

The Effectiveness of Implementing 3, 5, 7, Rotations on Healthcare Organizations: A Case Study for Change Management

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Abstract

In year 2008, the Human Resources Management in the World Bank made a special effort to supplement the normal market-driven competitive process with a more corporate to deploying expertise, known as “3, 5, 7,” rotations. By doing so, the Bank places a high premium on staff mobility and the expertise that technical staffs in operations gain by working in different departments and/or regions. This unique and unprecedented policy is considered to be of great value, in increasing the productivity of the employees in all aspects. The primary objectives of such policy are to bolster and more strategically deploy skills and expertise, enhance cross-department knowledge transfer and create learning and career development for staff by diversifying their experience. This paper is going to discuss the effectiveness of implementing such policy on healthcare organizations.

Keywords: 3, 5, 7, rotations, career development, leadership, change management, increase productivity, organizational change.

1.0 Introduction

The story of this research began when the researcher wrote an article in Al-Eqtisadiyah (a local newspaper), about this unique policy. The responses on this article from the readers were amazing. Some readers blamed the system for not allowing this kind of changes for the employees. While some, blame the employee for not initiating the move toward another job when he feels that there is nothing that he can add to his productivity. While some readers went further by blaming the culture for not inheriting this kind of changes among the people of the society. Hence, I decided to dip into this policy and try to examine it if it has been implemented within a healthcare organization.

When the policy on rotation was created in 2003, Human Resources Management (HRM) at the bank provided the following time-in-assignment guidelines for operational, technical staff: 3 = Remain in assignment for a minimum of 3 years to ensure continuity, get more training on how to deal with clients and learn new tools at work 5 = Employee is encouraged to seek reassignment to another department after gaining the sufficient training in his/her new department 7 = When the employee has been working in his department for more than seven years, managers may actively facilitate the rotation of staff to help maintain the organization strength in knowledge, skills, and experience. It is essential to note that the primary objectives of 3, 5, 7, rotations are to enhance and more strategically deploy skills and expertise, bolster cross-department knowledge transfer, and create learning and career development opportunities for staff by diversifying their experience. It is also important to note that exemptions of this rotation are taken seriously by senior management. This policy is intended to signal a change in institutional culture where rotating across units is valued as a “good” for the overall business, and a positive for professional development.

1.1 Statement of the Problem

The world around us is changing in all aspects very rapidly. Therefore, the need for change, or reform, in the health services of any country is indispensable to the management process. Managers who deal with various people from different cultures need to adapt processes in the face of many contextual changes such as the creation of new technologies, changing demographics and environmental pressures, rising demand and costs, and the imposition of different political ideologies in the way public services should be run. Moreover, health care organizations today face very competitive and challenging business environment, hence, these organizations need to undergo massive changes on a fairly constant basis to survive and to fulfill their long-term strategy.

This statement might be true for all types of health care organizations, corporations, and even for-profit entities, and government facilities. But health care executives seem to be increasingly cynical about change. Changes, whether it takes the form of a major restructuring, adoption of a new business process or a modification of how a health care organization measures performance, is not easy. Changes might be scary for not only executives but also employees at all levels in the organization. This is, indeed, what the researcher hopes to achieve after interviewing the people whom work in these types of business.

1.2 The Research Questions:

This research strives to answer the following questions:

- (1) Are managerial changes considered to be a positive sign for health care organizations?
- (2) Is the productivity of the employee would be increased if change management took place in his/her environment?
- (3) What are the steps that healthcare executives should take before initiating any changes?

1.3 Research Methodology

This paper uses two different research methodologies, aiming at evaluating change management in health care organizations and its impact on the productivity of the employee. The primary research method revolves around the use of public documents and aggregate data from sources including published government; published documents from both western and local scholars. This method is indispensable because, in one hand, it gives an idea about how scholars, academicians, and scientists perceive change management in general, in health care organizations in particular, and, on another hand, how local scholars discussed the change of management from their point of view. Secondary research that will be used for this research is so called "Elite Interview." The researcher will interview one hundred individuals who are considered to be in the higher management level, and who have more than twenty years of job experience in health care facilities.

1.4 Paper Organization:

The first section of this paper is going to be revolved around giving an introduction to the policy of 3, 5, 7, rotation, statement of the problem, the research questions, and research methodology. The second section is going to be devoted to the definition of organizational change, and its theories while the third section is going to shed light on the principles of organizational change. The importance of implementing 3, 5, 7, rotation on healthcare organizations is going to be discussed in the fourth section. The research methodology that was used in this research is going to be outlined in the fifth section. Last but not least, the seventh section is devoted to the conclusion and recommendation of this research.

2. Change Management: Overview

Change, in general, does not have to be always good, and it is certainly not a panacea for all the issues facing the health care organizations. Many health care leaders may need to prioritize various change proposals and defuse poor ideas, rather than responding to change from the internal and external environment. Thus, failure to change can be a positive sign. Moreover, many leaders in many organizations are suspicious of the recent trends in business to reconfigure organizations every three or five or even ten years and of the idealization and symbolic value of change as a trophy of managerial success¹. Another different perspective may argue that all organizations, not just health care organizations, need to adapt in order to survive and do better in their performances. Herold and Fedor (2009) contend that adaptation implies change, but change does not necessarily imply adaptation. This means that if a CEO is planning to change, he or she will get there no matter what it takes². This kind of change is an extremely important issue, and one that is often overlooked when the only elaboration usually heard for a change is "we ought to change in order to survive." That is true, but it must be an adaptive change, not just a change that will not lead to surviving. In the same context, Kotter (2006) contends that to date, major organizational change efforts helped many organization adapt significantly to shifting conditions, have improved the competitive studying of others, and have positioned a few for a far better future³.

¹ Kezar, Adriana J. "Understanding and Facilitating Organizational Change in the 21st Century", ASHE-ERIC Higher Education Report, Vol. 28, Num. 4, P 12, 2001.

² Herold, David and Fedor, Donald, "Leading Change Management: Leadership Strategies that Really Work", Stanford Business Books, 2009.

³ Kotter, John, "Leading Change", Harvard Business School Press, 1996.

2.1 What is Change Management?

This is a very hard question to answer because the definition of organizational change varies by what purpose the reader uses to examine it. Moreover, there are as many definitions as one may think. Change management is, therefore, a very broad field, and change management vary widely, from organization to another, and from project to another. For example, Gordon and Milakovich (2001), noted that change management is a theory of organization that focuses on those characteristics of an organization that promotes or hinder change; assumes that demands for change originate in the external environment, and that the organization should be in the best position to respond to them⁴. Another different definition is that organizational change is the observation of difference over time in one or more dimensions of an entity (Poole, 2000). In our opinion, change management is a systematic approach aims for increasing productivity and/ or decreasing costs.

2.2 How does Change occur?

Many scholars have emphasized that in order for health services organizations to remain efficiently managed and to remain of appropriate quality and accessibility, the services that are delivered by these health organizations must continually adapt to meet these changing context. In this regard, a very straightforward question must be answered: How does change occur?

Goodwin and others have identified many tactics and methods for change management in healthcare organizations. These methods may vary from one organization to another, but, in general, the change may take one of the following forms:

2.3 Planned Change versus Emergent Change:

Planned change is a change that takes place in a healthcare organization after taking many steps for planning it. These steps may include meetings, seminars, committees, and so forth and so on. It also can be defined as a reasoned and deliberate set of actions by managers⁵. The opposite of planned change is emergent change, which occurs naturally and in an unplanned fashion. Emergent change occurs when external factors (such as changes in the economy) or internal factors (such as the movement of seniors' officials, CEO, COO) influence organizations in a way that is outside the control of the manager⁶.

2.4 Episodic Change versus Continuous Change

Episodic change, according to Weick and Quinn (1999), is infrequent, discontinuous and intentional. Sometimes termed 'radical' or 'second order' change, episodic change often involves replacement of our strategy or program with another⁷. In contrast, continuous change is incremental and characterized by the natural adaptation of organizations over time in response to different stimuli⁸.

2.5 Theoretical Perspective 'Lewin's Change Model'

The Lewin's change management model is a highly effective and widely implemented change management strategy, which is based on a simplistic approach. The model identifies three major phases that are common in all of the change initiatives⁹. This simplistic change management model is relatively easy to implement in the service sector, where the competitive pressure and the rate of change is significantly high. The first stage in the Lewin's change model is based on the unfreezing of the current system that has to be bolstered and improved. This is the most important and stressful part of the change management initiative, as a high level of change resistance can be experienced at this stage by the management. The employees have a negative perception regarding the change process, and hence are unwilling to change the status quo. It is the role of the managers and the leaders to motivate the employees and diminish the resistance to change.

The second stage of the Lewin's model is the changing phase, in which the new change initiatives are introduced, as the old system has been unfrozen. In this phase, the participation level of the employees and the managers has a crucial role in the effectiveness of the change initiative. An open communication environment has to be developed by the managers to facilitate the change process.

⁴ Milakovich, M. and Gordon, G. "Public Administration in America", BEDFOR / ST. MARTIN'S, 2001.

⁵ Goodwin, Nick, and others. "Managing Health Services", Open University Press: McGraw Hill Education, 2006.

⁶ Iles, V. and Sutherland, K. (2001) Managing Change in the NHS, NCCSDO, London School of Hygiene and Tropical Medicine.

⁷ Weick, K. and Quinn, R. (1999), Organizational Change and Development, Annual Review of Psychology, 50, 361-388.

⁸ Goodwin, Nick, and others. "Managing Health Services", Open University Press: McGraw Hill Education, 2006.

⁹ Erakovich, R., & Anderson, T. (2013). Cross-sector collaboration: management decision and change model. International Journal of Public Sector Management, 26(2), 163-173.

The last phase of the Lewin's model is the refreezing of the new system and the policies. As the old system has been unfrozen and replaced in the previous stages, at this stage the management ensures that the new system is effectively institutionalized¹⁰. This process can be implemented through the development of new strategies and policies, based on the new system implemented by the management.

2.6 Role of Leaders in Change Initiative 'Transformational Leadership'

In an organizational environment, the managers have to develop an integrated approach to initiating the change process. The process of change has a substantial impact on the motivation level and the performance standards of the employees. In the current global business environment, the process of change has become a natural part of the operational activities of the companies. The organizations have to ensure that they can persistently react to the external environment factors and hence provide a value added service to the customers. This persistent level of change can have a detrimental impact on the employees, as there is a high level of uncertainty and ambiguity associated with the change process¹¹. The employees might develop a defensive and passive approach in the change initiatives in order to safeguard their careers; however this process can lead to negative implications for the organizational entity. It is the role of the managers to ensure that the employees are able to cope with the stressful change initiative and are able to improve their performances.

The managers have to develop a transformational leadership approach, which is based on a strong interpersonal relation with the employees. Transformational leaders do not only rely on their authoritative role in the organization to motivate the employees, rather they also have the ability to inspire the employees and help them achieve the challenging organizational objectives. The core attributes among the transformational leaders include empathy, integrity, honesty and communication skills.

The Transformational leaders not only focus on the professional development of the employees, rather they also strive to achieve the personal development goals of the employees. Through the transformational leadership approach, the contemporary healthcare professionals can effectively implement the organizational change initiative, and help the organization achieve the strategic performance objectives.

3. Research Methodology

In order to achieve the strategic objectives of this study, a comprehensive research initiative was conducted. The primary objective was to highlight the change management associated challenges present in the healthcare sector and hence develop the strategic findings. In order to ensure that the adequate analysis of the change management process in the current health care was conducted through this research activity, both the primary and the secondary research methodologies were implemented.

The secondary research initiative based on the public documents and aggregate data from sources including published government; published documents from both western and local scholars. A substantial amount of the secondary research activity was based on the online research journals. The online platform consists of an abundance of information regarding diverse subject areas, which can be utilized by various researchers. The recent and past researches were hence analyzed through the utilization of the online platform.

The majority of the research findings developed in this study were based on the primary research methodology. The Elite interviews were conducted among 100 managers/professionals within the health care sector. The individuals who possessed an experience of more than 20 years in the health care facilities were selected in the sample group so that they could provide the crucial information regarding the change management process. The inexperienced healthcare professionals would not have the adequate knowledge regarding the change management initiatives and hence their responses would not have a positive impact on the research activity.

3.1 The Pretest:

In order to ensure that an effective research initiative was conducted among the 100 healthcare professionals, it was important to conduct an effective pre testing initiative. The pre-testing process allows the researchers to identify the relevant issues with the research tools and hence provides the opportunity to alleviate these dilemmas.

¹⁰ Erakovich, R., & Anderson, T. (2013). Cross-sector collaboration: management decision and change model. *International Journal of Public Sector Management*, 26(2), 163-173.

¹¹ Grant, A. M. (2012). Leading with meaning: Beneficiary contact, prosocial impact, and the performance effects of transformational leadership. *Academy of Management Journal*, 55(2), 458-476.

It is due to this reason interviews were conducted among ten health care professionals, prior to the actual research activity. During the interviews, crucial information regarding the interview question was highlighted, which helped bolster the actual research activity. The findings of the pre-testing activity consisting of the ten research participants had a major impact on the overall research and helped improve the quality of the research findings.

3.2 Sampling

The judgmental sampling process has been implemented in this study, in order to include the relevant individuals within the sample group. In order to assess the change management issues present in the current healthcare sector, it was important to interview the experienced senior managers of the health care facilities. This is the reason due to which the 100 individuals included in the elite interviews, were included on the basis of their relevant experience in the health care sector. The less experienced individuals would not have been able to provide the strategic insights that are required to develop the findings of the study; hence the judgmental sampling process was utilized to attain the feasible sample group for the study.

3.3 Validity:

The objective of this study was to improve the change management processes in the current health care sector, through the identification of the core research findings. In order to ensure that the research findings could be effectively utilized by the current health care professionals, a high level of research validity was maintained. The research validity was ensured in this study through the development of the relevant sample group and also the secondary research activity at the initial stage. The analysis of the various secondary resources helped provide the strategic insight in the current change management issues in the health care sector, and hence helped develop a valid primary research activity. The selection of the research participants based on their level of experience and knowledge, also enhanced the validity of this study.

4. Data Collection

The data collection methodology in this study was based on the open-ended interviews that were conducted among the 100 research participants. These health care professionals/managers who possessed over 20 years of experience were selected in the sample group and were interviewed regarding their perception of the change management processes. The interviews were based on five open-ended questions, which helped analyze various core dilemmas present in the current health care sector. As the interview questions were open-ended in nature, the managers of the health care facilities were able to provide their subjective and expert opinions. This research methodology was sufficient to attain the core information regarding the change management issues in the current health care facility. The researchers shared the knowledge that they had developed over years of experience. Hence the researchers were able to enhance the quality of the research findings.

		3-5-7 policy motivates employees	Job rotation and performance	Change management has different roles	Managers have certain limits	Change management improves performance
3-5-7 policy motivates employees	Pearson Correlation	1	.889**	.800**	.864**	.808**
	Sig. (2-tailed)		.000	.000	.000	.000
	N	100	100	100	100	100
Job rotation and performance	Pearson Correlation	.889**	1	.854**	.900**	.842**
	Sig. (2-tailed)	.000		.000	.000	.000
	N	100	100	100	100	100
Change management has different roles	Pearson Correlation	.800**	.854**	1	.887**	.859**
	Sig. (2-tailed)	.000	.000		.000	.000
	N	100	100	100	100	100
Managers have certain limits	Pearson Correlation	.864**	.900**	.887**	1	.862**
	Sig. (2-tailed)	.000	.000	.000		.000
	N	100	100	100	100	100
Change management improves performance	Pearson Correlation	.808**	.842**	.859**	.862**	1
	Sig. (2-tailed)	.000	.000	.000	.000	
	N	100	100	100	100	100

** . Correlation is significant at the 0.01 level (2-tailed).

Table 1: Correlation

4.1 Open Ended Interview questions

- Are managerial changes considered to be a positive sign for health care organizations?
- Would the productivity of the employee increase, if change management initiatives took place in his/her environment?
- What are the steps that healthcare executives should take before initiating any changes?
- What is the impact of the workplace socio-cultural diversity, on the change management process?
- What is the relevance of the leadership role of managers, in the change management processes?

5.0 Data and Research Analysis 'Interview Question Responses'

5.1 Are managerial changes considered to be a positive sign for health care organizations?

This question attained the highest level of conformity among the responses of the 100 participants. The majority of the research participants unanimously stated that the change management initiatives are essential components of the current health care facilities. The major reasons indicated by the research participants regarding the positive impact of the change initiatives was their impact on the competitive positioning of the health care facilities. The health care managers indicated that in the current scenario, the level of competition in the health care sector has increased substantially and the ability of the facility to respond to the external factors provides an essential competitive advantage. The research participants suggested that the ability of the healthcare facilities to react to the external market factors is an indication of their performance and management effectiveness. The facilities which are not able to identify the core factors impacting their operational activities, and hence react to these factors through a change management processes; are not able to survive in the competitive environment¹².

5.2 Would the productivity of the employee increase if change management initiatives took place in his/her environment?

The research participants stated that the job descriptions of the contemporary health care professionals had enhanced significantly. In the current scenario the health care professionals have to develop versatile skills, in order to facilitate the demands of the workplace environment. These individuals stated that through the effective change management process, the health care professionals can work in different functional areas, and hence enhance their professional capabilities. The lack of job rotation and job enrichment created a dilemma for the health care facilities and also the health care professionals.

The health care managers included in the 100 elite interviews, stated that the rate of change and advancements in the current healthcare sector has increased dynamically. The healthcare professionals hence have to ensure that they can persistently bolster their skills through self-learning initiatives. The change management process can hence allow the employees to substantially increase their productivities in the current health care sector, as indicated by the majority of the research participants.

5.3 What are the steps that health care executives should take before initiating any changes?

The most significant pre-change management step that was highlighted by the research participants was an open communication process with the employees. The participants stated that the most common issue that is experienced in the healthcare change management process is the lack of participation and the motivation of the employees. These individuals stated that through an effective communication process the major issues and misunderstandings of the healthcare professionals could be alleviated by the managers.

5.4 What is the impact of the workplace socio-cultural diversity, on the change management process?

The majority of the research participants included in the interview process, stated that the cultural diversity phenomenon is a recent trend in the health care sector. The research participants had an experience of over 20 years in the healthcare sector hence they were able to provide a holistic perspective. These individuals stated that the workplace diversity had a major impact on the effectiveness of the change management processes.

The research participants stated that in order to alleviate the issues associated with the workplace diversity-oriented change processes, it was important for the managers to take part in the socio-cultural training programs. The managers themselves have to ensure that they were aware of the socio-cultural attributes of the employee, so that they could effectively implement the change management processes¹³.

5.5 What is the relevance of the leadership role of managers, in the change management processes?

The managers stated that the interpersonal relation and the empathy with the employees was an essential component of the change management process. These individuals stated that in order for the change management process to have a positive impact on the health care facility, the managers have to focus on the core strengths and weakness of each. The transformational leadership role was essential for the managers in the contemporary health care sector.

¹² Swayne, L. E., Duncan, W. J., & Ginter, P. M. (2012). Strategic management of health care organizations. John Wiley & Sons.

¹³ Ferlie, E., Crilly, T., Jashapara, A., & Peckham, A. (2012). Knowledge mobilization in health care: a critical review of the health sector and generic management literature. *Social Science & Medicine*, 74(8), 1297-1304.

All of the managers included in the interviews stated that through effective leadership, the issues experienced by the employees in the change management process can be alleviated. These individuals stated that transformational leadership can be utilized to increase the motivation levels of the employees and help them achieve their challenging professional objectives.

6. Conclusion and Recommendations

The comprehensive primary and the secondary research activity conducted in this study highlighted the core change management issues present in the contemporary health care sector. One of the most significant issues, as highlighted by the healthcare managers in the interviews, was the socio-cultural diversity factor of the employees. The lack of management knowledge regarding the diverse socio-cultural attributes of the employees had an impact on their management roles. These individuals were not able to effectively communicate with the employees, and motivate them to develop versatile professional attributes. This dilemma could be alleviated through the implementation of strategic socio-cultural training programs for the healthcare managers¹⁴. The ability of the managers to motivate and inspire the health care employees is based on their knowledge of the socio-cultural attributes of these individuals. The research study also indicated the significant role of open communication in the change management process. The managers have to ensure that they can effectively communicate the objective of the change process to the employees, prior to the implementation of the initiative. The effective communication process would ensure that the misunderstandings and the change resistance of the employees could be diminished¹⁵. The managers in the contemporary health care sector should also implement the transformational leadership model, so as to improve the performance standards of the employees. The comprehensive research activity has indicated that the leadership role of the managers can have a substantial impact on the effectiveness of the change management process. These strategic recommendations can help the contemporary health care sector managers enhance the effectiveness of the change management process, and hence help the facility develop a sustainable growth model.

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¹⁴ Carter, M. Z., Armenakis, A. A., Feild, H. S., & Mossholder, K. W. (2013). Transformational leadership, relationship quality, and employee performance during continuous incremental organizational change. *Journal of Organizational Behavior*, 34(7), 942-958.

¹⁵ García-Morales, V. J., Jiménez-Barrionuevo, M. M., & Gutiérrez-Gutiérrez, L. (2012). Transformational leadership influence on organizational performance through organizational learning and innovation. *Journal of Business Research*, 65(7), 1040-1050.

Appendix- Questionnaire

Gender					
Designation					
Do you know about the concept of 3-5-7 policy introduced by the World Bank?	Yes				No
Is the application of 3-5-7 policy effective for change management in the healthcare organizations?	Yes				No
Introduction of 3-5-7 policy in the healthcare system motivates the employees to a great extent.	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree
job rotation which leads to improvement in the performance as employees learn new things	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree
Considering organizational change, there are certain limitations to the managerial actions in making change	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree
Change management includes the role of strategists, implementers and recipients in relation to the environment	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree
Change management leads to innovativeness and improvement in the performance of the employees	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree
Do you believe that it is important to implement 3-5-7 policy in the healthcare organization?	Yes	Maybe			No