofis..... 15218
Jumlah Mikrofis..... 2

HAMSI AH BT. MOHAMAD ZAHARI
UNIT REPROGRAFI
PERPUSTAKAAN UTAMA
UNIVERSITI MALAYA

UPR

ACKNOWLEDGEMENT

I would like to acknowledge here that in successfully coming up with this project paper, I owe my heartfelt gratitude to my supervisor, Dr. Abdul Latiff, without whom this achievement would have been impossible. He had gone the extra mile to equip me with the best. I also appreciate him being available, regardless of the days or hours and for being very patient and accommodating.

I also take this opportunity to thank Prof. Dr.G. Sivalingam and Dr. Lang for providing constructive feedback to improve this project paper, not forgetting every other Professor, Associate Professor, Dr. and every lecturer who has impartially imparted invaluable knowledge to me throughout the MBA course.

A million thanks also to the management of HSSP for granting me the permission to use HSSP as the subject matter and being very co-operative in furnishing me with the required information.

My special appreciation also goes to En.Azman Shah Dato' Aziz, for his kind assistance, co-operation and concern over this challenging undertaking.

In my pursuance for higher education, no one could have sacrificed more than my dearest mother and father. This is a dedication for their love and sacrifice for me. Thanks also to my sister and brothers.

Last but not least, I am truly grateful to all of my friends and colleagues who have inspired, motivated and guided me in one way or another.

PRAISES AND THANKS ALSO TO THE ALMIGHTY FOR HIS BLESSINGS.

EXECUTIVE SUMMARY

Malaysia aims at becoming a fully developed nation by the year 2020 and to fulfill this vision, it had not counted out the hospital industry . In fact, one of the moves undertaken to realize this vision in this sector is contracting of all support services in government hospitals to private organizations.

This study investigates the organizational climate of an organization named here as Hospital Support Services Provider (HSSP), which has undertaken this privatization project. Its purpose is to identify the human related issues which inhibit HSSP from being at par with its customers' expectation.

The ultimate objective would be to provide the management of HSSP with the necessary recommendations with regards to the transformation. This was done in two phases. The first phase was where a climate survey was conducted by means of questionnaires and interviews across the board. Upon identification of the weak factors, second phase commenced whereby the weak areas were probed into, to identify the actual root cause of these problems. This was done using 360 Degree Feedback techniques and cause and effect diagrams.

The information gathered were analyzed using the SPSS techniques, comparative studies and some QCC techniques and simple logical analysis. The findings obtained were not analyzed in isolation but consolidated with the findings from various sources like surveys and interviews conducted during the first and second phases.

On the overall, the areas of high concern were Employees' Perception of their Own Job, Management Styles, Communication, and Company Mission . The second phase revealed that there's the issue of high bureaucracy and politics within the top management. Besides, it was found that the second level heads

and managers though technically inclined and have sound knowledge of the operations, they lack basic managerial and supervisory competencies. All these have contributed to breakdown in communication.

It was also observed that there was no proper rewards system, and review methods were absent which caused a lot of back logs and non conformance to the quality systems and procedures which are already in place, which gave rise to a lot of work stress and dissatisfaction among the employees.

On top of this, the customer (hospital staffs) were of the impression that it was a mistake to have contracted the job out to HSSP as its response towards their expectations or requests is equivalent to a “public organization”. This all the more suggests a drastic and wholistic approach to put the issues in HSSP to rest.

Several recommendations were made to this organization. They were centered around Strategy, System and Structure. Strategy which has been proven succesfull to many other coveted organizations such as General Electric and Microsoft, have been recommended. Reward systems which embraces Herzberg's theory is one of the many other suggestions given to motivate the employees. To make HSSP's management and employees more responsive and efficient, a lean Ameoba like structure was proposed.

On top of these, basics such as training on paradigm shift and management development were recommended besides QCC concepts. And finally, though found very difficult to digest, elimination of deadwood from the organization was also highly recommended, be it the employees or the management.

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