

# **How do different interests of stakeholders play a role in establishing vertical fit within the HRM system levels?**

Author: Anna Tillmann  
University of Twente  
P.O. Box 217, 7500AE Enschede  
The Netherlands

**Human Resource Management (HRM) systems and its implications on the organizational performance received more and more attention throughout the last years. While most strategic human resource management concepts examine horizontal fit, there is a significant lack of literature available examining the vertical fit. However, vertical fit might have implications for the organizational performance as well. Therefore, the aim of this paper is to gain useful insights regarding the vertical fit by analyzing stakeholder interests. To examine vertical fit various stakeholders of different HRM levels and their interests will be analyzed and compared with regard to congruence. Similarities and differences on stakeholder interests and their influence on vertical fit will be studied. Consequences of (in)-congruence regarding vertical fit of HRM will be investigated. Implications will deliver useful recommendations on how to treat and avoid misalignments in stakeholder interests to ensure the establishment of vertical fit.**

**Supervisors: Dr. Jereon Meijerink  
MSc. Milana Korotka**

## **Keywords**

Internal vertical fit, stakeholder interests in healthcare, congruence in interests, innovator vs. enabler role productivity/commitment-based HR

Permission to make digital or hard copies of all or part of this work for personal or classroom use is granted without fee provided that copies are not made or distributed for profit or commercial advantage and that copies bear this notice and the full citation on the first page. To copy otherwise, or republish, to post on servers or to redistribute to lists, requires prior specific permission and/or a fee.

*7<sup>th</sup> IBA Bachelor Thesis Conference*, July 1st, 2016, Enschede, The Netherlands.  
Copyright 2016, University of Twente, The Faculty of Behavioural, Management and Social sciences.

# 1. INTRODUCTION

Throughout the years the literature of strategic human resource management (SHRM) has put increasing importance to *the internal fit of Human Resource Management*. Internal HRM fit can be characterized as “internally and coherent HRM practices” that “form ‘powerful connections’” (Becker & Huselid, 1998; Becker et al., 1997; Delery, 1998; Delery & Shaw, 2001). Thus internal HRM fit can be described as a phenomenon where all HRM practices are aligned and work together to achieve strategic and tactical goals. The internal HRM fit is essential and of particular importance for organizations to ensure long-term organizational success (Boxall & Purcell, 2003; Dyer & Shafer, 1999; Wright & Snell, 1998). Namely, internal HRM fit may provide a source of competitive advantage (Barney, 1991; Barney and Wright, 1998). Internally aligned HRM systems are seen as valuable organizational capital with competitors facing difficulties in identifying them (Barney & Wright, 1998). In order to remain effective in internal and external forces the HRM systems have to be adjusted and internally aligned (Dyer & Shafer 1999). The importance of fit is emphasized by Nadler and Tushman (1989) who argue that - “other things being equal, the greater the degree of congruence or fit between various components, the more effective the organization will be” (p.100-101). Moreover, internally aligned HR practices and thus internal HRM fit operate to influence employee abilities, motivation and opportunities to perform (AMO) in a potentially harmonious manner (Becker & Huselid 1998, Delery & Shaw, 2001; Guest, 1997).

Within literature, authors distinguish between various components and levels within HRM systems that have to fit together, including HRM processes (lowest level of abstraction) HRM practices, HRM policies and HRM philosophies (highest level) (Kepes & Delery, 2009). Due to the fact that within SHRM various levels of abstractions exist two types of internal fit are apparent.

The first type of fit covers the *horizontal* dimension which occurs within one level of abstraction in the HRM system to denote that different HRM activities such as recruitment, selection or appraisal are aligned. Numerous researchers draw special attention to this particular level of analysis within HRM (Wright & Snell, 1997). They inspected the extent to which HRM practice level fit and HRM strategy fit lead to effective firm performance. While Huselid and Becker (1998) found no support that congruence within HRM practices and HRM strategy influenced firm performance, Lepak and Snell (1999) could prove that a fit in HRM practices and HRM strategy could positively improve firm performance. Additionally, Kepes and Delery (2009) examined the possible positive or negative effects which might result from composition and cooperation of various HRM activities within an organization. While particular combinations of HRM practices might strengthen the company performance (positive synergistic effects; e.g. valid performance appraisals + pay performance systems) others might harm the company performance (negative deadly combination; e.g. team-oriented structures + individual incentives).

The second type of fit includes the internal *vertical* HR fit (see Appendix 11.1 Figure 1) which can be defined as a fit between levels of abstraction within HRM systems (i.e. the HRM philosophy, policies, practices and processes). Kepes & Delery (2009) define the achievement of vertical fit when various levels of abstraction for example HR policies and HR philosophies work together to achieve a common strategic goal.

Therefore, guidelines developed at the HR policy level need to be aligned with the vision which is part of the HR philosophy.

There are several examples showing that researchers examined HR levels only on a horizontally basis. For example the study of Lepak and Snell (2002) showed that HR philosophy level (highest level) did not receive much attention compared other levels of the HRM systems within SHRM. According to Kepes and Delery (2009) it is too simplistic to only investigate and focus on only one level when studying horizontal fit. In comparison to internal horizontal fit the internal vertical fit does not receive a great deal of attention by SHRM researchers however; agreement is reached about the fact that this concept is highly important and needs to be investigated in further research (Monks, Kelly, Conway, Flood, Truss & Hannon, 2013).

Therefore, from the literature point of view it exists a clear need to study the vertical fit and the fit between different HRM activity areas (HR processes, HR practices). In particular, under which conditions or drivers high internal vertical HRM system fit may occur. The need for a study examining the drivers of internal vertical HRM system fit is also underlined. From a practical point of view it is important for organizations to recognize incongruence among and between various HR levels to identify why the internal HRM system is not aligned. As a consequence, organizations might develop options or solutions how to achieve congruence and possibly improve firm performance. Various strategic human resource researchers emphasize the importance of the concept of congruence as well (Miles & Snow 1984; Baird & Meshoulam 1988; Wright & McMahan 1992).

Therefore, the aim of this paper is to identify and analyze a driver of vertical fit. An important driver of internal vertical HRM fit that is examined here is congruence in stakeholder interests. The interests of stakeholders can be defined as specific concern or stakes, individual stakeholders might have and something that concerns and draws the attention of particular stakeholders. Namely, it is about top management developing their HR philosophies while front-line managers are mainly concerned with implementing HR practices. (Arthur & Boyles, 2007). Since various stakeholders operating at various levels of abstraction, each stakeholder is trying to pursue and protect its own interests (Frooman, 1999) and thus, conflicting interests might occur. Congruent perception of value and congruent interests lead to increased team effectiveness (Okhuysen & Eisenhardt, 2002; Bos-Nehles & Bondarouk, 2016) and team performance (Rentsch & Klimoski, 2001; Bos-Nehles & Bondarouk, 2016). On the contrary the concept of incongruence implies “discrepancies” of the way HRM policies are implemented (Chen, Hsu, Yip, & Wai-Kwong Yip, 2011). For example intended philosophies are not aligned with actual and implemented HRM practices. Thus, it is necessary to examine whether the (in)-congruence in stakeholders’ interest affects the internal alignment of HRM systems.

After analyzing the different positions of stakeholders including their interests, it is necessary to examine how possible incongruence within interests can lead to a dis-alignment in the vertical fit in the HR system. The previously described research problem leads to the research question of:

*How do different interests of stakeholders play a role in establishing vertical fit within the HRM system levels?*

## 2. THEORY

### 2.1 Defining HRM systems

HRM systems are defined as a complex system consisting of multiple inner-systems resulting from HRM activities and HRM levels which need to be aligned in order to achieve internal fit and to achieve competitive advantage and foster innovation (Kepes & Delery, 2009). More specifically, HRM systems are considered to be multilevel in nature, consisting of four levels of abstraction: HRM philosophies, HRM policies, HRM practices and HRM processes (Kepes & Delery, 2009). The general objective of SHRM is to link various levels and to examine how to identify how the system as a whole and each particular level in combination with other HR mechanisms lead to organization and performance outcomes (Arthur & Boyles, 2007; Alfes et al., 2012).

The *HRM philosophies* are considered as “an integrated set of assumptions and beliefs about the way things are and should be guiding organization’s policies to treating its employees on the one hand, and shape the perceptions shared by employees on the other hand” (Shani, Divyapriya & Logeshwari, 2011 p.62). These assumptions form the base of the vision of the organization. (Shani et al., 2011). This level of the HRM system entails details about how the organization perceives the value of its human resources and clearly defines and states how employees and managers should be treated in order to achieve organizational success.

The second highest level are the *HRM policies* which provide guidelines on how to implement HRM philosophies (Kepes & Delery, 2009). In other words, HRM policies should provide directions on how to realize HRM philosophies. HRM policies include goals a firm is trying to achieve and thus, is acting as a guiding direction for HRM practices, which are considered as the third level within the HRM system. “HR policies consider a number of factors such as organizational philosophy, HR philosophy, external factors, and internal factors” (Shani, Divyapriya & Logeshwari, 2011 p.67). Within this study HR professionals are considered responsible to develop HRM philosophies and HRM policies since these stakeholders develop definitions and statements how employees are valued and perceived and how this is reflected within particular goals the organization is trying to achieve. HR professionals are responsible for implementing “strategic issues” (Bos-Nehles & Bondarouk, 2016 p. 6)

The third HRM level is considered as the *HRM practices* which include techniques to implement the pre-determined HRM policies (Monks et al., 2013). HRM practices are specific description on how to achieve desired goals and thus, might increase employee motivation and provide insights into task performance. HRM activities have a direct influence on beliefs and experiences perceived by employees (Lepak & Snell, 2002). The difference between HRM policies and HRM practices is that policies do not contain detailed information about how to implement a particular practice since it lacks specificity and precision.

The actual implementation and “an explanation of how the HRM practices are executed” (Kepes & Delery, 2009) takes place within the fourth level, *HRM processes*. At this level front line managers and employees execute the (pre-determined) HRM practices. To shed light on HRM practices and HRM processes, front-line managers are responsible stakeholders to gain knowledge on several techniques and implementation practices. In contrast to the previous level HRM processes have not been in the center of attention of SHRM. Monks et al., (2013) suppose that only a small number of researches focuses on this level because of the intangibility of HRM processes. The

general objective of SHRM is to link various levels and to examine how to identify how the system as a whole and each particular level in combination with other HR mechanisms lead to organization and performance outcomes (Arthur & Boyles, 2007; Alfes et al., 2012).

In short, HRM philosophies entail insights into how employees add value to the organization in order to contribute to the organizational success. HRM policies can be considered as particular HRM-related goals which should be achieved. HRM practices are specific tools and techniques on how to implement these goals. Lastly HRM processes can be described as the sequence of actions executed by employees.

### 2.2 Defining HRM systems: HRM activity areas

So far, I have discussed the levels of abstraction within HRM systems. However, one can think of multiple policies, practices and processes within organizations which are related to various HRM activities such as appraisal, training, compensation and job design. Therefore, to understand the inner-workings of HRM systems each of these HRM activity areas will be discussed below.

The first HRM activity area includes *performance appraisal* which focus on monitoring and assessing the performance of employees. The goal of performance evaluations is to provide organizations with useful information about the performance of employees in order to develop improvements to add value to the organization. Evaluations are used to “make decisions regarding employee’s salary adjustments, merit raises and incentive rewards” (Lepak & Gowan, 2010 p. 261). HRM policies on performance appraisal can either be administrative or developmental in nature. Within the *administrative approach* HRM policies are oriented at obtaining results on employees’ performance (Lepak & Gowan, 2010). While in the *developmental approach* HRM policies provide insights into employees traits and behaviors in order to ensure that employees performance improves. The next level of abstraction, appraisal practices includes particular techniques on how to achieve the pursued approach such as the assessment of employee’s traits and behaviors or results. Furthermore, a common technique for the developmental approach is to provide feedback to the employee in order to improve the performance and development of employees and to handle specific problems. Lastly, at the HRM process level particular actions according to the implemented approach are executed. When performance appraisals are pursuing an administrative approach employee performances are accurately assessed among pre-determined key performance indicators (KPI). HRM processes within developmental approaches include meetings and conversation between a team leader and a front-line employee where the performance is discussed and common goals for the performance improvement will be arranged.

The second HRM activity area considers *trainings* which aim at providing employees the opportunity to develop and improve skills and qualifications on certain activities. Training provides abilities to cope with challenges and develop solutions for problems (Barton & Delbridge, 2001; Beatty & Schneier, 1997). HRM policies clarify which firm-specific skills are needed to perform a specific task, within the firm to ensure that trainings are aligned with task-requirements (Lepak & Snell, 2002). Generic skills include a broader skill set which can be applied across a variety can be transferred between various organizations. HRM practices for firm-specific training include case studies or on-the-job trainings which are constructed in line with firm specific tasks. Job trainings and case studies aim at teaching skills which add value to only one particular

company. Sending employees back to school can be considered as a tool to train and teach generic skills (Lepak & Gowan, 2010). Particular HRM processes for case studies might include the development and search for an appropriate case which can be applied to the organization. In addition, goals and results of the case need to be discussed by the leaders of the case study in advance. Moreover, specific actions for job trainings include choosing an appropriate training institution and a period of time when the employees can perceive the job training. Particular actions for generic skill training are the creation of the invitation for several lecturers and the scheduling of dates.

Thirdly, *staffing* is also considered as one of the HRM activity areas and includes recruitment and selection of employees to enable best performances. Recruiting deals with communicating organizational attributes and motivating talents to apply for a job (Lepak & Gowan, 2010). It plays a major role in human resource management since further activities e.g. selecting and training depend on the quality and quantity of effective recruiting (Collins, 2007). Selecting can be defined as the “systematic process of deciding which applicants to hire” (Lepak & Gowan, 2010 p.185). Selecting aims at making predictions about the candidate’s potential to successfully complete a job (Lepak & Gowan, 2010). Recruitment and selection policies can be externally or internally oriented, implying that organizations have to decide whether they search for employees within or outside the organization. Particular internal recruitment and selection practices, are word-of mouth marketing, job posting, and use of employee inventory. While word of mouth is a rather informal way of recruiting and selection, job posting within the intranet of the organization or within the organizations newspaper is considered as a rather formal way of recruiting and selecting. Employee inventory is a firm-related database which provides information on particular candidates who fulfill the requirements for the job. One possible external HRM recruitment and selecting practice is to publish job offerings in various advertisement modes such as public journals and newspapers (wall street journal) or on several websites and homepages in the internet. Sending recruiters to educational institutions is considered an external HRM recruitment and selection practice as well. Another common recruitment and selection practice is the cooperation with employment agencies where support for the job search is provided (Lepak & Gowan, 2010). In order to describe the HRM process level for internal recruiting and selecting several actions include formulating the job offering and post it on the intranet or announce the offer in the companies’ newspaper. After receiving the job applications an evaluation form must be created and suitable candidates will be invited for an interview. Within internal recruitment and selecting it is important to make sure that the applicant is allowed to change his/her position and that the company is not facing a shortcoming in another job position. For external HRM recruitment processes the organization also has to create a job offer for newspapers or various modes of advertisement. Publishing of job offerings in newspapers and journals and up-loading the job offer on on-line websites can be considered as an action for the HRM process level. In addition the exchange of information and communication with employment agencies is also considered as a necessary step. Finally, specific actions in the HRM selection process are the conduction of interviews, selection of suitable candidates based on pre-determined criteria and the checking of references and backgrounds of job applicants.

In addition *compensation* is covering another HRM activity area which incorporates the way employees are payed. Compensation includes rewards either financial or non-financial for employees in exchange for their work (Lepak & Gowan,

2010). According to Lepak & Gowan (2010) compensation “reflects how firms and people around them value them as individuals” (p. 296). Compensation policy decisions made by firms center around the questions whether the reward should be paid on an individual base or a group/team-base. Individual rewards aim at strengthen and improving individual performance and encourage the individual employee to perform as efficiently as possible. In contrast, group based rewards apply to an entire group or organization. To establish individual incentive by HRM practices several techniques can be implemented. Firstly, merit pay programs will compensate on an individual base which are paid for achieving a certain level of performance. The merit pay program should motivate the individual to work efficiently and perform according to pre-determined targets. Another technique to compensate individuals is the standard hour plan where the pay rate is set according to the amount of time an employee is expected to perform a task (Lepak & Gowan, 2010). Moreover, another HRM practices for individual compensation are spot awards which are deployed when employees work towards a specific targets and perform excellently. In contrast to the individual compensation, several plans are used to compensate a group within an organization. Firstly team incentive plans are HRM practices which foster the sense of belonging in a team or group and are paid when the entire team reaches a particular target. Furthermore, gain sharing plans are paid on a team basis and aim at increasing the productivity of an organization while decreasing associated labor costs (Lepak & Gowan, 2010). Profit sharing plans are also a group based compensation methods where profits are shared among employees. Thus, if a group performs effectively and according to pre-determined tasks, higher profits are achieved which are paid out and divided among team members. Specific actions for individual compensation, which can be considered as HRM processes, might be the process of comparing and assessing employees’ performance against pre-determined targets and to decide whether or not to reward. On-line incentive systems might be installed which should inform the manager about the progress of an employee. The actual rewarding and congratulating of the individual might be considered as a specific action for individual compensation as well. An action for group paid compensation processes might be the calculation of gained profits and dividing it among team members. Finally, an accurate tracking and documentation of group performance progress can be considered as a specific HRM process for compensation as well.

Lastly, *job design* belongs to one HRM activity areas as well which includes clear descriptions of jobs and related tasks and contents. It further incorporates expectations regarding the interaction with co-workers in order to contribute to the competitive advantage. Within job design companies strategic goals are translated into specific actions which “employees perform in their jobs” (Lepak & Gowan, 2010 p.87). Within the job design it is crucial for managers to understand which tasks and responsibilities need to be fulfilled in order to contribute to the organizational success. Within the HRM system HRM philosophies and policies should provide insights about the approach of job design. Job design can either implement an efficiency or a motivational approach. Within the efficiency approach the focus lie on the standardization and simplification of work processes. HRM policies within the efficiency approach inform about the degree of responsibility of each employee. Jobs are characterized by high repetition and high job specification thus, no specific qualifications are needed and the tasks can be performed by low-skilled employees. On the other hand job design can also implement a motivational approach which aims at motivating employees to work as hard

as possible. Jobs are designed in an interesting and challenging manner to keep employees motivated. Appropriate practices to implement the efficiency approach might be time and motion studies which aim at identifying wasted time and to maximize the time the employee spend on working. Another technique is the job specialization which simplifies jobs by breaking jobs down into core elements (Lepak & Gowan, 2010). In addition, for the efficiency approach job simplification can be considered as a tool as well which includes removing authority from employees thus; less competencies are required to perform the job. In order, to establish the motivational approach HRM practices aim at changing job tasks and increasing the responsibility of employees. To become more concrete several techniques which refer to the change of job tasks can be summarized as job enlargement, job rotation and job enrichment. Within job enlargement motivation is created by increasing variety within a specific task that is executed by one employee. (Lepak & Gowan, 2010). In addition job rotation implies moving employees from one job to another job which should also motivate the employee since he/she is facing new challenges within the new position. Another motivating HRM practice is the use of job enrichment Within this technique the degree of authority and responsibility of a particular task is increased (Lepak & Gowan, 2010). Finally, in order to categorize job design into the HRM process level specific actions of the efficiency and the motivational approach needs to be identified. In order to increase the efficiency and to improve job specification and job simplification several observations are necessary to identify problems regarding wasted time. Improvements and ideas must be developed which are realizable with regard to the skills of employees and still prove to increase efficiency. Lastly, specific HRM processes for the motivational approach include the identification of similar job tasks with regard to difficulty in order to manage job rotation. It is important to clearly communicate the expectations regarding the rotation of the job towards the employees.

### **2.3 Establishment of vertical fit**

The internal *vertical* HR fit can be defined as a fit between the different levels of abstraction (HRM philosophies HRM policies, HRM practices and HRM processes).

In order to investigate whether internal vertical HR fit exists, it is necessary to examine various HRM levels more in detail. Thus, to extract information of the different levels particular stakeholders (and their interests) operating at the four HRM levels will be identified. The interests of stakeholders can be defined as specific concerns or stakes, individual stakeholders might have and they strive to accomplish a specific goal with a particular stake. Stakeholder interests might differ since higher level stakeholders might pursue different interests than lower level stakeholders as they operate from different perspectives. Furthermore, each stakeholder makes unique experiences (Rousseau, 2001) which might lead to the fact that individual interests differ. Peccei (2004) argues that individual stakeholders pursue their own goals which could be conflicting. By identifying stakeholder including their interests and expectations at each HR level it is possible to check whether there is congruence among the interests which leads to internal vertical fit. Congruence in interests can be defined as a state of agreeing and corresponding among interests thus, if higher level stakeholder interests are similar and comparable to lower level stakeholders. Meir (1989) defines congruence as the “level of agreement between vocational interests and occupational choice or to the level of similarity between personality type and the environment type” (p.219). A high congruence within interests is achieved when all stakeholders independent of their position,

pursue similar interests. With regard to internal vertical fit it is assumed that high congruence in interests might foster internal vertical fit since higher level stakeholders and lower level stakeholders have similar concerns and stakes. When higher level stakeholders communicate with lower level stakeholders regarding their interests and expectations vertical fit might be positively influenced. Within this study, the (in)-congruence in interests of stakeholders are considered as a vertical driver which might foster or impede internal vertical fit.

Within this study, the interests of different HRM levels operating in a hospital will be identified. In a hospital, it could be assumed that the interests of stakeholders might be incongruent since top management might consider cutting costs as the primary interest while line managers pursue interests regarding the well-being of the patient. HR professionals are seen as a source of information for HRM philosophies and HRM policies, since it is assumed that these stakeholders develop guidelines and goals (HRM policies) and how to realize HRM philosophies and the organizations vision. Additionally, to extract information of HRM practices and HRM processes first line managers are examined to gain insights about techniques and the actual execution of HRM practices and HRM processes. Line managers are responsible for daily routines of “recruitment and selection, training and development, performance appraisal, rewards and dismissal” (Bondarouk & Bos-Nehles (2016) p. 6). Thus, they can provide insights about which techniques and tools are in use and how particular actions within a hospital look like. Various stakeholders might have different expectations and interests regarding a particular issue or problem as they perceive situations from diverse perspectives and HRM levels. Thus, stakeholders might pursue different interests depending on what they expect to benefit or lose from it (Mayers, 2005). Namely, incongruence could occur when the interest of one stakeholder is not compatible with another stakeholder. One can assume congruence within stakeholder interests is positively linked to internal vertical fit. Bondarouk & Bos-Nehles (2016) argued that “congruent thinking between line managers and HR specialists leads to a better HRM system” (p.5). This phenomenon is supported by Gerhart (2002) who states that “HR systems can differ in how favorable their consequences are for different stakeholders” (p. 317).

In order to examine the congruence in stakeholder interests four roles identified by Bowen (2015) serves as a basis. The roles describe key roles of service employees and how employees nowadays can remain an important source of adding value to the organization although technology becomes more important and employees might be substituted by technologies. These roles include descriptions “of employees in how service is delivered and experienced” (Bowen, 2015, p.8). The four roles of employees in service theory and practice identified by Bowen (2015) include the innovator, enabler, coordinator and differentiator. Roles capture the interests of stakeholders by including certain expectations regarding front-line employees which should reflect the interests of stakeholders. For example if stakeholders pursue interests in an innovative performance they might expect front-line employees to re-think processes and develop new processes to work more innovative. Thus, the interests can be translated into an expectation and further be categorized towards a role. Within this paper we will focus on only two roles namely, innovator and enabler role. These roles can identify interests of stakeholders and can be distinguished and linked towards two particular HRM systems namely, commitment-based and productivity-based HRM system.

#### ***2.3.1 Innovator role and vertical fit of commitment-based HRM system***

Throughout the last years technology within nearly all industry fields sector becomes of increasing importance. A consequence resulting from this phenome is the substitution of front-line employees by machines. Nevertheless, human capital cannot easily substitute by machines and remains a non-substitutable source of innovation (Bowen, 2015). The role of the innovator deals with the improvement and design of new services to meet customer's needs (Bowen, 2015). Additionally, employees possess a non-substitutable characteristic since this role is in favor of recognizing and understanding customer ideas and these employees are therefore seen as a "major driver in idea generation" (Schneider & Bowen, 1985). The role of the innovator can be defined as stakeholder's expectations regarding front-line employees in the development and improving of new processes and products. If stakeholders have a particular interest in ensuring that front-line workers are "innovators" they likely expect the engagement in the development of new processes and services of front-line employees. These stakeholders recognize the importance of technology and expect front-line employees to think about new developments in technology to better meet customer's needs. Additionally, stakeholders who identify with the innovator role expect front-line employees to re-think routines and standard processes to improve customer need satisfaction.

Thus, congruence in the role of the innovator expect front-line employees to re-think and improve the development of new services to better serve customer need satisfaction

In order to establish the innovator role HRM philosophies and HRM policies need to foster the re-thinking of routines on how to meet customer's needs. Commitment-based HRM philosophies incorporate a sense of belonging among employees and states how to treat employees in order to make sure that they feel committed, since committed employees will positively contribute to the organizational success. Committed employees can contribute to the creation of innovation if the company ensures that employees feel a sense of belonging.

It is important to keep employees motivated and committed within the organization to enable that they add value to the organization since they can be considered as a source of competitive advantage which is fostering innovation.

Moreover, particular HRM philosophies and policies, including all the HRM activities, should orient at the motivation and engaging front-line employees in the development of processes and facilitation of services to meet customer's needs. In terms of *performance appraisal* that implies that is should be based on the developmental approach which values a pro-active behavior and stimulating behavior of employees. In order to implement the developmental approach feedback might be provided on a regular basis to enable that employees remain pro-active in terms of re-thinking routines and that employees remain committed towards the organization. Developmental performance appraisals contribute to innovation by "creating positive pressure and creating challenges and feelings of achievements which serves as a critical motivator for employees" (Chen & Huang, 2009).

In an organization where the stakeholders identify with the role of the innovator *trainings* should offer firm specific skills which should foster the pro-active attitude of the front-line employee. Firm specific trainings will make sure that employees possess the ability to understand customer needs. Consequently, firm specific trainings foster innovation since they "provide a source of ideas for further innovation" (Torraco & Swanson, 1995). By establishing firm specific trainings, "firms can develop the organizational expertise in terms of demand and content for the innovation" (Carmeli, Meitar & Weisberg, 2006 p.85).

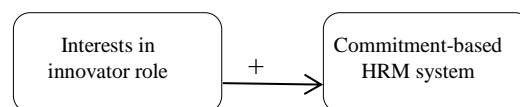
*Recruitment and selection* should take place within the boundaries of the organization since internal recruitment and

selection guarantee that the employees stay within the firm and remain committed since they are confronted with new challenges when they are assigned towards a new position. Internal recruitment and selection can be linked towards the innovator role since the organization invests in the long-term development of its employees and develops opportunities to enable that the value-adding employee stays within the firm. Additionally, for the role of the innovator it is important to invest in selecting and recruiting employees with the ability to understand customer needs which in turn positively influence innovation (Bowen, 2015). Within commitment-based HRM system *compensation* should be paid on a group or team basis since that create a sense of belonging and contribute to the feeling of commitment among employees. Team-based compensation rewards can contribute to innovation since the motivation of team members might be increased to think about more innovative ideas and to re-motivate and support each other. With respect to the role of the innovator group based compensation can foster the team dynamics in engaging in the development of new services and processes to meet customer's needs. Regarding *job design* it is important to keep employees motivated and committed within their jobs by designing jobs and tasks in an interesting manner and by applying job rotation, job enlargement and job enrichment. Through job task variations employees are confronted with new challenges and practices which should keep a high level of motivation and commitment among the employee. In addition, new perspectives and inputs are enabled by job rotation and job enrichment which aim at developing new ways to serve customer's needs.

Finally, it is possible to hypothesize that congruence in interests regarding the innovator role, from HR professionals (HR philosophies and HR policies) and first-line managers, (HR practices and HR processes) might positively influence vertical fit of commitment-based HRM systems. Congruence in interests of stakeholders expects front-line employees to re-think services and routines to develop new processes to meet customer's needs. In order to stimulate front-line employees to re-think routines and think further about new ideas, front-line employees need to be committed. HRM philosophies and HRM policies incorporate goals and purposes of HRM activities to keep employees committed towards the organization in order to foster innovation. HRM practices and HRM processes incorporates new challenges and opportunities for employees by training activities or internal recruitment options.

On this basis I conclude the following:

*Proposition 1: Congruence in top manager versus front-line managers regarding the innovator role results into a vertically aligned commitment-based HRM system.*



### 2.3.2. *Enabler/instructor role and vertical fit of productivity-based HRM system*

In addition to the role of the innovator, the role of the *enabler/instructor* plays a major role within the productivity based HRM systems. The role of the enabler deals with supporting consumers in HRM services (Bowen, 2015). Stakeholders who have interests regarding the role of the enabler/instructor expect front line employees to empower customers to manage self-related problems themselves. In a hospital that would imply that

front-line employees are expected to empower their patients and solving their own healthcare related problems. An example might be a patient who has diabetics. The patient gets empowered in the hospital by receiving instructions and trainings of the nurses on how to regulate their level of insulin. Further stakeholders who pursue interests regarding the enabler role expect that front-line employees assist and support patients to ensure that clients take their responsibility in their treatment. The role of the instructor is not directly referring to the 4 roles of Bowen, who describes the role of employees in service organizations however; the role of the instructor can be described as an extension the role of the enabler. The main expectations of the role of the instructor lies within providing guidance which can be defined as providing assistance by the instructor to the in order to facilitate the achievement in the learning process (Azuka, 2006). In the hospital that front-line employees provide assistance towards the patient and explaining for example how the insulin mechanism works. Congruence in interests of the enabler role expect the empowering and supporting behavior of front-line employees in order to ensure that patients take their responsibility in their treatments. Guidance should support in making processes more effectively and enabling that actions are correctly executed in an efficient manner. Therefore, one could assume that expectations regarding the enabler/instructor role can be linked towards the productivity-based HRM system since within this HRM system the maximization of employee efficiency and productivity plays a significant role and is considered as the main objective. In order to establish the enabler/instructor role HRM philosophies and HRM policies, are responsible for setting pre-determined objectives and rules which should guide the employees towards a desired behavior to maximize efficiency and productivity.

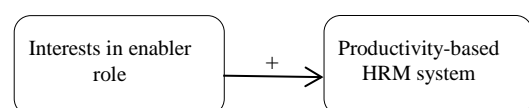
Firstly, in order to describe *performance appraisal* the HRM philosophy and HRM policies will entail details on how an administrative approach is implemented and further provide goals and results which have to be achieved in order to enable an efficient performance. Specific KPIs and protocols can be identified as particular HRM processes to implement the administrative approach within performance appraisal. Administrative performance appraisals are result-oriented. Secondly, *trainings* are used to broaden the generic skill set of employees. Thus, HRM philosophies and policies shed light on why several generic trainings are offered and what skills will be communicated. A proper technique to communicate generic skills might be sending the employees back to school or inviting lecturers to the hospital. Thus, trainings in productivity-based HRM systems support employees in gaining efficiency. Additionally, HRM philosophies and policies for *recruitment and selection* activities should explain how and why external recruitment and selection is organized. Within productivity-based HRM systems frequent personal changes are usual therefore, external recruitment can provide rapid replacements with relatively low costs. Techniques which are should implement external recruitment and selection might be advertisement within newspapers or online or the cooperation with employment agencies. Thus, particular actions on the HRM process level include up-loading of job offer and publishing it in newspapers and journals. Moreover, *job design* within the productivity-based HRM system should be efficiency based. Therefore, HRM philosophies and policies should give insights on how efficiency is defined with regard to each individual task. Job specification, time and motion studies and job simplification are various HRM practices which aim at implementing the efficiency approach within job design. Within this HRM system strict control mechanisms and documentation analysis of processes are set by HR professionals who should

enable the efficiency and the appropriate amount of time used for each process. In addition observations are specific HRM processes for job design. Lastly HRM philosophies and policies within *compensation* activities should provide insights on why and how compensation is paid on an individual base. Individual compensation encourage the individual to perform as efficiently and hard as possible Merit-pay compensation practice compensate on an individual base and reward individual employees for an efficient and excellent performance. Spot wards also represent a technique which rewards the individual for achieving pre-determined targets.

Within the productivity-based HRM system stakeholders from lower levels experience a clear organizational pressure due to the fact that they can be easily replaced if they do not perform adequately and efficiently. The clear performance pressure is reflected in the organizational culture as well since components such as “results” and “outcomes” play a major role (Monks et al., 2013). This is also reflected within job design since it includes simple and well-defined tasks and a centralized decision-making process (Hauff, Alewell & Hansen, 2014).

Congruence in interests regarding enabler role implies that higher and lower level stakeholders expect that front-line employees empower patients to partially manage themselves. The congruence in enabler role interests is results into a vertically aligned productivity system since more patients can be treated in an effective manner. Namely, front-line employees are expected to instruct and assist patients in their health-care related problems thus, the hospital can serve more patients in an effective way. HRM philosophies and HRM policies set up objectives and regulations to maximize efficiency. HRM practices and processes incorporate the efficiency approach by standardization e.g. performance appraisals which are result oriented or training activities which aim at extending the efficiency skills of the employee. The expectation of front-line employees is one action of improving the efficiency within processes and can thus be linked towards the productivity-based HRM system. On the basis of this I conclude the following:

*Proposition 2: Congruence in top manager versus front-line managers regarding the instructor role results into a vertically aligned productivity-based HRM system*



### 3. METHODS

Within this section the methods to obtain data within this study are introduced. The section provides insights and explanations about the data collection method used and a description of sample conducted including information about the hospital where the study takes place.

#### 3.1 Data collection method: semi-structured interview

This study puts emphasize on investigating internal vertical fit within the healthcare sector by undertaking a case study. Hospitals are considered as human service organizations where discrepancies between HR professionals and line managers might occur since there are no clear measurements for results and HR professionals might have limited control over line managers (Hasenfeld, 1999).

Hospitals are considered as appropriate institutions to examine vertical fit since various healthcare employees operating at

different HRM levels might pursue different interests which could lead to incongruence; For example HR professionals might aim at making processes more efficient to save money while line managers might pursue interests according to the recovery of the patient. Lipsky (1980) argued that hospitals are considered as organizations where interests and goals tend to conflict. This again, emphasizes the need to study vertical fit in the healthcare sector. In order to examine internal vertical fit HR professionals and first-line managers will be considered as two stakeholder groups operating in hospitals and will be included in this study. Semi-structured interviews will be designed to identify (in)-congruence among stakeholder-groups since this method allows capturing different perceptions and interests regarding each HRM activity including HRM levels. Additionally, qualitative research methods e.g. semi-structured interviews provide the opportunity to accurately to identify “the meanings that people place on the events, processes, and structures of their lives and their perceptions, presuppositions and assumptions” (Al-Busaidi, 2008). The interview questions will be customized towards particular interviewee’s e.g. HR professionals will not receive the same questions as first-line managers. Questions within this interview will be asked in a systematic structure and will identify opinions, characteristics and motives to examine (in)-congruence in interests of stakeholder. In addition, it is useful to include follow-up questions to specifically identify individual interests. A semi-structured interview is most applicable in this study since this method enabling to extract a high amount of information from various stakeholders within a short time frame. Moreover, semi-structured will provide insights of how HRM philosophies, HRM policies, HRM practices and HRM processes can be characterized in each HRM activity (training, compensation...). Before the interview will begin an introduction and short explanation of the aim of this study will be given. Additionally, an explanation will be given covering that the data gained within is interview are solely used for this study and are not transferred to third party organizations. The interview will be recorded and afterwards typed out to recognize similarities and differences among answers. The typed version of the interview provides the opportunity to recognize links and associations between answers and stakeholders interests. The interview transcripts are evaluated with an open coding mechanism which implies that statements are compared with regard to similarities and differences.(van Aken et al., 2004) The role of the innovator and the role of the enabler provide two distinctive coding categories. Statements which emphasize the expectations regarding front-line employees to empower patients to manage themselves will be categorized into the enabler role. For example: “we expect our front-line employees to explain and instruct patients on how to use a certain device” is coded into the enabler role. On the contrary statements emphasizing front-line employees to think further and re-think processes to meet customer’s needs will be categorized within the innovator role. Such as: We expect front-line employees to think about how an alternative could look like within this process. In addition support material such as the homepage of the hospital and several brochures will be analyzed which give insights about several expectations and interests of stakeholders.

### 3.2 Sample

Within this study top management stakeholders are HR professionals who can provide insights for HRM philosophies and HRM policies since they provide direction towards the achievement of strategic goals. Additionally, these managers will be asked about short and long-term goals of the hospital.

Asking in general about HRM philosophies would not be measurable therefore, particular questions about HRM philosophies and policies regarding each HRM activity will be asked.

Furthermore, for the HRM practice and processes first-line managers will be interviewed and their interests will be identified. First-line managers are considered for the lower HRM levels since they are responsible for setting up techniques and tools (HRM practices) to implement the HRM policy. Furthermore, first-line managers actually execute the actions within an HRM system and thus, can provide insights in HRM practices and processes within each HRM activity.

Ulrich (1998) also argued that HR professionals are responsible for setting up long-term goals and regulations; they act as strategic advisor while line managers are considered to implement HR practices to execute HRM processes.

### 3.3 Information about the hospital

The examined hospital is located in the east of the Netherlands and its headquarter is located in Enschede and further smaller locations in Oldenzaal, Haaksbergen and Losser. The hospital provides every kind of care to its patients and has over 3800 employees. In addition to the clinical departments the hospital has one of six trauma centers in the Netherlands. Remarkable is also that the hospital is in favor a trauma helicopter thus, numerous and difficult patients from nearby hospitals are transferred to the hospital in Enschede. The hospital is a non-profit organization and with a mission to deliver high care and quality to the patient. In 2015 the hospital won a specific reward, called “Top Employer Award” which distinguished top employee work conditions. A huge and modern new building was opened in 2015 which aims to make processes more efficient and hold particular departments together and provide a new bright and healing environment for the patient. The hospital has incorporated its own medical school where medical professionals are developed and trained.

### 3.4 Operationalization of variables

In order to measure the concept, interview questions are tailored according to the position of the interviewed stakeholder. Within the interview four questions cover the general back round of the stakeholder and should provide insights on personal information. The interview questions can be found in Appendix 2.1. The general questions are necessary to understand particular ways of answering a question. For example an employee who is operating in a certain position for 2 years will argue on a different level than an employee who has more work experience. The general questions section is asked to each individual employee. Afterwards, questions regarding the innovator and the enabler/instructor role are asked. This is section is required to uncover whether employees identify with either the innovator or the enabler/instructor role. Therefore, the content of each role is formulated into questions. For the innovator role this implies that the questions are uncovering whether employees are expected to rethink processes, come up with new ideas and develop new services to meet customer’s needs. For the enabler role questions are asked whether employees are expected to empower their patients to manage self-related problems themselves. Questions regarding the enabler role will also cover whether employees are expected to assist and support patients to ensure that patients take their responsibility in their treatment. To facilitate the understanding of the questions examples will be explained. A diabetic’s example for the enabler/instructor role might be appropriate.

In order to gain empirical insights into HRM philosophies and HRM policies HR professionals will receive questions regarding the strategic goals of the hospital and how first line

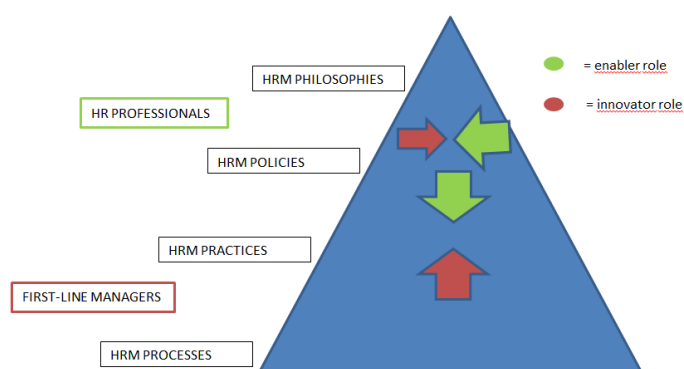


managers are valued and contribute to the organizational success. To uncover HRM philosophies and HRM policies with regard to HRM activities questions are constructed to identify the purpose, goal, content and expectations of each individual HRM activity (Performance appraisal, Training...). Moreover, HRM practice and HRM process related questions will be designed for first-line managers. The questions provide insights on particular techniques implemented in each HRM activity. For performance appraisal questions are designed to give insights on techniques for performance monitoring and to identify certain KPIs. Regarding recruitment and selections the questions cover techniques used to recruit internal or external. The questions related to job design should answer how job design techniques are established and what they are based on. For training and compensation the questions uncover techniques for firm specific and general skills or for individual and group performance compensation. In addition, first line managers receive the questions regarding the roles as well to check whether alignment, in terms of role identification, between higher and lower levels of the HRM system exists.

## 4. FINDINGS

In order to analyze the interests identified in each stakeholder group the following will shed light on the interests of stakeholders within each individual HRM level (HRM professionals or First-line managers) and its consequences regarding vertical fit. Secondly, the interests of each individual HRM level (HRM professionals and first-line managers) will be compared and the impacts on vertical fit will be analyzed.

### 4.1 Interests of HR professionals



#### 4.1.2. Majority of HR professionals

The stakeholder interests of HR professional are incongruent in terms of roles. On the HR professional level stakeholders identify with different roles with regard to expectations of their front-line employees. The majority of stakeholders identified with the role of the enabler and expected front-line employees to engage in the development of new services to meet customer's needs.

*HRM 3: "Yes, we have a medical school because they are arranging the trainings and the skills for the employees here to make sure that the employees can instruct the patient well. In addition we also expect the older employees and nurses in empowering patients, who have problems with adopting the technological changes."*

*HRM 1: "We have different projects where the patients themselves inject them or an investigation is also possible. This becomes more throughout the last years. Patients are much*

*shorter in a hospital, they go home really quickly. The patients who are here are really sick."*

*HRM 5: "Yes we expect the empowerment of patients of our front-line employees. We see that the hospital is stimulating the development that the patient is in control of managing himself also within the hospital."*

The majority of HR professionals pursue interests regarding the enabler role. The stakeholders also value efficient working standards and procedures in order to cut costs which will be further analyzed in 4.4. HRM philosophies and HRM policies.

*HRM 5: "Especially throughout the last years it was valued if employees engage in the thinking of new processes to make something more efficient."*

#### 4.1.2. Minority of HR professionals

On the contrary the minority of stakeholders pursues interests regarding the innovator role and expects front-line employees to think out of the box, to think about new processes and services in order to meet customer's needs. A few stakeholder value that front-line employees are expected to behave pro-actively in educating themselves to engage in the development of new services and to meet the patient's needs.

*HRM 4: "We want employees who do not accept the situation as it is but need to think about what needs the patient. So, what I ask them is to look at the ward and to see what can be changed."*

*HRM 4: "We also want employees to make the change and they have to make the network approach. So they have look beyond their ward in the organization: who can help me with my problem/idea."*

An appropriate example might be the "evidence best practice work". Within this program front-line employees and nurses are expected to ask themselves what could be changed to meet patient's needs. Within this program nurses are expected to make the change happen and implement their own idea. The "DEMO-example" (Dag Evaluatie Medewerkers Onderling) is an ideal prototype on how nurses can get involved in the development of new services in order to meet patient's needs. Nurses improved the efficiency by introducing DEMO which implies that after each shift nurses have a short meeting and discuss what went well and what could be improved. The introduction of DEMO makes processes more efficient and provides the feeling that nurses are taken serious and can make a change.

*HRM 4: "We ask them to search for evidence and if they gathered all the information then they can implement the new work process."*

Consequently, the minority of stakeholder can be categorized within the role of the innovator since these stakeholders expect front-line employees to engage in the development of new services to meet customer's needs.

Finally, one could conclude that several inconsistencies in stakeholder interests occurred since HR professionals did not reach consensus on identifying with the same role. The minority of HR professionals have interests regarding the innovator role and the majority have interests in the "enabler role" However, the enabler role does not only cover the expectations of front-line employees in expecting front-line employees to empower patients to manage problems themselves but also with regard to efficiency improving. Since the hospital is facing a re-organization and high pressure to compensate financial troubles the majority of stakeholders do also pursue interests regarding

efficiency improving and cost-cutting mechanisms. In sum the interests of HR professionals are not congruent in terms of roles.

## 4.2 Interests of line managers

In contrast to the HR professionals the line managers reach congruence in identifying with the same role. Namely, line managers pursue interests regarding the innovator role which implies they expect front-line employees to re-think processes and services and develop new processes to meet customer need satisfaction.

*LM 1: "We are trying to be innovative so if you have a new idea, I listen and let's see what we can do with it."*

*LM 2: "Yes we expect them to engage in thinking further. We started with 3S. In order to engage them in the 3S thinking we ask: why, what and how and it has to be permanently a solution."*

*LM 2: "The engagement of thinking further in the development of new services becomes more because the pressure becomes higher."*

In addition, line manager's primary interests are the recovery of the patient and to provide a healing environment. Line managers try to give freedom to the front-line employees to remain high levels of motivation and to improve the recovery of the patient.

*LM 1: In order to enable efficiency "standardization and task simplification are implemented, basically everything what is possible to make it easier and more efficient." "But I try to challenge my team to think out of the box and give them room in their heads to keep them motivated because there are so many rules."*

*LM 2: "The patient is the most important but we have to do everything to support the employees in their work because without an employee you cannot help a patient."*

Line managers expect of front-line employees to think further and think creatively out of the box to develop new ways to serve patient's needs. Line managers expect to get insights and inputs of front-line employees in re-think routines and standard processes to improve customer need satisfaction. Thus, line managers' interests can be categorized within the role of the innovator.

## 4.3 (In)-congruence between HR professionals and line managers

In addition to the inconsistencies within the HR professional level this study was able to identify inconsistencies between the HR professional and line managers' interests.

The majority of HR professionals identified with the role of the enabler line managers however, identified with the role of the innovator. Therefore, various HRM levels have different expectations regarding their front-line employees which lead to incongruence among interests. While HR professionals expect front-line employees to empower patients to partially manage themselves, line managers expect front-line employees to re-think and develop new processes on serving customer's needs. In addition HR professionals expect an efficient and cost-cutting performance of their front-line employees. Thus, one should think about a new role which completely fits the expectations and interests of HR professionals e.g. the role of the "cost-cutting enabler"

## 4.4 HRM philosophies and HRM policies

HRM philosophies and HRM policies, set by HR professionals, value the establishment of efficient processes by the development of strict HRM activities and the improvement of cost-efficient procedures. Numerous procedures aim to instruct especially lower employees on how to perform certain task. Notably, accurate performance appraisal systems are valued in order to guarantee efficient processes and to be able to solve problems as fast as possible. Thus, performance appraisal systems are established for the administrative approach.

*HRM 1: We establish lots of performance appraisal systems in order "to make sure that front-line employees doing their job right so that we can see it and have it on protocols and papers."*

Internal recruitment is valued in order to recruit in a lean and efficient manner since employees are already familiar with the organizational culture and the procedures existing within the hospital. Therefore, the organization can perform more efficiently since less job training is needed for internal recruiting.

*HRM 1: Internal recruitment is more efficient in costs since "we already have an employee who knows all the systems."*

*HRM 3: "We recruit internally because it has a relationship to do work more effectively with fewer employees."*

*HRM 5: We recruit internally "because employees already worked for years for the hospital and they know the cultures and the procedures already."*

Job design incorporates flexibility and variations for higher levels in the organization within job tasks. Lower levels are much more standardized due to a high amount of procedures which should enable efficiency.

*HRM 1: "On the lower levels front line employees are faced with more standardization and specification within their tasks."*

*HRM 5: "For front line basic nurses the tasks are rather standardized and for higher levels the job descriptions are based on encouragement and team working."*

The purposes and goals of trainings, set by HRM philosophies and HRM policies, are constructed and necessary to improve efficiency within performances. Trainings are offered to certify that employees have the competencies to perform a job.

*HRM 3: "Nurses are expected to complete several trainings in order to hold up their skills and to be allowed to continue in the job. If they do not do it we have to put them out of the job"*

*HRM 5: "One of the goals of training is that you learn from each other and see how it works in other organizations to make it more efficient."*

Trainings play an important role since the hospital is re-organizing its processes and jobs. Therefore, front-line employees have to fulfill a range of trainings in order to improve their performance and learn how to cope with new procedures within the re-organization.

HRM philosophies and HRM policies regarding compensation are pre-determined by the government and thus, do not differ in various HRM levels. The collective labor agreement (CAO) sets the amount of salaries according to the function and work experience an employee has in that function. Therefore, the hospital has to stick towards these regulations regarding compensation.

In sum, HRM philosophies and HRM policies strive to improve the efficiency by establishing strict procedures and the introduction of lean and smart processes. HRM activities are

conceptualized in order to control performance and detect gaps for improvement with respect to efficiency. In order to categorize HRM philosophies and HRM policies into a particular HRM based system (commitment-based vs. productivity-based) one can conclude: Although efficient and productive performance is of huge importance within HRM philosophies and HRM policies one cannot conclude that higher HRM levels incorporate the productivity-based system. When referring back to the initial productivity-based HRM system it turns out that training and recruitment are configured according to the commitment-based HRM system. Firstly, training should teach general skills in a productivity-based system while in the examined hospital trainings are constructed to train firm-specific skills and competencies. Moreover, recruitment takes place internally while productivity-based HRM systems are external oriented. In sum, performance appraisal and job design are productivity-based while training and recruitment activities are commitment-based.

#### 4.5 HRM practices and HRM processes

Particular HRM practices and HRM processes regarding performance appraisal techniques include the maximization of efficiency within performances. Therefore, result-based KPIs are established for performance appraisals which are able to control all the results and outputs. In addition, protocols (knowledge-bank) are used to standardize and provide directions and answers to questions. Next to the pure control of results, KPIs are established in order to enable that quality and safety is delivered to the patient.

*LM 1: "There is a service level, we call it KPI. When we started with the department our goal was for example that 80% of the questions are answered within 20 seconds. Not more than 4% of calls are going to hang up. We try to answer 70% of the calls within one call, so no transferring"*

*LM 1: "The knowledge-bank is build up in a uniform way and used as a standard and as a useful direction to get the right answers to the questions."*

*LM 2: "Yes on of the KPIs is for example to fill in the registration of the patient within 10 minutes because when there is a group of patients we never know: how sick are they?"*

*LM 2: The protocol is really patient-related. Everybody needs to fill out this protocol because we have to do it for the safety of the patient."*

HRM practices and HRM processes regarding recruitment and selection are influenced by the re-organization since line managers are not allowed to recruit externally. Internal recruitment implies less costs since employees are already familiar with the organizational culture and processes. Internal recruiting is also established to make sure that employees are challenged in order to keep them motivated and committed.

*LM 1: "Mostly internal recruitment because it is not allowed to get employees outside because we are in a re-organization."*

*LM 1: We recruit internal because "People who are stuck now because they have their routines because they have done it 20 years. It might be in their strength when they change a job"*

*LM 2: "We never recruit from external because we have enough from internal it is a very nice place to work but very stressful."*

HRM practices and HRM processes regarding job design cover job rotations and creative thinking to keep employees committed and provide the feeling of being useful for the organization. Line managers suspect that too many rules and

standard regulations might negatively influence the creativity of employees what in turn might impact the commitment of employees.

*LM 1: "We have job rotation e.g. we have a de-coordinator who is fulfilling some extra tasks and the person who fulfills the part of the de-coordinator changes every day in the schedule."*

*LM 2: "We like to do job rotation with other hospitals in ENA in the future to refresh employee's minds."*

*LM 2: "If more and more laws and protocols are coming employees cannot think creatively anymore. We think that this is a problem because we work in an environment where creativity and self-conducting is very important."*

Training activities are established to improve firm-specific skills. In order to implement training activities professional experts are invited to train new applications and ways of performing a task. HRM practices and HRM processes regarding trainings are established also to reward and certificate employees to show the employee that they are of individual importance and that their work is taken serious.

*LM 1: "We have a special training for customer care. There employees get trained which structure to use in the conversation with the patient"*

*LM 2: "We have several trainings you have to do every year or every 2 years some education and trainings over and over again."*

*LM 1: "The reward is a certificate and a "festive moment with cake and flowers" to make them feel important."*

When overlooking HRM practices and HRM processes it turns out that the HRM activities are rather commitment-based except performance appraisal. For performance appraisal several KPIs are established which should accurately monitor the performance and cannot be categorized within a commitment-based HRM system. Training activities are constructed to improve firm specific skills which can be categorized in the commitment-based HRM system. Job design includes job rotations are incorporated to keep employees motivated and committed towards the organization. Lastly, recruitment takes place internally to provide employees new challenges and opportunities to grow. Finally one could conclude that HRM practices and HRM processes are rather commitment-based oriented since most of the techniques and actions consider the development, commitment and motivation among employees.

#### 5. DISCUSSION AND NEW INSIGHTS

The primary goal of this study was to identify whether congruence in stakeholder interests results in a particular vertically aligned HRM system.

Firstly, this study illustrates interesting insights into the incongruence among similar stakeholder groups since HR professionals themselves pursued different interests although HR professionals operate within the same HRM level. HR professionals can be divided into two groups with respect to their interests: The minority who have interests regarding the innovator role and expect front-line employees to think further and re-think processes and services to meet customer's needs. Furthermore, the majority pursued interests and expects front-line employees to empower patients to manage health-related problems themselves. Additionally, the majority also expects front-line employees to performance cost-efficient in order to save costs and improve the financial situation of the organization. Therefore, the majority can be categorized towards the role of the enabler with a focus on cost-efficient performance. Thus, a new role called "cost-efficient enabler" might more appropriately cover the interests of HR

professionals. Since HR professionals did not share similar interests in terms of roles, this study was able to detect that the hospital does not have the ability to establish horizontal fit. The misalignment among the horizontal base is identifiable within the HRM activities as well. In particular, performance appraisal and job design include features of the productivity-based HRM system. Training and recruitment however, are commitment-based and strive to develop and motivate the employee. (see Appendix 11.2, Table 1) Consequently, it is possible to conclude that the organization do not implement a particular HRM-based system rather, a mix of the productivity and commitment-based HRM system is implemented which causes horizontal misalignment. The incongruence on the horizontal base is a new insight that is important for future researchers to keep in mind when examining vertical fit. It underlines the dependency between horizontal and vertical fit within HRM systems.

Secondly, the identification of stakeholder interests point out that higher level stakeholder did not pursue similar interests as lower level stakeholders. While most HR professionals identified with the role of the “cost-efficient enabler”, line managers identified with the role of the innovator since line managers expect front-line employees to re-think processes and routines and come up with new ideas to serve customer’s needs. Consequently, the study was able identify a conflict in stakeholder interests.

Thirdly, HRM philosophies and HRM policies can be categorized in the productivity-based HRM system with a focus on efficient and cost-saving performances. While HRM practices and HRM processes value commitment and motivation among front-line employees in order to improve the recovery of the patient. Therefore, HRM practices and HRM processes are not always the most efficient and cost saving ones and can be categorized towards the commitment-based HRM system. Thus, HRM levels did not manage to integrate one particular HRM system (either commitment-based or productivity-based).

To sum up, the conflict in stakeholder interests in terms of roles exhibits several inconsistencies (innovator (lower levels) vs. cost-efficient enabler (higher levels)). Therefore, HRM philosophies and HRM policies can rather be categorized towards the productivity-based HRM system while HRM practices and HRM processes are rather commitment based.

Practical implementations have proven that there are some arguments supporting the proposition: Interests regarding the role of the innovator might lead to vertical fit within a commitment-based system. All stakeholders, (the minority of higher stakeholders and all lower level stakeholder) who identified with the role of the innovator and expect front-line employees to re-think processes and services and therefore, emphasized the commitment-based HRM system which integrates HRM activities (training, recruitment) to keep employees motivated and committed. For example, job design including job rotations and creative thinking possibilities are of high value for the commitment-based HRM system.

However, this study was only partly able to find arguments supporting that the role of the enabler might lead to vertical fit within a productivity-based HRM system. In order to establish vertical fit in a productivity-based HRM system all stakeholders need to identify with the role of the “cost-efficient enabler” rather than the role of the enabler. The cost-efficient enabler saver expects efficient performances and expects front-line employees to empower patients to partially manage themselves.

## 6. CONCLUSION

This study has examined that differences and similarities in stakeholder interests play a vital role in the establishment of vertical fit. Empirical data provided insights that differences in interests of similar and different stakeholder groups negatively influence the establishment of vertical fit within the human resource management system. This study points out the dependencies between horizontal and vertical fit. Thus, horizontal discrepancies between stakeholder interests might inhibit the establishment of vertical fit. Furthermore, inconsistencies between stakeholders of various HRM levels might negatively influence vertical fit.

## 7. IMPLICATIONS

Firstly, this study is a valuable contribution for the examination of vertical fit within HRM systems. In order to establish vertical fit it is important to pay attention to horizontal fit as well. This study showed that inconsistencies on the horizontal base (innovator vs. enabler role on the HR professional level) might negatively influence the establishment of vertical fit. Therefore, it is important to take into account the horizontal base and to align interests and expectations of one particular HRM level in order to fully establish vertical fit.

Secondly, this research identified conflicting identification of role between higher and lower HRM levels, which negatively impacts vertical fit. Therefore, it is advisable to improve the communication between HR professionals and front-line employees. Goals and the vision and associated expectations should be clearly communicated towards lower employees. Only if organizations manage that higher and lower levels HRM level stakeholders identify with the same role vertical fit can be established. Furthermore, it might be useful to include and involve line managers in strategic decision making since they are creating the value for the organization by implementing the HRM practices. (Ulrich, 1998)

Thirdly, this study has proven that it is important to examine whether an organization established a particular HRM system on all HRM levels. Results presented that although higher HRM levels are rather productivity-based lower HRM levels pursue a commitment-based HRM system. This again, negatively impacts the establishment of vertical fit. Therefore, future researchers should take into consideration whether the same prevailing HRM system is considered at each HRM level.

## 8. LIMITATIONS

Due to a relatively small amount of time only a few HR professionals and line managers of several departments were asked. Thus, further research might include more departments to receive a fuller profile of interests. In addition the examined hospital is facing a re-organization which might have influenced the interests of particular stakeholders. The study is based on qualitative performance data including personal perceptions and experiences thus, no quantitative data is gathered. Although qualitative data is very useful and provides important insights further research might include a mixed method of qualitative and quantitative research to ensure that the assessment of data is also based on objective performance data. Although the study is examining a particular sector it can be generalized towards other sectors since the applied models are applicable in other sectors as well. Further research might consider hospital operating in normal conditions (no re-organization). Further research might include to other HR systems: collaborative and compliance based HRM system and might examine vertical fit within other sectors.

## 9. ACKNOWLEDGEMENTS

First and foremost I would like to express my gratitude to my supervisors Jeroen Meijerink and Milana Korotka for constantly supporting, advising and guiding me in the bachelor thesis process. Furthermore, tremendous thanks go to Liana Brüseke and Theresa Lösing for proofreading my Bachelor thesis and providing useful feedback and ideas. Lastly, special thanks go to family and friends for mental and additional support throughout the bachelor process and the bachelor program at the University of Twente.

## 10. REFERENCES

- Alfes, K., Truss, C., Soane, E.C., Rees, C., & Gatenby, M. (2013). The Relationship Between Line Manager Behavior, Perceived HRM Practices and Individual Performance. Examining the Mediating Role of Engagement, *The international Journal of Human Resource Management* 24(14) 2657-2669.
- Al-Busaidi, Z.Q. (2008). Qualitive Research and its uses in health care. *Sultan Quaboos University Medical Journal*, 8(1).
- Aken, J. E. van. (2004). Management research based on the paradigm of the design sciences: the quest for field-tested and grounded technological rules. *Journal of Management Studies*, 41(2), 219– 246.
- Arthur, J.B. & Boyles, T. (2007). Validating the human resource system structure: A levels-based strategic HRM approach, *Human Resource Management Review* 17, 77-92.
- Azuka, N.G.A. (2006). The guidance role of the Instructor in the teaching and learning process, *Instr. Psychology* 33(1), 46-49.
- Baird, L. & Mehoulam, I. (1988). Managing two fits of strategic human resource management. *Academy of Management Review*, 13(1), 116-128.
- Barney, J.B. (1991). Firm Resources and sustained competitive Advantage, *Journal of management*, 17(1), 99-120.
- Barney, J.B. & Wright, F.M. (1998). On becoming a strategic partner: the role of human resources in gaining competitive advantage, *Human Resource Management*, 37(1), 1-21.
- Barton, H. & Delbridge, R. (2001). Development in the learning factory: training human capital, *Journal of European Industrial Training*, 25(9), 465-472.
- Beatty R.W. & Schneider C.E. (1997). New HR roles to impact organizational performance: From “partners” to “players”, *Human Resource Management*, 36(1), 29-37.
- Becker, B.E. & Huselid, M.A. (1998). High performance work systems and Firm performane: A synthesis of Research and Managerial Implications. *Research in Personnel and Human Resource Management*, 16, 57.
- Becker, B.E. & Pickus, P.S. & Spratt, M.F. (1997). HR as a source of Shareholder Value: research and Recommendations, *Human Resource Management*, 36(1), 39-47.
- Bondarouk, T. & Bos-Nehles, A. (2016). Understanding the congruence of HRM frames in a healthcare organization, *Baltic Journal of Management*, 11(1) 2 – 20.
- Bowen, D.E. (2015). The changing role of employees in service theory and practice: An interdisciplinary view, *Human Resource Management Review*, article in press.
- Boxall, P.F. & Purcell, J. (2003). Strategy and Human Resource Management, *Industrial & Labor Relations Review*, 57(1), 145-146.
- Carmeli, A., Meitar, R. & Weisberg, J. (2006). Self-leadership skills and innovative behavior at work. *International Journal of Manpower*, 27(1), 75-90
- Chen, Y.P., Hsu, Y.S., Yip, and Wai-Kwong Yip, F. (2011). Friends or rivals; comparative perceptions of human resource and line managers on perceived future firm performance. *The International Journal of Human Resource Management*, 22(8), 1703-1722.
- Chen, J.C. & Huang, J.W. (2009). Strategic Human Resource Practices and Innovation Performance - The mediating role of knowledge management capacity. *Journal of Business Research*, 104-114.
- Collins, C. J. (2007). The interactive effects of recruitment practices and product awareness on job seekers' employer knowledge and application behaviors. *Journal of Applied Psychology*, 92(1), 180-190.
- Derely, J.E. (1998). Issues of fit in Strategic Human resource Management: Implications for Research. *Human Resource Management Review*, 8(3), 289-309.
- Delery J.E. & Shaw J.D. (2001). The strategic Management of people in Work Organizations: Review, Synthesis, and Extensions. *Research in Personnel and Human Resrouce Management*, 20, 165-193.
- Dyer, L. & Shafer, R.A. (1999). From Human Resource Strategy to organizational Effectiveness; Lessons from research on organizational Agility. *CAHRS Working Paper Series*, 125, 3-32.
- Frooman, J. (1999). Stakeholder influence strategies. *Academy of Management Review* 24(2), 191– 205.
- Gerhart, B. (2002). Horizontal and vertical fit in Human Resource systems. *Perspectives on organizational Fit*, 317-320
- Guest, D.E. (1997) Human resource management and performance: a review and research agenda, *The International Journal of Human Resource Management*, 8(3), 263-276.
- Hasenfeld, Y. (1999). Human service organizations and the Production of moral categories. *UCLA School of Public Policy and Social Research*, 2-14.
- Hauff, S., Alewell, D. & Hansen, N.K. (2014) HRM systems between control and commitment: occurrence, characteristics and effects on HRM outcomes and firm performance. *Human Resource Management Journal* 24(4), 424–441.
- Kepes, S. & Delery, J. (2009). HRM systems and the problem of internal fit. *The Oxford Handbook of Human Resource Management*, 385-405.
- Lepak, D.P., & Gowan M. (2010). Human Resource Management, Managing employees for competitive advantage, Chicago
- Lepak, D. P., & Snell, S. A. (1999). The human resource architecture: Toward a theory of human capital allocation and development. *Academy of Management Review*, 24, 31–48.
- Lepak, D.P., & Snell, S.A. (2002). Examining the Human Resource Architecture: The Relationships Among Human Capital, Employment, and Human Resource Configurations. *Journal of Management*, 28(4), 517-543.
- Lipsky, M. (1980). Street-level Bureaucracy: The Dilemmas of Individuals in Public Service, *New York: Sage Foundation*.

- Mayers, J. (2005). Stakeholder power analysis, *International Institute for environmental and Development*, 2-24.
- Miles, R., & Snow, C. (1984). Designing strategic human resource systems. *Organisational Dynamics*, 13(1), 36-52.
- Monks, K., Kelly, G., Conway, E., Flood, P., Truss, K. & Hannon, E. (2013). Understanding how HR systems work: the role of HR philosophy and HR processes. *Human Resource Management Journal* 23(4), 379–395.
- Nadler, D. A. & Tushman J. (1989). A model for diagnosing organizational behavior: Applying a congruence, *The management of organizations: strategies, tactics, analyses*, 91-106.
- Nishii L.H., Lepak D.P. & Schneider B. (2008). Employee attributions of the “why” of HR practices: Their effects on employee attitudes and behaviors, and customer satisfaction, *Personnel Psychology*, 61, 503-545.
- Peccei, R. (2004). Human Resource Management and the Search for the Happy Workplace. *Rotterdam: Erasmus Research Institute of Management*, 6-29.
- Rousseau, D.M. (2001). Schema, promise and mutuality: the building blocks of the psychological contract. *Journal of Occupational and Organizational Psychology*, 74(4), 511-541.
- Shani, Dr. I., Divyapriya, P. & Logeshwari, K. (2011). Human Resource Philosophy. *International Journal of management*, 2(1), 61-68.
- Schneider, B., & Bowen, D. E. (1985). Employee and customer perceptions of service in banks: Replication and extension. *Journal of Applied Psychology*, 70, 423–433.
- Torraco, R.J. & Swanson, R.A. (1995). The strategic roles of human resource development. *Human Resource Planning*, 18(4), 10-21.
- Ulrich, D. (1998). A new mandate for human resources. *Harvard business review*, 76(1), 124-135.
- Wright, P.M., & McMahan, G.C. (1992). Theoretical perspectives for strategic human resource management. *Journal of Management*, 18(2), 295-320.
- Wright, P.M. & Snell, S. A. (1998). Towards a Unifying Framework for Exploring Fit and Flexibility in Strategic Human Resource Management, *Academy of Management review*, 23(4), 756-772.

## 11. APENDIX

### 11.1 Vertical fit Illustration

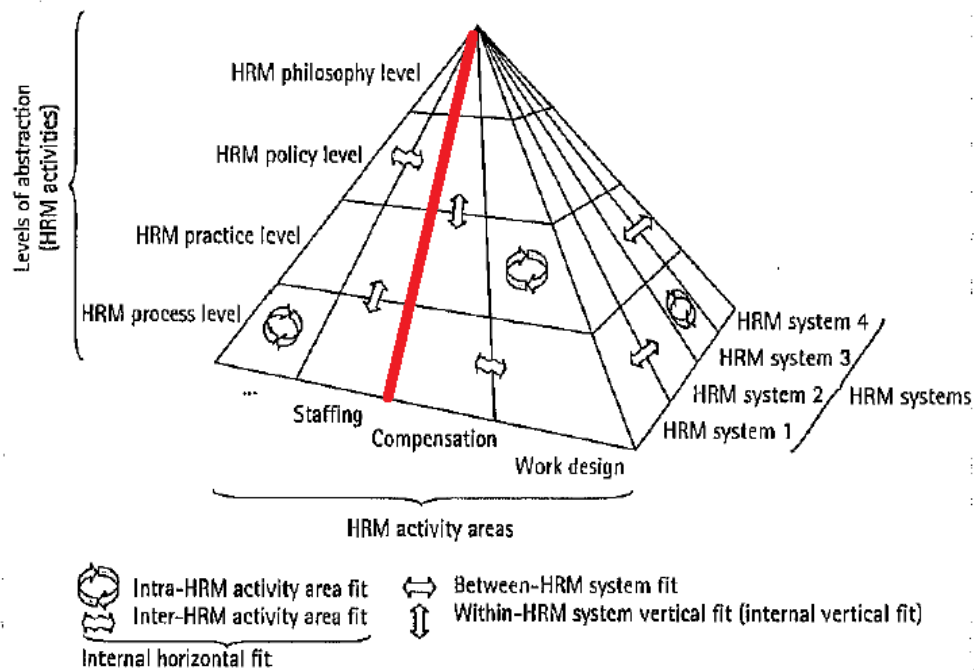


Figure 1: The different types of internal fit within the HRM architecture (Kepes & Delery, 2009)

### 11.2 Table

Productivity-based HRM system				
	Performance appraisal	Recruitment + Selection	Job design	Training
HRM philosophies + HRM policies	Administrative approach	External recruitment	Efficiency approach	General skill training
HRM practices + HRM processes	KPI's + protocols	Job offerings on advertisement modes	Job simplification + job specialization	Sending back to school
Commitment-based HRM system				
HRM philosophies + HRM policies	Developmental approach	Internal recruitment	Motivational approach	Firm specific skill training
HRM practices + HRM processes	feedback	Intranet	Job rotations + job enrichments	Job training
Practice applied on the hospital				
HRM philosophies + HRM policies	Administrative approach	Internal recruitment	Efficiency approach	Firm specific training
HRM practices + HRM processes	KPI's + protocols	Intranet	Job rotations	Job training
		* external if nobody is available		

Table 1: Productivity vs. Commitment-based HRM systems

## 11.3 Interview questions:

### Interview question for every stakeholder at each level:

- What is your name?
- What is your function within this hospital?
- How long have you been working in this function
- Did your function changes in the last years?
  - If yes, why?

### Interview questions regarding the roles

- How do you expect your front-line employees to behave in order to ensure that high-quality services are delivered and experienced? Can you explain why you expect this behavior?
- Innovator role: Do you expect your front-line employees to engage in the development of new services, processes or ways of working to meet your customers' needs? Can you explain why?
- Enabler/instructor role: Do you expect your front-line employees to empower your customers to ensure they are able to partially manage their health-related problems themselves? Can you explain why?
- Enabler/instructor role: Do you expect your front-line workers to ensure that your clients effectively contribute to the healthcare processes/treatment processes? Do you expect your front-line workers to assist and support your clients to ensure that your clients take their responsibility in their treatment? Can you give example? Can you explain why you expect this behavior?

### Interview questions for HRM philosophies + HRM policies: General Manager and Business Manager

- How do first line managers contribute to organizational success
- What are the strategic goals of this hospital?
- In what way are employees valued and why?

### Performance appraisal

- Why does your institution incorporate a performance appraisal system?
- What is the purpose of your performance appraisal system?
- What happens if the performance is too bad?
- What is included in an conversation?
- What is discussed in such a meeting?
- What do you expect regarding the performance appraisal?
- HRM policies are considered as goals, so which goals does your performance appraisal include?
- How does HRM policy of performance appraisal incorporate the vision of the hospital?

### Recruitment and selection

- Do you recruit and select new employees from internal/external?
- Why do you recruit and select new employees from internal/external?
- What goals are expected of recruiting internal/external?
  - For internal development

### Job design

- What is valued within job design?
- What does a job description incorporate?
- Do internal and external job descriptions look the same?
- How does a job design look like for a job offer in a front-line worker position?
- Are the description of jobs and tasks specialized on standardization and efficiency (efficiency approach) or rather on motivation and encouragement (motivational approach)?

### Training

- Are these trainings provide and improve skills which should improve the performance within your institution? Or are these trainings set in a broader environment where generic skills are provided? E.g. problem-solving skills
  - Why do offer firm-specific training/generic skill training?
- Do you also have trainings? Are they general or specific?

### Compensation

- How do employees within your institution get compensated?



- Do you pay them on an individually or in groups for a particular project work?
- Why do you pay them individually/ groups?
- What are your expectation regarding paying them on an individual base or group base?

### **Interview questions for HRM practices + HRM processes**

#### **Performance appraisal**

- Which techniques and tools exist to monitor the performance?
- Are these techniques incorporate results on the minimum achievement level with regard to how many patients needs to be provided within one hour or other result-based outcomes?
- Or are these techniques less output oriented and feedback is provided in order to monitor and improve the performance?
- Do you incorporate Key performance indicators within your performance appraisals?
  - Are the KPIs rather result-oriented or rather motivation-oriented?
  - Do you use protocols in order to monitor performance?
    - What do you have to fill in their?
- Does your performance appraisal include information about results on what needs to be achieved or traits and behaviors which needs to be assessed by employees?

#### **Recruitment and selection**

- Which techniques are used to recruit from internal/external?
- Do you make use of an intranet (a online platform where information for employees is published regarding new job offers)?
- How does the specific technique (e.g. intranet or advertisement) make sure that internal/external recruitment is enabled?

#### **Job design**

- Which techniques do you internalize within job design?
- In order to guarantee efficiency approach which techniques do you use e.g. standardization of tasks, task simplification
- Do you use motivation approach e.g. or job enlargement, job enrichment?
- Do your techniques implement a narrow focus within the tasks?
- Do your techniques require specific qualification in order to accomplish them?
  - What kind of qualifications?

#### **Training**

- In order to improve firm-specific / generic skills of your employees which techniques do you implement?

#### **Compensation**

- Do your employees receive a reward or a bonus for an excellent performance in a team or as an individual? Which rewards do your employees receive and why?

## **11.2 Interview Transcriptions**

### **Interview 1**

*What is your function within the hospital? We call it HRM advisor.*

*How long have you been working in this function?*

In this function 3 years and 5 months.

*Have you had another function before? Yes I work here for already 23 years, I have studied medical biologist in the labor then I have went management jobs in the lab and on the nursing clinic and later on as a secretary of the direction and after that the HRM advisor*

*How do you expect your front-line employees to behave in order to ensure that high-quality services are delivered and experienced? Can you explain why you expect this behavior?*

We speak each other every week with the HR professor, we have weekly appointment, we have the subjects: selection of people, the diseases of people. For the nurses, I speak with the head of the departments and we see whether there are problems. When there are problems we have a conversation with the three of us. What might be problems? For example in the real organization some will use the opportunity to leave the hospital and then we discuss how that issue can be handled. Can you explain why do you expect this behavior? The hospital is in the re-organization, it is a new building, finance are in trouble so we must re-organize the processes but the also the personnel and the jobs to make it efficient.

*Innovator role: Do you expect your front-line employees to engage in the development of new services, processes or ways of working to meet your customers' needs? Can you explain why? Are nurses involved in making processes more easy?*

We have sub groups on the department they work on quality, safety and new investigation and they communicate with their head of the department. but also central communication and there are goal they communicate for example safety. For example the healthy teams such as diseases where you have to injure yourself or the care for elderly patients is a team. So we have 11 teams that work on it. Do these teams also meet once a week? The frequency of team meetings depends on the departments but well frequently. We have also an audit in November we have to audit every goal on the department if they go right. The audit will check whether the procedures are efficient. There are also standard groups which support the subgroups.

*Enabler/instructor role: Do you expect your front-line employees to empower your customers to ensure they are able to partially manage their health-related problems themselves? Can you explain why?*

Diabethis example → we have different projects where the patients themselves inject them or an investigation is also possible. Does that become more throughout the last years? Yes that becomes more, we call it monitoring at home. Also with the blood pressure they can here the blood pressure of the patient at home or some infusion but there is also a nurse at home. Patients are much shorter in a hospital, they go home really quickly. The patients who are here are really sick.

*Enabler/instructor role: Do you expect your front-line workers to ensure that your clients effectively contribute to the healthcare processes/treatment processes?*

I don't know it is not my work. But they have controls positive/negative. They are educate before use they have to be well informed on the right way on how to do. How do they get informed? By the nurse, they put it on paper and inform the patient who is at home.

*Do you expect your front-line workers to assist and support your clients to ensure that your clients take their responsibility in their treatment? Can you give example? Can you explain why you expect this behavior?*

Yes by giving instructions

*How do first line managers contribute to organizational success?*

We have management overleg, we have intranet an internal system, there is a hospital intranet, there is homepage and a newspaper. We also have different systems where the procedures are defined. Newsletters

*What are the strategic goals of this hospital?*

We want to deliver high quality and simultaneously cut costs, especially now with the new building as I told before we re-organize the jobs of personel and we have to work efficiently so that the hospital can provide high care.

*How do your re-organization look like for a nurse maybe?*

The nurse is the second plan, the first plan is are the finance and HR and quality and safety employers so we have to reduce 10% of the employees in the departments and do our work with fewer people to do our jobs efficient. The manager gives a new plan how to organize the department and then there is a lower number of employees for the jobs and we go to divide the tasks. And then when you come into the hospital how many years you are working in a separate age table. CAO explanation how that work and how they find out who has to leave the organization. (the one with lowest experience)

*In what way are employees valued and why?*

CAO, we have a different salary schedule where the employees are categorized. Every job has an own table.

*How do make sure that committed employees do not leave the organization?*

We use conversation on yearly base and then we discuss the function and how somebody is going in their jobs and then we make appointments for the next year. We see in the next conversation if the performances are going right or if it improves or go worse and then we make new appointments. It is not common in a hospital to give more money to improve the motivation that is very strictly based on a schedule. But for example you can sit in a work group for new investigation. You can get more motivation when you are in the group.

## **Performance appraisal**

*Why does your institution include a performance appraisal?*

To make sure that they are doing their job right so that we can see it. To make sure that they do their job efficient? Yes but also to make sure that we have it on protocols and on paper?

*What is the purpose of your performance appraisal system?*

The purpose is that they work in the way they should work. The work instructions and the loch boeken and procedures. What kind of procedures are these? That is very big. We have a whole system on intranet it is called BBS; digital, document system so all procedures are in the systems and all employees have to work with their own procedure. What is the content of the procedures? How to work as a nurse, how to follow the restrictions and the guidelines to manage the departments or to make an infusion to the patients. And then step by step it is explained in the procedure to give an infusion. Everything they do here is in a procedure. Do Employees fil it out daily? Yes, and we have also COWS (compute on wheels) on the departments. What do you expect regarding the performance appraisal? That employees fil it out daily, that is strictly managed. What happens if they don't fil it out? Then the colleague in the duty afterwards misses the information so the wellness of the patients gets threatened.

*HRM policies are considered as goals, so which goals does your performance appraisal include?*

For the nurse it is very strict to fulfill the documentation, for me as a HRM advisor it is less strict. We have KPI critical performance indicator, for check if the yearly function-conversation (which consists of the team of heads with its employees). I have to check whether they hold this yearly conversation. Or the disease presentation you are team leader and I ask you how is the disease in your

department? And then you tell me and I have to write it down to 2/3 persons. And then I ask the team leaders whether they have contact with their employees and whether they go to patients home. These are my goals and a team leader has its own goals. The goals the team leaders have are also set by a higher level? The goals the nurses have are the instructions for the work on the department are hospital wide in the system so that's form a higher level. The nurses are told you must do that on that way. Every nurse who comes to work here have to be instructed in all the procedures and have to give time to read all the instruction and must also give a paragraph when he/she read it. Are they tested when they read it? Sometimes, they tested but that depends on the departments.

*How does HRM policy of performance appraisal incorporate the vision of the hospital?*

We have a lot of systems we have registrate all things, sometimes that is country-based. (country, organization and departments) And otherwise there are restrictions of the hospital. It is very broad but you have to obey to the procedures. For lower levels it is really strict and for the higher levels it is a little bit less strict right? It is a little bit less strict right but we are 1 of 6 hospital in the Netherlands and we have also appointments together with this six hospitals on a restricted base. And we have the inspection of healthcare, that's for all the hospitals in the Netherlands and we have to put on our measurements. Do you have similar performance appraisal systems compared to other hospitals? Yes

For the higher levels of the HRM system they have to fulfill KPIs.

### **Recruitment and Selection**

*Do you recruit and select new employees from internal/external?*

We have a procedure for this → first we have to recruit intern, so we can give the opportunity for employees to switch for department and when there are no reaction or when applicants are not suitable than we go extern. But now in the re-organization we are not allowed to go extern because we have to cu cost. But sometimes it does not work because we do not have applicants. What do you do then? Then we have a question for the direction and we ask with argumentation whether we can recruit externally or we close beds and cannot help the patient. But that is not our intention! We also recruit internally to make sure that employees get new chances and sometimes they can grow.

*What goals are expected of recruiting internal/external?*

Cut costs and sometimes employees have a temporary job when the end of one job in a department is coming we can put the employee towards another department. Then we already have an employee who knows all the systems and the temporary job is ended within one department we can place this employee towards another department.

### **Job design**

*What is valued within job design?*

Not motivational approach because you have to use the nurse on the right task

*How does a job design look like for a job offer in a front-line worker position?*

We have a short text in the job description about the department and then the goals, education and experience is described. Then information is given about whether it is important to be a team player or whether investigations are included in the job design. Information about the motivation level is given. We have job description for general function but also when you need some specific qualities of an applicant it is noticed within the job description.

*How does your daily routine look like?*

I come here at 8 in the morning then I have a lot of meeting. I see the heads of the departments and we discuss how it is going. Then I have recruitment interviews. Then we are with our HR colleguas to make the health care and procedures better. How to make a procedure better? We have FIN (safety, incidence, reporting). When there are a lot of similar incidences, we can analyse where it goes wrong and what can we do to make it better. This is an online system? Yes when it is already in the intranet you can fil it out there. How do you figure it out? In the hospital all the employees can make an incidence and then we can turve from which area it comes from. For example the procedure in the COW is not good since a lot of mistakes occur regarding that procedure we can change the procedure.

*Are the description of jobs and tasks specialized on standardization and efficiency (efficiency approach) or rather on motivation and encouragement (motivational approach)?*

On the lower levels the front line employees are faced with more standardization and specification within their tasks.

### **Training**

*Are these trainings provide and improve skills which should improve the performance within your institution? Or are these trainings set in a broader environment where generic skills are provided? E.g. problem-solving skills*

Yes a lot we have an internal medical school. It is reanimation, fire-fighting but also put on infusions. Several general skills training but also specific skill training. There are a lot of trainings internal and otherwise we go train the trainer to the saxion or to Amsterdam.

*Why do offer firm-specific training/generic skill training?*

To give last instructions or to inform employees about the new techniques.

### **Compensation**

*How do employees within your institution get compensated?*

The salary they get is based on the salary schedule so that is predetermined by law. How do your employees get compensated for trainings? It depends on whether they do a training which is 100% for the job or whether is only 50% or 20% for the job. SO when it is 100% necessary they get the study and the time for study.(school days and also home study) When it's a study win win it's 50%. We

have there also a procedure for: The head of the department decide if the training is necessary for the department or in which percentage the training is necessary. We have also an appointment when someone quits a study within the hospital he/she has to pay the money back within 24 month. To make sure that employees stay in the hospital we offer the study. (Payback procedure)

Do you pay them on an individually or in groups for a particular project work? Always the whole team gets the salary. Sometimes when there is a specific project with specific employees there are exemptions where employees gets individually paid.

*Why do you pay them individually/ groups?*

The salary is very strictly organized. Everyone knows what he/she is earning. But when you are an extern project employee it is different job so there is another salary → If an employee have specific knowledge that will be compensated.

If a nurse performs really really good are there some bonuses?

Not really, that is also with the appointments they made with the head. Sometimes they get a gratification once or for several months when they do that job. But in general no bonuses that is not common in a hospital.

*What are your expectation regarding paying them on an individual base or group base?*

We pay on a team base to make sure that employees do not leave the organization if they are in a team they want to grow with the team. We do not pay on an individual base.

## **Interview 2**

*What is your name?*

*What is your function within this hospital?* HRM functionist

*How long have you been working in this function?* 1 year.

*Did your function changes in the last years?* Yes, I worked as a physical therapist for 15 years and 6 years as a service employee

*Why did your function change?* Because of my back I could not work anymore as a physical therapist

*How do you expect your front-line employees to behave in order to ensure that high-quality services are delivered and experienced?*

*Can you explain why you expect this behavior?*

That they do their work effectively and that their work is checked and re-checked. For me personally, I receive plans and I need to work that out, they control me and I control them of what they give to is that correct. For me it is a double check. For example today I had an agreement with an elderly colleague and because of the re-organization she is going to stop. The agreement was there and I need to work it out and create a layout and give it to her. But there were some issues incorrect (date) that was not correct. So I discussed that with the responsible HR advisor and changed it accordingly.

*Innovator role: Do you expect your front-line employees to engage in the development of new services, processes or ways of working to meet your customers' needs? Can you explain why?*

When the level in the organization is a little bit lower they have difficulties with changes. Because they have their routines and are unflexible in adopting a new technique only a few front-line employees can pick out some things and renew and think about the future.

*Were you often confronted with situation where you engage in the thinking about new way of working?*

Some big project was on the intensive care and the early mobilization of patients and now it is a normal process. And the ICO were I worked on was a "vorläufer" and a lot of hospitals adopt that. From my previous I know how important it is to engage in the development of new services and ways of working but I also see that there are a lot of people who do their work and stick to it and do not think outside the box. Change is difficult! Some experience their work already heavy enough and do not have the abilities to think further and engage in further developments.

*Enabler/instructor role: Do you expect your front-line employees to empower your customers to ensure they are able to partially manage their health-related problems themselves? Can you explain why?*

I think this question it is more related with the medical school. They practice all the nurses all changes in the hospital and also paramedics they know more about that kind of things. All the people that were given for your interviews are from HRM but maybe it would be good to interview people from the medical school also.

*Enabler/instructor role: Do you expect your front-line workers to ensure that your clients effectively contribute to the healthcare processes/treatment processes?*

/ no answer

*Do you expect your front-line workers to assist and support your clients to ensure that your clients take their responsibility in their treatment? Can you give example? Can you explain why you expect this behavior?*

I really do not know how they do it. The medical school teach all the nurses or it is more a department that develops a way and teach the patient.

*How do first line managers contribute to organizational success?*

We value if employees perform efficient therefore my work is to check and double the work. They have to send the work contracts, they need to send statements about behavior and it needs to be managed in two month. That kind of thing but than it is out of my task because then it goes one department further. If I recognize a mistake I correct it to make sure that I can go on and that it will be solved. One year ago the same problem was not managed like this. Last year in January I was looking for work and then I come here for just doing some work. But they just needed someone extra in the team. They ask me because of my qualities to come extra in the team so I took over some work and now my function is a little bit different because of the re-organization my function will also get another name.

*What are the strategic goals of this hospital?*

That is a difficult question because the work what I now do and what I did, I am still a physical therapist in my heart and in 2 years I am not registered anymore. Now I have to care about the people who work here but my heart still cares for the patient. We strive to deliver high quality and I think when you deliver high quality and you try to do that in a short amount of time you reduce the cost. And what I see now that they are busy with reducing costs on patient level. Because of reducing costs they waiting longer before any special treatment agreements are arranged. I think that is a bad consequence and that is not good for the patient. So it is reducing but I think it is not best for the patient. That does not match the vision.

*In what way are employees valued and why?*

We value the motivation of the people to work here. Are they just doing their job or do the applicants bring more? The “besinning” of the employees is valued. For me personally skills says far more than qualification. I am a beautiful example since I am a physical therapist with 0 qualifications for HR and still I get this position.

### **Performance appraisal**

*Why does your institution incorporate a performance appraisal system?*

Because it is needed to and to make sure that they do their work right. But there are also some exemptions. The front-line employees are expected to fill out documentations.

*What is the purpose of your performance appraisal system?*

To do their job right.

*What do you expect regarding the performance appraisal?*

I think it good that they do it accurate. And if employees do not feel good about themselves they ask for help.

*HRM policies are considered as goals, so which goals does your performance appraisal include?*

There are some practices and procedures that are obligatory. On every HRM level you have performance appraisal system but on the lower levels you have to stick to it very strictly. For the lower levels you have more procedures than for higher levels. For example for physical therapist you need to pass tests in order to be allowed to fulfill the task.

*How does HRM policy of performance appraisal incorporate the vision of the hospital?*

I know the vision a little bit but I do not think that I have much influence on that.

### **Recruitment and selection**

*Do you recruit and select new employees from internal/external?*

Within the re-organization almost every free job needs to be recruited internally but there are some jobs where no suitable employee can be find internally than we go external simultaneously. For example from my physical therapist function: I still had a holiday job in a hospital and I worked as a physical therapist in another hospital and then there was a free place. And I thought how is it possible that someone from the kitchen can go for that physical therapist place but it is possible.

*Why do you recruit and select new employees from internal/external?*

Because of the re-organization we have to recruit internally to cut costs. Because it can be that within half a year on department is reducing the number of employees.

*What goals are expected of recruiting internal/external?*

I think it is the re-organization. But it can also be that people who are coming from intern do not matching with the requirements and then it is not a match.

### **Job design**

*What is valued within job design?*

For me it is important that I can speak on various levels with different specialists. I need to think 3 steps further with what do I need. Flexibility is also valued within job design. Sometimes I am confronted with a little bit extra load and “interesting moments”.

*What does a job description incorporate?*

One way to describe the jobs and related activities. When I come last year they offered my job position on the intranet and described that they are looking for someone who is interesting in personally growing in the future and they could not match with other applicants and then they find me. The position I have right now is a little bit strange with regard to how I came in

*How does a job design look like for a job offer in a front-line worker position?*

No :/

*Are the description of jobs and tasks specialized on standardization and efficiency (efficiency approach) or rather on motivation and encouragement (motivational approach)?*

I think when you are positive in your work every day is a change. There may be some routine, the employees that do their jobs as a routine going to miss something. So I hope they do not see their job as a routine.

*And personally, how did you perceive the job as a physical therapist?*

For it was not a routine. Everyday the patients are changing and one patient needs more of this while the other needs more of that. The one patient was more practicing and the other patient was more walking so every day was different. But I make my days also different. I think you have a standard what you need to do with the patient but the way you do it depends on you.

### **Training**

*Are these trainings provide and improve skills which should improve the performance within your institution? Or are these trainings set in a broader environment where generic skills are provided? E.g. problem-solving skills*

Yes, they cover how to treat patients. It was more team-based training which covers what we could do for the patient and what nurses can do for patients in terms of mobilization for example.

There are firm specific and general trainings. E.g. BHW or reanimation

*Why do offer firm-specific training/generic skill training?*

To learn how to treat the patient and to see what the other functions are about e.g. nurse.

### **Compensation**

*How do employees within your institution get compensated?*

For example for now I have my work and need to do the hours I need to work. And when I work today a little bit more I need to work tomorrow or some day a little bit less. As a physical therapist we had shifts and the shifts in the weekend were compensated a little bit higher and then we also get two days during the week off if we worked during the weekends. The nurses work shift wise and they get a higher amount when they work at night. That applies also for doctors and assistants.

*Do you pay them on an individually or in groups for a particular project work?*

There are some compensation in teams normally but sometimes on some levels they get extra certificates or bonuses. I think in the hospital not everybody that on that level they get bonuses because they are doing an extra job.

*Why do you pay them individually/ groups?*

You have the CAO like the law book especially made for the hospital. There are some rules you have to follow.

*What are your expectation regarding paying them on an individual base or group base?*

You have to obey the law and stick to it towards your work and keep it in mind.

### **Interview 3**

*What is your function within this hospital?* HRM advisor

*How long have you been working in this function?* 2 years.

*Did your function changes in the last years?* Yes, I worked in HRM level but one level lower, it is a combination of HRM administration and the practice, you have to think about introducing new employees, hiring new employees.

*Why did your function change?* Because I like more the advisor part of the function and not the administration part.

*How do you expect your front-line employees to behave in order to ensure that high-quality services are delivered and experienced?*

*Can you explain why you expect this behavior?*

It is a big organization and our main goal is the patient. Since we are not medics we are sometimes losing that mindset. That goal is very important to remember for everyone in the hospital because in the end we are doing it to create better care for the patient. That is a mindset which exists, not only the for nurses but also for me and other employees (engineers, ICT, computer freaks). Everyone must have that mindset. That's I always tell to the employees: "in the end we are doing it for the patient, every process here in the building is to create better care."

*Can you give an example of how to improve care?*

It is also a lot of culture and behavior, so when we are hiring new employees for a specific kind of job, let's say: emergency station, there you have a different mindset because you have to act fast. In contrary a department where patients are examined for two weeks and you have to keep up scores and tracks. We are looking at personal types: who fits the best at which department. If you have a lot of energy, short lines than you fit best at the emergency station/ ambulant care. There are both nurses but totally different. How do you find that out? In the interview, everyone has their diplomas and qualification, everyone is a nurse but than you can tell examples such as a patient is coming in what is your reaction. But also involve people from the team for the discussion because I am not a nurse, I can see if someone fits in the profile or not but it is not my nearest colleague. So I always ask someone of the team: this is your new colleague; is this fitting or not?

*Innovator role: Do you expect your front-line employees to engage in the development of new services, processes or ways of working to meet your customers' needs? Can you explain why?*

Difficult, especially for the older patient. The older patient is used to see the doctor and not the nurse. The older patient wants to have a lot of personal contact by the doctor and you see the younger patient, also diabetics for example, they have an app on their phone and they can measure their blood sugars and the older patient want to see the doctor.

*How do you make sure that older people can treat themselves?*

That is difficult. The technology is going that fast, older people have to adopt it.

*Enabler/instructor role: Do you expect your front-line employees to empower your customers to ensure they are able to partially manage their health-related problems themselves? Can you explain why?*

That is a process that takes time. We are doing a lot with good instruction materials for the patients and also a lot digital instructions. We have special portals where the patient can look it up but also that is very difficult for the older patient because they are not used to work with online portals. The patients who are lying here in the bed have an Ipad, they can do everything with the Ipad. They must order food with the Ipad, they can see who is their doctor, they can see what their expected date of leaving is. They can read the newspaper on the Ipad. For the older patient it is a big step to work with the Ipad. Therefore, we take a lot of time to instruct older people on how to handle the ipad. Do you also instruct your nurses in how to treat the patient? Yes, we have a medical school because they are arranging the trainings and the skills for the employees here to make sure that the employees can instruct the patient well. In addition also the older employees and nurses have problems with adopting the technological changes because they have the feeling that they do not have the time anymore to make a little talk to the patient and they have the feeling that they have to administrate everything.

*Enabler/instructor role: Do you expect your front-line workers to ensure that your clients effectively contribute to the healthcare processes/treatment processes?*

The clients effectively contribute to the treatment process by getting instructions on how to work with the Ipad and finally use the Ipad by looking up things online to gain information.

*Do you expect your front-line workers to assist and support your clients to ensure that your clients take their responsibility in their treatment? Can you give example? Can you explain why you expect this behavior?*

The employees get instructed and then they give the instructions to the patient. But then it is not finished because you have to check and double check if the message is received by the patient because we have single rooms now so there is no social check anymore. That gives a lot of privacy for the patient but also it is easy to forget because the patient is quiet and one might assume that the patient might sleep. Why do you have these privacy rooms? It is the healing environment; more light, more privacy more rest, less disturbing actions from your neighbors.

*How do first line managers contribute to organizational success?*

It is a lot of culture, you have to have an hospital heart, the slogan that is used is: you work here together or you do not work here. You do it together with one goal and that is the patient.

*What are the strategic goals of this hospital?*

The healing environment, the high care and we have a certificate for having a "trauma" centre. There are only 11 "trauma" centers in the Netherlands. We have to handle difficult patients. We want to be the best hospital in the east side of the country. We are a top clinic and we want to keep. We invest in the healing environment e.g. the new building. Also we are doing every kind of care in-house, of course that is not effective in costs but that is something we are proud of. We do not have to say to patients: "oh sorry we do not have that kind of special treatment, you have to go to Amsterdam." We are a top clinic.

*In what way are employees valued and why?*

Employees are the most valuable asset and that is why the hospital heart is so important. They are also important because they can communicate emotions on an interpersonal area.

## **Performance appraisal**

*Why does your institution incorporate a performance appraisal system?*

We are working hard on it, we have a lot of systems which are focused on the medical processes but also we have a system that is focused on lean working. The lean philosophy we want to build in the whole organization so everyone should think: is that lean what I am doing? It takes years to implement that philosophy.

*Why do you want to implement that lean philosophy?*

Now we have one building, before we had 2 buildings with one bridge. That is not logic, and we were not efficient. That was very expensive so that forced us to think about, how can we create processes and logistics that are leaner and smarter and more effective. So we have courses and trainings to do it leaner and smarter. We have 3 employees who are fully trained, who are our lean instructors and if you have a problem on your department because something is not going smooth, you can ask them. The whole day they are working with you and then they can see on a paper that your process is not efficient and not lean.

*What is the purpose of your performance appraisal system?*

So we are trying to make our processes more lean and smart. Smart, lean more effective. For example: the transportation of patients from one hospital to the other: last year you have to cross the bridge with the patient with emergency.

What do you expect regarding the performance appraisal? The big processes will take years until it is fully implemented. But small things results of smarter working and more efficiency implies less employees and to cut costs. We are now in a big organization it brings a lot of trouble, it is not good for the motivation. Therefore, it is the job of HRM to keep up the spirit. Since we move from two buildings to one so I am convinced that we can do it with less employees. Do you think employees are afraid of losing their jobs? Yes some are, not the medical professionals and nurses but HRM, ICT and logistics all the facilitating surroundings are afraid.

*HRM policies are considered as goals, so which goals does your performance appraisal include?*

Work more efficient and keep up the spirit. Better care for the patient; on each level that is the main goal. That has to be “de rote draht”.

*How does HRM policy of performance appraisal incorporate the vision of the hospital?*

The vision is a big thing but we have a slogan. That are three words are important to incorporate the vision: passion, attention and power. There are the three words that characterize the hospital. Especially passion is very important and attention is meant as not only attention for the patients but also attention for each other. And power is meant like that you actually do it.

### **Recruitment and selection**

*Do you recruit and select new employees from internal/external?*

Both, but most internally because it has a relationship to do work more efficiently with less employees and in order to recruit externally it has to be a job/position that is difficult to fulfill. Or we need specialized knowledge of something. But externally is more fun because there you can really add something. If nobody is available for internal recruiting you have to ask permission and then you can go extern. Good nurses are hard to find.

*Why do you recruit and select new employees from internal/external?*

We also recruit internally to offer employees new opportunity or the opportunity to grow. I encourage my employees in my group to apply, when I see that they are sleeping in while performing their tasks. Then I encourage them to try a new department, a new specialism or maybe some education to keep the spirit up and to keep them motivated.

*What goals are expected of recruiting internal/external?*

To deliver more quality and different views. To gain new perspectives on a job tasks and to learn from each other. The benefit internal recruitment is that the employees already fit in the organizational culture since they know the organization, they know the culture and they know the systems and procedures. It takes a very long time to let someone fit in the organization, almost a year for a nurse to learn all the processes, systems and routines and procedures. There are more then 1000 procedures.

### **Job design**

*What is valued within job design?*

To deliver the new kind of care for the patients. We established a very different kind of working for nurses because we have privacy rooms and the Ipad introduction. The new treatment makes people curious from other hospitals. Also we are a big hospital so you have a lot of opportunities for education, different specialism and personal grows.

*What does a job description incorporate?*

For internal job descriptions there is not much information about the hospital while for external there much information and explanation given according to the hospital. (How many employees, how many beds...) In the internal descriptions you say something about the job itself, the department, the qualification and the amount of salary. For the external job descriptions we decided to make it a little bit shorter. The most information in external job descriptions is given about the hospital itself, the new building, the top reputation. Furthermore, it is explained what we can offer you as a big organization, information about career opportunities is offered and information regarding education and flexible schedule times is given. We have a flex pool of workers, who have a contract of 0 hours and if somebody cannot attend the work the flex we make use of the flexible pool of workers. Internal recruiting takes a 1 month in general.

*How does a job design look like for a job offer in a front-line worker position? Are the description of jobs and tasks specialized on standardization and efficiency (efficiency approach) or rather on motivation and encouragement (motivational approach)?*

The motivational approach because a nurse is a nurse and a nurse knows what she wants but we are looking for a special kind of type. That is someone with energy, someone with a good spirit. In the text I can sum up 30 things that she must do but a nurse knows it already so we are looking for the personal spirit in the text of the job description. I create the texts for the job descriptions in combination with the team leader.

### **Training**

*Are these trainings provide and improve skills which should improve the performance within your institution? Or are these trainings set in a broader environment where generic skills are provided? E.g. problem-solving skills*

Yes the medical school does. I personally have the conversation with the employee, what is your motivation, what do you want and how can I help you. I discuss with employees what they need from us in order to succeed in their job. Then we go to the medical school and see how we can help them.

*Why do offer firm-specific training/generic skill training?*



The medical school offers different kind of training both specific and general skill training. Nurses are expected to complete several trainings in order to hold up their skills e.g. give an infusion. Only if the nurse or employee completes the training he/she is certified to the training. For the nurses there are a lot of trainings which they have to fulfill. We have a lot of e-learnings and they build up a portfolio with what skill training the school offers. We have a skills lab so that the nurses can practice their skills.

*In what time frame do the nurses have to complete the training?*

They have a deadline to fulfill the training. Some training you must do in order to be allowed to continue in the job. If they do not do it we have to put them out of the job. That is their own responsibility. We can always see in a system whether the nurses fulfill the training. Example: very good nurse of last year who failed and re-failed the test. We provided her with extra training and facilitate the test and then she finally passed. For general trainings there are no regulations for HRM but when I absolutely want to complete a general training than I go to my manager and discuss it with her. "I would like to do some more training". But that is personal that is not in the procedure. There are some general trainings like fire practice but that is not frequently. I personally have trainings for the team and on a personal base. (Discovery training) The HRM advisors are spread all over the building and I see my nearest colleagues once or twice a week so this training is very useful for our manager to categorize the team members and keep it together.

## **Compensation**

*How do employees within your institution get compensated?*

With the CAO, a collective agreement for all the hospitals in Holland which includes everything about salary, hours, laws and do/don'ts. Each job in the hospital is valued and the salary is based on the categorization and experience in terms of years. Therefore, there is no room for discussion regarding the amount of compensation. Also there is not much room for bonuses which makes it very clear. A bonus is possible but it is not common. CAO is set by the government, the hospitals and cooperation. How do you know who is in which group? Currently we are busy with building a new "function house" which describes all the jobs here within the house. We have a commission which evaluates the jobs and how heavy the jobs are and what knowledge you need to have and what you have to do. And then they weight it and then you get a scale. Therefore, we are creating a new function house with right scales. How do you value if a job is heavy? Difficult, you have different types to weight such as: emotional pressure, physical pressure, education, is it complex to do, is it physical heavy or not. There is a calculator who weights it.

*Do you pay them on an individually or in groups for a particular project work?*

It is team or function-based from the CAO.

*Why do you pay them individually/ groups?*

It is restricted from the government and very strictly categorized according to the work experience. If you do a new specialization or a new department it is possible that the new function is higher and it belongs to a higher salary category. The CAO is very clear and clean and there is no room for discussion.

*What are your expectation regarding paying them on an individual base or group base?*

Since these clear categorizations there is no room for discussion and everyone knows what the other co-worker is earning. There is an exemption for bonuses if one employee overtakes the tasks of a co-worker who is ill next to his own tasks. Then there might be an option for a bonus.

## **Interview 4**

*What is your function within this hospital?* Policy advisor & project leader for 3 layers

*How long have you been working in this function?* 2 years, and 17 years for this hospital

*Did your function changes in the last years?* Due to my career

If yes, why?

1. Nurse, I studied nursing science
2. Quality and safety teams
3. Medical school to get education
4. Leadership program

## **Interview questions regarding the roles**

*How do you expect your front-line employees to behave in order to ensure that high-quality services are delivered and experienced?  
Can you explain why you expect this behavior?*

They need to have skills in hospitality but also in combination with their expertise of their jobs. So they need to educate themselves. They need a proper attitude but also know what they are talking about.

*How can they educate themselves?*

We have school programs in the hospital but also for example nurses and for doctors there is a quality registration so they need to have points. And points you get by education e.g. go to congress. A nurse needs to have 180 points in five years. So at medical we have medical programs where they can earn those points but they can also go outside the hospital and earn the points over there. So there is a whole system to check whether the program is confirming the standards of the job. I think it is learning on the job. You also need a

good introduction when you are working. There is an introduction program but also the first year you need to get to know the hospital and all its procedures. So it is not only by education but also by experience. They also need to be proactive. The time is over that the hospital takes care of everything for the professional. They also need to educate themselves by learning by reading the "fachplan". To know about the development in the area they are working. That is not something we can learn them, they need to do it by themselves.

*Innovator role: Do you expect your front-line employees to engage in the development of new services, processes or ways of working to meet your customers' needs? Can you explain why?*

I especially do it in my best practice work. What I ask them is to look at the ward and to see what can be changed. And there are real good ideas of things that can be changed but they do not know how to do it. So I ask them: what do you want to change? I want to change a clinical pathway. Then I ask: why do you want to change that? Then they say: I think we can let the patients stay shorter on the ward. How do you know that it can be different? Because I read about it. What do you read? All those questions regarding to what they see and feel and hear. Then we go on interviews with people of the ward, with the doctors, with the leaders, with the colleagues. They have to make a research question. So they can solve their own idea of what can be changed. So we educate them in evidence best practice: How do you start a research, how do you read in the literature. But we also want them to make the change and they have to make the network approach. So they have look beyond their ward in the organization: who can help me with my problem/idea. So we give them 8 month time to form the question and look for best practices in others wards or outside the hospital. Or we ask them to search for evidence and if they gathered all the information then they can implement the new work process for what they want but they have to sell it to their team. Then the nurse is responsible that it works out. When I tell it seems like easy. But nurses mean that a hospital is not easy to change because we have procedures, quality and safety departments.

*Enabler/instructor role: Do you expect your front-line employees to empower your customers to ensure they are able to partially manage their health-related problems themselves? Can you explain why?*

This is something I see more with nurse specialists than with nurses and that is because they can make more choices for their own and then do motivational interviewing with the patient. That is more at this stage in the field of the nurse specialists instead of the nurses. The nurse specialists work on a master level and the nurse on a bachelor level. It depends on what profession you are. The bachelor level nurses empower less than master level nurses. But I think it will change in the future. Of course nurses tell patients how they need to change their lives with diet and with mobility, with eating, with medication. Nurses always educate patients about how they get in the hospital and how they get out and how they can managed. But the follow-up will be by a nurse specialist.

*So do you think that the empowerment will become more in the future?*

The questions of nurses to get the scales of motivational interviewing is getting more at this stage. We like to improve we are not there yet.

*Do you expect your front-line workers to assist and support your clients to ensure that your clients take their responsibility in their treatment? Can you give example? Can you explain why you expect this behavior?*

Yes, that is not a question.

*Do the nurses also get education how to handle patient with regard to self-managed instructions?*

Yes that is also becoming in the "why becoming a nurse". That is more the work of medical school twente, they also take the nurse with them in learning new competencies. For example to conform the professional standards. They are on a high level of looking at the patient and understanding what the patient needs. Why can I be so sure of that? Between 2010 -2013 we went to Birmingham University to Coventry University hospital. That is one of the biggest hospitals of ENA in England and I took nurses from here to there. It is a universal hospital our nurses recognize and saw so many inefficient things in England and they told me: we are already doing that. That is why I can mirror it. They are getting proud of their own hospital and of their own jobs.

### **Interview questions for HRM philosophies + HRM policies: General Manager and Business Manager**

*How do first line managers contribute to organizational success?*

By knowing what the organization is about. We had all a big transition about changing from an old building to a new building. So the scope where are we working for and what is our ward and everything changed and they really know what the goals are of the organization. Because it was combined with a whole program of working and learning about the new situation. They put all kinds of change in the new building so it was not moving from place A to B but also learning new procedure and everything was new. This was a biggest change you can have in a hospital. Not only by moving but also by thinking differently about your work. As an example Ipad we did not have it in the old building. Now every patient comes in have an Ipad where the patient can see everything about the room service. Technology is topic for the hospital but you have to get to know how it works for the Ipad. But we found out that nurses are thinking about how to extend the function of the ipad. We can do more with the ipad then only food or the patient's measurements overview. Nurses found out that there is an App for people who have a CWR, (brain damage caused by blood). The nurse found out that different information was communicated towards the patient and the patient could not remember everything because he has problems with his brain. So the nurse found out about an app that specializes on these kind of patients. She asked: why can't we introduce that app for these kind of patients. It makes everyone's live easier. That is what I mean with that we want technology in our hospital and we want employees who do not accept the situation as it is but need to think about what needs the patient. And talk with the patient what do you need. So she starts interviewing the patient and now she is trying to get the App on the Ipad. That kind of example makes my life as a policy advisor more happy because I can only advise them and they need to do it themselves.

*What are the strategic goals of this hospital?*

Our ambition is to be the best changing hospital. We do it with passion, attention and power. But we also want an "electronic patient doucher". We want to get the quality system. But we also want a leadership program. We want to be a lean hospital as well. So there is a lot of change. We want less incidence and we want the patients to be healthy when they leave the hospital. Hospitality is still an organizational goal. Patient-centered care is also a goal. I think we have too many goals.

*In what way are employees valued and why?*

The patient is the center of our organization and not the employee. But maybe I share this view because I used to be a nurse and see it differently. But the patient would not get better if you do not have good employees. So it is connected. And I wish the employee was the center of the organization and not the patient. In this situation of financial troubles it always touches the employee.

### **Performance appraisal**

*Why does your institution incorporate a performance appraisal system?*

Because there are KPI for HRM and the indicator says something about the process behind it. So for example the illness of patients or the year evaluation you have as an employer with your manager.

*What is the purpose of your performance appraisal system?*

To find out how it works. It is an “stealing?” instrument so you can talk about it to get people in action to do better. To improve employees to get them also more efficient. But after three month you can say: “we need to do that work first”. So the “Plan Do Check Act” is combined with the KPIs.

*What do you expect regarding the performance appraisal?*

That the employees develop themselves. But also for your own good to new make new appointments about here you want to go next year. And also personal education and goals of the board, or HRM or hospital wide where do you need to work on.

*HRM policies are considered as goals, so which goals does your performance appraisal include?*

Financial goals, the employers, illness of people, entering / exiting of new people, job projects, level of education

*How does HRM policy of performance appraisal incorporate the vision of the hospital?*

The HRM policy is also starring information for other general managers. So every week they have a meeting and put everything together in a dashboard to have a corporate view how everything is going.

### **Recruitment and selection**

*Do you recruit and select new employees from internal/external?*

Both. *Do you recruit more internal or more external?* Depends on the profession

*Why do you recruit and select new employees from internal/external?*

Internal, to have a job rotation but also to have development of employees. External is most of the time when specific expertise is necessary or if there is a short of a certain profession like profession like AOK assistant on the operation ward. But it is a regional and country wide problem.

*What goals are expected of recruiting internal/external?*

For internal that employees get committed and personally developed. For external to add something new and get new perspectives. We have a shortage of nurses now like ENA, that is a specialized nursing job. You need to be nurse but also need a second education to be an ENA nurse. But that is also a regional problem. You also want internal that people get educated to get into the ENA. So it works both ways. So the internal is development for yourself and development for the hospital.

### **Job design**

*What is valued within job design?*

For a nurse we value the qualification, background and education and also if they are committed to the law. They need to have a “big Registration” so we also need to check on that. And the education and work experience but also as a person. E.g. Are you outgoing do you like to work in the team. Those qualification is one thing, everyone can get an education but your person need to match in the team is as well.

*What does a job description incorporate?*

Something about the organizations, about the department, about the job itself, about the ward. Something about the ambitions and expectations we have. But also criteria which needs to be fulfilled and something about the education as well.

*How does a job design look like for a job offer in a front-line worker position?*

*Are the description of jobs and tasks specialized on standardization and efficiency (efficiency approach) or rather on motivation and encouragement (motivational approach)?*

Both, I do not think that we can separate that.

### **Training**

*Are these trainings provide and improve skills which should improve the performance within your institution? Or are these trainings set in a broader environment where generic skills are provided? E.g. problem-solving skills*

*Why do offer firm-specific training/generic skill training?*

We have general training BHW-training and reanimation on all kinds of levels. You need to have that when you work in a hospital. You need to know if there is a fire, you need to know what to do. That is corporate so everyone needs to do that.

But also what people need is resistance and aggression training. What happens when some is very angry and what can you do as an employer to temper the situation to cool him down. But also coaching training for students. There you are like a working coach for new students. So you educate nurse to train or guide new nurses. But there is also a profession like training for wounds at legs for example, what kind of material to use, how to treat it. But also like an infusion; how do you stick a needle in someone. So in that range but also like development and training programs like we do or lean training such as green, yellow bells. Basically, every kind of training. These trainings are necessary because that is also ask by fellow hospitals. You need to continually establish a live long learning.

### **Compensation**

*How do employees within your institution get compensated?*

CAO. These are common rules for every hospital. We have rules if people make hours than they have normal service hours. They get paid for that. Or sometimes they get free time for those hours they work extra.

*How do employees get compensated regarding training?*

That was a big discussion because in 2007 medical school Twente started to exist and everything regarding education was centered there and they say that we take 1,5% of the budget to get medical school growing. And the people said: you take our money and our education. Image-problems exists. But now the situation is different because we got a national re-funding and support by 1.3 million to get professionals in the education mood. But now the situation is different. We have got money and the real problem is there is no time to get people of the ward because of all the financial troubles. So when there is one employee missing in the team because he/she attends training. The other team members need to work harder. So we have the money now but no time because the teams are so small. Now it is a planning problem because they want people to be educated but then they do 3 trainings in 2 days instead of 6 days. We have strategic education plan for whole hospital but because of the combination of working in the new hospital and working in new ward in smaller teams, the primary process and purpose of the strategic plan is not really touched. But you see that people are getting sick because there are too many changes so they cannot handle it. When the ward is getting busier and you do not know your way, your whole routine is out. So they have to first settle down, get more relaxed and then go on working. I like change but now I realize that sometimes I do not like change because it is too much

*Do you pay them on an individually or in groups for a particular project work?*

You have to pay them in groups, that is set by the government.

*Why do you pay them individually/ groups?*

That is country-based you have to stick to that.

*What are your expectation regarding paying them on an individual base or group base?*

### **Interview 5+6**

What is your function within this hospital? HR analyst & Controller

How long have you been working in this function? 5 years / 10 years within the hospital

6 month / 6 years within the hospital

Did your function changes in the last years? Due to my career

If yes, why?

New structure

Personal reasons (burn-out)

### **Interview questions regarding the roles**

*How do you expect your front-line employees to behave in order to ensure that high-quality services are delivered and experienced? Can you explain why you expect this behavior?*

Through education, we have our own education department with obligatory trainings but also voluntarily. In hospitals in this time a lot of processes are standardized based on best practices. Every year also the front line employees have a conversation with their personal team leader. They talk about competencies about what is realized and what do employees need to perform the function. And if the performance is too bad specific training programs are offered or other interventions. It is not a judgement on front line employees rather a conversation from both sides.

*Innovator role: Do you expect your front-line employees to engage in the development of new services, processes or ways of working to meet your customers' needs? Can you explain why?*

Especially throughout the last years it was valued if employees engage in the thinking of new processes to make something more efficient. We have lean program. Many employees have followed the courses and as part of the course they have to implement ideas within their department. Lots of training programs in the hospital which value the development of new services or processes. On floor there is also WMS to check the patients quality and in other departments there is a new registration program. So it is also new for people to work with it.

*Enabler/instructor role: Do you expect your front-line employees to empower your customers to ensure they are able to partially manage their health-related problems themselves? Can you explain why?*

Yes we expect that of our front-line employees but that is hard for us to say because we do not have the relationship with the lower levels and we do not have insights. We see that the hospital is stimulating the development that the patient is in control of managing himself also within the hospital.

*Do you know why the hospital is stimulating that development?*

An efficient strategy is all based on the patient. And I think the expectations of the patients have changed over years. It is going to develop to a more specialized care and the low level care and what patients can do for themselves.

*Do you expect your front-line workers to assist and support your clients to ensure that your clients take their responsibility in their treatment? Can you give example? Can you explain why you expect this behavior?*

Yes but we cannot say how they exactly assist.

### **Interview questions for HRM philosophies + HRM policies: General Manager and Business Manager**

*How do first line managers contribute to organizational success*

We have three main values: attention, passion for the job and for the patient and power and focus on results. These are mainly the values we look at when we hire new people.

*What are the strategic goals of this hospital?*

We have communicated a new vision. We want to be a hospital focused on improving. We do not say anymore we can do everything but we try to do better and better and more specialized care. That is more divided with the hospitals in the regions, we not do everything ourselves but more divided with Hengelo and Almelo.

The other main goals are very much focused on care products we will develop but I do not have much insights in that

*In what way are employees valued and why?*

**Performance appraisal** → that are the yearly conversations → our new manager is stimulating that the yearly conversations are more focused on performance in the future

*Why does your institution incorporate a performance appraisal system?*

We have strategic personell planning based on qualities and room of improvement. The is to support the team leader with the help of HR.

*What is the purpose of your performance appraisal system?*

The development of employees and their qualities. It is to check whether people work in the right place and what still can be improved. Example: Since last year we have a digital system to register and prepare for the conversation where different HR teams are incorporated. They ask regarding such as: How do you feel about your employability? The looking at the goals set last year and arrange goals which needs to be achieved next year. What have we discussed last year and where are we now?

*What happens if the performance is too bad?*

Training and sometimes nothing. We are not consistent in evaluating the consequences. But our new manager is more strict in implementing consistent consequences. And the consequences depend on the team leader. While some team leaders are relatively strict and regularly monitor the performance other see the yearly conversation see it as an obligatory conversation. We personally do the performance monitoring with our manager.

*What is included in an conversation?*

It is an open conversation and we make some agreements but not everything will happen because sometimes the goals are set too high or we have too much to do.

*What is discussed in such a meeting?*

Financials, operating issues, to improve the dashboard, about your personal health, how the manager sees our role and how we see the manager's role. Sometimes there are 360 feedback systems for specialists they have to follow it every 2 years. And also Co-workers can give input on how their function is. That is very much more strict and that is also regulated country-wide. But the 360 feedback is not a common system we had it one time where a manager arranged it for an employee.

*What do you expect regarding the performance appraisal?*

That the performance improves and put something in action and it is necessary in terms of control.

*HRM policies are considered as goals, so which goals does your performance appraisal include?*

The development and improvement of employees. Sometimes the salary or other rewards are included. Goals regarding the personal health, if you are physically and metally able to perform your job. Or do you need some help. There are always have discussions which our managers in which direction the performance monitoring should go. Than you already have a confirmation of the strategy. We have a digital system where all HR policies are placed and everybody has access to it. (Intranet)

*How does HRM policy of performance appraisal incorporate the vision of the hospital?*

The performance systems are designed according to the 3 words passion, attention and power.

### **Recruitment and selection**

*Do you recruit and select new employees from internal/external?*

Mostly from internal.

*Why do you recruit and select new employees from internal/external?*

Internal because we want to give our employees chances to develop and to promote Especially, also important when there are functions that do not other many career options. Also to make sure that employees are more committed and do not leave the organization in a few years. And also internal to reduce the costs of the hospital therefore, we first look inside if there are people who

can do the job. Maybe also because employees already worked for years for the hospital then they know the cultures and the procedures already.

*Do you think that is cost-efficient?*

It can be cost cost-efficient. But it is also difficult to change procedures when you are doing your job for such a long period. This is a really big organization so you have many options to change your position. And management is trying to stimulating that we can be more flexible also as an organization.

If nobody is available we go external.

*How long does it take to recruit internally?*

The job will be placed on the dash-board for 10 days and then people can react. After that it varies from 2-3 weeks. Internal recruitment can be managed relatively shortly. External depends whether it is specialized since some applicant for particular jobs are hard to get. In general 2 month for external. Most of the time there is a specific order that job offerings will be offered to people who do not have a function anymore and then they are re-integrated. If nobody is available the job offer will be offered to other employees and after that it will be placed on the website. Only when we know for sure that nobody is inside the organization we go external.

*Is internal recruitment common?*

Mhhh yes. We do not have a high turnover because people do their job or a really long time. We had 150 job offerings last year of 3800 employees.

What goals are expected of recruiting internal/external?

For internal development

### **Job design**

*What is valued within job design?*

/

*What does a job description incorporate?*

Mainly the job and related tasks you have to do. In which areas the job is focused and information regarding your competencies.

*Do internal and external job descriptions look the same?*

Yes but the text for external recruitment includes a little bit more information on the organization itself and about the department. Internal is focused on the job itself and try to keep it as relevant as possible. One of the projects that is running is that we have a lot of different functions and we want to make it a little bit more generally. With more general jobs it is more easy to switch the position.

*How does a job design look like for a job offer in a front-line worker position?*

No we do not know how it looks like for a nurse. Mine is very old it needs to be updated. All the job designs and descriptions follow the same pattern. So it starts with the goal of the function, where you perform in the organization and if you give direction to other employees or who is your direct manager and then there follows a list of tasks in different areas. One of the areas for team leaders is for example personal management. So they also have their responsibilities. We have a small department of three people who are mainly focused on job descriptions and try to keep it consistent. Sometimes we personally are confronted with a lot of stress situations. Most stress come from deadlines and short time tables and difficult analyses.

*Are the description of jobs and tasks specialized on standardization and efficiency (efficiency approach) or rather on motivation and encouragement (motivational approach)?*

Depends on the job. For front line basic nurses the tasks are rather standardized and for higher levels such as HR employees the descriptions are based on encouragement and team working.

### **Training**

*Are these trainings provide and improve skills which should improve the performance within your institution? Or are these trainings set in a broader environment where generic skills are provided? E.g. problem-solving skills*

*Why do offer firm-specific training/generic skill training?*

For nurses it is very specific for certain actions to perform on the patient or mathematics. But there are also general trainings.

*Do you also have trainings? Are they general or specific?*

Both, sometimes it is because there are new problems and we need to learn how to work with it. And general trainings include fire training. Some trainings are for almost every employee or groups of employees. Those trainings dealing with hot to cope aggression or patient service. Specific training is mainly about what you discuss in the yearly conversations. Specific training is based on knowledge improvement. Sometimes you also have internal studies, so we go with the whole group of controllers and discuss with each other with people who train us from extern. That is also one of the goals of training that you learn from each other and see how it works in other organizations to make it more efficient.

*When was your last training?*

2 years ago, I followed lean training from the green bell program on how to improve processes

*What were the outcomes?*

I personally think that it adds value and bring positive consequences.

## Compensation

How do employees within your institution get compensated?

That is very standardized. We have a system based on your function where your amount of compensation is placed in a table. (CAO is for everybody) In practices there are differences. Sometimes people get a bonus but that is not common. 80% is based on your function. And every year to jump upwards in the table until you reached the final stage. (12 stages) When you not get promoted and stay in the same function you are the maximum of what you can learn within 10 years. So we try to offer job rotation and other opportunities so that the employees staying motivated. When people gets promoted they jump two tables further. There is a little bit room but in general we stay in the boundaries. Sometimes there is discussion between nurses who had HBO degree or lower degree and at this time they are paid the same based on the function.

*Do you pay them on an individually or in groups for a particular project work?*

If you perform the same function you are paid the same. Only if employees have another job they can jump to the next group. Purely based on the function or it can be that they get extra tasks like coordination or another level. Sometimes they get an individual bonus if they perform a special job additionally. Some people ask whether they get a bonus. In the re-organization the is a procedure it is sometimes the case even though you get another job you still get your old salary. So if you get placed in a group that is less rewarded your old amount of compensation stays the same. You can make an estimation of what other people are earning. For example: there are a lot of older employees who have those rights from former functions and get higher compensated than what is possible in the group. HR is busy with re-structuring that so that the division becomes more consistent regarding the compensation.

*Why do you pay them individually/ groups?*

It is given.

*What are your expectation regarding paying them on an individual base or group base?*

## Interview 7

*What is your function within this hospital?* Manager from a customer care service

*How long have you been working in this function?* 1 Year, 6 years managers of “policlinique” → hospital there are people admitted, but also people for just in and out, just people who have an appointment with the doctor and then they go home

*Did your function changes in the last years?*

*If yes, why?* Because there was a new vision around the new building and the vision was to try to connect the various policlinics. That challenged me with the knowledge that I have. We extracting the telephone from the policlinic to a “little call center world” with a vision: customer care, customer journey it is all around customer. I am hoping that our vision, what we communicate towards our patients, what we stand for is like a little oil spot going into the organization and that it is in our genes. And that in a few years we think like that.

## Interview questions regarding the roles

*How do you expect your front-line employees to behave in order to ensure that high-quality services are delivered and experienced?*

*Can you explain why you expect this behavior?*

*I think a have the easiest department for that because I registered every customer contact.*

So from every call, I registered in the computer: who was the caller, what did I say, how did I handle it, was the patient satisfied. So I can see in my data results and our goal is to deal with the questions to get a satisfied customer so just in one call. But we cannot answer all the calls because there medical oriented questions. Then we have to transfer the call to the policlinic but we did not handle it. So that is a part of quality. We coach people on the job. It is a new department so I am in development and we trained three of the employees to be a coach, for coaching on the job. We are trying to get a cyclus for 8 weeks. Every 8 weeks you as employee get coaching. Somebody listens to your telephone calls, how did you handle it, do you still deal with it the same way as it is taught.

*Can you give an example of what the telephone calls are about?*

It is all the issues that come in to the policlinic. So a patient can call for: I do not know how late my appointment is , can you check for me. I do not know if I have a blood test. Can you check for me. I want to cancel my appointment; I want to make an appointment. So very broad and we put that all in one system. So it is clear for the employee what they can arrange and what they cannot arrange.

*How many employees work in your department?*

At the moment 25 and we are growing until 35. It is a new department within the hospitals in the Netherland which is that big.

*Innovator role: Do you expect your front-line employees to engage in the development of new services, processes or ways of working to meet your customers' needs? Can you explain why?*

Yes there is room, more than enough room to give me and my colleagues input and within a team meeting we try to put it on the agenda. How is it working, are there any ideas. I am happy to say that people who are working there are old people who know that it is a new department and that we are inventing things. We are trying to be innovative so if you have a new idea, I listen and let's see what we can do with it. Let's try it and let's talk with other policlinics.

*Enabler/instructor role: Do you expect your front-line employees to empower your customers to ensure they are able to partially manage their health-related problems themselves? Can you explain why?*

At my department it is not the medical information but the on-line information. Depend on how old the patient is because the elderly patient needs help and you have to send information and instructions via mail. But on the website you can find a lot of information what the patient can discover for him/herself. Not the medical piece. The medical piece is with the policlinic then we connect through. *Do you see a trend that it is getting more that the patient can help himself?*

I see it around me but not fast enough here. I would love to have a patient portal online where the care taker can put on information for the patient and the patient can enter it.

We are talking about it for 2/3 years. Other big hospitals in the Netherland even have apps where you can see when your appointment is our what bus lines you can take to get to the hospital if there is a delay in the city. Everything is connected and that is the future I think. We strive to improve the efficiency within the telephone calls. Not only in the telephone calls but also the efficiency in the way work together with other departments. Because in the last few years you see that employees had to invent their own ways to work together because digitalization is getting stronger and stronger but not everybody understands how to deal and work with it and the importance of digitalization. Partly they keep working with the paper and partly they use the system where it is meant for but they work with both. When you see it from a distance and you ask questions: why do you it like this? Employees never can explain why because somebody invented it in the past and we still do it like this after 10 years. That is very interesting to get the picture why things happened and how we can make it more efficient and use the programs where they are meant for .

*Are there a lot of procedures?*

Yes there are a lot of procedures. For example on privacy, if you work safe there are no risks for the patient. There are a lot of rules and I make more because my employees have to confirm the instructions I give and that is also an app a “knowledge-bank” If they have questions they can look in that bank. If they make mistakes it is because they did not look in the system.

*Can you give an example of a rule you introduced?*

Working together with the policlinic department implies that I have to get insights about what is in the heads of people who are working there. So the trick is to get the information out of their heads into a computer system. And my people can use the information to look up what can I say to the patient and how to deal with it. So everything I put in the system are rules because that is the way they should work and then we know we are safe and do not do anything stupid. Because the people who work within my department are not all medical trained so they have to be safe in their position. You cannot take the risk to take them in a position that they can hurt themselves, not just the patient but also themselves. If you make a mistake you get damaged.

*What kind of employees do you have?*

They all worked in the past in the hospital. Some at policlinic some at the departure in the real hospital, some extern. They all have something to do with reception or “telephonie” and have a certain profile.

Our department exists since 1 year and we enclosed 10 policlinics and still have to do 15 so it is a real change management process. That is connected with the re-organization. There is a vision on the top to get somewhere. That is why this department is necessary to get some change within the organization.

*Your employees are “open” towards change?*

Yes I think they are. I think it is a career move. They are about 50 years and it was the time to do a study to get qualifications or work at my department. And some said I do not want to study anymore I am going to work at the department customer care service.

*Enabler/instructor role: Do you expect your front-line workers to ensure that your clients effectively contribute to the healthcare processes/treatment processes? Do you expect your front-line workers to assist and support your clients to ensure that your clients take their responsibility in their treatment? Can you give example? Can you explain why you expect this behavior?*

## **Interview questions for HRM practices + HRM processes**

### **Performance appraisal**

*Which techniques and tools exist to monitor the performance?*

Performance for a customer care agent includes: what is the duration of the call, how fast do I answer the telephone, I many breaks did I take, how many times did I log off to do other things. That is really performance it says about quality it is pure oerformance. And that data I can get piecely because that is telephone related because move they make in the telephone I can see and get data from.

*How do you evaluate the quality?*

The quality is the training they had. They had a special training for customer care. There they trained which structure to use in the conversation with the patient. How do you get in control of the conversation and how do you solve it. The trainer used a technique called the 5As. (attention, analyze...) That is the quality we monitor. At the moment we have a coach trainer, who is sitting next to the agent and is listening towards the conversation and confirm the 5As. That is the quality service we stand for. And that is achieved when the conversation is of high quality but still it says nothing about the answers we give. It is pure technique. So we also check the content of what agents are saying and if that is in the knowledge bank. In the near future I want to select 10 telephone numbers from people who talked in the morning and then let one the employees in the afternoon with a certain question list call the patients back and ask for assessment.

*Are these techniques incorporate results on the minimum achievement level with regard to how many patients needs to be provided within one hour or other result-based outcomes?*



There is a service level, we call it KPI. When we started with the department our goal was for example that 80% of the questions are answered within 20 seconds. Not more than 4% of calls are going to hang up. We try to answer 70% of the calls within one call so no transferring. Regard the promise of the department of policlinic that we call patients back. That is why I say that I am the only department in the organization who is able to control all the results. So the techniques are really output based.

*What happens if you get complains?*

I get complains from the department we work for. I get complains from patients and it is not always a complaint about the service our departments offers but it is a complaint about the hospital. So it is a challenge to get the right person on the right department and do some research of what happened in the past to find out why the patient might have that feeling. But my vision is also: when we find out that someone is not satisfied because of a stupid mistake we made, it is easier to apologize or send him some flowers then to let it get to a complaint.

*Or are these techniques less output oriented and feedback is provided in order to monitor and improve the performance?*

The techniques we implemented are oriented towards the output and the results.

*Do you incorporate Key performance indicators within your performance appraisals?*

KPIs are rather result-oriented

*Do you use protocols in order to monitor performance?*

The knowledge bank we use is a protocol.

*What do you have to fill in their? Does your performance appraisal include information about results on what needs to be achieved or traits and behaviors which needs to be assessed by employees?*

The knowledge bank is built in a uniform way with all the policlinics. So when we start the conversation we click: who is the caller and what is the call about. So it is standardized. The process of a policlinic is very specific so you can analyze quiet easily what callers are there e.g. doctor, family relative. Every department is the same but they all ask the same questions. But the specific answers the departments give is different. So that is how the knowledge bank is built up so the protocol is used as a standard and as a useful direction to get the right answers to the question. An example: I have an appointment in a hospital, where can I park? But also: I want to change my appointment with the heard doctor and I have a bicycle and blood test. It can also be very complex but all the questions have to answered in the knowledge bank for the agent to give the right information.

## **Recruitment and selection**

*Which techniques are used to recruit from internal/external?*

Internal, mostly because it is not allowed to get them outside because we are in a re-organization. I put an extern advertisement a few month ago and we had 800 reactions. But I got the instruction from HRM: You cannot go extern and do interviews because we are starting a re-organization and we first want to see which candidates are intern.

*Do you make use of an intranet (a on online platform where information for employees is published regarding new job offers)?*

We put it on the intranet and talk about it. I send emails to the managers of the departments I work with or I am going to work with in the future. I try to encourage employees from other departments to come to my department and work there. I do that because the competition in hospitals within the east of Netherlands is not that competitive so employees work here 20/25 years. Which not always means that they are “functioning” on the level what you want because they work around change but they do not change. So a lot of department includes people that needs to be challenged again and maybe it is time to move on to get a fresh moment into the department. So when I talk to my colleagues managers about it and say maybe there are people who are stuck now because they have their routines because they have done it 20 years. It might be in their strength when they change a job and do not perceive it as pressure as they perceive it right now. Somebody of 50 who did not grow with that technique feel threated and they get afraid and say I do not want to change. So employing them in my department is “healthy”.

*How does the specific technique (e.g. intranet or advertisement) make sure that internal/external recruitment is enabled?*

One department is responsible for the recruitment and selection because they make the texts for the job offers. They implemented a digital system where applicant can upload their CV and the application. Within the system 3 questions are installed to ensure that external applicants are qualified. Do you have diploma MBO4? Do you have experience in the policlinic? Do you have experience working in the hospital with planning issues because that is the criteria they have to fulfil.

## **Job design**

*Which techniques do you internalize within job design?*

I give insights on what profile is required. Because the way you talk to patients and handle conversations is learnable but it takes a special kind of person to understand what customer care is, it has to be from insights. So I am trying to find the right persons for that. I also value a little bit the voice of someone. I am not doing the interview via telephone because the person is important and needs to fit. The person has to match the job and matches the team.

*In order to guarantee efficiency approach which techniques do you use e.g. standardization of tasks, task simplification*

Standardization and task simplification basically everything what is possible to make it easier and make it more efficient. But also to challenge the agents to think out of the box because I think that is the best customer care if you can surprise the customer or leave them with the feeling: wow that was a caring agent or that is a friendly person. I try to challenge the team to think out of the box. That is

also how I keep the employees motivated also to give them room in their head because there are so many rules. That is not the reason why they work there or why they work in the hospital. They are really connected to people and love to help people and make a change  
*Do you use motivation approach e.g. or job enlargement, job enrichment?*

I hope when I challenge them to think out of the box and be creative that. And we also have job rotation. We have a de-coordinator who is fulfilling some extra tasks and the person who fulfills the part of the de-coordinator changes every day in the schedule. We have some agent who are specialized because they worked in their past in some system so we ask them train the rest of the team. We try the people special.

*Do your techniques implement a narrow focus within the tasks?*

The system tries to narrow down the focus on what is important and to make the processes more efficient.

*Do your techniques require specific qualification in order to accomplish them?*

*What kind of qualifications?* A diploma, MBO4.

## **Training**

*In order to improve firm-specific / generic skills of your employees which techniques do you implement?*

It is customer care communication training. It is an external training office that comes for two days and our employees are for 2 days in a class and getting trained. The reward is a certificate and a "festive moment with cake and flowers" to make them feel important. We train inside the organization with the knowledge we have so we try to arrange the schedule that we have blocks of agents together who learn a new application or learn a new way.

## **Compensation**

*Do your employees receive a reward or a bonus for an excellent performance in a team or as an individual? Which rewards do your employees receive and why?*

We use CAO for the working circumstances that is very important for our department. There is no opportunity for a bonus.

*Can an employee overtake the work of an employee who is sick?*

Yes simultaneously. But he does not get compensated for that.

*How many calls are there per day?*

80-90 per day.

*If they are not telephoning what are they working on?*

We have administrative jobs that they can do or you can go online and read a magazine whatever enjoys you. In the schedule I have certain agents for certain jobs but when it is a really slow day you will not hear me if you enjoying yourself during the course because that makes you a happy employee. I can put the pressure really high and within a year everybody works out. So we value good atmosphere combined with a great performance. I do not have to mix into the department if the work is getting done. I really really value that the employees are committed towards the organization because I know the job is not a challenge. It is for me a challenge to keep them happy.

## **Interview 8**

*What is your function within this hospital?* Head of Emergency department

*How long have you been working in this function?* 6 years, was also head of ICO, 16 years worked as a nurse on an ICO

*Did your function changes in the last years?*

*If yes, why?* Career options, education and other possibilities

## **Interview questions regarding the roles**

*How do you expect your front-line employees to behave in order to ensure that high-quality services are delivered and experienced?*

*Can you explain why you expect this behavior?*

They have to be educated. Educated as its norm. There are special rules regarding education and you have to follow them as a nurse or doctor in Holland. So we are very short of the education in Holland. And it is not only the education itself but I have to frequently follow some sort of education until I retire. We value training and education that is a very high standard. Nurses have to perform efficient but that is difficult because we have a high level ENA. We are trauma center for Holland but also for Germany. It is difficult to work efficient because you always need a certain team that can work here. You cannot say we cut one team of because we have a big trouble when all the patients are coming. We never close, we work 24/7. In the morning it is relatively quiet but later it begins to flow because the patient comes and goes. But when you do not have enough doctors the patients safety is a big problem. I think we have a relatively reasonable amount of nurses and doctors but at occasions we have to call in more nurses and doctors to help. That happens more often throughout the last years. That happens because of the politics in Holland so there are less hospitals. For Holland that is very special. There are less ENAs and they cut expenses on retire homes and nursing homes. So all the elderly who are living at home are the problems. When the family doctor sees a lot of problems; very sick people and more diseases at the same time. The family doctor sends all the patients to the hospitals so the hospitals have an increase of the elderly patients. Every patient we see here is very ill.

*Innovator role: Do you expect your front-line employees to engage in the development of new services, processes or ways of working to meet your customers' needs? Can you explain why?*

Yes we engage them in thinking further. We started with 3S. I did 3S together with one of our doctors and then we tried to integrate all the employees in the participation of 3S. We said: This is the problem, solve it! How? That is a big step for most employees because they solve problems but not in a lean way. They solve a lot of problems but you have to learn other ways to solve other problems in a lean way. In order to engage them in the 3S thinking we ask: why, what and how and it has to be permanently a solution. So not a sort of window dressing. We need permanent solutions. What you can see at the behaviors of professionals: One professional is greatly in thinking and has also the possibilities to do so but there are also professionals who are not that lean thinking talented and they want to stick to the old ways. The main thoughts of lean is that all the employees engage in the 3S thinking because they work with the patient and they know what a possible solution may be or can be. That is the greatest change in thinking. 3S must not go top-down but bottom-up; the thoughts of work, the way of work problem solving. But there major problems and we see that it is all in the chain of support and support of ambulance and the chain with ICU. We have so many partners so the problems are big. The engagement of thinking further in the development of new services becomes more because the pressure becomes higher. The pressure is so high that employees start thinking: do I want to work in such a hospital or what can we do about it?. Sometimes emotions play big role. Emotions become more and more important you see that emotions become more involved and we should do something about it and regulate it somehow. It is more difficult to work in a hospital because politics have more rules and regulations and laws. In order to work with these laws, which is sometimes very difficult for a particular situation, the employee receives and feels frustration.

*Enabler/instructor role: Do you expect your front-line employees to empower your customers to ensure they are able to partially manage their health-related problems themselves? Can you explain why?*

No we not empower the patients. For the emergency department it is a bit difficult. What we see is a lot of emotion for the patients and their family. They do not have the ability to think: I can do it myself or I take the aspirin at home and wait a few days. So there is always a sort of panic. So it is very difficult here. The only thing what we can say about is: when patients have their treatment here we can say: ok when you are at home, do this, do that, do not take shower for your wound. So we advise them on how they should act and when they have to call the doctor if a problem occurs. That is the only advice we give to the patient.

*Enabler/instructor role: Do you expect your front-line workers to ensure that your clients effectively contribute to the healthcare processes/treatment processes? Do you expect your front-line workers to assist and support your clients to ensure that your clients take their responsibility in their treatment? Can you give example? Can you explain why you expect this behavior?*

It must be more and more because patients go with several devices to their home and apply their devices at home. The devices can be insulin pump or "pain morphin" or several oxygen devices. I know there are colleagues in the hospital who have patients who go with several devices home. We see that a lot. That has also something to do with: it is possible to stay at home but we have to take care that it is all arranged in a proper way. And then you have your advisor in the hospital and that is also good for the hospital because then there can come other sick patients that is more efficient in costs. And the patients are not so long in the hospital anymore like they used to. Patients get well instructed on how to use these devices in the hospital. And also the technicians have to be informed that the patient is at home and have to monitor the use of the device in the hospital. I think it is better for the recovery of the patient if they are at home. We have a new hospital now we have a good basis like hospitality, light, rest etc. So you can improve your health but we think, that is also what we experienced, it is better to send the patient home for recovery, if it is possible. So the patient will recover better at home.

## **Interview questions for HRM practices + HRM processes**

### **Performance appraisal**

*Which techniques and tools exist to monitor the performance?*

We have a yearly conversation about the function and competencies and what you have to do. We discuss: do you your work, like you should do, you do not perform and act on certain levels why is that? We have this conversation once a year but of course every day I am here and check everybody's performance every day or they come to me. I talk to employees and I also control several protocols.

*Are these techniques incorporate results on the minimum achievement level with regard to how many patients needs to be provided within one hour or other result-based outcomes?*

The techniques are patient related. And if somebody makes a mistake in fulfilling the protocols two employees talk to the employee and show the employee where the mistake was. Eventually, every employee must complete it completely and the double check is necessary. And if something is wrong you will hear it from the employee who checks the protocols and they will help you to find a way to deal with it. But for the next time it is expected that you do it correctly.

*Or are these techniques less output oriented and feedback is provided in order to monitor and improve the performance?*

Protocols = patient and result oriented

*Do you incorporate Key performance indicators within your performance appraisals?*

Yes one of the KPIs is for example has to fill in the registration and "triage" of the patient within 10 minutes. When it is 20 minutes it is too late. SO the registration and identification must be completed in 10 minutes because when there is a group of patients we never know: how sick are they? We have special ENA nurse who does the triage here. There are other KPI such as: How long does it takes

until the treatment. When the patient needs to see the doctor within 10 minutes we have to make sure that the treatment starts within 10 minutes. When they have not seen the patient in time there is a doctor's escape but that does not happen often.

*Are the KPIs rather result-oriented or rather motivation-oriented?*

Result-oriented for the safety of the patient.

*Do you use protocols in order to monitor performance?*

Yes there are a variety of online protocols. Everything is online. Last year there was an employee who did not work appropriately. Although co-workers gave her feedback she did not improve. Eventually we have placed her out of the department to another good working environment. We needed to do so because it became worse and worse and she did not recognize it. Eventually with the help of HRM we have succeeded to give her another place in the hospital. Yes management protocols, procedure protocols, medical protocols for the staff. The employees have to know every protocol and what is in it. It is very difficult to remember all the protocols by heart, they can look it up on the intranet. Everything you need you can find in the intranet. When there are disasters (fireworks, monstertrucks) also outside the hospitals we have a protocol on how to act and what to do.

*What do you have to fill in their?*

There is a procedure to specify how ill is the patient so to decide how ill the patient is and how far the doctor needs to see you. (colour-based) It is included what happened to the patient. There are many tabs on what they have to fill in. The protocol is really patient-related. Everybody needs to fill out this protocol because we have to do it for the safety of the patient. We must now: who is it, medication, treatment but also financial aspects. The money for the hospitals comes because there is a registration. We need to fill in what happened to the patient within the hospital e.g. what treatment?

*Does your performance appraisal include information about results on what needs to be achieved or traits and behaviors which needs to be assessed by employees?*

*Are there situations when too many patients are coming in and you cannot handle it?*

It is very difficult, we communicate with various and technical management and doctors. We have a special system to call people from home. There are coming extra nurses but it still remains a challenge to handle so many patients.

### **Recruitment and selection**

*Which techniques are used to recruit from internal/external?*

We have to recruit first internal and we never recruit external because we have enough from internal. It is a very nice place to work but very stressful. But people want to work here. We also value that the atmosphere in the department is good. But I don't think that all the young people realize what the stress can be. It is different when you are in it or when you can feel it. We are very strict on select procedures. You have various characters of people and what we do is that we take a relative large group of applicants to select the new group of students. So when you apply for the job you have 2 interviews but there are 4-5 people within each interview. That is more than usual. But it helps us to understand the characters and to select the right one. Last 10 students are very very good students who are good colleagues for everyone. They blend in very easy and I think that is a success. When we would do it in another way it won't be a success. We also collaborate with doctors who rate and select the applicants.

*Do you make use of an intranet (a online platform where information for employees is published regarding new job offers)?*

We make use of the intranet. First applicants have to apply with the letter and the CV and HRM collect the letters. Then we go with HRM and a few of my team and select applicants who can come for an interview and then we plan the interview.

*How does the specific technique (e.g. intranet or advertisement) make sure that internal/external recruitment is enabled?*

A lot of applicants internally.

### **Job design**

*Which techniques do you internalize within job design?*

The nurses have a sort of routine regarding how the work needs to be done. There is a profile (holland-wide) for special educated nurses. So it is very clear for them what they have to do. All of them have special tasks. A few of them have for example the trauma issues or safety management or protocols.

*In order to guarantee efficiency approach which techniques do you use e.g. standardization of tasks, task simplification*

Most treatments are standardized because there are laws and we have to stick to the laws. For example when there is a trauma patient, there is the trauma team and a standardized procedure (A,B,C,D,E check). Another standardized example is: how to give medication, how to prepare medication and may I give the medication in an emergency situation (close look) or normal situation (normal check like in the rest of the hospital). There are varieties in the special department. We have numerous standardized protocols and tasks. What patients would be on the monitor so also the work with equipment is very important. There must all be tested: do you understand the equipment, what are you doing with the equipment everything.

*Do you think employees are committed towards your department?*

Yes because it is here a never dull moment and when there is a dull moment they have to do checks of equipment and rooms. But the danger is when there too many protocols that employees cannot think for themselves. And we have a concern: If more and more laws and protocols are coming employees cannot think creatively anymore. We think that this is a problem.

*Why do you think that that is such a big problem?*

Because we work in an environment where creativity and self-conducting and initiation is very important. So you have many sources to think about before handle. When you have learned to only work with protocols you miss the competency and the ability to think creatively. So we have to learn that to the young nurses and that is very difficult.

*Do you use motivation approach e.g. or job enlargement, job enrichment?*

Not yet at the moment because we not have the possibility. But what we like to do in the future is to do a job rotation with other hospitals in the ENA. Because there are people they work too long in one place. Therefore, it is very good to go to another hospital and see what is happening there to refresh employee's minds.

*Do your techniques implement a narrow focus within the tasks?*

*Do your techniques require specific qualification in order to accomplish them?*

*What kind of qualifications?*

Spoeppost help diploma, an official diploma (EU wide)

## **Training**

*In order to improve firm-specific / generic skills of your employees which techniques do you implement?*

Yes for example TNCC. We have several trainings. When you work as an ENA nurse you have to do every year or every 2 years some education and trainings over and over again. TNCC is trauma for the adult. Or education for a sick child, "triage". You have to do this education and trainings until you retire. TNCC is special only for this nurses who work in the ENA. You can see that the nurses who work here a little longer did the TNCC training several times and there is a pattern. There are also specific trainings for the work with the equipment. Each equipment has to be tested in theory and practice. For TNCC training we mostly send the nurses to an institution but some of them are also instructor in such an institution. For resisitation is trained within the medical school of the hospital. The medical school has also their own homepage where each employee can see when he/she has to complete training session or e-learning. There are a lot of trainings, everything is for the ENA. I personally have also trainings but not as much as the nurses. My trainings are regarding management with all the other managers of the hospital. I create a profile to see which employee has to complete which training and when he/she will do it and whether they actually complete the training. You have a separate training for riskful job tasks. We also have general trainings there are special trainings for nurses and special trainings for ENA.

*What happens if somebody have a lack of training?*

I talk to the employee and tell him/her that we registrate him/her for the training. There is a check. Every manager of the department has such an overview to see who needs to complete what kind of training.

## **Compensation**

*Do your employees receive a reward or a bonus for an excellent performance in a team or as an individual? Which rewards do your employees receive and why?*

There is no chance of bonuses and we strictly stick to the CAO. ENA nurses have a better salary than nurses in another department because they are special nurses.

*Employees are the most valuable asset in an organization. Do you share that view?*

I think both. The patient is the most important but we have to do everything to support the professional in their work and that directly linked to the patient. But the patient is the most important. Employees are of high value for the organization because without an employee you cannot help a patient. The hospital values if you are a highly motivated employee who performs accurately and efficient. We have to stick to laws and protocols but also your personality is very important and you have to have a certain standard in order to improve the recovery and relation of the patient and the relation of all the future patients. We can never say: I do not stick to that law, I do it my way.