

# Case study of glengarry regional medical centre essay



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## 1. 0 Introduction

Glengarry Regional Medical Centre (GRMC) is an acute care general hospital located in Scotston, a community of 35, 000 in the south-western United States. There are a lot of problems the company have to face in few years and Benson who the new administrator takes charge of the hospital and tries his best to operate it. However, for some reasons (e. g. the interests of employees cannot be satisfied), the morale and motivation of the staffs are always at a very low level, and they even generate resentment for him and company. Finally, Benson cannot deal with these problems and fails to manage the hospital.

This essay mainly contains three parts. First, it lists the big five symptoms of GRMC includes leadership, power and politics, reward and motivation, communication and faults in decision making. Secondly, the article explains and analyses the causes and reasons of these problems. Lastly, some suggestions and recommendations would be provided to reduce the problems.

## 2. 0 Identify the symptoms encountered in the company

The first problem is about the leadership, which is the most serious and common problem among the enterprises as corporate leaders have enough power to change our lives, that means it can affect the level of our living standards (Warren, 2007). Hence it is urgent that the leadership problem should be solved.

The population of Glengarry County has grown significantly over a long period in the past. However, the size of the hospital has maintained unchanged because hospital manager and board members did not forecast this situation that the hospital cannot afford enough space and beds to the patient. As a consequence, overcrowded condition made new patients wait the available beds for a long time, and offices and hallways have become storage regions.

State health department official cautioned the administration of the hospital that it would lose licenses over the following year if hallways were still crowded by equipment and supplies, and which would lead to the lost in its accreditation. This problem is being solved in the short term for GRMC. Moreover, the hospital has changed its leadership frequently for a certain period of time, which makes the employees also alter their manners of working because every new administrator has his own way of operating and running. As a result, GRMC could not form a unified management way and lower the morale of its employees as they lost the direction in their working position.

The second one is the problem of power and politics. That means the way of administrator electing. Each of the administrators was elected and appointed by the local county judge, and the main selection criteria are the individual qualifications and the political postures rather than their capabilities and experiences. In the end, they were asked to resign or to do other things.

The third problem is about reward and motivation. Motivation is a way of promotion to enable staffs to achieve certain goals and targets. It is

unwillingly that the employees accept underpaid as that means their performance do not get high-level affirmation (Larry, 2002). Therefore, giving appropriate reward is conducive to raise employee's morale and company's productivity.

Arnold Benson was a new CEO elected by the board of GlenMed. However, financial problem disturbed him from the beginning. Apart from the building program finances, employees had been promised to get a 7 percent pay increase at the start of the year. Benson did not completely satisfy the demands of them, and decreased the growth rate to 2 percent. This decision leads to a dissatisfaction of the employees as they think that the administrator of the hospital cheated and deceived them, and will no longer believe and trust Benson. Furthermore, the motivation and morale of the employee will be affected, and which directly declined the performance of GlenMed.

The next problem is about communication. In many companies, there is a separate relationship between managers and staffs, and which would result in increasingly disengaged employees and low productivities (Stacey, 2005). Communication can minimize the gossip of tops and downs and remove the barriers between them. The top-down communication is not suitable for GRMC. GRMC adopts a top-down communication way; however, as the morale of the hospital employees is affected by a number of changes, it seems to be demoralized. The top-down communication cannot make the staffs released and motivated because they only follow the order of high level, but not express their opinion, and which would lead to a very low work efficiency of the employees.

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For the issue of charges in parking fees, Benson did not inform employees his procedure in time, but chose to postpone announcement of this news. This is because he wanted to know the reaction of employees about the parking charges that after the reducing of their pay rise. It will be considered a sign of distrust by employees as they did not receive the information and decision in the first time.

In the next period of time, the hospital implemented a program of management development, which train the department heads and supervisors who was voluntary to join the management training. All the participants were required to complete an evaluation form. However, many forms were not returned back, since the feedback asked them to write the name of every department head and to list at least one asset and one liability of each person listed, and they did not know each other's condition well. In addition, some managers were afraid that someone may misuse this information about every individual, or the information would be used against them.

The last problem is fault in decision making. One of the former administrators was fired by the hospital, many employees complained that she made wrong decisions which caused that she lost large amount of money in two years. Besides, the approach of decision making is unsuitable for the hospital, top-down would make GRMC fall into the management crisis because it forces the staffs to follow the specific directives and it cannot stimulate the motivation and initiative of them in the workplace.

Benson also commits some mistakes when making decisions. Although these mistakes are highly tiny, once they gather together, it will have great effect on the organization (Marie, 1998).

Benson took action to dissolve the advisory group since he thought that it is not necessary any more for the hospital. Although this action has not caused a strongly resistance of employees, it also brought a potential terrible to the company.

Furthermore, for making a positive effect on the operations of the hospital, Benson decided to arrange a weekend retreat for all the department heads. Nonetheless, most of managers were against the timetable that was scheduled on the Valentine's Day. Some people complained the company that they already had other plans for the Valentine's Day, others said that their spouses did not allow them to go in that day. Therefore, this plan was being cancelled in the end.

### 3. 0 The causes of the symptoms encountered in the company

According to the analysis of this case, we can find some reason that causes the above problem happen. Firstly, the case beginning showed that the population was average increased by 1, 150 people every year. It means there has a high demand for medical equipment, but the company has not provided the facilities timely. It dues to a big problem of the lower leadership the hospital has.

We can use Lewin's Planned Change Model to analysis this problem which are Unfreezing, Moving, refreezing (Bernard, 2004). In the first part of

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unfreezing, the company does not consider if the hospital should expend more medical equipment to meet the population's growth, and the problem will be appeared. Secondly, the plans and actions should move by the board, as it started before it became a problem, so the community could have medical centre to meet their needs. In the last part of refreezing, GRMC cannot be able to forecast the disadvantages and advantages after they have completed the project of expansion.

Secondly, the organization has a problem of the power and politics.

The GRMC as the administrator role in this hospital, but actually it does not commenced to manage the hospital as effectiveness. The reason for this problem is that all of those administrators are chosen by their qualification and political status rather than chosen the people who have the real good medical management experience. It causes that the employee loss confidence and morale to organization. All of the managers try to motivate the employees, but nobody successful. It is proved from practice that these administrators are not able to fit for the position to master the situation and hand the hospital business, as they lacked related knowledge and skills, and did not have initiative to develop the hospital. According to the framework for designing change by Jaffe and Scott (1999), this is a self explanatory model that each level of the leadership in the organization should assume and undertake the important tasks. Therefore, Benson should be able to align the top leadership members, make the case for change and champion new ways of doing things.

Thirdly, the reasons cause the problem of communication in the hospital.

Communication is the process by which information is transmitted and understood between two or more people. In this case, there has a major breakdown in communication. For example, the leader of Benson has rich knowledge and mild manners and easygoing which shows he is an excellent person and actually he knew the current state of hospital, but he is not an excellent leadership as transformation since he do not how to take the act on communicate the information to all of the employees effectively (Lee and Krayer, 2003). Other hand, because all of the department have their own manger in the hospital, and the message and communication is not so easy to transfer, it also made the communication problem that the leaders difficult to communicate each other.

There have three ways to communication which are Email, Phone and Face to Face. Communication should has the purpose when the leader want communicate with the staff, and they also need expected the results which is bad or good. And they need to choose a ways which is more effective than others ways. For this hospital, the GRMC should change the culture of the organization as their communication channels are disappearing.

Fourth, the reasons cause the problem of Rewards and motivation. In this case, the lower exercise management of GRMC also led to the poor employee morale, lack of motivation and trust within all people. One reason is financial crisis. The global economic situation looked very messy at that time, and he has to cut down some expenditure to survive the company.

Another reason is that Benson also makes the same problem as other leader, he lack the integrity and openness the information about the worker's

benefits. In addition, Benson were not motivated because they were getting <https://assignbuster.com/case-study-of-glengarry-regional-medical-centre-essay/>

paid base on the standards, it made the employee more disgusted with their leader and loss the job satisfaction.

According to analysis the organization systems by Cummings & Worley in 2005, they point out the inputs such as the industry structure or general environment affect the design components such as technology, structure or strategy, and so on (Cummings& Worley, 2005). See back the case, because this hospital do not have the suitable leader to management and the structure of the organization was ineffective; moreover, the general environment of the population was increased and the expansion of the hospital also late, it leads to the ineffective organization of design components. Above those problem causes to the organization's performance and employee satisfaction . To deal with that problem, the leader of Benson should improve the general environment and the industry structure in the organizational level before moving on to other levels such as the group and individual level.

GRMC makes some fault decisions primarily due to three reasons. First, the local county judge does not know what kind of leadership the company should use. There are a lot of different types of leader, and one leader should only be put in a specific industry. Therefore, this administrator that lost money may not fit for the hospital industry, and this is the reason why she fails. The top-down approach of decision making also do not suitable for the hospital, the reason that GRMC use this way is that it plunges into a lot of confusions.

Benson's problem is that he is overly confident for his judgement and forecasting, which cause that he dissolved the advisory group and did not listen to employees' advices. Besides that, Benson also did not fully consider the issue, and which means that he forgets that many staffs would have their own activities and arrangements in the Valentine's Day when he wanted to organize the department leader outing at that day.

#### 4. 0 Possible Recommendations and Suggestions

According to the above analysis, we can clearly recognize the existing problems of GRMC and which reason lead to the appearance of them. in order better to solve those problem, there are some suggestion as below:

Firstly, GRMC should change a manager who fit for the hospital.

The administrator of GRMC is elected base on personal qualification and political posture, therefore, these former is not familiar with the hospital industry situation and the daily operation of GRMC.

In order to treat this problem, GRMC should elect a manager who has professional knowledge and rich experience. It means that he or she should has not only higher level of emotional quotient to deal better with the relationship between them and their subordinates, but also capacity to manage the hospital and ensure that it can make a profit.

Secondly, GRMC ought to satisfy the demands of employees.

Benson arbitrarily broke the promise that the employees were committed to receive a pay raise of 7 per cent previously; he reduced the amount to 2 per cent, and which led to a huge dissatisfaction of employees.

It is a wrong decision that the staffs began to adopt a hostile attitude toward to Benson, and were reluctant to cooperate with him. It could almost be said that this violation is the main source and signal of the crisis of confidence. Hence the employee's salaries should be given an acceptable level by the higher management.

One of the four perspectives of organizational effectiveness is the stakeholder perspective that means the company should try to meet the need of the stakeholder that includes employees, suppliers, customers, etc (Polonsky, Schuppisser and Beldona, 2002). Since the employees are an indispensable of the company's operation. From this perspective, Benson should try to satisfy the need that increasingly paid; even though the company is in a adverse financial situation, he also attend a meeting and discuss the plan with employees rather than making decision without employee's approval.

Thirdly, GRMC can Change communication approach.

The top-down approach is not suitable for GRMC, as the hospital was in a state of confusion. In this situation, Benson should another way of bottom-up to increasing the efficiency of communication.

Communication bottom-up approach is a communication channel from the bottom to the top to pass the messages (Volker, 2002), and they can be out

of the company's control. The staffs can express their opinions without office word from management. This way also undermines the administrator's discourse power as they are not able to perpetually deliver work instructions. The employees are allowed to open to talk about or discuss something around them.

Therefore, it is benefit for Benson to use bottom-up approach because although harsh environment results in employee's lower morale and lower efficiency, they would think that they are belonging to the organization, and which is an effective way to raise their motivation.

Fourthly, GRMC also can change decision making approach.

Similar to the communication method, the decision making approach of GRMC also should be altered to the bottom-up. This way can give the low-level management more right to master the company's operation.

Willem (1991) explained that decision making bottom-up approach by involving people who at the lower end of the organization in problem solving within their area of opinions. In this way, the high-level management only need to give the general direction to the subordinates and the low-level leader takes the corresponding measure to solve problems according to the current situation. Problem solving is the process of generating some possible options, however, decision making is choosing the best option from them, and it is depended on individual medical expertise and patient's needs in hospital and medical industries, so it is less important than problem solving. The hospital should first to pay attention to the demands of patients, and

then list some feasible plans, finally to make a decision by upper management.

Fifthly, information transparency is necessary.

Many companies understand the importance of promoted information management; however, there is great increasing number of managements refusing to share information and command with their staffs when they think that it is adverse for the benefits of employees and customers, or when they are not sure whether it can take a positive influence on the company (Claude, 2009). However, if the administration does not deliver the information to the subordinates punctually, it is possible to cause misunderstanding when employees know the things at last.

With regard to the issue of car parking charge, Benson did not tell the employees his decision because he wanted to be aware of the response of the employees shortly after passing an unpleasant accident that declined the request of pay increases. As a result, the staff would have a feeling of being distrusted.

Sixthly, Benson should increase communication skill.

As an administrator, Benson lacks the basic communication skill with his employees. According to Toni Rosenbaum (2005), communication can be defined in three ways: information transmitted; a verbal or nonverbal language and a process by which is exchanged between individuals through a common system of symbols, signs or behaviour. Mindy, Cheng and Sonja (2006) argued that communication was important amongst managers to

employees, and also in employee to employee relationships. Effective communication can improve employee's attitude and perception of manager's actions, and harmonious working environment play significant role in achieving better organizational performance. However, although Benson transmitted requirements or instructions to the staff, he ignored the feeling of employees and his decisions had nearly been turned down, therefore, it can be said that Benson did not know how to deliver the message effectively, and bring conviction to the employees. For increasing communication skill, Benson ought to attend some training courses on it. Seventhly, GRMC can improve the organizational climate.

A leader can not only establish his or hers own personal authority, but also build a friendly relationship with the employees. That means he or she should take some actions to improve the organizational climate. Hong and Kaur (2008) think that any of the organizational climate dimensions that perceived to be negative may trigger employees' intention to quit their jobs. If the organization has a positive climate or the leader is extremely friendly, it would makes employees feel that they are valued and treated respectfully and hence will continue to serve the organization.

Thus, Benson should build a harmonious relationship with the company staffs, and make the employees work in a pleasant ambience. Besides that, he also allows the employees to know about the currently situation of both outside and inside of the company, and tries to make them understand the financial difficulty which is the basic reason why their requirement of increasing paid cannot be satisfied.

Lastly, Change agents are helpful for Benson.

Change agents means anyone who owns enough power and knowledge to instruct and convenient the change effort. Since the employees of the hospital dissatisfied the way of changing leader, whatever decision Benson made they all opposed. Therefore, Benson should build a team to help him manage the subordinates, and the member of this team must have a certain cultural quality, superior authority and enough power. Benson takes advantage of this team to change the employee's ideas and thinking. If Benson tries to solve the distrust problem by himself, it is very hard or even impossible to be success. After all, individual strength is limited; what is more, the staffs have already had resentment for the company, thus Benson seemed too weak when he wanted to make some change. Unlike it, setting up more teams is an effective method because the team members all are important or even an indispensable part of the organization, so the employees are likely to follow their opinions and change the image of Benson and company.

## 5. 0 Conclusion

This case introduces a general hospital named Glengarry Regional Medical Centre (GRMC), with the development of the hospital and the increasing number of patient's needs; GRMC has gradually grown up and expanded its business during a few years. Meanwhile, plenty of problems also followed. The new administrator of Benson was very confident to manage the hospital when he started, however, along with a series of inappropriate behaviours of him and wrong decision he made, Benson thought that he encountered much

resistance from his staffs. In the end, he had to accept the failure for running the company. From this case study, we could learn many knowledge and skills about management, and the experience and failure of GRMC tell us that managing a company is not an easy job, it needs to consider various aspects related to the organization and carefully make a decision at last as all the decision-making is closed link with the success of a company. Therefore, it is very difficult to be an outstanding administrator in a corporation.