STRATEGIC MANAGEMENT AND THE HEALTHCARE SECTOR IN ABU DHABI (SEHA): A THEORETICAL REVIEW

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Abstract:
The purpose of this study is to determine the strategic management and the healthcare sector in Abu Dhabi (SEHA) from the theoretical perspective. Although an empirical research is a way of gaining knowledge by means of direct and indirect observation or experience, however, this research will add on the understandings from the view of theoretical review as well. To execute that, a number of theories put forward, upon which the theoretical framework is premised; these are: the theoretical model of strategic planning in healthcare organizations, strategy content in strategic planning model (SPM), environment(s) in strategic planning model, mission in strategic planning model, human resources management (HRM) in strategic planning model etc. The theoretical review revealed that the available limited research lacks validation through empirical research. This has brought about new knowledge to the researchers which may be tested or contested due to country conditions being different to that of Abu Dhabi or laps of time has altered the findings as of a future date. Future researchers could identify emerging variables that may alter the significance of variables tested which may lead to completely new discoveries as to what contributes to the success of healthcare.

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Keywords: strategic management, healthcare sector, Abu Dhabi (SEHA), theoretical review

1. Introduction

Strategic management has turned in a standout amongst the most essential and most debated topics inside the health sector. Strategic planning encompasses a huge policy driven towards the implementation of quality standards. At the heart of any such quality change exertion is the issue of estimation.

Management improvement suggests that a strategic plan to be set up, with the association’s main goal, vision, vital targets, and activity arrangements went for attaining these goals. A hospital creates techniques, which must be gotten from a situational or key examination, which is regularly performed by analyzing the strengths, weaknesses, opportunities and threats (Bryson, 2004). Total Quality Management cannot be successfully used as an aggressive weapon unless quality can be precisely characterized, measured, assessed, and observed over the long haul (Azam & Moha Asri; 2015; Tarofder et al., 2017). Through such investigation, a healing center can choose how to consume it constrained assets toward those quality change ventures which will affect client impression of administration quality the most.

The growth of quality management processes ensures an effective strategic plan for the organization (Dahari et al., 2011; Azam et al., 2014; Tham et al., 2017). Strategic Plan ought is set up with the association’s main goal, vision, vital targets, and activity arrangements went for attaining these goals. A hospital creates techniques, which must be gotten from a situational or key examination, which is regularly performed by analyzing the strengths, weaknesses, opportunities and threats.

The current study aims at the strategic planning process in medical facilities in SEHA services in Abu Dhabi. The SEHA services are geared with focused medical care aimed at patient satisfaction and high quality medical services in the Emirate of Abu Dhabi. This study is mainly related to the public sector government operations in Abu Dhabi and it may be difficult to adopt the results in other areas in the UAE or GCC.

Fundamentally, there is a need to identify the gaps in Abu Dhabi health care facilities and develop a strategic plan for future healthcare services. Once the strategic opportunities have been recognized and potential dangers considered, a list of particular steps that will be taken to actualize the arrangement ought to be shaped. Quantifiable results are portrayed as described to every target and must be dictated by the statement of purpose. Obligations regarding actualizing the objectives and targets
ought to be built. The key arrangement sorted out through objectives and goals offers an arrangement of quantifiable results which can be assessed.

The research has focused with clear objectives in light of the targets has the capacity to concentrate on particular achievements. The research will help individuals stay healthy and to give access to convenient, high-quality, patient-focused health awareness. Attaining to this obliges clear needs, steady initiative and staff cooperating, supported by the center estimations of joint effort, openness, and appreciation and strengthening. Moreover, a small number of empirical works in this sector creates a need for the current study. Thus, the current research will be very important for rescuing the existing situation.

2. Literature Review

Empirical research is a way of gaining knowledge by means of direct and indirect observation or experience. The healthcare’s desired aim is to offer different services for respective patients. The significance of a service quality study in the healthcare has been generally accepted. The superiority of services from the industry evaluation model to review the healthcare and also to initiate the evaluation based on the quality of service which aims the healthcare. However, this section explains about the empirical review of the current study.

The literature contained differing views on strategy content in healthcare. Andrews et al. (2006) dichotomizes strategy content into strategic stance (organization wide approach) and strategic actions (the implementation of the strategic stance). On the other hand, Rhodes and Keogan (2005) utilized a model that limits strategy to “decisions and actions” undertaken in order to fulfill the organization’s mission. While Hambrick and Fredrickson (2001) discuss strategy in terms of five aspects, 1) arena - the entity’s core business, 2) vehicles - methods for achieving targets, 3) differentiators, 4) staging timing of methods and, 5) economics - logic profit producing plans. They contend that each element is necessary to produce a coherent comprehensive organizational strategy.

Strategy developed from a practical need to a distinguishing factor between failure and success in many organizations (Haque et al., 2014; Haur et al., 2017). Strategy was devised as performance tool on the top management for effective decision making and performance measurement. Chandler (1962) highlight that strategy is made at the top and executed at the bottom. In fact, the strong decision making process with the top management while implementation and execution role with the middle management of the organization. The actual flow of operational business flow in an
organization between departments through the communication channels which support the enterprise actually determines the growth of the firm.

All organizations have common forms of structure and functions by job function, decision making or similar specialist departments. The strategic operations of a firm enable the firm with specialist activities that ensure that resources are used efficiently; careers within each department are clear and succinct and foster effective communication between specialists to enhance skill development and knowledge transfer (Andrews et al., 2006).

Floyd and Woolridge (2000) provide research evidence that strategy fails in an organization where the ineffective plans and unproductive work allocation in strategy execution is seen. There have been effective strategic tools like BCG matrix which aids firms to measure their business based on market growth. BCG Matrix shows the market share and market growth rate in four areas (Stars, Question marks, Cash Cows and Dogs).

The BCG matrix is mostly used as a snapshot view of the activities within a business group and the various business units within a business organization. Question marks are low market share products in a very competitive market space and as the name rightly says, it is question mark on their future existence. Stars are those products in with high market share in highly competitive market space and these businesses are highly profitable and generate higher sales and quality driven products and services.

![Figure 1: Showing the BCG Matrix for strategy analysis](image-url)
Cash cows are highly profitable business in low growth market. Since the low market is uncertain, its unique proposition and high revenue in the market ensures that the high profits are used by the business owners to run business in the higher market share business to solidify and strengthen their position. Dogs are those business ventures which make very low returns in the low growth market space and result in loss making business for the investors (Brian, 1996).

BCG has an advantage that it is too simple and easy for the top management to identify their company position for creating significant business decisions and having a clear snapshot view of the performance of the company over the years and its future ahead. BCG matrix can be enhanced for better cash flow, balanced portfolio of investments, understanding the operations of the various business units of the firm and develop the characteristics of investment in a firm.

Brian (1996) mentions that although BCG had advantages, it also had its own limitations of being too simplistic in the depiction of market share and growth rate as there are many associated factors that too need to be considered along with market growth. The market attractiveness and business position are too complex to be depicted in high or low factor and need for differentiated factors to correctly depict the market performance.

Cooper (2000) highlights the General Electric and McKinsey developed the BCG model into a nine-cell matrix that considers the market situation and business interest of the firm into a more dynamic pattern for market assessment.

![Figure 2: Market Attractiveness Model](image-url)
As shown above, when business strength is strong but the market attractiveness is low, it is time to protect the assets and refocus for attractive segments and manage the current earnings. When the market attractiveness increases to medium level, the business firm should invest in more attractive business segments and products and build the ability to counter competition by increasing productivity. As the market attractiveness reaches a high level, strong business strength enables to invest at maximum digestible rate and the top managers have time to concentrate on maintaining strength.

These strategic developments have the reinforced decision that the top management decisions have developed on the strategic paradigm. The formulation and implementation of the management of strategy have roles for managers, operational processes and design standards for rewards and incentives.

The strategic operations of a firm enable the firm with specialist activities that ensure that resources are used efficiently; careers within each department are clear and succinct and foster effective communication between specialists to enhance skill development and knowledge transfer. The strategy was devised as performance tool on the top management for effective decision making and performance measurement.

The strategic direction gives a set of indicators that gives operational processes that are applied to various departments in the organization. The business model and operational plan ensures that the organization creates and distributes the products and services with high operational value and high quality. The strategy is made at the top and executed at the bottom. The strong decision making process with the top management while implementation and execution role with the middle management of the organization, the strategy fails in an organization where the ineffective plans and unproductive work allocation in strategy execution is seen. There have been effective strategic tools like BCG matrix which aids firms to measure their business based on market growth.

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many associated factors that too need to be considered along with market growth. The market attractiveness and business position are too complex to be depicted in high or low factor and need for differentiated factors to correctly depict the market performance. The strategic developments have the reinforced decision that the top management decisions have developed on the strategic paradigm. The formulation and implementation of the management of strategy have roles for managers, operational processes and design standards for rewards and incentives.

Furthermore, for the healthcare’s, the quality of service, internal operations, the financial situation of vulnerability, institutional efficiency and effectiveness and etc. all play a critical role for its survival and expansion, in which any one of them cannot be neglected. The evaluation of the healthcare is a significant matter to resolve with difficulty. While the application of an all-inclusive evaluation is constrained by the size, capability to assess, the outside environment constraints of the healthcare, the benefits of including evaluation methods, in addition to the prospect of development tendency of the healthcare’s is bound to make a widespread measurement for encouragement and popularization.

3. Methodology

Theories are formulated to explain, predict, and understand phenomena and, in many cases, to challenge and extend existing knowledge within the limits of critical bounding assumptions. The theoretical review is the structure that can hold or support a theory of a research study. The theoretical review introduces and describes the theory that explains why the research problem under study exists. This research reviews several theories that can explain strategic management planning and the development of healthcare sector in Abu Dhabi (SEHA). The following section will be presenting the findings of theoretical review.

4. Findings of the Theoretical Review

There are a number of theories put forward, upon which the theoretical framework is premised; these are: The Theoretical Model of Strategic Planning in Healthcare Organizations, Strategy Content in Strategic Planning Model (SPM), Environment(s) in Strategic Planning Model, Mission in Strategic Planning Model, Human Resources Management (HRM) in Strategic Planning Model. The rationales of employing these theories are put forward. All these are discussed below.
4.1 The Theoretical Model of Strategic Planning in Healthcare Organizations

The strategic planning with healthcare’s working in nations is by applying the system as changed by Rhodes and Keogan (2005). This interfaces the achievement of its technique to HRM and institutional courses of action, which are interconnected. This system gives an across the board base to the appraisal strategic planning hones in the healthcare’s (Blackmon, 2008). It is viewed as comprehensive since it traverses the traditional parts of strategic planning procedures to cover the execution stage, which is by and large the worry of the more extensive key administration ground.

The model likewise empowers associations which are utilizing it to survey their execution with the various points of view of the BSC which are for the most part encased by the model. At long last, it has been observationally analyzed before Blackmon (2008) and it ponders that the endeavors of which give it more unwavering quality to be copied in various exploration connections. The reasonable structure is represented in the Figure 3.

Figure 3: Model of Strategy Dimensions in Healthcare Sector

The above conceptual diagram is included of five key dimensions.
1. Mission – This includes healthcare’s point of continuation, values, behavioral norms, and strategy.
2. Strategy content – This consists of the basic decisions on strategic enhanced to complete the mission.
3. Environment – This includes the external and internal environment analysis with the connectors of the healthcare.
4. Organization’s format and Human Resources structure – This symbolize the key dimensions to execute Healthcare.
5. Process – This consists of strategy focused and increasing strategic decisions of the healthcare (Rhodes and Keogan, 2005).
6. The following sections represent what the literature has revealed about each of the components of the selected strategic formulating framework developed above.

4.2 Strategy Content in Strategic Planning Model (SPM)

The main segment of Rhodes and Keogan (2005) SPM is procedure content. They depicted procedure content as far as “moves and choices made to accomplish association’s main goal”. This is entirely critical for healthcare’s strategic planning endeavors since it permits them to center their activities on accomplishing their main goal. Procedures produced for Healthcares can either be helpful driving to enhance monetary assets or aggressive prompting objective uprooting. The determination of any procedure content depends mostly on the Healthcares subsidizing needs.

Rhodes and Keogan (2005) examined two ways to deal with creating system content in associations. There are; the arranged methodology which is a top-down formal system improvement process and the rising methodology which is a casual learning based procedure to technique advancement. As per the chose approach, the associations can take key activities and choices of either “changing their surroundings, changing current associations with these situations, or changing the association itself” (Andrews et al., 2006). The vital activity chose will strongly affect the association’s execution. Subsequently, planning technique substance is needy upon an evaluation and examination of the different variables that exist in an association’s surroundings.

4.3 Environment(s) in Strategic Planning Model

The Healthcares internal background constitutes of the institutional capability, administration, management, and inside networking’s (Blackmon, 2008). Healthcare outside setting is collected of statutory bodies, private organizations, Healthcares, people, funding agencies, and beneficiaries (Barman, 2002).

The healthcare’s are in a unique environmental position; they must meet the needs of the organization itself while serving the public’s interest (Chetkovich and Frumkin, 2003) which may at times be opposing. The internal environment may consist of leadership, organizational capacity, and networking capacity. In addition to managing the complex internal environments, Healthcares have to contend with external environmental forces such as state and local governments, private foundations, private citizens, along with others that might provide funding (Barman, 2002) and the consumers. Furthermore, the changing fee structure is altering the competitive environment in the healthcare’s (Chetkovich and Frumkin, 2003). As a result there is a shifting toward fee based revenue streams rather than government funding and private...
donations. Chetkovich and Frumkin (2003) propose that healthcares respond by employing efficiency-based business responses or marketing-based differentiation responses. Regardless of which strategic response is employed by the organization, human resources are a vital component. Consequently, as the behaviors of key players in the Healthcare environment this impacts strategic management profoundly, human resources management is emerging as an issue that warrants additional attention as presented in the section that follows (Brown and Iverson, 2004; Canary, 1992; Rhodes and Keogan, 2005).

4.4 Mission in Strategic Planning Model

Rhodes and Keogan’s (2005) and Blackmon (2008) developing the mission in the healthcare’s is a vital element of their strategic planning efforts and must be considered as the hub of the BSC evaluation procedure. Brown and Iverson, 2004 stated that the healthcare’s, the conclusion of strategic management is the recognition of the organization’s purpose or mission. Kaplan (2001) points out that the mission statement and vision of the institute must be at the core of its strategic management efforts in answer to this end.

Therefore, the mission statements in the healthcare have been creating an impact on the strategic management practice of the organization. Rhodes and Keogan (2005), initiate that organizations are required to keep the integrity that is recommended in the unique mission. Therefore, a number of them maintain that the appropriate arrangement between the mission and the organizational goals facilitates the execution process (Moseley and Hasting, 2005; Okumus, 2003).

The noteworthiness of the mission in strategic management, and usage seems clear despite the fact that the definitions are hazy. For instance, Rhodes and Keogan (2005) advocates for a definition based upon the Ashridge structure of mission created by Campbell and Yeung (1998), which is feeling the loss of the methodology portion; consequently, the system incorporates the reason, qualities, and practices. In the meantime as Brown and Iverson (2004) make contrasts in the mission’s utility in the healthcare based upon Miles and Snow’s key arrangements, they start that the statement of purpose may be deciphered as putting cutoff points on the foundation or as given that open doors for the establishment based upon the key bearing of the association. While the definitions and utilizations vary the vision and mission areas of not long ago key basics of strategic management and a key part of the healthcare’s surroundings and system content.
4.5 Human Resources Management (HRM) in Strategic Planning Model

The subsequently section in strategic planning model is HRM. Rhodes and Keogan (2005) showed the HRM has to be incorporated into the healthcare’s usual efforts of strategic planning. This means that it can more be applied as a planned quite than conventional purpose to encourage for better competitive gain (Cakar et al., 2003; Macpherson, 2001).

The authors’ argument is confirmed by the investigator concerning the strategic accountability of HRM and how it can be a necessary part of an organization’s strategic planning pains. Thus, the payoffs of managing human assets tactically have to be evaluated in terms of employees’ continuous learning and growth latent which is one of the main measurement factors that is obtainable by the BSC.

The healthcare’s structure in contrast as reflected through centralization, decisions of outsourcing, division of labor, degree of formalization, and making rational decision is one of the vital parts of strategic planning (Rhodes and Keogan, 2005). The different proportions of organization’s arrangement required to be aligned to organization’s strategic direction to assist the accomplishment of strategic plans (Blackmon, 2008). Weilemaker and Flint (2005) mention that there are two schools of thoughts which are to communicate to human resources, where one maintains that HRM is a support activity and the further a strategic instrument. Cakar et al (2003) stresses the tendency to pay attention on human capital and internal business processes as a means of strategically achieving competitive advantage as evidenced by the TQM. Although Weilemaker and Flint (2005) agree with the view that HR is the future and should be at the forefront as a means of acquiring competitive advantage, they do conflict with the strategic element and propose that the genuine advantage for human resources remains with its conventional support.

Organizational structure is another part of HR, issues for example, such as centralization verses decentralization, manage by the board verses Chief Executive Officer and outsourcing verses domestic are connecting to the strategy proportions which are significant in healthcares (Rhodes and Keogan, 2005). The literature highlighted that these structural mechanism might be viewed from three interconnected activities, “current formats and division of labor, scale of formalization of policies and procedures, and assignment of decision making ability (Brown and Iverson, 2004). Every perspective should be associated through the institutions strategic direction. They also note that the volunteer attempt, for instance boards, offer a foundation of extra key resources to healthcare’s and including an exclusive structural section to these organizations.
5. Conclusion and Implication

There are a number of theories put forward, upon which the theoretical framework is premised; these are: The Theoretical Model of Strategic Planning in Healthcare Organizations, Strategy Content in Strategic Planning Model (SPM), Environment(s) in Strategic Planning Model, Mission in Strategic Planning Model, Human Resources Management (HRM) in Strategic Planning Model. The rationales of employing these theories are put forward. The strategic planning with healthcare’s working in nations is by applying the system as changed by Rhodes and Keogan (2005). This interfaces the achievement of its technique to HRM and institutional courses of action, which are interconnected. This system gives an across the board base to the appraisal strategic planning hones in the healthcare’s (Blackmon, 2008). It is viewed as comprehensive since it traverses the traditional parts of strategic planning procedures to cover the execution stage, which is by and large the worry of the more extensive key administration ground.

Fundamentally, the development of strategic plan involves the design or adjustment of the organization through which the varying financial, economic, human and operational changes. There are constant changes to existing roles of people, their reporting channels, their performance evaluation and control mechanisms in the company. Strategic plans are important for the employees and ensure to follow a career path and the strategy of the employee changes with the competitors, suppliers, regulators and customers.

Once the strategic opportunities have been recognized and potential dangers considered, a list of particular steps that will be taken to actualize the arrangement ought to be shaped. Quantifiable results are portrayed as described to every target and must be dictated by the statement of purpose. Obligations regarding actualizing the objectives and targets ought to be built. The key arrangement sorted out through objectives and goals offers an arrangement of quantifiable results which can be assessed.

Strategic management involves drafting, executing, and assessing cross-useful choices that empower an association to accomplish its long-term key goals. Changes in the external environment, for example, demographic and epidemiological moves, financial variances and inside the health care framework have put weight on hospital facility administrators to actualize key administration projects to react to environmental challenges.

This research has contributed to the existing knowledge by providing an empirically tested/validated model which could be used to predict a material portion of
the variables that contributes to the eventual success of the healthcare. Above and beyond, the development of strategic plan involves the design or adjustment of the organization through which the varying financial, economic, human and operational changes. There are constant changes to existing roles of people, their reporting channels, their performance evaluation and control mechanisms in the company. Once the strategic opportunities have been recognized and potential dangers considered, a list of particular steps that will be taken to actualize the arrangement ought to be shaped. Quantifiable results are portrayed as described to every target and must be dictated by the statement of purpose. Obligations regarding actualizing the objectives and targets ought to be built. The key arrangement sorted out through objectives and goals offers an arrangement of quantifiable results which can be assessed.

For this research, literature revealed that the available limited research lacks validation through empirical research. This has brought about new knowledge to the researchers which may be tested or contested due to country conditions being different to that of Abu Dhabi or laps of time has altered the findings as of a future date. Future researchers could identify emerging variables that may alter the significance of variables tested which may lead to completely new discoveries as to what contributes to the success of healthcares. This research has bridged above research gaps by expanding on former researchers recommendation and has inquired in to the collective impact of the independent variables while intervened by strategic management.

References

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