# Organizational Transformation

## For

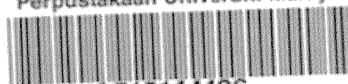## Hospital Support Services Provider

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# 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.

# TABLE OF CONTENTS

**Chapter**                                                          **Page**

# LIST OF TABLES

# LIST OF FIGURES

# LIST OF APPENDICES