

# The Need to Move from Reactive to Proactive Perspective in Health Care

Hanan Qatawneh

Assistant Professor at Al Yamamah University, Riyadh, Saudi Arabia

**Abstract— Purpose** – The purpose of this article is to explore the importance of moving from reactive to proactive perspective in health care.

**Methodology** - The research design, guided by a Qualitative philosophy, was inductive in nature. The researcher conducted an extensive literature review to gain an understanding and explore the importance of moving from reactive to proactive strategies to manage health organizations.

**Findings** –Today, in the changing market environment, Health organizations must adopt proactive perspective as a strategic tool to attain business excellence and achieve goals.

**Practical Implications** – This new perspective will make health organization stronger, and obtain sustainable competitive advantages.

**Originality/Value** – The literature reviewed on Health Management reveals several models and frameworks to improve healthcare, however no article advocated the move to the proactive perspective and explain its importance.

**Keyword— Reactive to proactive, Health Care management, organizational change, Environmental complexity.**

## I. INTRODUCTION

Organizations are dynamic entities. Therefore there is a need to consider this dynamic component in order to deal with the instability and continuous changes occur in business. “The healthcare sector is one of the fastest growing areas of the economy of most developed countries. Governments (and taxpayers) invest larger amounts of money in it, either directly or indirectly, and expect a high quality services from this sector. In reality, the performance of this sector is quite different and is characterized by long waiting times, inefficiency, low productivity, stressed medical staff and dissatisfied patients” (Purbey et al., 2007, P. 241). Health care organizations are facing different problems including avoidable errors, underutilization of services, overuse of services and variation in services (Evans and Lindsay, 2011). Swinehart and Green Say “that US health care is in a state of crisis. Escalating costs account for 13% of GNP, making health care the 3rd largest industry in the US, and

spending is expected to increase. The claim is made that health-care providers need to control rising costs, improve productivity and flexibility, adopt appropriate technologies, and maintain competitive levels of quality and value” (1995, P.23). Herzlingersay “yes, medical treatment has made astonishing advances over the years. But the packaging and delivery of that treatment are often inefficient, ineffective, and consumer unfriendly. The well-known problems range from medical errors, which by some accounts are the eighth leading cause of death in the United States, to the soaring cost of health care” (2006, P.1). In healthcare, many organizations have lacked the competency to implement effective systems, and failed results are massive. Managers have underestimated the complexity of the infrastructure and systems required to manage healthcare adequately.

“The rate of change in healthcare is accelerating, not slowing and the powerful forces that are transforming healthcare can generate vast economic potential for those who are able to employ effective survival techniques in the short term and at the same time plan for success in the long term” (Al-Abri, 2007, P.3). “Change is nothing new and indeed has been our only constant, but change today is faster and more complex than it has ever been before (Manion 1994)” cited in (McPhail, 1997, P.1).

## II. RESEARCH AIM

The world is a change place. Health organization all over the world is facing continuous changes; patient wider expectations and desire for variety and change, new ways of treatments, new medical discoveries and scientific advances, new ways of managing, new rapidly evolving technologies and new learning opportunities. The change is not going to get easier. Managers are realizing health care is not doing as expected. The question that arose is what to do to improve health care performance? How hospitals can meet the requirements, needs and expectations of their patients and even how to exceed it? Swinehart and Smith say that “health care providers must identify new methods of obtaining and maintaining market share in order to compete successfully in a market-driven, customer-focused industry” (2005, P.535) Further added that “health care providers seeking to gain a sustained competitive advantage must develop the

necessary operational capabilities to improve such areas as cost, quality, delivery, flexibility, and innovation” (2005, P535). In this changing economy and environment, this study will explore the importance of applying a new perspective to improve health care delivery. It will answer why doctors, managers and administrators need to move from reactive to proactive perspective in health organizations.

### **Prospected Research Contribution**

The results from this research are expected to be of great benefits by providing a new perspective to manage health organizations. This perspective if integrated to the different functional areas and its processes’ management will lead to improved flexibility and ability to meet future challenges and uncertainties and achieve better patient care delivery.

### **Research Methodology / Methods**

The research design, guided by a Qualitative philosophy, was inductive in nature. The researcher conducted a comprehensive, systematic review of the peer-reviewed literature on health and business management, organizational change and change management to gain an understanding and explore the importance of moving from reactive to proactive strategies to manage health organizations.

## **III. LITERATURE REVIEW**

We are living in a dynamic environment where changes happen all the time. “In order for organizations to not just survive but prosper, they must be knowledgeable about how to implement appropriate organizational changes that will be embraced by their employees (Armenakis and Harris, 2009, p. 128)” cited in (Jaros, 2010, P. 107).

“Efforts to reduce medical errors and enhance quality of patient care will not be successful unless the basic cultures and systems in the health care industry are transformed” (Khatri et. al., 2006, 134). Lichtenstein says that traditionally transformative change caused by a crisis or problem. “External change leads to problems that build to a crisis, which trigger the need for a fundamental shift in how the organization operates. Managers or founders reacting to negative or challenging circumstances, initiate a significant alteration of activities in an attempt to correct the problem and return the organization to positive functioning” (2014, P. 348). The difference between this crisis transformative change and the proactive frame is namely an endogenous aspiration for new value creation that is driven by a vision and positive actions. Further added scholarship into organization creativity has made important use of the distinction between proactive and reactive creativity; proactive creativity envisions a possible future instead of reacting to a current problem. Successful managers don’t wait for success to come to

them instead they deal with expected difficulties, potential future threat and uncertainties in advance. Sander says that “ a profile of the proactive manager might show that he/she plans ahead, makes changes before problems occur, maintains contact with people in the organization's environment (boundary spanning), and values the change process” (1990, P11).

Foster says that “Customer driven quality represent a proactive approach to satisfying customer needs that is based on gathering data about our customers to learn their needs and preferences and then providing products and services that satisfy the customers” (2010, P. 157). “Grant and Ashford (2007) describe "proactivity as a process that can be applied to any set of actions through anticipating, planning, and striving to have an impact" (p. 14). While definitions of proactive behavior may vary, each draws upon a central theme which is that proactive employees take an active approach to performing work” (Marler, 2008, P.15). In the Business dictionary .com proactive is defined as “action and result oriented behavior, instead of the one that waits for things to happen and then tries to adjust (react) to them. Proactive behavior aims at identification and exploitation of opportunities and in taking preemptory action against potential problems and threats, whereas reactive behavior focuses on fighting a fire or solving a problem after it occurs”. “Market-oriented business culture is important for healthcare executives and practitioners for two key reasons. First, it enables organizations to continuously collect information about target customers' (e.g., patients) needs and competitors' capabilities making the organization more customer centric. Second, such a customer focused approach by an organization helps the firm create customer value (Slater and Narver, 1995)” (Thakur et. al., 2012, P.564). Evans and Lindsay say that to achieve performance excellence and agility “Organizations must have the ability to respond quickly and flexibly to changing customer needs, wants and desire and in response to other internal factors and changes in the business environment” (2011, P. 446).

“Concern about patient safety, caused in part by high-profile major failures in which many patients have been harmed, is rising worldwide” (Walshe and Shortell, 2004, P103). Failure in organization varies and its effect on customers varies as well. For example, failure to receive a hot meal leads to annoyance of the customer. However failure in heart monitor might be fatal to the patients. Ucbasaran et al. say that “the aftermath of failure is often fraught with psychological, social, and financial turmoil”. (2013, P163) further added that “business failure represents both an opportunity to learn and a context in which it is difficult to do so. Research in this area has begun to advance theories of learning from

experience and processes of making sense of events that help individuals move forward” (2013, P.185). Health managers and practitioners need to predict different failure modes in health care delivery specially that can result in severe injury or death. They need to take the right actions to eliminate and reduce the risks of that failure. Hospitals’ managers must move from a reactive to a proactive management approach. They must begin to anticipate, and even forecast, changing needs and wants rather than continuing to react to symptoms and emergencies. “It is not the ability of organizations to innovate, but their ability to innovate continuously and consistently that is vital. Successful organizations will be those that take advantage of customer-driven innovation to further their growth, enter new markets and be leaders in their marketplace” (Desouza et al., 2008, P.44).

Swinhart and Green in their study discussed how “the philosophies of total quality management and continual and rapid improvement may lead to a strategic orientation that will result in a similar rise to world-class status for the health-care industry” (1995, P. 23). “Human systems are changing rapidly and entering novel, complex futures. More recently, proactive behaviors such as problem solving and personal initiative have become increasingly desirable to organizations (Parker, Williams, & Turner, 2006; Crant, 2000; Frese, Fay, Hilburger, Leng, & Tag, 1997; Frese, Kring, Soose, & Zempel, 1996; Frese & Fay, 2001; Campbell, 2000; Parker, 2000; Frese, Teng, & Wijnen, 1999; Fuller, Marler, & Hester, 2006; Erdogan & Bauer, 2005)” (Marler, 2008, P.2). Human resource personnel must evolve new understandings of problem-solving and holistic methods of analytical and creative problem-solving to deal with future, unique, and uncertain problems which are not manageable with problem-solving strategies that have worked well in the past” Maddox, 1987, P.1).

“The traditional leadership practices currently used have proven ineffective to guide healthcare leaders through the complex and dynamic healthcare challenges of today (Longenecker & Longenecker, 2014; Vaughn et al., 2014; Weberg, 2012) cited in (Waldvogel, 2014, P.7)

Proactive behavior is more important today than ever for both individual and organizational effectiveness. “Today’s competitive, fast-paced environment requires that individuals spark initiative and guide their own creativity, rather than simply react to fires burning out of control” (Phelan, 2001, P.3). Ford D. says that “Individuals who are highly involved and committed as independent contributors to the organization with initiative and a sense of responsibility are characterized as proactive employees (Campbell, 2000)” (2011, P.23). Chiaburu et al. say that “proactive individuals engage in life-long learning and are therefore more likely to identify and capitalize on

opportunities that bring about meaningful change ([45] Seibert et al., 1999). Individuals who do not exhibit proactive personality are much more reactive and content with maintaining status quo within a career context. Proactive personality is related to objective job performance ([11] Crant, 1995) and influences one’s ability to adjust to ever-changing work conditions by taking responsibility for career progression and the development of personal networks ([21] Hall and Mirvis, 1995)” (2006, P. 621). “A sense of operator ownership emerges when employees feel a responsibility for the processes and methods they use and take pride in the quality of the services or product they produce” (Krajewski et al., 2013, P. 183). “In general, task performance, perceived effectiveness, and satisfaction with quality of care improved when nurses were high on either proactive personality or empowerment (either structural or psychological)” (Ford, 2011, P.2). Ghosh says that “Employee empowerment process helps organizations obtain sustainable competitive advantage if it works smoothly and effectively. For this organizations must make employees aware of the concept of empowerment and generate their interest, desire, willingness to accept empowerment through participation in various awareness development programs” (2013, P.105). Further added “Organizations must establish a culture of openness, trust, experimentation and competitiveness to make empowered employees proactive, develop sound dyadic relationship, explore and identify measures to make organization unique, distinct and incomparable from other organizations in terms of cost, quality and customers’ delightment” (2013, P. 106). “Nurturing the creative mindset, reinforcing creative confidence, and building creative commitment in employees can have beneficial impact on an organization’s ability to re-engineer, improve, and innovate processes, products, and services. The resulting incremental and radical advancement can potentially lead to reduced costs and efficiencies, a unique market contribution and competitive advantage” (Phelan, 2001, P.195).

“The study of change and development is one of the great themes in the social sciences (Ford & Ford, 1994; Pettigrew, Woodman, & Cameron, 2001; Van de Ven & Poole, 1995), and interest in this topic continues to grow as organizations struggle to cope with technological advances, a global marketplace, and the denationalization and deregulation of marketplaces, which have resulted in accelerating environmental complexity (De Meuse, Marks, & Dai, 2010; Gordon, Stewart, Sweo, & Luker, 2000). This complexity requires organizations to rapidly change themselves in order to survive (Gordon et al., 2000)” Cited in (Rafferty et al., 2013, P.110). “The big

question confronting health care organizations is how to mount new strategies that will enhance organizational effectiveness and reduce system failures as well as individual errors” (Levey et al., 2002, P. 68). Ferlie, E. and Shortell S. in their study said that initiatives to improve the quality and outcomes of care in both the United Kingdom and the United States are unlikely to achieve their objectives without explicit consideration of the multilevel approach to change that includes the individual, group/team, organization, and larger environment/system level. Attention must be given to issues of leadership, culture, team development, and information technology at all levels (2001, P.282). “The core of complexity leadership practices center around leadership behaviors and activities that foster a desired organizational culture and connectivity across the greater organizational network” (Waldvogel, 2014, P.54). “In the past, the quality of health care has been the sole responsibility of the individual health care provider. As health care changes from a profession of individuals to one of a medical industry, health care providers will be compared, rated, and challenged to maintain or improve the quality of their product” (Otto, 2005, P.122). Lukas et al in their study propose a model for moving organizations from short-term, isolated performance improvements to sustained, reliable, organization-wide, and evidence-based improvements in patient care (2007, P.309). The members of the supply chain network must maintain and sustain customer-driven culture and offer the right product in the right place at the right time and at the right price (Fisher et al., 2000)” cited in (Kuei et al., 2001, P.864).

Ashmos et al. in their study examined the internal make-up of eight organizations that their environment is rapidly changing, complex and requiring aggressive change strategies. The organizations pursuing a complexity absorption response outperformed those organizations with complexity reduction responses (2000, P 577). Further added that “from the view of complexity theory organizations in which there are a large number of ties or connections, widely distributed, are more capable of variety in their behavior which in turn leads to adaptability (McDaniel and Walls, 1997; Stacey, 1995; Granovetter, 1973). According to Weick (1979), without such variety organizations will miss important data points, will oversimplify their view of what is happening in the environment, and will generally be unable to respond to the high levels of variation among elements in the environment” (2000, P578). “Both system theory and complexity theory form the basis of two organizational change approaches that can be valuable in explaining the behavior of organizations in coping with continuous change (Foster, 2005:877; Sullivan, 2004:47; Sherif,

2006:77). They provide a conceptual foundation that can help in prioritizing system performance levels and examining how they proactively and collectively seek to solve and adapt solutions (Styhre, 2002,346; Price,2004:45) cited in (Amagoh, 2008, P. 9).

Many organizations are reactive in nature and considered planning for the future is a waste of time, problems are dealt with after they arise, valuable time is lost in analyzing a problem once it emerges, rather than preventing it in advance. Other organizations are proactive in nature. It believes in planning for the future, recognize and prevent any potential problems before they arise. It believes in envisioning the future, and working towards achieving it. The manager looks forward to involving all his team members in decision-making. Employees are encouraged to have an innovative mindset. As a result, this improves productivity, efficiency, and the quality of the final product or service. Failure in organization varies and its effect on customers varies as well. Safety in service delivery and consumer product represents a major issue in design and an important aim of a company’s public responsibilities. If any organization sell a product or delivered a service that is defective or unreasonably dangerous is subject to liability for any physical harm caused to the user or receiver of the service. “One tool for proactively addressing such risk is, design failure mode and effects analysis” (Evans and Lindsay, 2011, P.622). “The Institute for Healthcare Improvement defines FMEA as a systematic, proactive method for evaluating a process to identify where and how it may fail and to assess the relative impact of different failures, in order to identify the part of the process that are most in need of change” (Evans and Lindsay, 2011, P.622).

Health managers and practitioners need to predict different failure modes in health care delivery specially that can results in severe injury or death. They need to take the right actions to eliminate and reduce the risks of that failure. Hospitals’ managers must move from a reactive to a proactive management approach. They must begin to anticipate, and even forecast, changing needs and wants rather than continuing to react to symptoms and emergencies.

#### **IV. CONCLUSION**

Despite the fact that there has been significant improvement in the healthcare, (long waiting times, inefficiency, low productivity, stressed medical staff and dissatisfied patients) still exists and little accomplished in understanding how to overcome those problems.

The continuous environmental change makes it more difficult for health organization to survive in the long run if it lacks a powerful strategy and new approach that can

lead to success. This study emphasized the need to adopt proactive perspective in health organization which will lead to prevent errors and wastes, minimize costs, achieves better quality, improve organizational performance, shorter cycle times, faster and more consistent patient response.

#### V. FUTURE DIRECTIONS

The present study aims to explore the phenomenon of moving from reactive to proactive perspective in managing health organization. Like any theory at its initial evolutionary stage, this new perspective in health care lacks empirical research. In literature there are enough models and theoretical concepts but very few have actually been tested empirically. This new perspective requires significant changes in organizational strategies, readiness for that change, application of sound practices, processes, implementation plans and changes to organizational infrastructure to lead to that new perspective. Therefore the researcher recommends further study to test and refine the proposed new perspective of management in health care.

#### REFERENCES

- [1] Al-Abri, R. (2007) "Managing Change in Healthcare." *Oman Medical Journal* Volume 22(3); 9-10.
- [2] Amagoh, F. (2008) Perspectives on Organizational Change: Systems and Complexity Theories. *The innovation Journal: The Public Sector Innovation Journal*, Volume 13 issue 3. Article 3
- [3] Ashmos, D. P., Duchon, D., & McDaniel, Reuben R., Jr. (2000). Organizational responses to complexity: The effect on organizational performance. *Journal of Organizational Change Management*, volume 13 number 6P: 577-595
- [4] BusinessDictionary.com Available from: <http://www.businessdictionary.com/definition/proactive.html> accessed on 11/4/2016
- [5] Chiaburu, D. S., Baker, V. L., & Pitariu, A. H. (2006). Beyond being proactive: What (else) matters for career self-management behaviors? *Career Development International*, volume 11, number 7, P: 619-632.
- [6] Souza, K., Awazu, Y., Jha, S., Dombrowski, C., Papagari, S., Baloh, P., and Kim, J. (2008) Customer Driven Innovation. To be a marketplace leader, let your customers drive. *Research Technology Management*. Industrial research institute.
- [7] Evans, J. and Lindsay, W. (2011) *The Management and Control of Quality*, 8<sup>th</sup> ed., Thomson South-Western, Cengage learning.
- [8] Ferlie, E. and Shortell S. (2001) Improving the quality of health care in the United Kingdom and the United States: a framework for change. , volume 79 number 2. P: 281-315.
- [9] Ford, D. (2011). An evaluation of moderating influences of employee proactive personality: Empowerment and political skill Available from ProQuest Dissertations & Theses Global.
- [10] Foster, S. (2010), *Managing Quality Integrating the Supply Chain*, 4th ed., Pearson Education, Inc.
- [11] Ghosh, A. K. (2013). Employee empowerment: A strategic tool to obtain sustainable competitive advantage. *International Journal of Management*, Volume 30, number 3, P. 95-107.
- [12] Herzlinger, R., (2006) Why Innovation in Health Care Is So Hard. *harvardbusiness review*. May 2006
- [13] Khatri N, Baveja A Boren, SA Mammo A. (2006) Medical Errors and Quality of Care: From Control to Commitment. *California Management Review* 2006; volume 48 number 3 (115–141).
- [14] Krajewski, L., Ritzman, L. and Malhotra, M. (2013), *Operations Management: Processes and Supply Chains*, 10th ed., Pearson Education, Inc.
- [15] Kuei, C. Madu, C.N. and Lin, C. (2001), "The relationship between Supply Chain Quality Management Practices and Organizational Performance", *International Journal of Quality & Reliability Management*, Vol. 18 No. 8, pp. 864-72.
- [16] Levey, S., Hill, J., & Greene, B. (2002). Leadership in health care and the leadership literature. *Journal of Ambulatory Care Management*, volume 25 issue 2.
- [17] Lichtenstein, B. (2014) *Generative Emergence: A New Discipline of Organizational, Entrepreneurial*. Oxford University Press.
- [18] Lukas C., Holmes S., Cohen A., Restuccia J., Cramer I., Shwartz M., and Charms M. (2007) Transformational change in health care systems: an organizational model. *Health Care Management Review*. 2007 Oct-Dec; volume 32 number 4, P:309-20.
- [19] Jaros, S. (2010) Commitment to Organizational Change: A Critical Review. *Journal of Change Management*, Vol. 10, No. 1, 79–108, March 2010.
- [20] Maddox, E. N. (1987). The Effect of Problem Solving Strategy and outcome expectancy Cues on Creative Problem-solving Performance. ProQuest Dissertations & Theses Global.

- [21] Marler, L. E. (2008). Proactive behavior: A selection perspective. Available from ProQuest Central; ProQuest Dissertations & Theses Global.
- [22] McPhail, G. (1997) Management of change: an essential skill for nursing in the 1990s. *J NursManag* 1997. Jul;5(4):199-205.
- [23] Otto D., 2005. Health Care and Quality Improvement. A program Evaluation Case Study. A Dissertation Presented in Partial Fulfillment of the Requirements for the Degree Doctor of Management in Organizational Leadership. University of Phoenix.
- [24] Phelan, S. G. (2001). Developing creative competence at work: The reciprocal effects of creative thinking, self-efficacy and organizational culture on creative performance Available from ProQuest Dissertations & Theses Global.
- [25] Purbey, S., Mukherjee, K., & Bhar, C. (2007). Performance measurement system for healthcare processes. *International Journal of Productivity and Performance Management*, Volume 56. Number 3, P: 241-251.
- [26] Rafferty, A., Jimmieson, N., and Armenakis, A. (2013) Change Readiness. A Multilevel Review. *Journal of Management*. January 2013 vol. 39 no. 1 P: 110-135
- [27] Sander, S. I. (1990). Proactive behavior: An orientation for creating change in organizations. Available from ProQuest Dissertations & Theses Global.
- [28] Swinehart, K., & Green, R. F. (1995). Continuous improvement and TQM in health care: An emerging o. *International Journal of Health Care Quality Assurance*, 8(1), 23.
- [29] Swinehart, K. D., & Smith, A. E. (2005). Internal supply chain performance measurement: A health care continuous improvement implementation. *International Journal of Health Care Quality Assurance*, 18(6), 533-542.
- [30] Thakur, R., Hsu, S., & Fontenot, G. (2012). Innovation in healthcare: Issues and future trends. *Journal of Business Research*, 65(4), 562-569.
- [31] Ucbasaran, D., Shepherd, D., Lockett, A. and Lyon, S. (2013) Life After Business Failure. The Process and Consequences of Business Failure for Entrepreneurs. *Journal of Management*. January 2013 vol. 39 no. 1 P: 163-202
- [32] Waldvogel, K. J. (2014). Complexity leadership: A transitional care priority. Available from ProQuest Dissertations & Theses Global.
- [33] Walshe, K., & Shortell, S. M. (2004). When things go wrong: How health care organizations deal with major failures. *Health Affairs*, Volume 23 issue 3, P: 103-11.