



**ORGANIZATIONAL RESTRUCTURING STRATEGIES AND PERFORMANCE OF THE AGA-KHAN HOSPITAL
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Accepted: October 11, 2021

ABSTRACT

The aim of this research was to examine the organizational restructuring strategies and performance of the Aga-Khan Hospital Mombasa. The study was anchored on the following theories: The Lewin's Change Management theory, Kotter's change Management theory and ADKAR model. Descriptive study approach was used. Target population for the study was 78 management staff from the hospital. To ensure efficiency, validity and reliability of the data collection instrument was tested. Reliability was measured using Cronbach Alpha. A pilot study was conducted in the Aga-Khan hospital so as to ensure reliability of the research instruments. Data was collected using primary source with the aid of Likert scale questionnaire, which were grouped in relation to its themes of studying organizational restructuring strategies and hospital performance. Collected data for analysis was supplemented by the multiple regression analysis model using the "Statistical Package for Social Sciences." Simple random sampling technique was employed for the study. Findings showed that IT, downsizing and downscoping, were positively correlated with performance of the hospital. Turnaround strategy on the other hand was found to be negatively correlated with the performance of the hospital. The study found out the hospital faced challenges of the employees resisting change in how they do things, which caused about the negative effect of the turnaround strategy. The study recommended that the management of the hospital should motivate its employees with incentives, so that they can work harder and improve on the performance. It was also recommended that the hospital should train its employees so as to increase their skills when working. A further recommendation was given that further studies should be conducted by other researchers and scholars, to come up with other study variables that would help the hospital to improve on its performance.

Key Words: Downsizing Restructuring, Information Technology, Down Scoping, Turnaround Restructuring

CITATION: Magak, K. M., & Kimencu, L. (2021). Organizational restructuring strategies and performance of the Aga-Khan Hospital Mombasa. *The Strategic Journal of Business & Change Management*, 8 (4), 288 – 305.

INTRODUCTION

Organizations today face a lot of changes in the environment that causes them to respond and react quickly to any form of challenges that they are encountering, in order to keep up with its position in the market. Organizational restructuring strategies can help companies that are dealing with poor performance, to come up with good strategies that will help them to improve on their performance (Narasimhan, 2012). Organizations see the need to restructure so as to reconsider its firm's present mission, vision, strategies and objectives so that they can evaluate their effectiveness in the changed scenario. This involves the evaluation of the firm's line of business, adjusting its portfolio or changing the ways in which the firm allocates its resources for its day to day operational activities (Montana, 2008).

There are different definitions by different authors that explain what organizational restructuring is (Casico, 1993) defined organizational restructuring as the changes which are planned in the organization, which affects its use of people (Burke, 1998). Also defined organizational restructuring as the altering of the size and basic configuration of the organization's mission, vision, goals and objectives. Organizational restructuring is therefore the radical redesigning of how the organization's structures are functioning, so as to achieve its main goal and objectives of wealth maximization in the organization. Erkama (2010) explained that when an organization restructures, it focuses on getting its work done well, so as to make strategies that function and works well. This indicates the strategy being implemented where the managers in the organization change its systems, so as to ensure a desired level of cost effectiveness and good quality of goods and services. According to Balogun (2007), when an organization restructures, "Some activities that are in the value chain, are crucial in the implementation and performance of the business than others." Therefore it is important for the organization to restructure by making some

strategic changes, when it faces any form of problems in its business environment.

Once strategies in the organization have been formulated and implemented, the strategy evaluation followed by control stages take place. This helps the managers of the organization to correct any form of irregularity that has taken place in the organization, which if not considered, will greatly affect the performance of the organization negatively (Allard, 2004). Organization performance is defined by "how the organization is able to reach its objectives and goals while using its current resources in an effective and efficient way (Klein, 2010). Performance is therefore an end product of an activity. There is a difference between productivity and performance. Productivity is a ratio that explains the amount of work done in relation to the time taken, while performance indicates productivity and quality of the work that has been done. Measures that any organization will use to measure its performance will depend greatly by the company's goals and objectives in the environment (Healthfied, 2003). The strategies that an organization has put in place should be used as a measuring strategy to see whether the company is performing well or not once it has been implemented. Many countries around the world have different measurements of performance. Financial profitability and growth are obvious measures that organizations use to consider if they have grown in their performance (Anabelle, 2010).

Healthcare is a competitive industry around the world. People are ready to travel to remote and developed parts of the world just to get good medical services when they are sick. Private sector health organizations receive a lot of pressure from stakeholders to improve quality so as to compete effectively and efficiently (Bradlow, 2007). The private sector hospitals tend to be more efficient in how they conduct their services as compared to the public hospitals due to the better utilization of their resources that enables them to reach their goals and objectives (Mahmoud Ajlouni, 2017). In the recent years, the country's health care system, both

private and public, has seen a tremendous improvement in how they operate their services, though there is a great deal of improvement that is needed. The hospital sector in Kenya has emerged and become very prominent in the recent years. This is because of the varying standards that it has in the urban areas. In Kenya, they exist mainly in Nairobi followed by Mombasa. The Aga-Khan hospital is the most widely sought hospital in Kenya, because it is popularly known for its qualified experts in the service industry.

Aga-Khan hospital in Mombasa is also in a constant state of restructuring and improving its organization's performance. This is due to the continued lack of efficiency, effectiveness, market share and customer satisfaction that the hospital is not fully offering to its patients (Oleribe, 2019). To curb these problems, the hospital ought to initiate changes and strategies including; downsizing, down scoping, Information Technology and turn-around, which will help to improve on its performance. The main aim of this paper is to find out the organizational restructuring strategies on performance of the Aga-Khan Hospital Mombasa, which studies have not undertaken hence the knowledge gap and need to undertake this study.

Statement of the Problem

Organizations today are rapidly embracing the use of organizational restructuring strategies in that it will result to its increase in performance in achieving its goals and objectives of wealth maximization and offering quality goods and services. Similar trends have also been observed in the health sector organizations, which seek to indulge organizational restructuring strategies such as downsizing, down scoping, Information Technology and Turnaround strategy as a means in achieving its organizational performance effectively and efficiently. The hospital's performance will be measured to find out if it is efficient, effective, good market share and whether the customers are satisfied. These strategies accentuate on the contextual gap on whether they improve organizational performance of hospitals, specifically

The Aga-Khan Hospital in Mombasa. Most hospitals around the world and the ones in Kenya such as the Aga-Khan Hospital, Mombasa, experience problems such as lack of efficiency, limited effectiveness, low market share and the customers are not satisfied among others. Turn-around strategy as a trend was used by the Aga-Khan hospital in Karachi after a very low birth-rate of under 1500 grams in the clinic (Bhutta, 2019). This trend enabled the hospital to improve on its effectiveness in the hospital by establishing a neonatal intensive care unit. Schilling (2007) in his study, showed the most restructuring strategies that most organizations use include; downsizing, down scoping, virtualization, out sourcing, among others. Although these strategies are frequently used, they unfortunately bring about bad results than it is usually expected, if the plan set to implement them is not well observed (Edmunds, 2016). Previous studies have shown and to a limited extent the organizational restructuring strategies on performance, and found out that it affects the employees job safety and stability. This study, sought to determine organizational restructuring strategies on performance the Aga-Khan Hospital, Mombasa, hence leading us to the general research question on what is the organizational restructuring strategies on performance of the Aga-Khan Hospital Mombasa?

Objectives of the Study

The main objective of this study was to investigate organizational restructuring strategies on performance of The Aga-Khan Hospital Mombasa. The study was guided by the following specific objectives;

- To determine the extent to which Downsizing restructuring strategy affects the performance of the Aga-Khan Hospital Mombasa
- To establish the effect of Information Technology restructuring strategy on the performance of the Aga-Khan Hospital Mombasa
- To evaluate the effect of Down scoping restructuring strategy on the performance of the Aga-Khan Hospital Mombasa

- To find out whether Turn around restructuring strategy affects the performance of the Aga-Khan Hospital Mombasa

LITERATURE REVIEW

Theoretical Review

The Lewin's Change Management Theory

Lewin's change management theory has three phases famously known as the unfreezing stage, moving stage, that is known as the change stage and lastly the freezing stage, also known as the refreezing stage (Schein, 1964). There are forces known as the driving forces that facilitate change in the organization, as they push the employees in the organization to the desired direction so as to achieve its goals and objectives while restructuring. Lewin's change management model helps as to identify the factors that prevent, or delay restructuring from occurring in the organization, factors or forces that oppose changes from occurring in the organization, which are also called static forces or restraining forces, and lastly the forces that drive or promote changes in the organization, also known as the driving forces.

Kotter's Change Management Theory

The steps in Kotter's change model, include the following; firstly, is to Increase the sense of urgency of the organization. By creating the sense of urgency in the organization, it inspires the people in any organization to move towards the desired state of restructuring and also to make the relevant and real objectives. This can help the organization initiate motivation; so as to get things at per the second; is to build a guiding coalition in form of a team. This simply means that the organization should work on getting the right team, who are able to accomplish the goals and objectives of the organization with their skills, by convincing people that restructuring is important. The third step is to get the vision right. By getting the vision right, the organization is able to forecast its strategic goals and objectives that it wants to achieve in the future, thus a clear vision in the organization can help the people to understand why you are asking them to

do something. The fourth step is to communicate the change to the team members. By communicating the strategy to other members, you ensure and embrace inclusivity in the operations of the organization, by involving many people as possible. Fifthly, is to empower an action plan used in the organization. By empowering an action plan, the organization removes obstacles, and enables constructive feedback and support, thus the leaders recognize and reward achievements and progress. The sixth step is to create the short term wins in the organization. In this step, the organization, motivates the members by giving the company a taste of victory, early in the change process. The seventh step is the building on the change.

The ADKAR Model

The ADKAR Model was developed by Mr. Hiatt in the year 2003. It was introduced as a tool to mainly coach and help the employees and assist them through the restructuring process in the organization (Hiatt, 2006). Hiatt provides an explanation on the human issues that affect them during restructuring in the organization. This model focuses on the five issues and outcomes that are essential actions that an organization can use when they want to effectively restructure their normal way of operations. The ADKAR actions include; the awareness of the organization's need to restructure, desire to restructure, knowledge on how the organization is going to restructure, ability to implement the required need for change in the organization and lastly reinforcement of the needed to restructure in the organization.

Empirical Review

Information technology is a very powerful tool today in our global society. The relationship between the use of Information Technology (IT) and organizational restructuring has been of concern for many years. IT is the study of systems, mostly telecommunications and computers for storing, retrieving and sending of information (Daintith, 2012). Evidence has been provided that when a hospital increases its use of Information Technology resources, it improves on

its clinical quality, its information systems, documentation in its office automation machines and also in its structure (Williams, 2015)

A study was conducted by the Becker's Health Care Human resource Institute in Chicago, on its best practices on improving a hospitals' performance by improving on its patient's healthcare through technology, and came up with best practices that a hospital can adopt. These include; service line and surgical technologies, by purchasing the greatest and latest technologies to hit the market, despite its upfront costs, which will then result in a good performance while undertaking surgical practices. The use of smartphones, tablets and applications is also important in hospitals, as they provide a lot of information to the nurses and doctors on any concern on healthcare on a fingertip's reach, unlike past practices where it was quite hard to acquire information. The use of Hybrid Operating rooms is also brought about by the use of technology. The Hybrid Operating rooms, ORs, is an environment that enables a surgeon or any other specialist, to perform open surgeries (Becker, 2019). Telehealth tools are also improving hospitals performance, by adopting tools that help them such as Bidirectional video feeds, TV's, wireless infrastructures and cameras. Ultrasound devices, Infection detecting methods, Healthcare staffing, Social media and lastly Patient friendly methods, were evident studies to confirm that the adoption of Information

Downsizing involves the intentional and permanent reduction in the workforce of an organization (Freeman, 1993). Scholars around the world have been studying how downsizing and performance have affected organizations. Some literature proclaims that there is some improvements in the cost cutting, and its strategic focus, while others argue that there is deterioration of the performance, due to the employee resentment and the negative reactions that come from the society (Arvey, 2001).

When examining downsizing and organizational performance, it is evident that many organizations have been downsizing in the past five years in

Kenya by announcing that they are reducing the numbers of their work force in the company (Clark, 2012)

Kenyan labour market is highly protected by its rights. Critics of the labour market regulation, claim that the strong job rights by the employees, prevents the employers to adjust to any economic fluctuations that they are undergoing as a company. It has also been argued that by the company embracing the layoffs of its workers during the downturns, the strong job security makes the employers to be reluctant to hire new employees during the upturns, this eventually leads to unemployment in the society (Skyrme, 2015).

Down scoping refers to the reduction of unrelatedness level of the company. This means that the organization divests, spins-off, or comes up with any ways of removing businesses which is not related to the firm's values and functions (Amato, 2009). It is therefore, a strategy that many organizations use to aim at focusing more on the organization's core values, so as to improve on its performance, instead of focusing on other functions. The organization achieves this by eliminating the unnecessary functions, and focuses on the main business venture so as to improve on its performance (Almquist&Lee, 2009)

Down scoping and downsizing, are quite similar, since the two have an aim at reducing some of its business aspects. The difference is that in down scoping, there is retention of the employees working in the organization, unlike in downsizing whereby the organization has to eliminate and lay off some of its employees (Allard, 2004). Down scoping as a strategy therefore, ensures that there is maintenance of the employees working in the organization, the competence of the organization is maintained. Most organizations in Canada opt to use the down scoping strategy because the resulting situation is an increase in the organization's shareholder's value and spinoffs. This will enable the organization to account for its performance (Amit&Zott, 2012).

Organizations that are experiencing a decline in their performance come up with a variety of corporate turnaround strategies to deal with the decline in performance (Duncan Angwin & John McGee, 2015). Turnaround strategy, is the process in which organizations that are facing a decline in their operations come up with ways on how they can overcome the decline so as to improve on its performance (Hofer, 2013). The main reason as to why an organization opts for a turnaround strategy in China, is to rescue and salvage the organization's intrinsic value, so as to solve any of its financial or non-financial distress, and come up with new ways of doing its business (Zana, 2016).

Turnaround strategies include: efficiency and growth oriented. The growth oriented strategy deal with ways of defining the organization's core values, by improving the markets that exists (Thomas, 1998). Turnaround is also realized in strategies that are the business assets. Efficiency turnaround strategies, are aimed at monitoring the organization's scope, and cutting off of the business' unrelated operations, products or services so as to improve the performance and efficiency (Davenport, 1997).

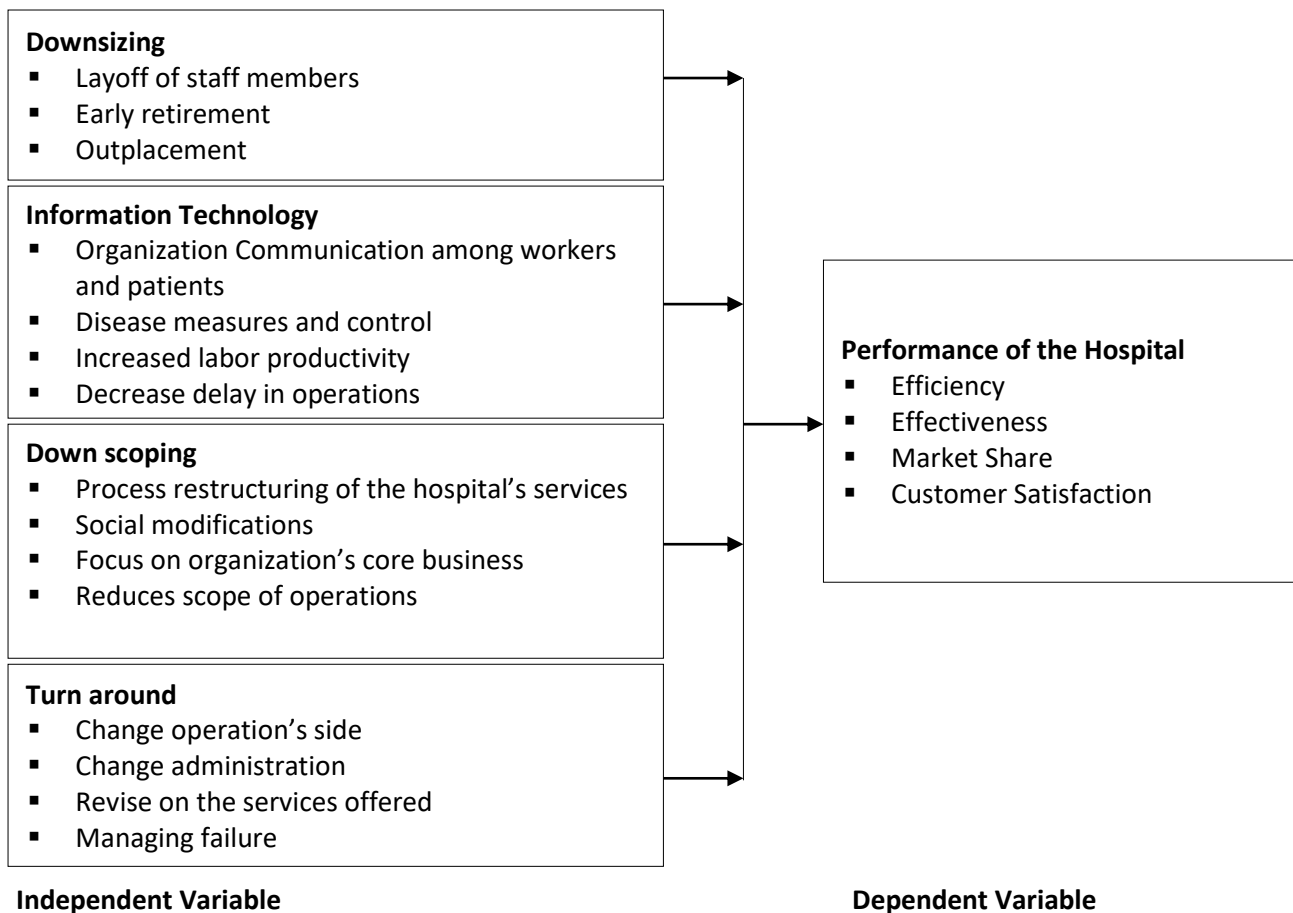


Figure 1: Conceptual Framework

METHODOLOGY

The research used a descriptive research approach. This study targeted 78 employees, mostly the head management staff. The target population for the study were the Head of Outreach and professional services, Head of nursing, Head of ICT, and Head of

HR. These were in charge of setting and implementing the organizational restructuring practices that affects the performance of the hospital. The study employed the use of simple random sampling to select the sample. Data for the research was collected using a likert questionnaire.

Collected data from the questionnaires, was presented and summarized as the study theme of organizational restructuring strategies on performance of private hospitals: A case of the Aga-Khan Hospital in Mombasa. Descriptive analysis was used to measure central tendencies of the quantitative collected data such as mean, median and mode. The data was supplemented using qualitative data. "Statistical Package for Social Sciences," (SPSS) software is used to analyze quantitative data.

RESULTS

Descriptive Statistics

Descriptive statistics are used in coming up with a summary of the data collected that will be useful to the end users. Frequency measures such as means and percentages, were used by the researcher to bring forth the findings.

Information Technology

Restructuring of a hospital is exposed to many factors that affect its performance. These factors

affect the performance of the hospital directly and indirectly if they are not properly managed. Information Technology strategy help in managing such factors that can therefore lead the hospital to perform well in the long-run. Information Technology was measured using eight items describing the performance of the hospital, found in the literature as per the study context. A Likert scale with five points was used in the study. One represented strongly disagree, while five represented strongly agree. The objective was to find out if organization restructuring strategies affects the performance of the Aga-Khan Hospital in Mombasa. Rate of four or five, denoted that the respondents agreed that organization restructuring affects the performance of the Hospital. Ratings one or two denoted that the respondents were dissatisfied with the performance of the hospital. A rating of three was neutral. The results from the analysis are presented in Table 1 below.

Table 1: Information Technology responses

Statements	N	MEAN	SD
Use of IT in the hospital has improved communication among the workers and patients	41	3.5366	1.14231
Use of IT in the hospital has increased the rate of Labour productivity	41	4.0976	1.20010
Use of IT has facilitated better detection of diseases, with the automated machines that are available	41	3.4146	1.54880
Use of IT in data collection in the hospital is now much better as compared to the previous paper work	41	3.5854	1.49959
Use of IT has facilitated easy measures of disease and control in the hospital so as to avoid the spread of disease	41	3.8049	1.16661
Use of IT in the hospital has decreased the delays in operations	41	2.0976	1.30009
Use of IT in the hospital has improved the use of office automation machines	41	3.6098	1.26250
Use of IT has brought about customer satisfaction in how the services are offered	41	3.5366	.74490
Valid N (list wise)		3.45	1.2175

Source: Research Data (2021)

The statement that the use of Information Technology in the hospital had increased the rate of Labour productivity was agreed by the majority of the respondents with the highest Mean, (Mean=4.09 and Standard deviation=1.20). These results were concurrent with McKay & Naswall (2013), study which record that an organization is

going to improve its performance if Information Technology is embraced by an organization to improve on how they communicate in the end goal of achieving its goals and objectives. This therefore explains the reason as to why it had the highest Mean. The statement that IT usage in the hospital has decreased the delays in operations had the

lowest Mean, (Mean=2.09 and Standard deviation=1.30) meaning, that majority of the respondents disagreed that despite the hospital has incorporated the use of IT, it still has delays on its normal operations.

The table showed that the overall mean of Information Technology, being 3.45 indicated that majority of the respondents were neutral with it being applicable in the hospital. This gave a reflection that IT is moderately practiced in the hospital. Research findings by Williams (2015) are in agreement that most workers in an organization resist change from the obsolete way of operating

things and embracing IT so as to work efficiently. This explains why some of the workers in the hospital are quite hesitant in embracing the use of Information Technology.

Downsizing

Downsizing is an important strategy that aids the performance of the hospital. The researcher set out to establish the levels to which it is practiced in the hospital. A Likert scale was provided, and the participants in the hospital were requested to rate the response. The analysis of the results is shown in the table below.

Table 2: Downsizing Responses

Statements	N	MEAN	SD
Laying off some of the staff members in the hospital will lead to the hospital's improved performance	41	2.2683	1.04939
Encouraging early retirement among the staff members will improve on how the hospital offers its services	41	1.9512	1.04765
Downsizing of employees will lead to negative psychological impact on the employees working in the hospital	41	3.8049	1.34572
The employees will face a negative financial impact, as their monthly source of income will be cut off	41	3.8621	1.33343
Downsizing will lead the hospital to outplace some of its employees working at Aga-Khan	41	3.8049	1.30804
The hospital is prone to loose knowledge and experience if it decides to practice downsizing strategy	41	3.8049	1.34572
The remaining employees are prone to have increased workloads and pressure on their work	41	3.8537	1.33343
The remaining employees loose trust and security to the hospital's management system	41	3.8049	1.30804
Valid N (list wise)		3.395	1.23

Source: Research Data (2021)

Table 2 above showed the analysis of the responses on Downsizing as per the performance of the hospital. According to the statement of laying off some of the staff members in the hospital will lead to the hospital's improved performance, it had the lowest mean, (Mean= 2.26 and Standard deviation =1.04) meaning that majority of the respondents did not support the statement. The findings concur with a study conducted by Mohamoud (2017) that states; for an organization to perform well, it needs the expertise of well experience workers. Therefore, by laying off some of the employees, the hospital is going to lose some of its well experience workers in the organization. These workers are needed to

improve the performance in the hospital. Most of the respondents neither agreed nor disagreed to the statements; the employees will face a negative financial impact, as their monthly source of income will be cut off, with the highest mean, (Mean= 3.862 and Standard deviation= 1.33). This meant that the employees in the hospital were not sure as to whether downsizing will negatively influence their monthly source of income. The findings were in agreement with a study conducted by Balogun (2008) that says the growing level of uncertainty in our changing business environment, has caused majority of people to not have a stable source of income, thus the negative financial impact.

The table showed that the average mean of downsizing was 3.39. This showed that most of the respondents neither agreed nor disagreed to majority of the statements. Which shows that majority of the respondents in the hospital disregarded the downsizing strategy, as it leads to negative performance. The findings agreed with Hayes (2004) that when employees in the organization are not guaranteed their job security, in this case, downsizing, they will lose trust in their working environment and ethic, because they are

not motivated to keep on working, which is caused by the rising level of job uncertainties in the organization.

Downscoping

Downscoping is an important strategy that aids the performance of the hospital. The researcher set out to establish the levels to which it is practiced in the hospital. A Likert scale was provided, and the participants in the hospital were requested to rate the response. The results were shown in the table below.

Table 3: Downscoipoing Responses

Statements	N	MEAN	SD
The hospital is able to change its processes and offer better services	41	3.7317	1.26539
The hospital is able to modify its social operations, such as social distancing of its patients as opposed to how things were before	41	2.6585	1.19603
By down scoping, the hospital is able to focus on its core business, of offering quality services to its patients and saving lives	41	3.7317	1.26539
Down scoping enables the hospital to reduce the scope of its operations that were not necessary to begin with	41	3.3171	1.21324
By down scoping, the hospital is in a better position to increase its market power as a Private hospital	41	3.3171	1.21324
The hospital is in a better position to learn and develop new capabilities	41	3.3415	1.23713
Down scoping enables the hospital to reshape its competitive scope	41	3.0732	1.38546
Unlike downsizing , down scoping enables the employees to be confident in their job security	41	3.1951	1.24939
Valid N (list wise)		3.26	1.25

Source: Research Data (2021)

From the table above, most of the respondents neither agreed nor disagreed on the statement that the hospital is able to change its processes and offer better services. The statement had the highest mean, (Mean= 3.73 and Standard deviation= 1.26). Meaning that the hospital is not ready to focus on its main goals and objectives that it has put in place, meaning that the hospital is dealing with other functions apart from its major function. However, the majority of the respondents did not agree on the statement that the hospital is able to modify its social operations, such as social distancing of its patients as opposed to how things were before with the lowest mean, (Mean =2.25 and Standard deviation =1.19). These findings agreed with the

study conducted by (Schilling, 2016), which state that an organization is not able to perform better if it doesn't focus on its vision, mission, goals and objectives.

The overall mean of the variable downscooping strategy (Mean= 3.26 and Standard Deviation= 1.25), shows that the respondents neither agreed nor disagreed. This shows that downscooping strategy is practiced moderately by the Aga-Khan Hospital in Mombasa. Therefore, the hospital needs to come up with ways on how they can reduce the un-relatedness level of the company, so as to focus more on the organization's core values as per the study conducted by (Amato, 2009).

Turnaround

Turnaround is an important strategy that aids the performance of the hospital. The researcher set out to establish the levels to which it is practiced in the

hospital. A Likert scale was provided, and the participants in the hospital were requested to rate the response. The results were presented in the table below.

Table 4: Turnaround responses

	N	MEAN	SD
Turnaround aids the hospital to change on its normal operations to a better one	41	3.0732	1.21223
The hospital's administration management is able to change for the better	41	2.2927	1.20921
The hospital is encouraged to revise the services offered in the hospital, to a better one	41	3.5854	1.37796
The hospital is in a better position to manage on its failures	41	2.0976	.99511
Turnaround strategy will increase the market share in the long-run	41	3.5366	1.30571
Improvement on the hospital's Total Quality Management	41	3.6341	1.26008
Hospital's reputation and brand name is intact	41	3.4146	1.35970
Improved planning and execution on the hospital's future policies	41	2.8780	1.26876
Valid N (list wise)		3.06	1.25

Source: Research Data (2021)

From the results, most of the respondents neither agreed nor disagreed to the statement that, turnaround strategy will improve the hospital's Total Quality Management, with the highest Mean, (Mean= 3.63 and Standard Deviation= 1.26). This was supported by the study conducted by Crosby, (1979) that stated that by an organization embracing TQM, it is able to reduce and detect errors, improving the experience of the customers, and ensuring the employees are up to speed with the training they receive. The statement that the hospital's administration management is able to change for the better was negatively approached as majority of the respondents disagreed to it with the lowest mean, (Mean and Standard deviation of 2.28 and 1.20) respectively. The results of this could be as a result of the hospital not enforcing change to

its workers. As the results found by Heskett, 2012, the hospital needs to stick to the discussed tried change, so as to achieve its goals and objectives for the future. The overall mean for the Turnaround strategy was (Mean= 3.06 and Standard deviation=1.25) which explains that most of the respondents neither agreed nor disagreed to the statements. The interpretation of this is that the participants agreed that Turnaround can be used as a restructuring strategy, but only at a moderate rate by the Aga-Khan Hospital in Mombasa.

Performance of the Hospital

The researcher set out to establish the levels to which performance of the hospital is practiced. A Likert scale was provided, and the participants in the hospital were requested to rate the response. The results were presented in the table below.

Table 5: Performance of the Hospital responses

	N	MEAN	SD
Average length of stay in the hospital is efficient	41	3.0732	1.21223
The bed occupancy rate in the hospital is effective	41	2.2927	1.20921
Patients in the hospital are satisfied with the services offered to them	41	3.5854	1.37796
Staff working in the hospital not overworked and overwhelmed with the work done	41	2.0976	.99511
Quality services are offered in the private hospital	41	3.5366	1.30571
Higher rate of patient recovery	41	3.6341	1.26008
Affordable hospital prices offered in form of market share	41	3.4146	1.35970
Valid N (list wise)		3.1	1.242

Source: Research Data (2021)

Majority of the respondents neither agreed nor disagreed to the statement that there is a higher rate of patient recovery in the hospital with the highest mean, (Mean=3.63 and Standard deviation=1.26). The results were supported by the study conducted by Bradlow (2007), that the rate of patient recovery in private hospitals are higher than that of the public hospitals due to how effective and efficient private hospitals are compared to the public hospitals. The respondents in the hospital disagreed to the statement that staff working in the hospital are not overworked and overwhelmed with the work done with the lowest mean (Mean = 2.34 and Standard deviation =1.07). The results correspond with the findings of Kotter (1987) which stated that when workers in an organization are overwhelmed with work, it leads to poor performance. This explains the fact that despite the hospital having good performance, the workers are working under pressure to achieve efficiency.

The overall mean and standard deviation, (Mean=3.12 and Standard deviation=1.24) which did not meet the 4.00 scale. Therefore, this implies that performance of the hospital was not apprehensible. The hospital therefore needs to work on its efficiency, effectiveness, market share and customer satisfaction, so as to improve on the organization's performance.

Qualitative analysis of the Study

The first theme respondents involved in the survey felt like IT affects performance of the hospital by increasing the level of treatments of the patients. The second theme respondents stated that IT did improve the performance of the hospital by improving the hospital's care and efficiency, which they felt they were adhered to. The last theme respondents, had the strongest opinion in that IT did improve the hospital's performance, by monitoring the disease control. A study conducted by Rothman (2008) who reported that controlling disease in the hospital is an important factor in ensuring the hospital maintains its performance, which was in accordance with the theme of

monitoring the disease control. IT generally had a positive effect on performance.

In downsizing, the first theme respondents felt like downsizing affects the performance of the hospital positively by saving costs. The hospital is not going to spend unnecessary funds on workers who are not needed. The second theme respondents; who were the majority, stated that downsizing affected the performance of the hospital positively, as the hospital is will be having energetic workforce. Lastly, the last theme respondents stated that the hospital will improve performance by downsizing as it will have a well-equipped workforce. Therefore, downsizing effects the performance of the hospital positively. In downscoping, the first theme respondents stated that downscoping affects performance of the hospital. Hospital is able to develop new products and capabilities. Second theme respondents stated that downscoping improves the performance of the hospital by increasing its market share. Lastly, the last theme from the respondents stated that downscoping affects the performance of the hospital as it is able to focus on its major purpose and goals. This result agree with Hayes (2004) who reported that focusing on goals and objectives helps an organization to improve on its performance. Downscoping therefore, has a positive effect on performance.

Lastly, in turnaround strategy, the first theme respondents, who were the majority, stated that changing the old ways of performance to new ways will not improve on the hospital's performance. Second theme respondents stated that by practicing Turnaround strategy, the company can then focus on its strengths, weaknesses and threats, as conducted by Barnes (2015).The third theme stated that the hospital will not improve on its performance if they were to focus Turnaround strategies because the employees in the hospital will resist change. This result agree with (McGee, 2015) who reported that workers are quit resistant in changing their old ways of doing things. Overall, Turnaround strategy has a negative effect on performance.

Inferential Statistics

Table 6: Correlation Analysis

		Performance	IT	Downsizing	Downscoping	Turnaround
Performance	Pearson Correlation		1			
	Sig.(2tailed)					
IT	Pearson Correlation	.196		1		
	Sig.(2-tailed)	.219				
Downsizing	Pearson Correlation	.159	.118		1	
	Sig.(2-tailed)	.320	.461			
Downscoping	Pearson Correlation	.264	-.183	.070		1
	Sig.(2-tailed)	.095	.251	.664		
Turnaround	Pearson Correlation	-.124	-.026	-.307	-.23	
	Sig.(2-tailed)	.441	.873	.051	.161	1

Independent variables: IT, Downsizing, Downscoping and Turnaround

Dependent variable: Performance

The analysis presented in the table above showed that IT was positively correlated with the performance of the hospital with $r=0.196$, $p=0.219$ and $\alpha=0.01$. The positive relationship goes to show that when the management of the hospital improved on the usage of IT, it improved on its performance. The findings correspond with the previous study findings by Williams (2015) that stated; Information Technology is essential in organization performance as it has a positive correlation. Downsizing was also positively related to the hospital's performance with $r=0.159$, $p=0.320$ and $\alpha=0.01$. The results of the study variable is similar to the study conducted by Arvey (2001), which stated that some hospitals improve on its performance when it downsizes by improving on its cost cutting strategy and strategic focus. On the other hand, Downscoping also was the most significant, having the greatest relationship with the dependent variable, and had a positive correlation with the performance of the hospital with $r=0.264$, $p=0.095$ and $\alpha=0.01$. The results indicated that continued focus on the main purpose of the hospital improved its performance. The findings concurred with the study findings of Amato (2009) which stated that when an organization reduces

unrelated issues of the company, then the organization will come up with ways to focus more on its core values which will result in an increase in its performance. Turnaround on the other hand, had $r=-0.124$, $p=0.44$ and $\alpha=0.01$ which suggests that the relationship between Turnaround and organization Performance in the hospital is negative, weak and not significant. The negative correlation thus point on that when the hospital tried to change its ways of doing things, it was faced with resistance to change. The findings are corresponding with Kotter (1996) findings which states that when an organization changes its way of doing things, it is faced with the challenge of laggards resisting change.

Multiple Regression Analysis

The regression analysis is incorporated in this research so as to see the relationships in the study model of Organizational Restructuring Strategy and Organizational Performance of the Aga-Khan Hospital in Mombasa. The Independent and Dependent variables are derived from the mathematical; formula as follows;

$$y = \beta_0 + \beta_1x_1 + \beta_2x_2 + \beta_3x_3 + \beta_4x_4 + \beta + \epsilon$$

Where,

$\beta_0 + \beta_1x_1 + \beta_2x_2 + \beta_3x_3 + \beta_4x_4$; are the regression coefficient.

Y= Performance of the Aga-Khan Hospital

x_1 = Downsizing

x_2 = Down scoping

x_3 = Information Technology

x_4 = Turn around

ϵ_i = Error Term

Table 7: Model Summary

Model Summary									
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics				
					R Square Change	F Change	df1	df2	Sig. F Change
1	.379 ^a	.144	.049	1.42933	.144	1.512	4	36	.219

a. Predictors: (Constant), TURNAROUND, IT, DOWNSCOPING, DOWNSIZING

b. Dependent Variable: Performance

From the model, ($R^2 = .144$) that the predictors namely Downsizing, Downscoping, Information Technology and Turnaround, which account for 14.4% variation for the organizational performance at the Aga-Khan Hospital in Mombasa. The adjusted R^2 showed a general variation of the model. In this research, the adjusted R^2 value is .049. Implying; if

the information for the independent variables was gotten from its population as opposed to its sample, then it would have amounted to an average of 5% of variance of the hospital's performance. Change statistics were also used in the study to see if the variance in R^2 is significant when the F ratio is used as shown above.

Table 8: ANOVA for Organization Restructuring Strategies as a factor in Performance of the Hospital

ANOVA						
Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	12.355	4	3.089	1.512	.219 ^b
	Residual	73.547	36	2.043		
	Total	85.902	40			

a. Dependent Variable: Performance

b. Predictors: (Constant), TURNAROUND, IT, DOWNSCOPING, DOWNSIZING

The significant level ($P > .05$). The model did not improve the capacity to predict the performance of the Aga-Khan Hospital in Mombasa.

Table 9: Coefficients of Performance of the Aga-Khan Hospital in Mombasa

Coefficients

Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.	Collinearity Statistics	
		B	Std. Error	Beta			Tolerance	VIF
	IT	.267	.178	.238	1.501	.142	.948	1.055
	DOWNSIZING	.121	.189	.104	.640	.527	.893	1.120
	DOWNSCOPING	.472	.257	.296	1.835	.075	.914	1.094
	TURNAROUND	-.023	.192	-.019	-.117	.907	.864	1.158

a. Dependent Variable: Performance

The coefficients for the above shown variables showed the amount of change one is to expect in the performance of the Hospital, given that there is a one unit change in the variable value, given that all the other variables are held constant. In this case, the constant was .097, this value is predicted if the other independent values amounts to zero. Standard regression coefficient of Information Technology, is .267. Meaning for every single unit increase for Information Technology, then there is a .267 unit increase in the Hospital's performance. The standard regression coefficients in this study, were important to compare the relative strength of the various predictors within the model.

In this study, the Beta coefficients are achieved if the results of the predictor variables are changed into standard scores. In this research, downscoping amounted to the highest Beta coefficient, strength and direction of (.296), and turnaround had the least Beta coefficient, strength and direction of (-.019). Therefore, an increase in one SD in downscoping, amounts to a .296 SD improvement in performance of the Aga-Khan hospital, and the other variables remain the same.

CONCLUSIONS AND RECOMMENDATIONS

From the results, it was concluded that IT has a positive effect on the hospital's performance. Information Technology had a positive correlation as seen in the Pearson analysis. The positive correlation and also positive results from the multi-regression analysis, was evident that IT had a great effect on the hospital's performance. Thus an improvement in Information Technology influences the performance of the hospital positively. The study also found out that Downsizing had a correlation that was statistical and positive from the Pearson analysis. The findings from the regression analysis revealed that Downsizing had a positive effect on the hospital's performance. It was concluded that Downsizing promoted the retention of efficient workers in the hospital, which had a significant effect on organization performance. Additionally, the results found out that Downscoping had a statistically positive correlation with performance of

the hospital. There was also positive effect on Downscoping on performance of the hospital. The positive relationship showed that if Downscoping was improved in the hospital, it will also have a positive improvement of the hospital's performance.

Finally, it was established that Turnaround strategy had a negative correlation with performance of the Hospital. From the results, it was also established that Turnaround strategy had a negative relationship with the performance of the Hospital. It was therefore concluded that the inclusion of Turnaround strategy did not improve the performance of the Hospital, because it is not well implemented and embraced.

On recommendations, the findings of the study had serious implications to various stakeholders including, The Aga-Khan Hospital in Mombasa, policy makers in the Hospital sector, the government, Investors, as well as the general public. This results in several recommendations from the research. From the research that Information Technology had a positive correlation with performance, it was recommended that the Aga-Khan Hospital should have training programs on its workers. The training programs will aid the workers embrace Information Technology to perform effectively and efficiently, which will result in the improvement of performance in the long-run (Becker, 2019).

Another recommendation based on the fact that Downsizing had a positive correlation as per the findings, with performance of the Aga-Khan Hospital in Mombasa, was that management should empower and motivate the remaining employees in the organization with incentives that will motivate them to keep on working hard, as supported by the study conducted by Barnes (2005). This will help the hospital to improve on its performance, as it will have well experienced professionals working, which will result in wealth maximization.

Downscoping as a variable had a positive correlation as per the findings, with the performance of the

Hospital. Therefore, the management of the hospital should come up with ways on how they can focus on its main mission in the organization. This will help the hospital to stop operating and functioning of unrelated functions in the hospital that will negatively affect its performance, and focus on its main vision, mission, goals and objectives. This will help the performance of the hospital (Montana, 2008).

The study found out that Turnaround strategy negatively correlates with the performance of the hospital as per the findings. It was therefore recommended that the management of the Hospital should educate and encourage the workers in the hospital to embrace its changing dynamics. By encouraging the workers to embrace the Turnaround strategy, the hospital is able to improve on its performance positively in the long-run.

Lastly, it was recommended that scholars should come up with other variables that could have a strong relationship with the performance of the hospital. Other studies that will be carried out in the future will bring about stronger variables to improve the performance of the hospital.

Suggestions for Further Research

The current research was focusing on the organizational restructuring strategies on performance of the Aga-Khan Hospital in Mombasa. Future results should focus on their geographical scope location, as the results for this study are relevant to the Aga-Khan Hospital in Mombasa. Also, another potential area of further research, should be on finding out whether organizational restructuring practices have the same effect on another different industry apart from the medical industry, which the current study has covered.

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