

CHAPTER VII

MONITORING PROGRESS

Despite their best efforts in initiating and implementing organizational transformation, many companies find that after a few years, the new implementations and strategies die a natural death. In other words, the organization fail to sustain the transformation.

A major contributor to this failure is the inability of the management to identify relevant performance measures . Many organizations allow financial targets to dominate its objectives and thus had calibrated its performance in terms of growth, profitability and ROI (Return On Investment). What is missing is an equally compelling way of tracking progress toward attaining the organization's new culture. Dimensions such as quality, innovation and corporate responsibility are often left out. Unavoidably, the "hard" drives out the "soft" and commitment to desired values and actions dissipates (Bartlett and Goshal, 1994).

To ensure that it doesn't fall prey to this, HSSP should embark on two aspects. Firstly it should identify the relevant criteria or performance measures for both the hard and soft aspects of an organization. Some of them are as depicted in Figure 7-1.

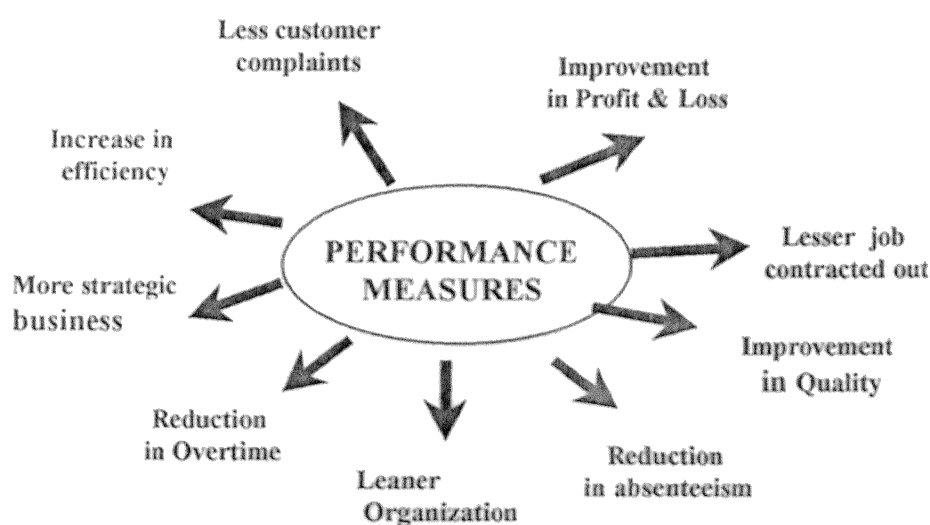
Secondly, it should establish a full proof review method and a consistent follow up. To ensure this, it needs to find ways to quantify the performance measures which have been identified and the tools that could be used to monitor them. In the case of hard items such as profitability, ROI, quality (customer complaints) and efficiency, they are easily measurable and thus a graphical and tabular forms could be used .

However, in the case of soft items such as innovations and job satisfaction, independent variables (Zikmund, 1997) could be identified . For example, a measure of innovation would be the number of ideas received while absenteeism is a very good measure of job satisfaction. These independent variables could then be tracked graphically.

Tracking these measures alone is not sufficient. It is also important to give these measures an equal status in determining strategy, promotions, bonuses and other rewards (Eccles, 1991).

Having the proper measurement tool without anyone scrutinizing it would also hinder good results. Hence the respective managers and department heads should schedule meetings just to review these indices and take necessary actions where possible. The top management's role would also be very essential here. They should schedule themselves either quarterly or half yearly to take time to review and reward (or otherwise) to show their commitment to the organizational transformation.

Figure 7-1 : Performance Measures



CHAPTER VIII

CONCLUSION

This study was conducted on a Hospital Support Services Provider which undertook the support services of government hospitals. It comprises of two stages. The first stage aimed to identify the organizational factors which were perceived as weak by this organization's employees who are mostly ex – government staffs. The second stage was to determine the human related issues which contribute to the weak organizational factors.

Among eleven factors which were surveyed, company mission and vision , management style, communication and perception of own job were ranked the lowest. The issues which were identified as the contributors to the problems could be categorized as purpose, people and process. It was found that the purpose of HSSP's existence or rather the company vision was unclear and not clearly disseminated to the staffs. As far as people are concern, they were found to be far from competent for their respective jobs and the management was found to have drawn a curtain between them and the employees. Improper communication process was another factor found to be a hindrance to the company's better performance.

The recommendations given were of a practical nature and suggested after taking into consideration HSSP's ability to practice it. All of these recommendations may not be taken up by the top management themselves. it would probably be more beneficial and appropriate if HSSP's branch managers and regional managers were entrusted to carry them out in their respective branches. However, they should not only be given the responsibility but also the authority to get the recommendations implemented without much interference from the top management.

The branch managers in turn should make an effort to encourage cross functional teams to take up action items pertaining to the recommendations. However, prior to doing so, the branch managers have to ensure that the items delegated to the teams are within the teams' scope and capability.

In summary, the key factors for success in coping with discontinuous, transformational change will depend on the development of a clear vision that is understood across the board, highly motivated, satisfied and well trained and empowered staff and flexible structure and processes.