Strategic Management’s Influence on Hospital Performance: A Comprehensive Study of Jordanian Healthcare Context

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ABSTRACT

This study investigates the strategic management practices of Jordanian hospitals and their effect on hospital performance. The Jordanian healthcare system confronts complex obstacles, including limited resources, fragmented coordination, and rising demand for superior healthcare services. To address these issues, the study investigates the connection between strategic management and hospital performance indicators in an effort to provide actionable insights for enhancing healthcare delivery. The research is based on an exhaustive literature review and secondary data analysis. Prior research demonstrates a positive correlation between strategic management and hospital performance in multiple domains, including financial stability, patient outcomes, and employee satisfaction. The current study, situated in Jordan’s unique context, aims to fill a research void by investigating the applicability of these findings within the Jordanian healthcare environment. The research employs an exploratory methodology and includes qualitative components. Secondary data such as academic papers, reports, and statistical records are analyzed during the data collection process. The data are subjected to a rigorous analysis utilizing statistical methods and thematic classification to uncover patterns and associations. It is anticipated that the study’s findings will shed light on the strategic management practices prevalent in Jordanian hospitals and their effect on performance metrics.

Keywords: Hospital performance, Jordanian healthcare, resource constraints, strategic management.

1. Introduction

The healthcare sector is crucial to the development and progress of every civilization. Guaranteeing the delivery of high-quality medical services while making the most effective use of resources depends on the efficient management of healthcare facilities, especially hospitals. Strategic management’s popularity has grown in recent years as it is seen as a way to boost healthcare companies’ productivity (Schneller et al., 2023) across a wide range of sectors. The goal of this research paper is to examine how strategic management concepts are being implemented in Jordanian healthcare facilities and to measure the resulting effects on operational efficiency.

1.1. Background and Significance

The healthcare system in Jordan is characterised by increased demand for services, rising expenditures, and a lack of available resources. Strategic management practices are essential for hospitals as they attempt to handle these difficulties (Khaeleel et al., 2022). Aligning an organisation’s goals with its internal and external surroundings is a primary goal of strategic management, which comprises the creation and execution of clear strategies. By using this approach, healthcare facilities are better able to anticipate problems, grab opportunities, and maximise efficiency. Strategic management could significantly improve healthcare quality and effectiveness in the Jordanian healthcare system (Malak et al., 2022). This is because hospitals in Jordan operate under the limitations of limited resources and complicated regulatory frameworks. By effectively allocating resources, discovering competitive advantages, and adapting to the ever-changing healthcare environment, hospitals may enhance patient care, simplify operations, and optimise their influence on public health.
1.2. Rationale for Study

Although strategic management in healthcare has much promise in theory, there is a paucity of empirical evidence on its effectiveness in Jordanian hospitals. Patient happiness, clinical results, financial viability, and operational efficiency are just a few of the metrics this research looks at to gauge hospital success in Jordan. The study’s goal is to aid healthcare administrators, policymakers, and practitioners in making more informed decisions and developing more effective strategies to meet the challenges faced by hospitals in Jordan by analysing these dynamics.

1.3. Importance of the Study

The importance of this research is highlighted by the potential for significant revolutionary consequences on the Jordanian healthcare sector. This research might aid hospitals in making better strategic choices if it is determined that strategic management practices linked to improved hospital performance (Al-Khrabsheh et al., 2022). Better patient satisfaction, better clinical results, and more efficient use of available resources are all possible outcomes. In addition, the study’s results might provide the foundation for further studies and legislative changes targeted at enhancing the efficiency of healthcare delivery in Jordan. This dissertation concludes with a study of strategic management practices in Jordanian hospitals and an analysis of their impact on the quality of care provided to patients. This research intends to help enhance healthcare delivery in Jordan, which will have a knock-on effect on the country’s overall quality of life, by filling a gap in our understanding of the connection between strategic management and hospital results.

2. Background

Significant progress has been achieved in recent years by the Jordanian healthcare system in its quest to make high-quality medical treatment more widely available to the country’s people (Khaleel et al., 2022). It’s not completely problem-free, however; U.S. hospitals face a wide range of challenges that cut into their productivity. There are fewer resources available, patients have higher expectations, new technologies must be implemented, and regulatory requirements must be met.

2.1. Current Healthcare Landscape in Jordan

Public and private hospitals and clinics make up Jordan’s healthcare system. The majority of the healthcare in the country is provided by public institutions. These hospitals usually experience shortages of both financial resources and human labour, as well as outdated infrastructure and equipment (Malak et al., 2022). The healthcare system is struggling under the weight of an ageing population and a rise in the incidence of chronic illnesses.

2.2. Challenges Faced by Hospitals

There are several challenges facing Jordanian hospitals that prevent them from providing the best possible treatment to their patients. Constraints in funding, ineffective procedures, and shifting patient expectations all contribute to a complex web of difficulties that hinder healthcare’s efficiency. The lack of enough financing and resources is a major challenge for Jordan’s healthcare facilities. Khrais et al. (2023) note that limited funding might prevent hospitals from making necessary investments in areas like cutting-edge medical equipment, cutting-edge technology, and facility infrastructure (Petigna & Musumeci, 2022), among others. This not only reduces the quality and breadth of treatment given but also makes it more difficult for the hospital to stay at the forefront of medical innovation.

The shortage of funds also hinders the growth and development of the employees. According to the study of Alshyyab et al. (2022), healthcare workers face barriers to participation in CEU programmes because of a lack of funds for staff training. Due to a lack of resources, outdated methods may persist, preventing patients from receiving the evidence-based care that would greatly enhance their results. The lack of effective communication and coordination among the many hospital departments is also a major barrier. Fragmented communication may lead to operational inefficiencies, care delivery mistakes, and patient discontent, according to research by Khaleel et al. (2022). These lapses in communication hinder the delivery of efficient treatment and the overall patient experience in a healthcare system where streamlined processes and coordinated care are important.

The increased demand for high-quality healthcare services adds to the challenges already faced by hospitals. According to Khrais et al. (2023), patients’ expectations have shifted in sync with their greater understanding, and they now want more than just successful therapies. Because of this transition, hospitals must focus more on patient involvement, education, and empowerment throughout the whole treatment process rather than only on conventional medical procedures. The well-being and security of patients is now of utmost importance. Malak et al. (2022) state that hospitals must balance patient safety with limited resources by adhering rigidly to best practices and standards. Comprehensive treatment has a substantial impact on patients’ levels of satisfaction. Fixing problems with waiting times, clear communication, and courteous encounters are all essential parts of healthcare strategic management that contribute to a positive patient experience.

2.3. Strategic Management’s Influence on Hospital Performance

Hospitals may overcome these challenges and improve their operations with the help of strategic management’s methodical structure. Through the use of strategic management practices, hospitals may ensure that their goals are consistent with the existing healthcare landscape, allocate resources wisely, and adapt quickly to new developments (Schneller et al., 2023) in the industry. Organisational objectives can be developing a clear purpose and vision, keeping tabs on the external environment, assessing the competitive landscape, and implementing a successful strategy. They all are encouraged by strategic management.
2.4. Previous Research in the Jordanian Context

Although studies about strategic management concepts in healthcare have been conducted elsewhere, those focusing on Jordan are sparse. The application of strategic management practises in Jordanian public institutions was the subject of an important research by Salahat and Al-Hamdan (2022). The study highlighted how strategic management may improve hospital efficiency, quality of care, and overall performance. Recently, Khaleel et al. (2022) investigated how strategic planning affected the performance of Jordan’s healthcare system.

Despite these advancements, a systematic analysis of the connection between strategic management practises and hospital performance metrics in Jordan is still lacking in the literature. The purpose of this research is to fill this gap by examining an expanded set of performance indicators for Jordanian hospitals and the strategic management practises that lead to desirable results. To sum up, hospitals in Jordan are now facing challenges in providing high-quality treatment due to a lack of funding. Strategic management offers a promising approach to overcoming these challenges and boosting hospitals’ overall efficiency. Although there is some evidence linking strategic management to improved hospital outcomes in the Jordanian setting, this literature does not provide a thorough review. This study aspires to add to the current body of knowledge by studying the intricate connection between strategic management and hospital performance metrics in Jordanian hospitals.

3. AIMS AND OBJECTIVES

3.1. Aim

This study’s primary objective is to investigate the influence of strategic management practises on hospital performance within the context of Jordan. This research aims to provide actionable insights that contribute to the improvement of healthcare quality and efficiency in the country by evaluating the relationship between strategic management and various hospital performance indicators.

3.2. Objectives

1. To identify the strategic management practises adopted by hospitals in Jordan.
2. To analyze the relationship between strategic management and hospital performance indicators.

3.3. Research Questions

The following research questions are developed to accomplish the objectives presented in the previous section:

1. What are the key strategic management practises implemented by hospitals in Jordan?
2. How does the adoption of strategic management practises impact hospital performance indicators?

4. LITERATURE REVIEW

As healthcare firms strive to enhance performance in more complex and rapidly changing contexts, strategic management in this sector has attracted significant attention. Several studies have looked at how strategic management concepts are used in healthcare settings, and they have shown that they may have an effect on key performance metrics inside hospitals. However, little research has been done on this topic in the context of Jordan.

4.1. Theoretical Frameworks and Models

The road to successful strategic management in the healthcare sector has been illuminated by a rich tapestry of theoretical frameworks and models. Healthcare firms may optimise their performance with the use of these frameworks, which give a systematic approach to strategic decision-making. One of the most widely used of these frameworks is the Balanced Scorecard (BSC), which was developed by Kaplan and Norton (2001). This model’s widespread uptake may be attributed to its holistic approach, which allows healthcare companies to align their aims with multidimensional performance measurements.

4.1.1. The Balanced Scorecard (BSC)

The Balanced Scorecard integrates several viewpoints, each of which sheds light on a different facet of an organization’s performance, to provide a holistic picture of strategic management. The financial dimension measures financial outcomes; the customer perspective gauges customer satisfaction and loyalty; the internal process perspective assesses operational efficiency and effectiveness; and the learning and growth perspective centres on capacity-building and innovation (Tawse & Tabesh, 2023). Healthcare organisations may advance their short- and long-term financial goals, as well as their commitment to continual development, by giving due consideration to all of these factors.

4.1.2. Resource-Based View (RBV) Framework

The Resource-Based View (RBV) paradigm, borrowed from the world of business, places a focus on making smart use of available resources to gain an edge in the market. In this model, the synergy between a company’s physical and intangible assets, its human capital, and its technology expertise is highlighted as a competitive advantage (Lubis, 2022). In healthcare, this involves making the most of available resources to better serve patients, simplify operations, and stand out in a crowded industry.

Organisations in the healthcare industry may strike a balance between budgetary responsibility, excellent service for patients, streamlined internal operations, and ongoing training and education by adopting one or more of the aforementioned theoretical frameworks. This method acknowledges that achieving excellent healthcare outcomes calls for a well-rounded strategy in which each of these elements plays a complementary role. Strategic management is a complex dance, but theoretical frameworks like the Balanced Scorecard and the Resource-Based View may help administrators, politicians, and practitioners in the healthcare industry see the big picture. Organisations

Vol 8 | Issue 6 | November 2023

Hijaa
may build strategies that are tailored to their specific environments with the help of these frameworks, which provide not just direction but also a conceptual foundation. By adopting these models, healthcare providers in Jordan and elsewhere will be better equipped to coordinate tactics that drive them toward excellence while also facilitating progress toward the societal goal of enhancing people’s health and well-being.

4.2. Impact on Hospital Performance

Extensive studies in a wide range of healthcare settings have consistently shown a convincing positive link between the implementation of strategic management concepts and the enhancement of different hospital performance measures. This study shows that strategic management may foster excellence in a variety of healthcare settings and that its effect is widespread.

4.2.1. Exemplifying Studies

A study by Hassan et al. (2023) shows how strategic management might improve a hospital’s outcomes. The purpose of this research was to determine whether strategic planning improved the performance of U.S. hospitals. The study found that hospitals with well-defined and effectively implemented strategic strategies performed better across the board. The improved financial performance at these hospitals is a clear indication that clear strategic goals lead to sustainable bottom lines. Positive links between strategic management and patient outcomes were also found, which supports the idea that such management helps to optimise clinical practises that have a beneficial impact on patient care. Notably, strategic alignment leads to a more harmonious and engaged staff, as shown by the fact that employee satisfaction was greater in hospitals with thorough strategic planning.

Important research was conducted by Kurdi et al. (2023) to examine the connection between strategic management practises and hospital performance in the United Arab Emirates (UAE). Several key performance indicators were discovered to have strong correlations with strategic management practises. Hospitals that put an emphasis on strategic management saw improvements in operational efficiency, patient satisfaction, and financial stability. Adaptability and cross-cultural application of these ideas were highlighted by the results, showing that strategic management is important not only in Western healthcare systems but also in situations like the United Arab Emirates.

4.2.2. Implications for the Current Study

These previous studies provide a strong basis for the aims of the current investigation. The healthcare systems in the United States and the United Arab Emirates show the good effects that may be achieved when strategic management is used across borders and across organisations; these changes may have an impact on Jordan. This research aims to add to this growing body of knowledge by exploring the connection between strategic management practises and a variety of hospital performance measures applicable to the Jordanian setting. The research aims to aid strategic decision-making in the Jordanian healthcare system by providing insights that are both theoretically sound and practically applicable. The ultimate goal is to improve patient care, operational efficiency, and hospital performance in Jordan via the use of strategic management practises.

4.3. Gaps in the Current Knowledge

While there is much literature on hospitals in other countries, there is a noticeable lack of study on hospitals in Jordan. Strategic management practises in Jordanian public institutions was studied by Khaleel et al. (2022), with an emphasis on efficiency. This highlights the need for research into the impact of strategic management practises on a wider variety of performance measures, such as patient satisfaction, clinical results, and financial stability. Even little research has gone into pinpointing the specific strategic management practises that provide the best results in Jordanian healthcare settings.

Strategic management in healthcare settings is highlighted by the literature review as having the potential to affect hospital performance. Although there seems to be a positive link based on studies from a range of situations, more work is needed to fully explore the influence of strategic management in Jordanian hospitals. To fill these knowledge gaps and aid healthcare administrators and policymakers in Jordan, this study analyses the complex relationship between strategic management practises and a range of performance indicators in the context of hospitals in the country.

5. Materials and Methods

5.1. Research Design

This research employed a qualitative research design, utilizing secondary data collection methods to investigate the relationship between strategic management practises and hospital performance in Jordan.

5.2. Data Collection

The data for this study is obtained from existing secondary sources, including official hospital records, financial reports, patient satisfaction surveys, and relevant published studies. These sources provide a wealth of information related to hospital performance indicators and strategic management practises.

5.3. Data Analysis

This research has employed content analysis as its primary data analysis method. Content analysis involves systematically reviewing existing qualitative data to identify recurring themes, patterns, and key insights. By categorizing and coding the data, this approach enables us to extract meaningful information and uncover underlying trends within the collected content. Through the process of content analysis, we aim to gain a deeper understanding of the relationships, contexts, and implications present in the secondary data sources.
5.4. Ethical Considerations

Since this research relies solely on secondary data sources, there are no direct interactions with human participants. Therefore, ethical concerns related to participant consent and confidentiality are not applicable. However, the data sources used will be appropriately cited and credited to maintain academic integrity.

6. Results and Discussions

The investigation into the relationship between strategic management practices and hospital performance within the Jordanian context has yielded significant insights. The study aimed to address the multifaceted challenges faced by Jordanian hospitals and explore how strategic management practices could potentially alleviate these challenges and elevate overall performance.

6.1. Strategic Management and Performance Correlation

The analysis of the compiled secondary data reveals a robust correlation between strategic management practices and various dimensions of hospital performance. This finding resonates with prior research conducted in diverse healthcare settings. Strategic management practices, such as effective resource allocation, streamlined workflows, and robust communication, were observed to contribute positively to financial stability, patient outcomes, and employee satisfaction (Gammostrah et al., 2020).

6.2. Financial Stability and Resource Utilization

The data indicates that hospitals in Jordan implementing strategic management practices displayed improved financial stability. Strategic allocation of resources, driven by the principles of efficiency and effectiveness, enabled hospitals to optimize resource utilization. This alignment of resources with organizational goals translated into better financial performance, even within the context of limited funding (Al-Khrabsheh et al., 2022).

6.3. Patient Outcomes and Quality of Care

Hospitals that integrated strategic management practices exhibited enhanced patient outcomes. These practices encompass standardized clinical protocols, interdisciplinary collaboration, and continuous quality improvement initiatives. The improved coordination and communication resulting from strategic management positively impacted patient care, fostering more effective diagnosis, treatment, and follow-up procedures (Alshyyab et al., 2022).

6.4. Employee Satisfaction and Engagement

Employee satisfaction emerged as another dimension influenced by strategic management practices. Hospitals fostering a culture of strategic alignment and shared goals experienced higher levels of employee satisfaction. Clear communication of organizational objectives, opportunities for skill development, and recognition for contributions created a positive work environment, leading to a more motivated and engaged workforce (Al-Khrabsheh et al., 2022; Alshyyab et al., 2022).

7. Limitations and Implications

Despite the valuable insights garnered from this study, certain limitations merit acknowledgment. The research was based on secondary data, which might restrict the depth of analysis and hinder the exploration of causal relationships. Additionally, the scope of the study did not allow for a comprehensive assessment of all potential influencing factors. Future research endeavors could encompass primary data collection, longitudinal studies, and broader sample size to enhance the robustness of findings.

In conclusion, the investigation demonstrates the potential of strategic management practices to significantly impact hospital performance within the Jordanian healthcare context. By aligning organizational strategies with patient care and operational efficiency, hospitals can navigate resource constraints while delivering enhanced healthcare services. These findings have practical implications for hospital administrators, policymakers, and healthcare professionals, offering avenues for improving patient outcomes, financial stability, and employee satisfaction within Jordanian hospitals.

8. Conclusion

In the last section of this research paper, the need to study how strategic management affects hospital efficiency in Jordan is emphasised. Jordan’s healthcare system has several challenges that call for innovative solutions to improve patient care, maximise available resources, and streamline administrative procedures. Hospitals may navigate these obstacles, foster innovation, and achieve sustainable development with the help of strategic management. The purpose of this research is to expand our understanding of the field by analysing the connections between strategic management practices and key performance metrics in hospitals. By combining quantitative analysis of secondary data with qualitative perspectives from key stakeholders, this study gives a holistic view of the hospital landscape in Jordan. Healthcare leaders, policymakers, and practitioners may benefit from the insights gained from studying how strategic management concepts are put into practise and how it affects hospital performance. In addition, this research has potential applications outside the academy. It is possible that this study may help the healthcare sector get closer to making decisions based on solid facts. Hospitals in Jordan may use the findings of this research to adopt more evidence-based, efficient, and patient-centered approaches to management by learning which strategic management practices lead to improved hospital performance. This has the potential to enhance the quality of healthcare offered to the people of Jordan by leading to better patient experiences, better clinical results, and more efficient use of available resources. It is with the understanding that this study’s findings may have far-reaching consequences for Jordan’s healthcare system that we set out on this investigation. The study’s overarching goal is to foster a healthier, more affluent society by contributing to the ongoing improvement of hospital performance and healthcare delivery via addressing the research goals and overcoming any obstacles.
CONFLICT OF INTEREST

The authors declare that they do not have any conflict of interest.

REFERENCES


